

From: VTA Board Secretary
Sent: Tuesday, April 9, 2024 5:04 PM
To: VTA Board of Directors; VTA Advisory Committee Members
Subject: VTA Information: VTA ranks 5th in ridership growth

VTA Board of Directors and Advisory Committee Members:

Contact: Media.Relations@VTA.org
408-464-7810 (no texts)

April 9, 2024

VTA Ranked in Top Five of Ridership Growth Second Straight Year

SAN JOSE, CA – The Santa Clara Valley Transportation Authority (VTA) ranked in the top 5 among the nation’s largest transit agencies in ridership growth, welcoming some 25-million riders aboard buses and light rail trains last year. The rankings are reported by the [American Public Transportation Association](#) (APTA.) The growth is a huge rebound toward reaching the full levels of ridership seen before the Covid pandemic began in early 2020.

VTA **bus ridership** increased by 22% in 2023, to 21.4 million riders, above the nation’s average increase of 18%. VTA **light rail ridership** increased 25% in 2023 over the year before with 4.5 million riders. The national average for light rail growth was 15% in 2023.

“This is significant, most importantly because our passengers are benefiting from the public transportation they rely on, but it tells us we’re making the right decisions about how we design and operate our service,” said VTA Service Planning Manager Jay Tyree.

VTA overhauled its transit service plan to create a network of frequent bus and rail routes to the most transit-supportive areas of the county, rolling out the new service in December of 2019, just three months before the pandemic brought most public transit to drastically low service and ridership levels.

Now that people are starting to settle into their normal lives, ridership is heading in the direction when the new service plan was first introduced, with more frequent service along higher ridership routes, including the 522 Rapid along Alum Rock Ave and El Camino Real highway, and several other routes.

View the [full list of APTA statistics](#).

About VTA

Santa Clara Valley Transportation Authority (VTA) is an independent special district that is responsible for bus, light rail and paratransit operations, transportation planning, and serves as the county's congestion management agency.



Stacey Hendler Ross

Public Information Officer

**Santa Clara Valley Transportation Authority
3331 North First St. San Jose, CA 95134**

24 Hr. Media line: 408-464-7810



From: VTA Board Secretary

Sent: Friday, April 12, 2024 5:02 PM

To: VTA Board of Directors

Cc: VTA Board Secretary

Subject: VTA Information: Re: SB 1031 (Wiener & Wahab)/Position: Oppose Unless Substantially Amended

VTA Board of Directors:

Please see attached letter from Board Chairperson Chavez addressed to the Honorable Dave Cortese expressing concern about SB 1031, authored by Senators Wiener and Wahab and sponsored by the Metropolitan Transportation Commission (MTC).

Thank you.

Office of the Board Secretary
Santa Clara Valley Transportation Authority
3331 N. First Street
San Jose, CA 95134
408.321.5680
board.secretary@vta.org





April 12, 2024

Hon. Dave Cortese, Chair
Senate Transportation Committee
State Capitol
Room 405
Sacramento, CA 95814

Re: SB 1031 (Wiener & Wahab)
Position: Oppose Unless Substantially Amended

Dear Senator Cortese:

On behalf of the Santa Clara Valley Transportation Authority (VTA), I write to express our deep concern with SB 1031, authored by Senators Wiener and Wahab and sponsored by the Metropolitan Transportation Commission (MTC).

My fellow board members and I deeply appreciate and respect the work Senator Wiener has done on behalf of public transit in California. You both have done vital work to fund our ability to provide transit services to the people of California, and we are incredibly grateful for those efforts.

The legislation's original intent was to provide needed financial relief to the operators in the Bay Area. Unfortunately, the current iteration includes extraneous items which detract from addressing that central issue. We believe financial relief is an issue of regional importance that desperately needs to be addressed and we applaud you and Senator Wiener for taking up this complex issue during a very difficult budget year. However, the extraneous items in this bill threaten our locally generated funds.

As written, this bill would:

- Jeopardize our ability to maintain and expand our locally generated operating and capital funds;
- Provide no assurance of a return to source from funds generated in our county;
- Provide operating and managing authority to an entity that does not have representation based on population;
- Provide this entity that lacks technical expertise and experience in transit the ability to withhold funds needed to provide service to the transit dependent;
- Provide this authority to an entity whose vision of regional mobility conflicts with the needs of Santa Clara County.

Senator Wiener, his staff and staff from MTC have engaged in dialogue to understand the issues that VTA and other operators have raised. We appreciate their willingness to hear us out on this matter. Unfortunately, the bill's current form poses significant challenges for us. The bill addresses several issues that might more easily be addressed by separate vehicles. Our objections to the bill are as follows:

Revenue Measure: We are deeply concerned about the prospect of MTC placing a revenue measure on the ballot in Santa Clara County. As you are aware, and in no small part due to your leadership, the citizens of Santa Clara County have generously agreed to fund local transit through local sales tax measures. Our four current sales tax measures generated \$890 million for transit operations and capital

projects. More than 80% of our Transit Operating Budget comes from these measures. Due to the limited opportunities to place measures on the ballot, our ability to re-authorize existing measures that sunset and promote new measures that may be necessary is severely impacted. This would result in service reductions that particularly impact the transit dependent population in our county.

VTA's goal is not only to maintain transit service but to increase it for the benefit of the transit dependent, the economy of Silicon Valley, and the climate. Impacting our ability to maintain local revenue support is a serious consequence of the current draft of SB 1031.

While the current bill language offers several revenue measures, our experience has shown that sales tax is the most likely to achieve voter approval.

The bill currently provides MTC unilateral authority to place a measure on the ballot in all nine Bay Area Counties or a subset of counties beginning November 2026. There is no limit to the number of times they may do so or the length of time they could do so.

Amendment: A multi-county revenue measure based on the Caltrain Measure RR Sales Tax. Characterized as a "Buy-in Measure," it required the approval of the Caltrain Board, the Boards of Supervisors in the three counties, and the transit operator boards in those counties. This promoted cooperation and the necessary political will to succeed.

Alternatively, VTA would accept an Opt-Out provision to avoid any potential impact on our local revenue sources.

Return to Source: In addition to our concern with the impact on our local revenue sources from this bill, we are concerned with the provision that indicates the priority for the funding. The first priority is for operators facing a funding shortfall. The second priority is for those operators with the largest ridership. The third priority is for those who want to expand service—"if financially feasible."

VTA is not facing an operating shortfall due to efforts you led as a Board Member to control costs during the financial downturn. Those service reductions resulted in decreased ridership; therefore, VTA is currently not among those with the highest ridership. VTA is committed to increasing ridership as we carefully grow our system. Given the estimates we've seen, the likelihood of funds being available to us under this bill is non-existent.

Given the goal of a \$1 billion revenue measure (1/2 cent sales tax in the nine Bay Area Counties), VTA would generate approximately 28% or \$288 million annually. MTC's estimated relief to the priority operators does not include VTA.

We believe this money should provide additional service and grow ridership in the area with the greatest potential to grow service.

Amendment: Funds raised under the proposed revenue measure should return to the county of origin for transit purposes. Additionally, the administrative cost for the measure should be limited to \$1 million per year, which is escalated annually by the CPI.

Consolidation: Current language prescribes an unfunded mandate to study consolidation followed by an unfunded plan to consolidate all operators under a central governance and management structure. Previous attempts at consolidation were unsuccessful largely due to the cost and complexity of the undertaking, which had no clear benefit to riders.

VTA is the sole local transit provider for the largest county in the Bay Area, with financial obligations to ACE, BART and Caltrain. Largely financed through our local sources, it would be a challenge to show any benefit to our riders through consolidation.

Regionally, coordination efforts are underway and just beginning to show results. Coordination results in actual rather than theoretical benefits for the riding public.

Amendment: Delete section.

Commute Benefits: These are an excellent way to reduce congestion and protect the environment. However, granting MTC and BAAQMD authority to mandate them across the nine counties may provide implementation challenges. Providing MTC and BAAQMD authority to place a commuter pass for all employees in the ballot measure would likely generate organized opposition. Language regarding covered employers is vague. The bill leaves implementation and enforcement to the local operators.

Amendment: Delete section. Empower local congestion management authorities to place a measure on the ballot requiring employers of over 50 full-time equivalent workers and residential facilities to purchase a transit pass for all workers and residents.

MTC as the Regional Network Manager: The bill would empower MTC with the unchallenged ability to enforce policies that may not be appropriate or affordable in Santa Clara. Among the powers listed are “coordination of fares, including fare payment methods and transit fare integration, schedules, mapping and wayfinding, real-time transit information and other customer-facing operating policies that would benefit from a regional approach for all transit agencies within its jurisdiction.”

Current efforts toward regional network coordination are in a nascent stage. VTA supports coordination and works cooperatively with MTC and operators to find ways to improve the provision of transit service throughout the region. However, this bill would empower a regional planning agency with operational decision-making in complex technical areas far beyond their scope and abilities. This is coupled with the power to withhold funds needed to provide service to the local riding public if there is not full compliance.

80% of Santa Clara County residents begin and end their trips within the county; our commute patterns do not match MTC’s vision. VTA, along with the other transit operators in the Bay Area, has worked cooperatively with MTC to improve communication and coordination between operators. VTA provides significant financial assistance to Caltrain, BART, and ACE. However, we must also provide excellent service to our riders who originate and end their trips in our county; therefore, we must maintain control over the use of our funds.

Santa Clara County has historically been underrepresented on the MTC Commission relative to its significant population. This causes real challenges when MTC promotes policies that do not benefit Santa Clara citizens. Empowering MTC to withhold VTA’s STA and TDA revenue (\$180 million last year) over legitimate differences of opinion could be devastating for riders.

Amendment: Delete Section. MTC and VTA should be encouraged to continue their current efforts to arrive at workable decisions that are in the best interest of the riding public.

Bond Authority: Our experience shows that bonding needs to be carefully controlled. Limiting the amount and term of bonding is necessary to protect the funds meant for transit and transportation projects. Debt service charges are expensive and drain the funds needed by transit.

Amendment: If needed, the amount and term of indebtedness needs to be carefully specified to minimize the cost of debt service.

If these concerns cannot be resolved, we will regretfully move to take an Oppose Position at the May VTA Board of Directors meeting.

Sincerely,


Cindy Chavez

Chair

cc: Sen. Wiener
Sen. Wahab
Assemblymember Ting
Senate Transportation Committee
Board of Directors