

C/CAG

City/County Association of Governments of San Mateo County

*Atherton • Belmont • Brisbane • Burlingame • Colma • Daly City • East Palo Alto • Foster City • Half Moon Bay • Hillsborough • Menlo Park
Millbrae • Pacifica • Portola Valley • Redwood City • San Bruno • San Carlos • San Mateo • San Mateo County • South San Francisco • Woodside*

MEETING AGENDA

C/CAG Legislative Committee

*****HYBRID MEETING - IN-PERSON AND BY VIDEOCONFERENCE*****

Date: Thursday, May 9, 2024 Time: 5:30 p.m. Primary Location: San Mateo County Transit District Office 1250 San Carlos Ave, 2 nd Fl. Auditorium, San Carlos, CA	Join by Webinar: https://us02web.zoom.us/j/85269430812?pwd=Y3dNZWEza2JaQ2JCZVA5ZUh4ZFlodz09 Webinar ID: 852 6943 0812 Password: 050924 Join by Phone: (669) 900-6833
--	---

Chair: Adam Rak (C/CAG Chair) **Vice Chair:** Gina Papan

Members: Michael Salazar (C/CAG Vice-Chair)
Elizabeth Lewis, Karen Cunningham, Lisa Gauthier,
Stacey Jimenez, Anders Fung, Sue Waterlaus, Tygarjas Bigstycyk

This meeting of the Legislative Committee will be held in person and by teleconference pursuant to Government Code Section 54953(e). Members of the public will be able to participate in the meeting remotely via the Zoom platform or in person at the location above. The Committee welcomes comments, including criticism, about the policies, procedures, programs, or services of the agency, or of the acts or omissions of the Board and committees. Speakers shall not disrupt, disturb, or otherwise impede the orderly conduct of a Board meeting. For information regarding how to participate in the meeting, either in person or remotely, please refer to the instructions at the end of the agenda.

Meeting Agenda

1.	Call to Order	Rak	
2.	Roll call	Springer	
3.	Public comment on related items not on the agenda.	Rak	
4.	Review and approve the Legislative Committee meeting minutes from the meeting held on April 11, 2024.	Action Springer	Pages 4-6
5.	Election of Legislative Committee Chair and Vice Chair.	Action Charpentier	Pages 7-9
6.	Review legislative update and, if appropriate, recommend approval of C/CAG legislative policies, priorities, or positions. (A position may be taken on any legislation, including legislation not previously identified in the legislative update. Action is only necessary if recommending approval of a policy, priority, or position.)	Possible Action Robinson/Antwih/Shaw Rak	Pages 10-35
7.	Adjournment	Rak	

Next Meeting: June 13, 2024

PUBLIC NOTICING: All notices of C/CAG regular Board meetings, standing committee meetings, and special meetings will be posted at the San Mateo County Courtyard, 555 County Center, Redwood City, CA, and on C/CAG’s website at: <http://www.ccag.ca.gov>.

PUBLIC RECORDS: Public records that relate to any item on the open session agenda for a regular Board meeting, standing committee meeting, or special meeting are available for public inspection. Those public records that are distributed less than 72 hours prior to a regular Board meeting are available for public inspection at the same time they are distributed to all members, or a majority of the members, of the Board. The Board has designated the City/County Association of Governments of San Mateo County (C/CAG), located at 555 County Center, 5th Floor, Redwood City, CA 94063, for the purpose of making public records available for inspection. Such public records are also available on C/CAG’s website at: <http://www.ccag.ca.gov>. Please note that C/CAG’s office is temporarily closed to the public; please contact Mima Crume at (650) 599-1406 to arrange for inspection of public records. **ADA REQUESTS:** Persons with disabilities who require auxiliary aids or services to participate in this meeting should contact Mima Crume at (650) 599-1406 or mcrume@smcgov.org by 10:00 a.m. prior to the meeting date.

PUBLIC PARTICIPATION DURING HYBRID MEETINGS: During hybrid meetings of the

C/CAG Board, members of the public may address the Board as follows:

WRITTEN COMMENTS: Written comments should be emailed in advance of the meeting. Please read the following instructions carefully:

1. Your written comment should be emailed to kspringer@smcgov.org.
2. Your email should include the specific agenda item on which you are commenting or note that your comment concerns an item that is not on the agenda.
3. Members of the public are limited to one comment per agenda item.
4. If your emailed comment is received at least 2 hours prior to the meeting, it will be provided to the RMCP Committee members, made publicly available on the C/CAG website along with the agenda. Emails received less than 2 hours before the meeting will be provided to the RMCP Committee members and included in the administrative record of the meeting as soon as practicable.

SPOKEN COMMENTS: Members of the public who wish to speak on matters not on the agenda will be given an opportunity to address the Committee during the agenda item titled “Public Comment on Items Not on the Agenda.” Members of the public who wish to speak on a matter on the agenda will have two minutes each to address the Committee on that agenda item unless a different time limit is established by the Chair. No speaker who has already spoken on an item will be entitled to speak to that item again. At the call of the Chair, public comments will be taken in-person and remote. Public comments will be taken first by speakers in person followed by via Zoom. If you have documents you wish to distribute to the Committee and include in the official record, please hand it to the C/CAG Staff who will distribute the information to the Committee members and staff. *Those participating remotely will:

1. Access the meeting through Zoom at the online location or via phone as indicated at the top of this agenda.
2. Download the Zoom client or connect to the meeting using an internet browser. If using your browser, make sure you are using a current, up-to-date browser: Chrome 30+, Firefox 27+, Microsoft Edge 12+, Safari 7+. Certain functionality may be disabled in older browsers including Internet Explorer.
3. Enter an email address and name. We request that you identify yourself by your name as this will be visible online and will be used to notify you that it is your turn to speak.
4. Click on “raise hand” when the C/CAG Clerk or Chair calls for the item on which you wish to speak. The Clerk will activate and unmute speakers in turn. Speakers will be notified shortly before they are called on to speak. If calling in via phone, press *9 to raise your hand and when called upon press *6 to unmute.
5. When called, please limit your remarks to the time allotted. If you have any questions about this agenda, please contact C/CAG staff:

If you have any questions about this agenda, please contact C/CAG staff:

Executive Director: Sean Charpentier: scharpentier@smcgov.org

Transportation Systems Coordinator: Kim Springer at kspringer@smcgov.org

Administrative Assistant: Mima Guilles (650) 599-1406

C/CAG AGENDA REPORT

Date: May 9, 2024
To: City/County Association of Governments of San Mateo County Legislative Committee
From: Sean Charpentier, Executive Director
Subject: Review and approve the Legislative Committee meeting minutes from the meeting held on April 11, 2024.

(For further information, contact Kim Springer at kspringer@smcgov.org)

RECOMMENDATION

That the Legislative Committee review and approve the Legislative Committee meeting minutes from the meeting held on April 11, 2024.

ATTACHMENTS

1. Draft C/CAG Legislative Committee Meeting Minutes, April 11, 2024

**CITY/COUNTY ASSOCIATION OF GOVERNMENTS
LEGISLATIVE COMMITTEE**

**Draft Meeting Minutes
April 11, 2024 Meeting**

Staff and Guests Attending:

C/CAG Staff:

Kim Springer, Sean Charpentier, Kaki Cheung, Mima Crume, Susy Kalkin, Kim Wever, Audrey Shiramizu, Van O Campo

Legislative Consultant:

Andrew Antwih, Matt Robinson

Others Attending:

None

1. Call to Order.

Chair Rak called the meeting to order at approximately 5:33 p.m.

2. Roll call.

C/CAG staff conducted roll call, and a quorum of six was eventually present. Chair Rak requested that Vice Chair Papan run the meeting and that there be elections at the May meeting to relieve him of the Chair position on the Legislative Committee.

Agency	Name	In Person	Remote AB 2449
Atherton	Elizabeth Lewis	X	
Belmont	Davina Hurt		
Brisbane	Karen Cunningham	X	
East Palo Alto	Lisa Gauthier		
Millbrae	Gina Papan (Vice Chair)	X	
Millbrae	Anders Fung	X	
Pacifica	Sue Vaterlaus		
San Bruno	Michael Salazar	X	
San Carlos	Adam Rak (Chair)	X	

3. Public comment on related items not on the agenda.

There were no written or public comments.

4. Review and approve the Legislative Committee meeting minutes from the meeting held on March 14, 2024.

The Committee approved the meeting minutes from the February 8, 2024 C/CAG Legislative Committee Meeting. Member Salazar motioned approval, seconded by Member Cunningham. A vote was taken. Motion passed (5,0,0).

5. Review legislative update and, if appropriate, recommend approval of C/CAG legislative policies, priorities, or positions. (A position may be taken on any legislation, including legislation not previously identified in the legislative update. Action is only necessary if recommending approval of a policy, priority, or position.)

C/CAG Legislative Consultant, Matt Robinson from Shaw Yoder Schmeltzer & Lange (SYASL) provided an update to the Committee, based on their monthly report provided in the agenda packet. Robinson provided an overview of the monthly report, that the legislature returned from spring recess and is busy moving legislation through committees. Legislators are moving to address budget shortfalls, through several funding rescission efforts in AB 106. Many rescissions are freezing already-approved budget requests. Last year's transportation funding requests are intended to be honored. Next important step is when the governor releases his May revised budget. Robinson also briefly discussed other spot bills that are moving (included in the SYSAL monthly report), that will be discussed at later Committee meetings as the bill language becomes clearer. These included AB 1836 (Papan) – Bay Area Transit Coordination, AB 817 (Pacheco) Brown Act Advisory Bodies, which C/CAG supported, AB 1798 (Papan) – Stormwater Runoff, which C/CAG also supported. The Policy Committees have until the end of the month to get bills over to the fiscal committees or over to the floor of the House.

The Committee moved on to SB 1031, the new bill on the regional measure, which is a combination of the Wahab and Wiener bills, consolidation and regional transportation funding, respectively. The bill will likely undergo significant edits. The Committee discussed the current bill, issues, and concerns, including need for return to source provisions, budget breakdown of funding achieved, opt out provisions for counties, and desire to do away with consolidation language, and need for funding for roads and flexibility in those funds for MTC. The Committee took a position on SB 1031 – Oppose Unless Amended. The motion was made by Member Cunningham, seconded by Member Lewis. A vote was taken and passed 6,0,0).

Additional discussion was initiated by Member Papan on the polling results on a regional housing measure, which was not looking very positive. This is a topic that would likely come to the Committee and Board in September.

C/CAG Executive Director Sean Charpentier reminded the Committee of the legislative visit to Sacramento during the following week.

6. Adjournment.

The meeting adjourned at approximately 6:46 P.M.

Next meeting is scheduled for May 9, 2024.

C/CAG AGENDA REPORT

Date: May 9, 2024

To: C/CAG Legislative Committee

From: Sean Charpentier, Executive Director

Subject: Nominate and elect a Chairperson and a Vice Chairperson for the C/CAG Legislative Committee for 2024.

(For further information, contact Kim Springer at kspringer@smcgov.org)

RECOMMENDATION

That the C/CAG Legislative Committee nominate and elect a Chairperson and a Vice Chairperson for the C/CAG Legislative Committee for 2024.

FISCAL IMPACT

None

SOURCE OF FUNDS

N/A

BACKGROUND

Each year, the C/CAG Legislative Committee (Committee) nominates and elects a Chairperson and Vice Chairperson of the Committee for the calendar year. Chair Rak, now the Chair of the C/CAG Board, asked to relinquish his Chair position on the C/CAG Legislative Committee and to re-hold elections for Chair and Vice-Chair for 2024.

Staff recommends the Committee nominate and elect a Chairperson and a Vice Chairperson to serve for the 2024 calendar year.

Staff proposes the following process, which would start with the nomination and election of a Chair first and then the Vice-Chair second.

1. Committee members nominate candidates for the Chair.
2. Staff add names to voting table. See Attachment 1.
3. Staff call for a roll call where each committee member would identify a choice for Chair.
4. Staff will add votes to Vote Table (a yes vote equals "1"), tally the votes, and the top vote recipient would be the next Chair. If there is a tie, a tie breaker vote would be held among the tied top scoring candidates.
5. Repeat process for Vice Chair.

ATTACHMENTS

1. Voting Table

Legislative Committee – 2024

Chair and Vice Chair Voting Table

	Atherton	Belmont	Brisbane	Burlingame	East Palo Alto	Millbrae	Millbrae	Pacifica	San Bruno	San Carlos	
	Lewis	Hurt	Cunningham	Ortiz	Gauthier	Papan	Fung	Vaterlaus	Salazar	Rak	Totals
Chair Nominations											
											0
											0
											0
											0
Vice-Chair Nominations											
											0
											0
											0
											0

C/CAG AGENDA REPORT

Date: May 9, 2024

To: City/County Association of Governments of San Mateo County Legislative Committee

From: Sean Charpentier, Executive Director

Subject: Review legislative update and, if appropriate, recommend approval of C/CAG legislative policies, priorities, or positions. (A position may be taken on any legislation, including legislation not previously identified in the legislative update. Action is only necessary if recommending approval of a policy, priority, or position.)

(For further information, contact Kim Springer at kspringer@smcgov.org)

RECOMMENDATION

C/CAG staff recommend that the C/CAG Legislative Committee review the legislative update and, if appropriate, recommend approval of C/CAG legislative policies, priorities, or positions. (A position may be taken on any legislation, including legislation not previously identified in the legislative update. Action is only necessary if recommending approval of a policy, priority, or position.)

FISCAL IMPACT

N/A

SOURCE OF FUNDS

N/A

BACKGROUND

The C/CAG Legislative Committee receives monthly written reports and oral briefings from C/CAG's State legislative advocate, Shaw Yoder Antwih Schmelzer & Lange (Consultant). Important or interesting issues, and votes on positions taken by the Committee, or that arise out of the Committee meetings, are reported to the full C/CAG Board through this item.

At Legislative Committee meetings, held prior to the Board meetings, the Committee will mainly receive updates from the Consultant on State budget updates, and any additional information from Sacramento on bills discussed in the attached C/CAG Legislative Update. In addition, the consultant may discuss transportation funding and potential efforts to consolidate transportation agencies, or changes in legislative leadership and committee assignments.

The 2024 Legislative Session began when the legislature reconvened on January 3, 2024. Remaining two-year bills needed to pass to the opposite house by the end of January to move forward. The deadline for new bills was February 16, 2024. There were 1,505 bills introduced in the Assembly and 619 bills

introduced in the Senate, many of them “spot” bills. The Legislature returned from its spring recess on April 1 and had until April 26 to move budgeted legislation to fiscal review, with many bills put into a suspense file. Suspense file hearing will take place mid-May with a deadline to move to the next house by May 24. The 2024 Legislative Calendar can be found here: [2024 Legislative Calendar](#).

The attached report (Attachment 1) from the Consultant may include various updates from Sacramento with respect to the legislative timelines, State Budget, changes in leadership, State grant programs, recent committee hearings, and bill progress of interest to C/CAG since the Committee and Board last met.

At the February 8, 2024 C/CAG Legislative Committee meeting, C/CAG’s legislative consultant provided information on the State budget, including concerns for reductions in REAP and ATP funds.

In addition, at the February 8, 2024 meeting, the Legislative Committee and Board voted on two bills: AB 1798 (Papan) Support – Stormwater contamination pilot, and SB 532 (Weiner) Oppose – Tolls increases to support transit. The letter for AB 1798 has been composed, signed, and sent. However, staff and the consultant recommend C/CAG not send the letter of opposition for SB 532 at this time.

After an update on SB 532 at the March 14, 2024 meeting, the C/CAG Legislative Committee and C/CAG Board voted to Table the SB 532 letter, a decision by the Committee and Board at the February meeting, and to send a letter opposing the reversion of fund previously allocated in the State budget from ATP and REAP.

At the April 11, 2024 meeting, the Legislative Committee discussed the amended Regional Measure language, now SB 1031 (Wiener), and review other bills moving through the legislature. The Committee took an Oppose Unless Amended position on SB 1031 and approved a set of concerns to be communicated to the author, state delegation and agency stakeholders. A letter was sent to the San Mateo County delegation.

At this meeting, there will be further discussion about SB 1031 (Wiener) and the status of other bills of importance to C/CAG, and any positions taken by the Legislative Committee.

EQUITY IMPACTS AND CONSIDERATIONS

The C/CAG Legislative Committee considers equity in its positions on legislation and has included equity language in the annual Legislative Priorities document for C/CAG Board review and approval. Decisions made in relation to transportation, housing, stormwater, and climate resilience have the potential to impact our most vulnerable communities in San Mateo County.

Additional Information

For additional information with respect to what the Metropolitan Transportation Commission/Association of Bay Area Governments Joint Legislative Committee, California League of Cities, California State Association of Counties (CSAC), and California Association of Councils of Government (CALCOG) are tracking, staff has included informational links to the relevant bill tracking websites, as well as the full legislative information for the State Legislature and the 2024 calendar of legislative deadlines. Lastly, staff have also included links to the 2024 legislation websites for the San Mateo County delegates for information only.

Committee members may view the bills being tracked at the following link provided by SYASL:
[C/CAG Bill Tracking](#)

ATTACHMENTS

1. C/CAG Legislative Update, April 29, 2024 from Shaw Yoder Antwih Schmelzer & Lange
2. Report on SB 1031 (Weiner) – Regional Measure

Below are informational links:

3. [Recent Joint ABAG MTC Legislation Committee Agendas](#)
4. [California State Association of Counties \(CSAC\) bill positions and tracking](#)
5. [California Associations of Councils of Government \(CALCOG\) bill tracking](#)
6. Full Legislative information is available for specific bills at <http://leginfo.legislature.ca.gov/>
7. [2024 California State Calendar of Legislative Deadlines](#)
8. San Mateo County Delegation
 - [Legislation from Assemblymember Marc Berman](#)
 - [Assemblymember Diane Papan](#)
 - [Legislation from Assemblymember Phil Ting](#)
 - [Legislation from Senator Josh Becker](#)
 - [Legislation Senator Scott Wiener](#)
9. Bill Tracker for C/CAG by SYASL: [C/CAG Bill Tracking](#)
10. Current client roster for Shaw Yoder Antwih Schmelzer & Lange - <https://syaslparters.com/clients/>



April 29, 2024

To: Board of Directors
City/County Association of Governments of San Mateo County

From: Matt Robinson, Andrew Antwih and Silvia Solis Shaw
Shaw Yoder Antwih Schmelzer & Lange

Re: **STATE LEGISLATIVE UPDATE – May 2024**

Legislative Update

The Legislature has been busy hearing bills in policy committees since returning from Spring Recess on April 1. Policy committees had until April 26 to hear bills with fiscal impacts and move them to the appropriations committees, where most bills will be placed on the suspense file. We anticipate the suspense file hearings to take place on May 16. Bills must move out of the first house by May 24. For more information about key legislative and budget deadlines, see the adopted 2024 Legislative Calendar available [here](#).

State Budget Update

Governor Newsom will release the May Revise, the Governor’s update to the January budget on or around May 14. We expect the May Revise to include updated projections for the state’s deficit and revised proposals to address the shortfall.

As we reported last month, on April 4, Governor Newsom, Senate President pro Tempore Mike McGuire, and Assembly Speaker Robert Rivas announced an agreement on roughly \$17 billion in early actions to *"significantly reduce the existing [budget] shortfall and best position California to responsibly address the budget in June."* Importantly, the agreement preserves the state's commitment to provide the full balance of the \$4 billion for the population-based Transit and Intercity Rail Capital Program (commonly referred to as AB 102 / SB 125 funding). No decision has been made on the \$200 million cut in Active Transportation Funds. The main elements of the agreement are included in [AB 106 \(Gabriel\)](#), which was signed by the Governor on April 15.

It is worth noting that AB 106 provides the Department of Finance with the ability to suspend the authority to expend any one-time funding provided in the Budget Acts of 2021, 2022, or 2023. The Department of Finance has provided notice to the Joint Legislative Budget Committee that the Newsom Administration intends to exercise this authority in a [letter dated April 17](#), which may have broad impacts on previously approved state expenditures. No additional details are currently available on how exactly this authority will be exercised.

SB 1031 - Regional Measure

As you are aware, the effort to authorize a regional transportation funding measure for voter consideration is now ensconced in SB 1031 (Wiener and Wahab). The bill currently includes various revenue mechanisms (sales tax, employer tax, vehicle fees, property related fees) and identifies the funding priorities for the revenue generated from the measure, focusing on transit operations and transformation, safe streets and pothole repair, connectivity/mobility improvements, and climate resilience. The bill also now includes some high-level return to source provisions, with minimum funding guarantees for transit operators based on the size of the system and a proposed breakdown of funding categories. The revenues are only to be used to fund transportation improvements in the Bay Area, and are required to be equitably allocated throughout the Bay Area, while guaranteeing a minimum 70% return to source for each county, as follows:

- 45% of revenues allocated for transit transformation investments, which includes minimum guarantees for operators.
- 25% of revenues for investments that support safe streets which would flow to STA and can be used for street repairs.
- 15% of revenues allocated for investments supporting connectivity.
- 15% of revenues allocated to agencies for transit transformation investments, and investments in safe streets and connectivity, for the purpose of maintaining the minimum county benefit threshold, preventing service cuts and increasing ridership, or investing in other regional priorities.

On April 23, the bill was heard in the Senate Transportation Committee. At the direction of the Chair, additional elements were agreed to by the authors, which include:

- The stated goal of raising \$1.5 billion in revenues, while limiting the sale tax portion to a half-cent.
- Limiting the duration of the measure to 30 years.
- Sunsetting the authority to place a measure on the ballot in 2040.
- “Limiting” MTC’s control and application of the regional network manager’s objectives to only State Transit Assistance funds.
- A limit on MTC’s bonding authority to capital projects and to funds “retained” by MTC.
- An agreement to continue working on the return to source provisions in the bill.
- Retain placeholder language for universal transit pass requirements.

During the hearing, Chair Cortese said that these amendments were the “absolute minimum” needed for the bill to advance from his committee and raised concerns about return to source and a desire to work on a more direct pass-through to individual counties. The bill passed the Senate Transportation Committee. The following day, April 24, the bill passed the Senate Revenue and Taxation Committee. It now heads to the Senate Appropriations Committee, where we will likely see the agreed to terms reflected in print.

Bills of Interest

SB 450 (Atkins) Updates to Ministerial Approvals for Parcel Subdivisions (SB 9) – C/CAG OPPOSE

This bill would make several changes to the ministerial approval process created by SB 9 for a housing development of no more than two units in a single-family zone (duplex), the subdivision of a parcel

zoned for residential use into two parcels (lot split), or both by requiring that that an application for a duplex or a lot split shall be considered and approved or denied within 60 days from the date the local agency receives a completed application. If the local agency has not approved or denied the application in that timeframe, it shall be approved. This bill also states that if a local agency denies an application for a duplex or lot split, the permitting agency shall return in writing a full set of comments to the application with a list of deficient items and a description of how the application can be remedied by the applicant. This bill would also prohibit a local agency from imposing objective zoning standards, objective subdivision standards, and objective design standards that do not apply uniformly to developments within the underlying zone.

SB 532 (Wiener) Bridge Toll Increase – C/CAG OPPOSE

This bill would increase the toll for vehicles for crossing toll bridges in the San Francisco Bay area by \$1.50 until December 31, 2028, and require the revenues collected from this toll to be used by MTC for allocation to transit operators that provide service within the San Francisco Bay area and experiencing an operations funding challenge. Any transit operator seeking an allocation would be required to submit a 5-year projection of its operating need.

SB 903 (Skinner) – PFAS Ban

This bill would state the intent of the Legislature to enact subsequent legislation to phase out the sale of products with avoidable perfluoroalkyl and polyfluoroalkyl substances.

SB 960 (Wiener) Complete Streets Projects on the State Highway System

On complete streets, this bill would require all transportation projects funded or overseen by Caltrans to provide complete streets facilities unless exempt pursuant to the bill. It would also require the targets and performance measures adopted by the California Transportation Commission to include within the SHOPP asset management plan objective targets and measures reflecting state transportation goals and objectives, including for complete streets assets on the state highway system. This bill would also require Caltrans' performance report to include a description of complete streets facilities on each project. Lastly, this bill would require Caltrans to develop and adopt a project intake, evaluation, and encroachment permit review process for complete streets facilities that are sponsored by a local jurisdiction or transit agency. As a part of this process, Caltrans would be required to designate an encroachment permit manager in each district to oversee the review of complete streets facilities applications. Caltrans would then be required to produce a report on the project applications submitted for complete streets facilities.

On transit priority projects, this bill would require the Director of Transportation to, on or before July 1, 2027, adopt a transit priority policy to guide the implementation of transit priority facilities on the state highway system. The bill would also require the Caltrans-prepared State Highway System Management Plan (SHSMP) to include specific and quantifiable accomplishments, goals, objectives, costs, and performance measures for transit priority facilities consistent with SHOPP asset management plan and Caltrans' most recent policy.

AB 817 (Pacheco) Brown Act – Advisory Bodies – C/CAG SUPPORT

This bill provides a narrow exemption under the Brown Act for non-decision-making legislative bodies to participate in meetings via teleconferencing outside of a declared state of emergency without posting

the physical location of members or requiring a quorum to be present at a meeting location. ***This bill passed the Assembly and is in the Senate.***

AB 1798 (Papan) Stormwater Runoff – C/CAG SUPPORT

This bill would require Caltrans and the State Water Resources Control Board, the Department of Toxic Substances Control, and the Department of Fish and Wildlife, to develop a programmatic environmental review process to prevent toxic compounds generated from vehicle tires from entering salmon and steelhead trout bearing waters. The bill would require Caltrans' process to include a pilot project at an unspecified location to study the effectiveness and cost effectiveness of installing and maintaining bioretention and biofiltration systems.

AB 1837 (Papan) Bay Area Transit Coordination

Modeled after the work underway at MTC, this bill would create the Regional Network Management Council as an 11-member council to provide leadership and critical input on regional transit policies, and to provide executive guidance on regional transit policies and actionable implementation plans in pursuit of transformative improvements in the customer experience San Francisco Bay area transit. **We recommend C/CAG Support this bill.**

AB 1999 (Irwin) Electricity Rates

Under existing law, the Public Utilities Commission is required to authorize a fixed charge for default residential rates established on an income basis so that low-income ratepayers in each baseline territory would realize a lower average monthly bill without making any changes in usage by July 1, 2024. This bill would repeal these provisions and instead permit the PUC to authorize specific fixed charges for low-income customers enrolled in the California Alternate Rates for Energy (CARE) program and for customers account not enrolled in the CARE program, adjusted for CPI. The bill essentially allows usage-based rates to continue, but limits additional fixed charges for certain customers. **This bill is not moving forward this year.**

AB 2290 (Friedman) Bikeways

This bill would establish the Bikeway Quick-Build Project Pilot Program within the Caltrans' maintenance program to expedite development and implementation of bikeways on the state highway system and require Caltrans to develop guidelines for implementing bikeway quick-build projects. This bill would also that a bicycle facility identified for a street in an adopted bicycle plan or active transportation plan be included in a project funded by the RMRA that includes that street. Finally, AB 2290 would prohibit the allocation of Active Transportation Program funds for a project that creates a Class III bikeway unless the project is on a street with a design speed limit of 20 miles per hour or less or the project will reduce the design speed limit to 20 miles per hour or less.

For a full list of the bills we are tracking for C/CAG, please click [here](#).

C/CAG AGENDA REPORT

Date: May 9, 2024
To: City/County Association of Governments of San Mateo County Legislative Committee
From: Sean Charpentier, Executive Director
Subject: Receive update and possible action on SB 1031 (San Francisco Bay Area: local revenue measure: transportation improvements).

(For further information, contact Kim Springer at kspringer@smcgov.org)

RECOMMENDATION

C/CAG staff recommend that the Legislative Committee receive an update and provide direction regarding the SB 1031 (San Francisco Bay Area: local revenue measure: transportation improvements).

FISCAL IMPACT

N/A

SOURCE OF FUNDS

N/A

BACKGROUND

SB 1031 (Wiener) replaces SB 925 (Wiener) as the new regional transportation measure enabling legislation. The new bill was also consolidated with SB 926 (Wahab) – Bay Area Transit Consolidation, by actions of the State senate. The bill is sponsored by MTC. On April 11, 2024, the C/CAG Board of Directors took an Opposed Unless Amended Position on the SB 1031 and submitted the letter on April 15, 2024. The C/CAG letter is available as Attachment 5.

On April 16, 2024, the Authors amended the SB 1031.

A major emphasis of SB 1031 is to avert a transit fiscal cliff and provide new transit funding to every county. Attachment 4 has the MTC’s estimated near term transit operating shortfalls.

There are four major components to SB 1031:

First, it would require the State to study the consolidation of transit agencies in the San Francisco Bay Area.”

Second, it would authorize the MTC and the Bay Area Air Quality Management District (BAAQMD)

to jointly adopt a commute benefit ordinance for employers with 50+ employees that would require commute benefits that could include a pretax option, an employer paid benefit, employer provided transit, or an employer provided regional transit pass.

Third, it would codify and expand the authority of the MTC to require integration or coordination of transit fares, schedules, and mapping and wayfinding as a condition of receiving existing and future transit funding mechanisms.

Fourth, it authorizes the MTC to place a regional transportation funding ballot measure on the ballot. The statute includes a range of potential revenue sources, including a sales tax, employer tax, parcel tax, and a vehicle registration fee. The statute identifies investment categories including transit transformation and transit operations, zero emission transit vehicles and infrastructure, a Safe Streets Category (potholes, bicycle, and pedestrian projects), a Connectivity Category (mobility improvements that close gaps and relieve bottle necks in the transportation network), and climate resilience.

Attachment 1 has a link to the legislation.

Concern Raised in 4/15/23 CCAG Letter	SB 1031 as written 4/16/24
1. Focus on how to improve the transit ridership experience and better provide mobility within and throughout the region without the presumption that the consolidation of transit operators is the best or only strategy to advance these goals.	“Consolidation” is still prominent in the legislation. There is added language for other additional forms of coordination.
2. A Balanced Multimodal Measure	Updated language includes 25% of for Safe Streets (capital) 15% for Connectivity (capital), and 10% for Flexible funding
3. Return to Source Provisions	70% return to source by county for each 5-year period. Return to source defined as: projects and programs that <u>benefit</u> that County.”
4. Include Opt-Out Language	Not included.
5. Preserve funding possibility for strategic expansions of managed lanes under specific conditions	Not included.
6. Flexibility for adjustments.	MTC calculates return to source provisions every two years.

As the legislation progressed through the Senate Committees, there was discussion of limiting the size of the potential sales tax to ½ cent.

The MTC released draft projections for what the potential distribution of funds. Jessica Epstein, SamTrans Government Affairs Director, provided a comprehensive presentation summarizing this

topic at the May 1st SamTrans meeting. It is included as Attachment 2. Table 1 has the potential distribution of funds for a \$1 billion tax measure, which also includes \$150 million to be raised by the TDM Ordinance.

Table 1: Potential Distribution of Funds to San Mateo County (SMC) for \$1billion measure.

	\$\$\$ Millions	Comments
SamTrans	\$25	Formula
Caltrain	\$15	Based on Share of AM Boardings in SMC
BART	\$24	Based on Share of AM Boardings in SMC
Safe Streets	\$27	As written, likely distributed by SMCTA
Connectivity	\$16	Distributed by MTC with County Transportation Agencies
Total	\$107	

Source: Attachment 2. (May be slight differences due to rounding).

According to the numbers from MTC table, this would equal approximately a 99% return to source for San Mateo County.

Locally, SamTrans and Caltrain have recently maintained their Oppose Unless Amended positions, and the VTA switched its position from Oppose Unless Amended to an Oppose position. Attachment 3 has the support and opposition list from the April 24th Committee hearings.

ANALYSIS

In addition to concerns included in the April 15th position, an additional concern with the amended legislation is that it does not identify a role for C/CAG in either the programming or decision making related to the Safe Streets Category or the Connectivity Category generating \$27m and \$17m per year, respectively. Over the 30 years of the measure, these two sources could equal \$1.2 billion.

Also, with only 70% return to source, there are no safeguards that would prevent wide swings in the funding or that current return to source projections would not be dramatically reduced in the future.

EQUITY IMPACTS AND CONSIDERATIONS

Not applicable at this stage of the legislation.

ATTACHMENTS

1. The SB 1031 full bill language is available at: <https://legiscan.com/CA/text/SB1031/id/2962662>
2. May 1, 2024, SamTrans Presentation
3. List of positions taken on SB 1031 – LegInfo Bill Analysis 4/24/2024
4. Estimated near term transit operating shortfall, pursuant to MTC presentation from its April 24th workshop. Entire MTC presentation (item 2a_24-0611_5_SB_1031) available at: <https://mtc.ca.gov/meetings-events>
5. C/CAG Oppose Unless Amended Letter



Recent SB 1031 Meetings/Hearings

- MTC Legislation Committee – April 12
- Senate Transportation Committee – April 23
- Senate Revenue and Taxation Committee – April 24
- MTC (Full Commission) Meeting – April 24
- MTC Workshop – April 24 & 25

Next steps

- MTC Legislative Committee – May 10
- Senate Appropriations Committee; date TBD

Updates to SB 1031

Topic	Previous Version	Current Version
Consolidation/Coordination	Study and plan to consolidate all 27 agencies. No funding identified.	Definition of consolidation includes coordination. Establishes goals of study and plan. Primary focus still consolidation, no funding identified.
MTC Authority	Enhances MTC's authority over fares, mapping & wayfinding, etc. Can restrict STA and LTF funds.	Maintains enhanced authority, now offers guardrails. Per Senate Transportation Committee can only restrict STA funds.
Expenditures	Minimum \$750 million to transit operations.	Expenditure Plan and return-to-source formulas.
Revenues	Size of measure not specified.	Per Senate Transportation Committee, goal is to raise \$1.5 billion annually; sales tax increase limited to not more than 1/2 cent which raises ~ \$1.0 billion.
Conflict with local tax measures	Allows for ballot measure any year and any number of times.	Per Senate Transportation Committee, MTC's authority to put a ballot measure to voters expires after 2040, taxes may have a duration of up to 30 years.

SB 1031 Funding Framework

- San Mateo County will contribute 11% of overall measure
 - 1/2 cent sales tax (current SMC range 9.375%-9.875%); parcel tax; payroll tax; regional vehicle surcharge
 - 70% guaranteed minimum Return to Source
- Funding formula for total funds:

Expenditure Category	Percent
Transit Transformation	45%
<i>Transit Formula</i>	<i>40%</i>
<i>Transit Discretionary</i>	<i>60%</i>
Safe Streets	25%
Connectivity	15%
Flexible	15%
Total	100%

Transit Transformation

- SamTrans – \$25M (\$20M formula, \$5M discretionary)
 - Guaranteed sum to operators with >5 million Riders per year and/or 25 million Miles per year
- Caltrain/BART – SMC share calculated by AM boardings (all discretionary)

System	AM Boardings	\$ Total
Caltrain	37%	\$15M
BART	9%	\$24M

- Caltrain will also get county shares from San Francisco and Santa Clara
- BART will also get county shares from Alameda, Contra Costa, SF and SC

Safe Streets

- Funding would likely be administered by San Mateo County Transportation Authority; funds can be sub-apportioned to cities within the County
- Eligible investments include:
 - Pedestrian safety on sidewalks, crosswalks, and midblock segments with an emphasis on improvements near community facilities such as schools, business districts, and shopping areas;
 - Modifications to intersections, including adjustments to signal timing and projects that reduce conflicts between vehicles and other road users;
 - Safety and accessibility at transit stops;
 - Street surface repair and roadway treatments to reduce vehicle speeds;
 - Improvements to drainage and stormwater infrastructure.
- San Mateo County - \$27M

Connectivity

- Multimodal Capital Improvement program administered by MTC with priorities developed in consultation with County and other partners
- Projects required to be in Plan Bay Area 2050+
- MTC may issue bonds to accelerate capital projects
- Eligible investments include:
 - Highway, transit, and rail mobility projects that close gaps and relieve bottlenecks in the existing transportation network in a climate-neutral manner;
 - Resilience improvements that protect transportation infrastructure from climate-fueled natural disasters;
 - Transportation safety improvements, including grade separations.
- San Mateo County - \$16M

Flexible

- 15% of total funds to ensure each county has a minimum Return to Source of 70%
- Funds only going to those counties that are below the minimum
- Any remaining funds are at MTC discretion for regional priority improvements including transit/transformation (i.e. wayfinding, safety and cleanliness) and/or capital improvements
- San Mateo County - \$0M

Application to San Mateo County

- Return to Source – 99%
 - Approx. 59% operations
 - Approx. 41% capital

\$1B Scenario SMC Generation \$110/year

Expenditure Category	Percent
Transit Transformation	45%
<i>Transit Formula</i>	40%
<i>Transit Discretionary</i>	60%
Safe Streets	25%
Connectivity	15%
Flexible	15%
Total	100%

Expenditure Category	Percent
Transit Transformation	
<i>Transit Formula</i>	\$20M
<i>Transit Discretionary</i>	\$44M
Safe Streets	\$27M
Connectivity	\$16M
Flexible	\$0
Total	\$108M

➤ \$64M – 59%

➤ \$43M – 41%

Note: Sums may not total due to rounding

\$1B Revenue Measure

- 99% Return to Source

County	Safe Streets	Connectivity	Transit Formula	Near-Term Transit Flex (Operating Shortfall & Min Guarantee)	TDM		
					Mandate	Flex	Total
Alameda	\$ 55	\$ 33	\$ 40	\$ 115		\$ -	\$ 243
Contra Costa	\$ 28	\$ 17	\$ 20	\$ 56		\$ -	\$ 121
Marin	\$ 8	\$ 5	\$ 6	\$ 23		\$ -	\$ 42
Napa	\$ 6	\$ 3	\$ 4	\$ 1		\$ 2	\$ 16
San Francisco	\$ 25	\$ 15	\$ 18	\$ 275		\$ -	\$ 332
San Mateo	\$ 27	\$ 16	\$ 20	\$ 44		\$ -	\$ 108
Santa Clara	\$ 72	\$ 43	\$ 52	\$ -		\$ 35	\$ 202
Solano	\$ 13	\$ 8	\$ 9	\$ 1		\$ 5	\$ 36
Sonoma	\$ 15	\$ 9	\$ 11	\$ -		\$ 7	\$ 43
Contribution to Shortfall Coverage				\$ (245)	\$ 150	\$ 95	\$ -
Regional Funds for Improvements					\$ -	\$ 6	\$ 6
Grand Total (With TDM)	\$ 250	\$ 150	\$ 180	\$ 270	\$ 150	\$ 150	\$ 1,150



Please email epsteinj@samtrans.com with any questions.

SENATE COMMITTEE ON REVENUE AND TAXATION

Senator Steven Glazer, Chair

2023 - 2024 Regular

Bill No: SB 1031
Author: Wiener
Version: 4/16/24
Consultant: Grinnell

Hearing Date: 4/24/24
Tax Levy: No
Fiscal: Yes

SAN FRANCISCO BAY AREA: LOCAL REVENUE MEASURE: TRANSPORTATION IMPROVEMENTS

SB 1031 (Wiener) 4/16/24

Page 10 of 10

Support and Opposition (4/23/24)

Support: Metropolitan Transportation Commission (Sponsor)

California Yimby

Housing Action Coalition

Napa County Transportation and Planning Agency/Napa Valley Transportation Authority

San Francisco County Transportation Authority

Seamless Bay Area

Sustainable Silicon Valley

Wellstone Democratic Renewal Club

1 Individual

Opposition: Alameda County Taxpayers' Association

Associated General Contractors of California

Bay Area Council

California Alliance for Jobs

California Association of Realtors

California Chamber of Commerce

California Taxpayers Association

City/County Association of Governments of San Mateo County

Coalition of Sensible Taxpayers (COST)

Contra Costa Taxpayers Association

Howard Jarvis Taxpayers Association

International Union of Operating Engineers, Cal-Nevada Conference

Kern County Taxpayers Association

Orange County Taxpayers Association

Peninsula Corridor Joint Powers Board (CALTRAIN)

San Mateo County Transit District (SAMTRANS)

Santa Clara Valley Transportation Authority

Sonoma County Transportation Authority/Regional Climate Protection Authority

-- END --

Near-Term Transit Operating Shortfalls

FY 2027-28 Transit Operating Shortfalls	
Operators Serving Over 5 Million Riders/Year and/or Carrying Passengers More Than 25 Million Miles/Year	
Operator	Operating Shortfall* (\$ in Millions)
AC Transit	\$ 8
BART	\$ 258
Caltrain	\$ 40
GGBTHD	\$ 35
SamTrans	\$ 0
SFMTA	\$ 218
VTA	\$ 0
WETA	\$ 0
<i>Subtotal</i>	\$ 560
Operators Serving Less than 5 Million Riders/Year and/or Carrying Passengers Less Than 25 Million Miles/Year	
<i>Subtotal</i>	\$ 10
Grand Total	\$ 570

- Based on 2023 standardized deficits developed by MTC to allocate SB 125 state budget funding.
- Based on pre-pandemic funding agreements for existing resources and does not reflect the potential fare revenue benefits of accountability and customer experience measures underway.



CITY/COUNTY ASSOCIATION OF GOVERNMENTS
OF SAN MATEO COUNTY

Atherton • Belmont • Brisbane • Burlingame • Colma • Daly City • East Palo Alto • Foster City • Half Moon Bay • Hillsborough • Menlo Park • Millbrae • Pacifica • Portola Valley • Redwood City • San Bruno • San Carlos • San Mateo • San Mateo County • South San Francisco • Woodside

April 15, 2024

The Honorable Dave Cortese
Chair, Senate Transportation Committee
State Capitol, Room 405
Sacramento, CA 95814

RE: SB 1031 (Wiener and Wahab) Bay Area Regional Transportation Measure – OPPOSE UNLESS AMENDED

Dear Chair Cortese:

First, thank you for your efforts to create a regional transportation measure that could raise significant revenue to transform our multimodal transportation system in the Bay Area. C/CAG is the County Transportation Agency (CTA) and also the designated Congestion Management Agency (CMA) for San Mateo County. C/CAG represents all of San Mateo County's 764,442 residents through its 21-member Board of Directors, with each jurisdiction in the County having a dedicated seat. C/CAG works to improve climate resiliency, mobility, the environment, and equity throughout San Mateo County. C/CAG supports, leads, and co-sponsors multi modal projects throughout San Mateo County, including: the Reimagine SR 84/ US 101 Interchange Project, the US 101/SR 92 Direct Connector Project, the US 101 Managed Lanes Project North of I-380 Project, and other multimodal improvements throughout the County.

SB 1031, as currently written, raises significant concerns for C/CAG. At the April 11, 2024 C/CAG Board meeting, the C/CAG Board of Directors approved an “**Oppose Unless Amended**” position.

C/CAG employed various perspectives to review SB 1031. These included evaluating the advantages of participating in a regional measure versus having a single countywide measure, analyzing the amount and distribution of revenue allocated for a direct investment in the multimodal system in San Mateo County, recognizing that a strong economy in San Mateo County also requires commuters from other parts of the Bay Area, and considering the potential benefits for the vast majority of San Mateo County residents who work and travel within the County's boundaries.

C/CAG's concerns are outlined below.

1. Focus the study on an objective analysis of strategies to improve ridership.

SEC 3, 13978.9 (c) states that the CALSTA “*shall recommend a comprehensive plan to consolidate all of the transit agencies that are located in the San Francisco Bay area*” and that the plan shall be completed on or before January 1, 2027. This language predetermines that consolidation is the only outcome. C/CAG requests that the study in SB 1031 objectively focus on how to improve the transit ridership experience and better provide mobility within and throughout the region without the presumption that the consolidation of transit operators is the best or only strategy to advance these goals. Other potential strategies to improve ridership include shared services, increasing coordination, and creating an umbrella structure. The timeline of the study should be extended to allow the objective analysis and comprehensive public and stakeholder engagement to occur.

2. A Balanced Multimodal Measure.

While the focus of the measure is on transit transformation, it is crucial to ensure a balanced investment across various modes to address the variety of mobility needs and garner widespread support. The majority of taxpayers in San Mateo County work in San Mateo County and drive or carpool to work. Rather than suggesting a minimum of \$750 million for transit in CHAPTER 4. Expenditures 66538.40. (b) (1), it would be advantageous to identify a proposed percentage that would be reflective of the need to balance investments across all modes.

Pavement management is an ongoing concern for our voters. The League of California Cities, April 2023, California Statewide Local Streets and Roads Needs Assessment identified that all the jurisdictions in San Mateo County needs \$870 million over 10 years for pavement management. C/CAG suggests that the Safe Streets category include a meaningful and material direct subvention to each jurisdiction for pavement management investments. In addition, there needs to be funding opportunities to address transportation challenges in our rural and coastal communities.

3. Return to Source Provisions

To ensure the success of the regional measure, significant direct return to source provisions must be included, guaranteeing that a significant portion of the revenue generated by each county’s taxpayers is directly reinvested in that county. This would include funding for Transit, Connectivity, and Safe Streets categories. The transit funds must be flexible for use with both operating and capital expenses. Consequently, the deletion of *CHAPTER 4. Expenditures 66538.40. (1)(B)*, which statutorily prioritizes “sustaining services used by the greatest number of transit riders.” is necessary. Strong direct return to source provisions will allow us to communicate how the regional measure can address the mobility needs of our taxpayers and residents.

4. Opt Out Language

A provision allowing individual counties to opt out of the regional measure needs to be incorporated into the legislation. Counties can choose to opt out based on the potential conflicts with future countywide ballot measures, or if it is determined that pursuing a local measure would yield greater benefits than participating in the regional measure. This is especially critical for San Mateo County, which, depending on the ultimate revenue source, has the potential to generate significant revenue. The inclusion of an opt out provision needs to be added to the legislation.

5. Preserve funding possibility for strategic expansions of managed lanes under specific conditions.

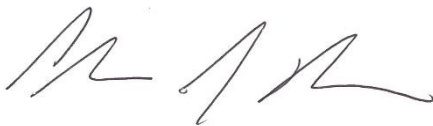
The legislation references “criteria around roadway capacity increases.” The legislation should include flexibility for funding strategic roadway expansions for managed lanes (priced or HOV or transit only) that close gaps in the network, support expanded transit use, and include an equity program.

6. Flexibility to for MTC to adjust the flexible non return to source components.

Flexibility should be granted to MTC to adjust the investment of the regional funds that are not subject to the return to source guarantee. Given ongoing transportation challenges faced by the region from COVID-19, future flexibility will be vital to adapt to changing ridership trends and transportation patterns. It is critical that these regional funds be used strategically, and that geographic distribution is a consideration for these funds as well. Authorization should be provided for MTC to prepare an expenditure plan for the non return to source funding and update it periodically.

Thank you for this opportunity to comment. We look forward to the discussion. We will return to the C/CAG Board at its May 9th meeting to update our position based on the positive resolution of these concerns. If you have any questions, please contact Sean Charpentier, C/CAG Executive Director, at scharpentier@smcgov.org.

Sincerely,



Adam Rak, Chair
City/County Association of Governments of San Mateo County

Cc: Senator Scott Wiener
Senator Aisha Wahab
Senator Steve Glazer
Senator Josh Becker

Assembly Member Phil Ting
Assembly Member Diane Papan
Assembly Member Marc Berman
Supervisor Alfredo Pedroza, MTC Chair