

MountainView VOICE

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Simitian proposes cap on BART funding

SUPERVISOR ARGUES NEW SALES TAX MEASURE
SHOULD BENEFIT THE ENTIRE COUNTY

By Kevin Forestieri

The 2016 election is still more than a year away, but Santa Clara County officials are already testing the waters for a new 30-year sales tax measure to relieve traffic congestion severely clogs Bay Area highways, expressways and city streets.

And while some of the most basic details — such as which agency, the county or the Valley Transportation Authority (VTA), is going to put it on the ballot — still need to be hammered out, one county supervisor said it's time to stop funneling the lion's share of sales tax revenue extending the BART system into San Jose.

Supervisor Joe Simitian compiled a list showing how funds from both the Measure A sales tax and the 2008 Measure B sales

tax have been allocated throughout the county, and found that just shy of 80 percent of all funds — \$3.3 billion — have been allocated to extend BART from Fremont to San Jose. By heavily investing in a transit extension along the East Bay, Simitian argued, the previous two sales tax measures haven't done enough to bring congestion relief to most of the cities in the county.

While the data was originally disseminated to local politicians and city councils just to get the facts on the table, Simitian took a stronger position at the Aug. 25 Board of Supervisors meeting. He proposed that if a new sales tax measure is put on the ballot, it should include a cap on BART funding, with only 25 percent of the revenue going

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BART FUNDING

toward BART-related projects.

If the sales tax is boosted by a half-cent, it would bring in a projected \$6 billion in revenue, meaning BART to San Jose would get about \$1.5 billion in additional funding on top of what has already been allocated. Simitian said the project needs between \$1.2 and \$1.4 billion, so it's more than enough to finish up and guarantee the rest of the money will go towards congestion relief for the rest of the county.

"We're going to need to have a cap to take to the voters to convince them that there's something in it for them," Simitian said. "If we're looking at \$6 billion dollars in revenue in a half-cent sales tax, about a billion and a half to BART provides a real assurance."

Simitian, who represents North County cities including Mountain View and Palo Alto, and West Valley cities including Cupertino and Campbell, said his district has been a major generator of sales tax revenue, and residents have generally supported the tax measures. The district generates 16 percent of the total tax revenue, but only about 5.3 percent of it gets invested in the district, he said.

District voters will be critical if the 2016 sales tax measure is to pass; the measure would require a two-thirds vote for passage. Last month, the Silicon Valley Leadership Group published a poll showing how receptive county voters would be to a new sales tax measure supporting completion of the BART extension, reduction of traffic congestion on expressways, and improved Caltrain service. Of the 750 likely voters polled, 68 percent said they would vote for a half-cent measure; 71 percent said they would vote for a quarter-cent measure.

It would be hard to argue to voters that extending BART to San Jose brings meaningful congestion relief to most of the county, Simitian said.

"BART provides regional benefits, but if you live in Palo Alto, Stanford, Los Altos, Los Altos Hills, Mountain View, Sunnyvale, Los Gatos, Saratoga, Cupertino, Monte Sereno, the Almaden Valley, South San Jose, Morgan

Hill, Gilroy, and significant portions of East San Jose, how much direct benefit do you get from that project? The answer is not much."

Supervisor Cindy Chavez opposed the idea of capping BART funds on a lengthy 30-year sales tax, citing a need for the county to keep its options open for changing traffic needs throughout the county.

"One of the challenges in doing such a long tax is the flexibility we have to respond," Chavez said. "We want to be faithful to the voters and at the same time be able to respond to need."

While Simitian said the point was well taken, he pointed out that Measure A had plenty of flexibility, which allowed funding for North County projects such as the Dumbarton rail to be reallocated to other parts of the county.

Earlier this month, 11 North County and West Valley cities signed a letter co-written by city leaders urging VTA to adopt a comprehensive systems-wide plan for addressing transportation needs across the entire county. The letter was, in part, born out of the perceived inequity in transportation funding throughout the region.

An early start on a project list

While the supervisors tabled any specific directions on how to move forward with the proposed sales tax measure, VTA is already moving full-steam ahead on collecting a project list for the sales tax revenue.

Throughout this month, VTA has been soliciting cities in the county for a wish list of all the transportation projects they would like to see funded in the future. The cost of those projects is likely to exceed the funding that will be available, but it will give the agency a better idea of transportation needs from city to city.

While the Mountain View public works department staff have declined to release the list of projects prior to the Aug. 31 deadline, previously submitted project proposals include a \$71 million project to construct a grade separation that would sink Regnstorff Avenue underneath the Caltrain tracks. There's also a number of creek trail projects

proposed by the city, the largest being a \$15 million extension of the Stevens Creek Trail to Mountain View High School.

Among the proposals tabled for another meeting was whether to reserve 25 percent of the sales tax funds for improving the county's expressway system, which currently has no special funding outside of a portion of gas tax revenue, according to Michael Murdter, director of Santa Clara County's Roads and Airports Department.

Housing included in a transit measure?

There was some discussion among supervisors at the meeting about the possibility of including the support of housing in the transportation sales tax measure. The connection, some argued, is that housing should be within close proximity of transit networks, including Caltrain, BART and light rail, which would increase the effectiveness of existing public transit and reduce the number of people who rely on single-occupancy vehicle trips to get to and from work. Chavez said it was critical that the measure include housing.

"We can't keep building two systems separately, housing and transportation," she said.

Supervisor Ken Yeager said he wasn't sold on the idea of including a housing component to the measure, despite the job-housing imbalance in much of the county that is partially responsible for the heavy commute traffic. He said it would be difficult to get cities to work with the county on housing projects, and especially in cities where voters reject low-income senior housing.

Simitian told the *Voice* that he plans to keep an open mind about the housing option, but that he wants to stay focused. If the sales tax measure starts to go beyond transportation and into other causes, no matter how worthy they are, it may start to lose some of its clarity about addressing congestion relief, he said.

"There isn't going to be enough money to do everything we'd like to do," Simitian said. "If you include housing, that's money that won't be available for other congestion relief." ▀



December 2, 2020

Leaders rip VTA plan

BY KYLE MARTIN
Daily Post Staff Writer

Santa Clara County leaders along the Peninsula are upset by VTA's plan to use the majority of the half-cent Measure B sales tax money county voters approved in 2016 to fund the BART extension to San Jose instead of spending it on road repairs, Caltrain crossings and other North County priorities.

Simitian's scathing response

Santa Clara County Supervisor Joe Simitian, who represents Palo Alto and the North County, said "hell no" to VTA's proposal to allocate 75% of Measure B revenue into the BART extension.

Measure B was passed to fund the BART-to-San Jose extension and other transportation projects, such as road repairs and Caltrain crossings, that could benefit the North County and beyond. Measure B's proponents promised that only 25% of the tax, expected to raise \$6.3 billion over its 30-year life, would go to BART. But VTA now wants to take most of the tax revenues between 2022 and 2030 and spend them on the BART project.

"While BART-to-San Jose is a worthy project, the proposal from VTA essentially suggests

To spend most of Measure B funds on BART

that we make no progress on traffic congestion in the next decade in order to fund further expansion of the BART line," Simitian told the Post yesterday. "I think you can be sure the answer is not just no, but hell no."

After 2030, VTA would increase funding for the other projects, so that after 30 years, they would keep their 25% promise.

BART 'does nothing' for us

Mountain View Councilman John McAlister, who is also the North County's VTA board representative, agreed with Simitian and called the VTA funding allocation proposal a "nonstarter."

"In my opinion, BART does nothing for Mountain View, Palo Alto, Los Altos, Los Altos Hills," McAlister told the Post. "Caltrain does much more for us than BART will ever do."

Mountain View Mayor Margaret Abe-Koga told the Post her city depends on the Measure B funding for repairs on local streets, just like other cities in the region, and that Caltrain is a major interest of theirs.

"Many cities, including Mountain View, have been counting on this annual allocation to restore the deteriorating conditions of our roads," Abe-Koga wrote in a letter to VTA. "Pavement in good repair is not only essential for automobiles — transit buses, bicycles, pedestrians and goods delivery all rely on a well-maintained street system. Every \$1 spent on pavement maintenance and repair now saves \$5 to \$10 in more expensive reconstruction costs later."

Fine has serious concerns

Palo Alto Mayor Adrian Fine also drafted his own letter to the VTA board expressing "serious concerns" over the agency's plans to reallocate Measure B funding. His letter was approved by the Palo Alto City Council on Monday on a 6-0 vote, with Vice Mayor Tom DuBois absent.

"In fact, it appears that all of the projects that both North County and West Valley cities had supported during the development of the ballot measure are removed from the 10-year horizon," Fine wrote.

And he wrote that if the VTA approves this allocation proposal, Palo Alto could take a \$1.27 million annual hit to its transportation improvement plans.

The Mercury News

November 29, 2020

Editorial

VTA, BART renege on ballot promises made for tax hikes

Two Bay Area transportation agencies seem to think they can take taxpayer money but ignore the promises to voters that come with it.

The nose thumbings by the Santa Clara Valley Transportation Authority and the Bay Area Rapid Transit District display an unacceptable, but sadly not surprising, arrogance.

Promises to voters matter. Bay Area residents should remember the agencies' behavior — and question whether they can be trusted — next time they seek ballot approval for taxes.

VTA Measure B

In 2016, 72% of Santa Clara County voters approved Measure B, a half-cent sales tax increase for transportation. Voters approved the tax because they were promised it would fund nine different categories of transportation projects, including repairs to local roads, freeway interchange upgrades, improvements to the Highway 85 corridor, Caltrain grade separations and, yes, helping fund the BART extension.

The BART extension was not the primary driver behind this measure. Indeed, spending on the extension was specifically limited to 25% of all the funds raised over the 30-year life of the tax. The reason was that the BART extension at the time was already sucking up nearly 80 percent of the revenues from two other county transportation sales taxes.

Now, in a stunning display of bad faith, Valley Transportation Authority leaders are proposing to spend most of the money from the tax over the next decade on the BART extension. They say they will balance out the promised funding for the other projects in the remaining two decades of the tax.

Bay Area residents should remember the agencies' behavior — and question whether they can be trusted — next time they seek ballot approval for taxes.

Whether or not that meets the legal requirements of the measure will probably be up to a judge to decide if VTA goes ahead with this mis-guided plan. But putting all those other projects on the back burner doesn't come close to meeting the spirit of the measure or the promises from backers.

That's clear from reading the measure and ballot material. BART wasn't even the first project listed for funding. That's also clear from reading our editorial at the time. We were swayed first by the promise to fix local streets and reassured by the 25% limit on BART funding. We would have never supported Measure B if we had known about this deceptive move.

Make no mistake, we're big fans of the BART extension, which has reached two stations into Santa Clara County and has four to go. But, with Measure B, county residents pay for four transportation sales taxes, adding a total 1.625% levy on the purchase of taxable goods. (The recently approved Measure RR for Caltrain operations will add another 0.125%.)

If there's not enough money for BART in all that without gutting Measure B for a decade, then transportation officials need to trim the costs of the extension or make their case to voters for more money. But this Measure B bait and switch is deplorable.

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BART inspector general

In 2018, Bay Area voters approved a series of bridge toll hikes to help fund capital projects and operation expenses of the region's transit agencies. The biggest beneficiary of capital money under Measure RM3 is BART, which will receive \$1.1 billion, including \$500 million for badly needed new cars and \$375 million to help extend the system to San Jose.

Unfortunately, BART, which has a history of broken promises, excessive salary and benefit costs and inappropriate use of taxpayer money for campaigns, has repeatedly proven it cannot be trusted with public funds. That's why, at the insistence of state Sen. Steve Glazer, D-Orinda, Measure RM3 required hiring a new inspector general to review the transit agency's expenditures and operations.

The person selected, Harriet Richardson, has three decades of auditing experience for the federal government in Atlanta, Ga.; King County, Wash.; Washington state; San Francisco; Berkeley; and Palo Alto.

The question from the onset was whether BART officials would let her do her job. The answer, we quickly found out, was no.

Richardson's mandate is broad to ensure she can get to the root of the problems with the poorly managed district. Her first big goal was to conduct a districtwide risk assessment to determine the most critical problem areas for deeper examinations.

When the pandemic hit, she paused to give BART staff time to deal with emerging crisis.

In July, the audit work began. After Richardson's team conducted interviews with people from just one work area within BART, Deputy General Manager Michael Jones sent an email in mid-September directing staff to stop cooperating, according to Richardson.

It took a month to break the logjam. BART said last week it could not make Jones available to explain his actions. And BART spokeswoman Alicia Trost essentially says that, since the issue has been resolved, there's nothing here to see, move along.

In a written statement, she claimed that "BART Management supports (the Office of Inspector General's) risk assessment initiative and the General Manager has made clear to all staff that the assessment is proceeding and to cooperate with all OIG audits and investigations."

That certainly wasn't the initial response. We'll see how cooperative BART is after Richardson issues the first-step risk assessment early next year.

By the way, this is not just an issue for East Bay and San Francisco residents. Now that BART has started serving Santa Clara County, South Bay residents are also paying for Bay residents are also paying for BART's inefficiencies.

December 17, 2020

Santa Clara County supervisors vote to oppose bloated spending plan for BART

by **Kevin Forestieri**

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Funding for North County Caltrain grade separations could take a back seat under a new VTA funding plan. Photo by Veronica Weber.

Santa Clara County supervisors came out in formal opposition Tuesday to a recently unveiled plan to pour sales tax money into extending BART at the expense of other transportation projects over the next decade.

The unanimous vote by supervisors comes amid sharp criticism from elected officials throughout Santa Clara County, who bristled at a 10-year funding plan by the Santa Clara County Valley Transportation Authority (VTA) proposing that the vast majority of the 2016 Measure B sales tax go toward extending BART further into San Jose. The plan left a pittance of funding remaining for all other transportation priorities through 2030.

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Santa Clara County Supervisor Joe Simitian, who led the effort, called VTA's plan an "unacceptable" attempt to dump funding into BART -- which has soaked up close to four-fifths of sales tax revenue for decades -- while abandoning many of the important transportation projects that would benefit residents elsewhere in the county. Caltrain improvements and grade separations, Highway 85 transit lanes, county expressways and highway interchanges were not give any allocations, VTA documents show.

All told, six categories of transportation projects were given a "TBD (to be determined)" label on funding through 2030, yet BART's early budget was estimated at more than \$1.9 billion.

"People are very clear that this was essentially an attempt to zero out -- or damn near -- six of the nine categories for the next 10 years in order to fully frontload the BART program," Simitian said.

Measure B, a 30-year half-cent sales tax, passed in 2016 with broad support from a coalition of city and county elected officials, but not before serious commitments were made to control spending on BART. A coalition of 11 cities demanded a cap on funding for the transit line, and a commitment to other critical transportation infrastructure.

In the North County in particular, funding for county expressways and Caltrain grade separation were among the top priorities. Measure B earmarks at least \$700 million for both priorities.

It was these carve-outs for projects unrelated to BART that got so many elected officials to sign on, said Supervisor Mike Wasserman, yet now it appears everything is being deprioritized in favor of BART.

"They were never told this money wouldn't be coming for 12 years," Wasserman said. "They were told that 75% of the tax dollars they were endorsing would be going towards those things."

Supervisor Susan Ellenberg said it's clear that VTA needs to reach a compromise, and try to find some way to complete the BART extension into San Jose without alienating 14 other cities in the process..

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Saratoga Councilman Howard Miller, who helped formulate the 2016 ballot language, said it was supposed to be a "smorgasbord" of transportation priorities that offered something for everyone, particularly projects to improve local streets and roads. The 10-year spending plan leaves little left for anything other than BART for the next decade -- something Miller called a major oversight.

"It is going to be a challenging situation to fund BART, but from Saratoga's perspective it should not be funded on the backs of local streets and roads," Miller said.

Supervisor Cindy Chavez, who chaired VTA's board of directors at the time the 10-year funding plan was released, said the board did not have a chance to review or comment on the plan before it was made public. She said the document has led to some confusion, and that other priorities have and will continue to receive funding. Investments have already been made into multiple highway projects, county expressway paving and bike and pedestrian projects.

What's more, BART is a particularly challenging project to plan for, Chavez said. The size of the program and the high cost of underground tunneling means the BART extension needs greater predictability for funding from start to finish, she said.

But any semblance of balance would completely vanish under the 10-year spending plan. Assuming BART is fully funded under the proposal, there would be barely enough money to cover improvements to local streets and roads, and nothing left for Caltrain upgrades, transit operations, county expressways or highway improvements, according to county staff.

In the lead-up to the vote by county supervisors, a grand total of nine cities -- including Mountain View and Palo Alto -- have come out in opposition to VTA's spending plan.

Simitian said he believes there's been an effort over the last month to "explain away" the 10-year funding plan, with VTA officials describing it as a preliminary document and the start of a conversation. But he said it deserves scrutiny, and undeniably tries to yank funding out of promised transportation projects.

"There is no explaining away full funding for BART to San Jose and zeros on six of nine program areas," Simitian said.