



MEMORANDUM

Writer's Direct Telephone: (408) 321-7005

TO: VTA Board of Directors

THROUGH: Michael T. Burns
General Manager

FROM: Donald A. Smith, Jr.
Chief Operating Officer

DATE: May 24, 2011

SUBJECT: VTA, Inter-agency Partners, and Contracted Services Ridership for April 2011

April 2011 total monthly system ridership for bus and light rail was 3,584,045, an increase of 2.0% over April 2010. The average weekday system ridership for April 2011 was 3.3% more than April 2010. April 2011 had one less weekday compared to April 2010.

Bus average weekday ridership for April 2011 was 107,930, an increase of 2.2% compared to April 2010. Light rail recorded an average weekday ridership of 32,393 for April 2011, an increase of 7.1% compared to April 2010.

With the exception of Monterey-San Jose Express and Paratransit, all of VTA's inter-agency partners and contracted services experienced average weekday ridership increases in April 2011.

<u>VTA Ridership</u>	April 2011	April 2010	Percent Change
VTA System Boardings	3,584,045	3,515,192	2.0%
System Average Weekday	140,323	135,882	3.3%
Bus Boardings	2,737,188	2,729,888	0.3%
Bus Average Weekday	107,930	105,642	2.2%
Light Rail Boardings	846,857	785,304	7.8%
Light Rail Average Weekday	32,393	30,240	7.1%

<u>Inter-agency Partners Ridership</u>	April 2011	April 2010	Percent Change
Dumbarton Express Boardings	23,124	21,145	9.4%
Dumbarton Average Weekday	1,101	961	14.6%
Highway 17 Express Boardings	30,309	27,774	9.1%
Highway 17 Average Weekday	1,134	1,038	9.2%
Monterey-San Jose Express Boardings	2,568	3,225	-20.4%
Monterey-San Jose Average Weekday	85	110	-22.7%
Caltrain Boardings	1,075,960	1,011,777	6.3%
Caltrain Average Weekday	40,756	38,057	7.1%
Altamont Commuter Express Boardings	61,932	54,853	12.9%
ACE Average Weekday	2,949	2,493	18.3%
Capitol Corridor Boardings	152,781	137,871	10.8%
<u>Contracted Services Ridership</u>	April 2011	April 2010	Percent Change
Paratransit Boardings	68,339	75,165	-9.1%
Paratransit Average Weekday	2,911	3,101	-6.1%
ACE Shuttles Boardings	20,236	17,730	14.1%
ACE Shuttles Average Weekday	964	806	19.6%
IBM/Hitachi Light Rail Shuttle Boardings	2,085	1,897	9.9%
IBM/Hitachi Shuttle Average Weekday	99	86	15.1%

MEMORANDUM

TO: Santa Clara Valley Transportation Authority
Board of Directors

FROM: Kurt Evans, Government Affairs Manager
Santa Clara Valley Transportation Authority

DATE: May 23, 2011

SUBJECT: Weekly Legislative Summary: Week of May 16, 2011

FEDERAL

Debt Limit: In a letter to Congress, Treasury Secretary Timothy Geithner announced that the federal government has officially reached its \$14.3 trillion debt limit. Geithner noted that he will halt investments in two government pension plans and use various accounting maneuvers to delay a government default until August 2. “I have written to Congress on previous occasions regarding the importance of timely action to increase the debt limit in order to protect the full faith and credit of the United States and avoid catastrophic economic consequences for citizens,” Geithner said in the letter. “I again urge Congress to act to increase the statutory debt limit as soon as possible.”

Geithner’s announcement came as President Barack Obama warned lawmakers that “playing politics” with the debt limit could threaten the nation’s economic recovery. “If investors around the world thought that the full faith and credit of the United States was not being backed up—if they thought that we might renege on our IOUs—it could unravel the entire financial system.”

Congressional Republicans stated that they would support an increase in the debt ceiling only if the President proposes major budget cuts. House Speaker John Boehner (R-OH) has suggested \$2 trillion for starters. “Spending-driven deficits, record debt, and the threat of tax hikes are smothering our economy with uncertainty and making it harder for small businesses to hire new workers,” he commented. “As I have said numerous times, there will be no debt limit increase without serious budget reforms and significant spending cuts—cuts that are greater than any increase in the debt limit.”

Federal Budget: In a series of speeches over the past several weeks, President Obama and House Budget Committee Chairman Paul Ryan (R-WI) put their contrasting visions for addressing the federal government’s fiscal challenges on display. Gearing up for his 2012 re-election bid, the President says he is focusing on a “vision forward” for Americans, while Republicans are more interested in tax cuts for the rich. Ryan counters that his budget plan promotes “renewed prosperity,” while President Obama and the Democrats promote a “shared scarcity” in which the federal government makes all of the decisions.

President Obama is seeking to reduce federal budget deficits by \$4 trillion over 12 years by reigning in domestic spending, finding savings in the Pentagon's budget, reducing health care spending while strengthening Medicare and Medicaid, reforming the federal tax code, and ending the Bush-era tax cuts for wealthier Americans. At the same time, the President believes increased investment in clean energy, education and infrastructure is needed to make the United States more competitive in a global economy.

Conversely, Ryan is the architect of a House GOP budget resolution that provides the framework for cutting \$6.2 trillion in federal spending over the next 10 years. The resolution proposes transforming Medicare from a program under which the federal government directly pays the medical bills of seniors into a voucher-type system that subsidizes purchases of private insurance plans. It includes significant cuts to Medicaid and other federal entitlement programs. The House Republican budget resolution also proposes lowering the top tax rates for both corporations and individuals. Unlike President Obama's plan, it attempts to tackle the deficit entirely with spending cuts and assumes no additional tax revenues.

Speaking to the Economic Club of Chicago, Ryan commented that the federal government should "repair the free-market foundations of the American economy, as it did under Ronald Reagan in the early 1980s, by restraining spending; keeping taxes low; enforcing reasonable, predictable regulations; and protecting the value of the dollar." Ryan said President Obama and congressional Democrats are following a strategy that leads only to higher taxes and ever-growing government. "If we succumb to this view that our problems are bigger than we are—if we surrender more control over our economy to the governing class—then we are choosing shared scarcity over renewed prosperity, and managed decline over economic growth," he stated. "That's the real class warfare that threatens us—a class of governing elite picking winners and losers, and determining our destinies for us."

At Democratic fundraising event in Washington, D.C., President Obama said progressive Democrats must be concerned about reducing the federal government's \$14 trillion-plus debt "because that's how we will be able to move our vision forward." He pointed out that the broader budget debate is "really about what our vision of the country is." In framing this debate, the President commented: "Are we going to continue to make a commitment that every child, regardless of race or station or region can achieve their dreams because they've got a school system that's delivering for them? Are we going to continue to be a nation that has the best infrastructure, moving products and services and people and information from place to place, because we've invested not just in roads and bridges and ports and airports, but in broadband lines and smart grids? Are we investing in the future the way previous generations invested in us?"

Offshore Oil Drilling: A Republican bid to expand and hasten offshore drilling in the face of \$4-a-gallon gasoline prices was defeated in the Senate, four days after President Obama directed the Interior Department to ramp up U.S. oil production. Five Republicans joined 52 Democrats in rejecting a bill by Senate Minority Leader Mitch McConnell (R-KY) to speed up decision-making on drilling permits, and to require the federal government to conduct lease sales in the Gulf of Mexico and off the coasts of Alaska and Virginia that were postponed by the Obama Administration after last year's massive BP oil spill in the Gulf.

After the House passed similar legislation two weeks ago, President Obama ordered the Interior Department to extend existing leases in the Gulf and off the Alaska coast, and to hold more frequent lease sales in a federal petroleum reserve in Alaska. Because of these steps, Senate Democrats and the White House contended that McConnell's bill was unnecessary.

STATE

State Budget: On May 16, Gov. Jerry Brown released his May Revision to the 2011-12 State Budget. In this document, the Governor reported that General Fund revenues are up by more than \$6.6 billion. He is recommending that these unexpected revenues be used to: (a) reduce the amount of the tax extensions that would be pursued with the voters; (b) increase funding for K-12 education and community colleges pursuant to the Proposition 98 guarantee; (c) make slight adjustments to the budgets for the Department of Corrections and Rehabilitation, and the Department of Mental Health to prevent these two departments from running out of money to pay their bills; and (d) make up for the anticipated savings that were lost when the Legislature enacted \$13.4 billion in solutions a month later than what was assumed in the Governor's original January budget.

After accounting for the \$13.4 billion in budget solutions adopted by the Legislature in March, the higher revenues and updated estimates for spending, the state's \$26.6 billion General Fund deficit has been reduced to \$9.6 billion. This figure breaks down to a \$4.8 billion shortfall for the remainder of FY 2011 and a structural deficit of \$4.8 billion in FY 2012. Looking beyond the upcoming fiscal year, the May Revision projects annual structural deficits of approximately \$10 billion through at least FY 2015.

To address the remaining \$9.6 billion deficit and build a \$1.2 billion reserve, Gov. Brown, in his May Revision, recommended: (a) eliminating 43 state commissions and boards; (b) cutting 5,500 state government jobs; (c) selling non-essential or under-utilized state property; (d) merging the Healthy Families Program into Medi-Cal to reduce costs and create a single health care program for low-income families; and (e) extending the temporary tax increases that are set to expire on June 30. The proposed tax extensions are as follows:

- **Dependent Credit:** Maintaining the dependent credit against personal income taxes at the federal level of \$100 for another five years, through FY 2016. If it is not extended, this credit will increase to \$300 at the end of June.
- **Sales and Use Tax:** Maintaining the base state sales tax rate at 6 percent for another five years, through FY 2016. Currently, the rate is set to drop to 5 percent on July 1.
- **Vehicle License Fee (VLF):** Maintaining the VLF rate at 1.15 percent of the market value of a vehicle for another five years, through FY 2016. Without an extension, the VLF rate will drop to 0.65 percent of the market value of a vehicle on July 1.
- **Personal Income Taxes:** Given the unexpected influx of revenues, Gov. Brown is not seeking to continue the 0.25 percent surcharge on personal income for the 2011 tax year. However, he is recommending that the surcharge be reinstated for tax years 2012 through 2015.

The Governor is sticking to his pledge to put all four of these tax extensions before the voters, either in September or November of this year. However, in the case of the dependent credit, sales tax and VLF, he is recommending that the Legislature temporarily extend them until an election can be held, so that they do not expire at the end of June.

While acknowledging that General Fund revenues are running higher than expected, Gov. Brown said the tax extensions are still needed because: (a) California's economic outlook remains uncertain; (b) the state is still facing an ongoing structural budget deficit; and (c) the state needs to begin whittling down a \$35 billion "wall of debt" that has accumulated through the use of loans and payment deferrals to address prior-year budget shortfalls. Republicans lawmakers, on the other hand, contend that the tax extensions are no longer necessary because of the improvement in revenues. In fact, the budget plan that they released four days before the Governor's May Revision became public relies on deep spending to state agencies/departments, deep cuts to health and human services programs, and more optimistic revenue assumptions to close the current budget gap.

In his May Revision, Gov. Brown backed off his January proposal to eliminate enterprise zones. Instead, he is proposing to implement a series of reforms to ensure that the zones are "creating incentives for new jobs, rather than rewarding businesses for decisions they have already made." On the other hand, the Governor is sticking to his proposals to eliminate local redevelopment agencies and to shift their revenues to schools and public safety, and to end a tax break for multi-state businesses by requiring them to use a single sales factor when calculating their tax liability.

Overall, Gov. Brown's May Revision does not recommend any significant changes for transportation. The biggest transportation budget issue was resolved in March when the Governor signed AB 105 into law. This legislation includes several key provisions that address the impacts of Propositions 22 and 26 on last year's transportation funding swap. First, AB 105 re-enacts the swap's increases in both the gas tax and the diesel sales tax in order to prevent Proposition 26 from eliminating billions in revenues for state highways, local streets/roads and public transit. Second, it taps vehicle weight fees, rather than the gas tax, as the revenue source for making debt service payments on transportation-related general obligation bonds, allowing the state to realize the General Fund savings that were anticipated from the swap. This switch became necessary because Proposition 22 prohibits the use of gas tax revenues for general obligation bond debt service. Finally, AB 105 makes the necessary statutory revisions to ensure that: (a) the distribution of revenues from the swap's gas tax increase will achieve the same results that were anticipated for state highways and local streets/roads when the swap was enacted; and (b) the State Transit Assistance Program (STA) reaches a minimum funding level of \$350 million per year as contemplated by the swap.

The key transportation elements of Gov. Brown's May Revision are as follows:

- **Proposition 1B Bonds:** In January, the Governor recommended \$2.3 billion in Proposition 1B bond appropriations. The May Revision augments this amount by \$1 billion, with \$594 million going to the Corridor Mobility Improvement Account (CMIA), \$192 million to the Trade Corridors Improvement Fund (TCIF) and \$123 million to intercity rail.
- **Bond Sale:** The Governor is suggesting that the state move ahead with a planned bond sale in the fall. He is recommending that the state sell \$1.53 billion in bonds in the fall for Proposition

1B and other voter-approved bond programs, and another \$2.37 billion next spring. These amounts are less than originally contemplated.

- STA: The May Revision updates the estimates for the diesel sales tax, the revenue source for STA. According to the new numbers in the May Revision, STA is expected to receive \$416.3 million in FY 2012, which is greater than the \$328.8 million estimate in the Governor's January budget plan.
- PIDs: In his May Revision, the Governor indicated that he will continue to push for a policy change that would require local agencies to reimburse Caltrans for its costs related to reviewing and approving project initiative documents (PIDs) for state highway corridors. This proposal was previously rejected by the Transportation Budget Subcommittees in both the Assembly and Senate.
- High-Speed Rail: The May Revision adjusts the California High-Speed Rail Authority's FY 2012 budget, proposing \$16.5 million for administration and \$133.1 million for capital expenditures.

NOTE: Also contributing to this report were Steve Palmer with Van Scoyoc Associates; Mark Watts with Smith, Watts & Company; and Scott Haywood, VTA's Policy and Community Relations Manager.

May 23, 2011

The Honorable Felipe Fuentes, Chairperson
Assembly Appropriations Committee
State Capitol, Room 2114
Sacramento, CA 95814

Dear Chairperson Fuentes:

The Santa Clara Valley Transportation Authority (VTA) requests your support for AB 1134 (Bonilla) when the Assembly Appropriations Committee considers its Suspense File. AB 1134 seeks to streamline and provide uniformity with regard to Caltrans' process for developing, reviewing and approving project study reports (PSRs).

Under current policy, all proposed projects involving the state highway system that cost more than \$3 million require the preparation of a PSR, an initial planning document that provides basic technical information related to the scope, cost and schedule of the proposed project. In many cases, local agencies prepare the PSRs for state highway projects within their jurisdictions, while Caltrans provides oversight by assigning staff to review and approve the documents. Unfortunately, the PSR process has become cumbersome, resulting in cost increases and delays to projects. In addition, confusion has arisen over the level of detail that needs to be provided when preparing PSRs, as well as over who pays for Caltrans' costs to review and approve the documents.

AB 1134 makes a number of statutory changes that are intended to: (a) define the level of information that should be included in PSRs; (b) streamline and ensure consistency statewide with regard to Caltrans' process for developing, reviewing and approving PSRs; and (c) clarify the responsibilities of Caltrans and local agencies when it comes to paying for PSRs.

We respectfully seek your support for this legislation. Thank you for your consideration of our request.

Sincerely,

Margaret Abe-Koga, Chairperson
Board of Directors
Santa Clara Valley Transportation Authority

May 23, 2011

The Honorable Felipe Fuentes, Chairperson
Assembly Appropriations Committee
State Capitol, Room 2114
Sacramento, CA 95814

Dear Chairperson Fuentes:

The Santa Clara Valley Transportation Authority (VTA) requests your support for AB 650 (Blumenfield) when the Assembly Appropriations Committee considers its Suspense File. AB 650 establishes the Blue Ribbon Task Force on Public Transportation to make recommendations to the Governor and Legislature on how to develop, implement and fund a comprehensive, well-coordinated, fully functioning public transit system in California.

Public transit is a means to achieving a wide variety of important public policy goals. It provides mobility options for all Californians, is a vital component in building a strong economy for local communities and the state as a whole, and allows us to become more energy independent and less reliant on foreign oil. Furthermore, an effective public transit system is necessary for California to be able to achieve the greenhouse gas emission reduction goals and strategies embraced in AB 32 and SB 375.

It could be argued that in many respects, public transit in California stands at a crossroads. All indicators suggest that demand for public transit will grow in the future as fuel prices rise, as Californians are pressed for ways to cut their travel costs, and as the state strives to reduce the environmental impacts of transportation. However, California lacks the strategic vision and corresponding funding plan that are needed to build, maintain and operate a comprehensive, well-coordinated, fully functioning public transit system to meet the anticipated demand.

Under AB 650, the Blue Ribbon Task Force would: (a) articulate the current state of public transit in California; (b) define the public transit system that the state and our communities need in the future; (c) lay out the costs associated with building, maintaining and operating that system; and (d) recommend a way to pay for it. The task force's report is intended to serve as a roadmap for how to ensure that sufficient financial resources are provided on an ongoing basis to allow public transit agencies to effectively serve their communities and the state to achieve its important policy goals. We respectfully seek your support for this legislation. Thank you for your consideration of our request.

Sincerely,

Margaret Abe-Koga, Chairperson
Board of Directors
Santa Clara Valley Transportation Authority

May 17, 2011

The Honorable Felipe Fuentes, Chairperson
Assembly Appropriations Committee
State Capitol, Room 2114
Sacramento, CA 95814

Dear Chairperson Fuentes:

The Santa Clara Valley Transportation Authority (VTA) requests your support for AB 1308 (Miller) when the Assembly Appropriations Committee considers its Suspense File. AB 1308 provides that revenues in the Highway Users Tax Account (HUTA) are to be continuously appropriated and available for expenditure regardless of whether a state budget has been enacted for the new fiscal year.

Late budgets create significant cash-flow problems for transportation projects that rely on funding from HUTA and the State Highway Account. Although gas tax revenues continue to be collected and deposited into HUTA, they sit unused during budget impasses because there is no legal authority to allocate the money to cities and counties, and to the State Highway Account. Over the years, this situation has resulted in repeated warnings from Caltrans that the department would have insufficient cash in the State Highway Account to cover ongoing commitments and, thus, would have to curtail construction and maintenance work throughout the state. In fact, as recently as fall 2010, the lack of an enacted budget forced Caltrans to stop awarding contracts for any new projects, holding up \$3.5 billion in projects representing approximately 50,000 new jobs. In addition, Caltrans notified contractors on existing projects that if a budget were not passed soon, the department would not be able to pay them for work already performed.

AB 1308 was introduced to address cash-flow problems that could result from late state budgets and the corresponding lack of legal authority for the Controller's Office to release gas tax revenues from HUTA for expenditure. The legislation corrects these problems by providing a legal bridge that allows gas tax revenues to continue to flow to Caltrans, regional and local transportation agencies, and cities and counties regardless of the status of the state budget, thereby preventing delays or disruptions to work on state and local transportation projects. We respectfully seek your support for this legislation. Thank you for your consideration of our request.

Sincerely,

Margaret Abe-Koga, Chairperson
Board of Directors
Santa Clara Valley Transportation Authority

May 17, 2011

The Honorable Cameron Smyth, Chairperson
Assembly Local Government Committee
State Capitol, Room 4098
Sacramento, CA 95814

Dear Chairperson Smyth:

The Santa Clara Valley Transportation Authority (VTA) requests your support for AB 31 (Beall) when this bill comes before the Assembly Local Government Committee for a vote. AB 31 authorizes the cities and counties in the Central Valley that have an approved high-speed rail station to prepare and adopt a master plan for development of the area surrounding their stations. For those cities and counties that prepare such a plan, the bill: (a) provides a limited exemption for any proposed development project within the station area that is consistent with the plan from the California Environmental Quality Act (CEQA); and (b) allows for the formation of an infrastructure financing district, without an election, to finance any publicly owned facility or amenity necessary to implement the plan.

As California's high-speed rail project moves forward in the Central Valley, the communities along the line have an opportunity to revitalize the area surrounding their stations. However, without careful station area planning, there is a risk that low-density development will occur around the station sites that would not be compatible with high-speed rail, that would result in traffic congestion and that would increase greenhouse gas emissions. The intent of AB 31 is to encourage communities in the Central Valley to engage in comprehensive planning for the area surrounding their high-speed rail stations. It also establishes a framework that could be used for station sites along other parts of the state's proposed high-speed train system. We respectfully seek your support for this legislation. Thank you for your consideration of our request.

Sincerely,

Margaret Abe-Koga, Chairperson
Board of Directors
Santa Clara Valley Transportation Authority

MEMORANDUM

TO: Members of the California State Assembly

FROM: Margaret Abe-Koga, Chairperson
Board of Directors
Santa Clara Valley Transportation Authority

DATE: May 6, 2011

RE: Support for AB 1105 (Gordon)

The Santa Clara Valley Transportation Authority (VTA) requests your support for AB 1105 (Gordon) when this bill comes before the Assembly for a vote. Under current law, VTA has the state statutory authority to convert existing carpool lanes to express lanes on two transportation corridors within Santa Clara County. AB 1105 would allow for one of the transportation corridors selected to be a corridor that extends into San Mateo County, subject to the agreement of the City/County Association of Governments of San Mateo County (CCAG).

An express lane, also called a high-occupancy toll (HOT) lane, is a carpool lane that permits a single-occupant vehicle to use the carpool lane for a fee, which typically fluctuates by time of day and level of congestion. The fee is set at such a level as to ensure that the lane never becomes too congested in order to provide a time-savings benefit to carpoolers and those paying the fee. Carpoolers, as well as public transit buses, continue to use the lane for free. The revenues generated by the fee are typically used to operate and maintain the express lane facilities, provide enforcement for the express lanes, improve the highway corridor, and increase public transit service in the corridor. Studies have shown that express lanes can provide more air quality and congestion relief benefits than a simple carpool lane.

In 2004, AB 2032 (Dutra) was enacted into law to provide VTA with the appropriate state statutory authority to implement express lanes in two transportation corridors within Santa Clara County. To implement this legislation, the VTA Board of Directors approved the Silicon Valley Express Lane Program in December 2008. This program contemplates the conversion of 34 miles of existing carpool lanes on U.S. 101 between the city of Morgan Hill in south Santa Clara County and the San Mateo County line.

However, the carpool lane on U.S. 101 actually does not end at the county line; in fact, it runs roughly six miles into San Mateo County to Redwood City, thus creating a challenge for developing express lanes in this corridor. Because AB 2032 limits VTA's statutory authority to implementing express lanes within Santa Clara County, northbound single-

Members of the California State Assembly

AB 1105 (Gordon): Support
May 6, 2011
Page Two

occupant vehicles would be forced to exit the express lane at the county line, even though the carpool lane continues to Redwood City. Meanwhile, southbound single-occupant vehicles would have to wait until Palo Alto to enter the express lane. Therefore, in both directions, the potential for confusion and congestion exists as single-occupant vehicles attempt to either merge into the mixed-flow lanes or enter the express lane at the county line. It would make more sense to allow single-occupant vehicles to enter/exit the express lanes where the existing carpool lanes begin/end in Redwood City.

AB 1105 would allow the entire length of the existing carpool lanes on U.S. 101 between Morgan Hill and Redwood City to be converted to express lanes as one project and in a seamless manner. We respectfully seek your support for this legislation. Thank you for your consideration of our request.

MEMORANDUM

TO: Members of the California State Assembly

FROM: Margaret Abe-Koga, Chairperson
Board of Directors
Santa Clara Valley Transportation Authority

DATE: May 6, 2011

RE: Support for AB 57 (Beall)

The Santa Clara Valley Transportation Authority (VTA) requests your support for AB 57 (Beall) when this bill comes before the Assembly for a vote. AB 57 makes several adjustments to the governing board of the Metropolitan Transportation Commission (MTC), the metropolitan planning organization for the Bay Area. Under current law, the mayor of San Francisco is able to appoint one voting member to the commission. AB 57 would add two voting seats to the commission to be appointed by the mayors of San Jose and Oakland from the membership of their respective city councils. The legislation also provides that no more than three voting members of the commission may be residents of the same county.

As you may know, MTC was created in 1970 through the enactment of state legislation to serve as the transportation planning agency for the nine-county Bay Area. Over the past 40 years, the Bay Area has seen significant changes in terms of population, employment and travel patterns. The most dramatic changes are attributed to the emergence of Silicon Valley in the southern part of the region. Today, the San Jose/Santa Clara County area makes up more than 25 percent of the Bay Area's population and more than 30 percent of the region's jobs. Over the next 30 years, San Jose/Santa Clara County is projected to experience more population and job growth than any other part of the Bay Area. With a population close to 1 million, San Jose is the largest city in Northern California, the third largest in California (behind Los Angeles and San Diego) and the 10th largest in the United States, but ironically it does not have a designated voting seat on MTC.

As the Bay Area works to implement the requirements of SB 375 (Steinberg), a focus on development within the urban core and near public transit is imperative, which means that San Jose, in addition to San Francisco and Oakland, will be looked upon to accept a considerable portion of all future housing growth in the region. Effective implementation of the Bay Area's SB 375 sustainable communities strategy demands that San Jose and Oakland join San Francisco at the MTC table. Therefore, we respectfully seek your support for AB 57. Thank you for your consideration of our request.

April 28, 2011

The Honorable Felipe Fuentes, Chairperson
Assembly Appropriations Committee
State Capitol, Room 2114
Sacramento, CA 95814

Dear Chairperson Fuentes:

The Santa Clara Valley Transportation Authority (VTA) requests your support for AB 650 (Blumenfield) when this bill comes before the Assembly Appropriations Committee for a vote. AB 650 establishes the Blue Ribbon Task Force on Public Transportation to make recommendations to the Governor and Legislature on how to develop, implement and fund a comprehensive, well-coordinated, fully functioning public transit system in California.

Public transit is a means to achieving a wide variety of important public policy goals. It provides mobility options for all Californians, is a vital component in building a strong economy for local communities and the state as a whole, and allows us to become more energy independent and less reliant on foreign oil. Furthermore, an effective public transit system is necessary for California to be able to achieve the greenhouse gas emission reduction goals and strategies embraced in AB 32 and SB 375.

It could be argued that in many respects, public transit in California stands at a crossroads. All indicators suggest that demand for public transit will grow in the future as fuel prices rise, as Californians are pressed for ways to cut their travel costs, and as the state strives to reduce the environmental impacts of transportation. However, California lacks the strategic vision and corresponding funding plan that are needed to build, maintain and operate a comprehensive, well-coordinated, fully functioning public transit system to meet the anticipated demand.

Under AB 650, the Blue Ribbon Task Force would: (a) articulate the current state of public transit in California; (b) define the public transit system that the state and our communities need in the future; (c) lay out the costs associated with building, maintaining and operating that system; and (d) recommend a way to pay for it. The task force's report is intended to serve as a roadmap for how to ensure that sufficient financial resources are provided on an ongoing basis to allow public transit agencies to effectively serve their communities and the state to achieve its important policy goals. We respectfully seek your support for this legislation. Thank you for your consideration of our request.

Sincerely,

Margaret Abe-Koga, Chairperson
Board of Directors
Santa Clara Valley Transportation Authority

April 27, 2011

The Honorable Felipe Fuentes, Chairperson
Assembly Appropriations Committee
State Capitol, Room 2114
Sacramento, CA 95814

Dear Chairperson Fuentes:

The Santa Clara Valley Transportation Authority (VTA) requests your support for AB 1105 (Gordon) when this bill comes before the Assembly Appropriations Committee for a vote. Under current law, VTA has the state statutory authority to convert existing carpool lanes to express lanes on two transportation corridors within Santa Clara County. AB 1105 would allow for one of the transportation corridors selected to be a corridor that extends into San Mateo County, subject to the agreement of the City/County Association of Governments of San Mateo County (CCAG).

An express lane, also called a high-occupancy toll (HOT) lane, is a carpool lane that permits a single-occupant vehicle to use the carpool lane for a fee, which typically fluctuates by time of day and level of congestion. The fee is set at such a level as to ensure that the lane never becomes too congested in order to provide a time-savings benefit to carpoolers and those paying the fee. Carpoolers, as well as public transit buses, continue to use the lane for free. The revenues generated by the fee are typically used to operate and maintain the express lane facilities, provide enforcement for the express lanes, improve the highway corridor, and increase public transit service in the corridor. Studies have shown that express lanes can provide more air quality and congestion relief benefits than a simple carpool lane.

In 2004, AB 2032 (Dutra) was enacted into law to provide VTA with the appropriate state statutory authority to implement express lanes in two transportation corridors within Santa Clara County. To implement this legislation, the VTA Board of Directors approved the Silicon Valley Express Lane Program in December 2008. This program contemplates the conversion of 34 miles of existing carpool lanes on U.S. 101 between the city of Morgan Hill in south Santa Clara County and the San Mateo County line.

However, the carpool lane on U.S. 101 actually does not end at the county line; in fact, it runs roughly six miles into San Mateo County to Redwood City, thus creating a challenge for developing express lanes in the corridor. Because AB 2032 limits VTA's statutory authority to implementing express lanes within Santa Clara County, northbound single-occupant vehicles would be forced to exit the express lane at the county line, even though the carpool lane continues to Redwood City. Meanwhile, southbound single-occupant vehicles would have to wait until Palo Alto to enter the express lane. Therefore, in both directions, the potential for confusion and congestion exists as single-occupant vehicles

The Honorable Felipe Fuentes
April 27, 2011
Page Two

attempt to either merge into the mixed-flow lanes or enter the express lane at the county line. It would make more sense to allow single-occupant vehicles to enter/exit the express lanes where the existing carpool lanes begin/end in Redwood City.

AB 1105 would allow the entire length of the existing carpool lanes on U.S. 101 between Morgan Hill and Redwood City to be converted to express lanes as one project and in a seamless manner. We respectfully seek your support for this legislation. Thank you for your consideration of our request.

Sincerely,

Margaret Abe-Koga, Chairperson
Board of Directors
Santa Clara Valley Transportation Authority

April 26, 2011

The Honorable Felipe Fuentes, Chairperson
Assembly Appropriations Committee
State Capitol, Room 2114
Sacramento, CA 95814

Dear Chairperson Fuentes:

The Santa Clara Valley Transportation Authority (VTA) requests your support for AB 57 (Beall) when this bill comes before the Assembly Appropriations Committee for a vote. AB 57 makes several adjustments to the governing board of the Metropolitan Transportation Commission (MTC), the metropolitan planning organization for the Bay Area. Under current law, the mayor of San Francisco is able to appoint one voting member to the commission. AB 57 would add two voting seats to the commission to be appointed by the mayors of San Jose and Oakland from the membership of their respective city councils. The legislation also provides that no more than three voting members of the commission may be residents of the same county.

As you may know, MTC was created in 1970 through the enactment of state legislation to serve as the transportation planning agency for the nine-county Bay Area. Over the past 40 years, the Bay Area has seen significant changes in terms of population, employment and travel patterns. The most dramatic changes are attributed to the emergence of Silicon Valley in the southern part of the region. Today, the San Jose/Santa Clara County area makes up more than 25 percent of the Bay Area's population and more than 30 percent of the region's jobs. Over the next 30 years, San Jose/Santa Clara County is projected to experience more population and job growth than any other part of the Bay Area. With a population close to 1 million, San Jose is the largest city in Northern California, the third largest in California (behind Los Angeles and San Diego) and the 10th largest in the United States, but ironically it does not have a designated voting seat on MTC.

As the Bay Area works to implement the requirements of SB 375 (Steinberg), a focus on development within the urban core and near public transit is imperative, which means that San Jose, in addition to San Francisco and Oakland, will be looked upon to accept a considerable portion of all future housing growth in the region. Effective implementation of the Bay Area's SB 375 sustainable communities strategy demands that San Jose and Oakland join San Francisco at the MTC table. Therefore, we respectfully seek your support for AB 57. Thank you for your consideration of our request.

Sincerely,

Margaret Abe-Koga, Chairperson
Board of Directors
Santa Clara Valley Transportation Authority

April 25, 2011

The Honorable Felipe Fuentes, Chairperson
Assembly Appropriations Committee
State Capitol, Room 2114
Sacramento, CA 95814

Dear Chairperson Fuentes:

The Santa Clara Valley Transportation Authority (VTA) requests your support for AB 1134 (Bonilla) when this bill comes before the Assembly Appropriations Committee for a vote. AB 1134 seeks to streamline and provide uniformity with regard to Caltrans' process for developing, reviewing and approving project study reports (PSRs).

Under current policy, all proposed projects involving the state highway system that cost more than \$3 million require the preparation of a PSR, an initial planning document that provides basic technical information related to the scope, cost and schedule of the proposed project. In many cases, local agencies prepare the PSRs for state highway projects within their jurisdictions, while Caltrans provides oversight by assigning staff to review and approve the documents. Unfortunately, the PSR process has become cumbersome, resulting in cost increases and delays to projects. In addition, confusion has arisen over the level of detail that needs to be provided when preparing PSRs, as well as over who pays for Caltrans' costs to review and approve the documents.

AB 1134 makes a number of statutory changes that are intended to: (a) define the level of information that should be included in PSRs; (b) streamline and ensure consistency statewide with regard to Caltrans' process for developing, reviewing and approving PSRs; and (c) clarify the responsibilities of Caltrans and local agencies when it comes to paying for PSRs.

We respectfully seek your support for this legislation. Thank you for your consideration of our request.

Sincerely,

Margaret Abe-Koga, Chairperson
Board of Directors
Santa Clara Valley Transportation Authority

April 21, 2011

Carl Guardino, President/CEO
Silicon Valley Leadership Group
224 Airport Parkway, Suite 620
San Jose, CA 95110

Dear Carl:

On behalf of the Board of Directors of the Santa Clara Valley Transportation Authority (VTA), I want to congratulate you on your recent reappointment by Gov. Jerry Brown to the California Transportation Commission (CTC).

Improving transportation is one of the more critical challenges facing California. An efficient, safe, reliable, and convenient multimodal transportation system is essential to preserving the economic vitality and quality of life in many communities across our state. VTA knows that you will continue to work hard in our capacity as a CTC commissioner to find ways to ensure that our state's transportation system functions effectively.

Again, please accept VTA's sincere congratulations and best wishes as you continue your tenure on the CTC. We look forward to working with you on issues of mutual concern.

Sincerely,

Margaret Abe-Koga, Chairperson
Board of Directors
Santa Clara Valley Transportation Authority

April 21, 2011

Jim Earp
California Alliance for Jobs
922 Second Street, Suite 299
Sacramento, CA 95814

Dear Jim:

On behalf of the Board of Directors of the Santa Clara Valley Transportation Authority (VTA), I want to congratulate you on your recent reappointment by Gov. Jerry Brown to the California Transportation Commission (CTC).

Improving transportation is one of the more critical challenges facing California. An efficient, safe, reliable, and convenient multimodal transportation system is essential to preserving the economic vitality and quality of life in many communities across our state. VTA knows that you will continue to work hard in our capacity as a CTC commissioner to find ways to ensure that our state's transportation system functions effectively.

Again, please accept VTA's sincere congratulations and best wishes as you continue your tenure on the CTC. We look forward to working with you on issues of mutual concern.

Sincerely,

Margaret Abe-Koga, Chairperson
Board of Directors
Santa Clara Valley Transportation Authority

MEMORANDUM

TO: Members of the California State Assembly

FROM: Margaret Abe-Koga, Chairperson
Board of Directors
Santa Clara Transportation Authority

DATE: April 14, 2011

RE: Support for AB 485 (Ma)

The Santa Clara Valley Transportation Authority (VTA) requests your support for AB 485(Ma) when this bill comes before the Assembly for a vote. AB 485 expands the use of infrastructure financing districts (IFDs) to include the implementation of a transit village development plan. In other words, the bill would allow a city or county that prepares a transit village development plan to create an IFD and thereby use property tax increment financing to pay for public facilities, infrastructure and amenities that are needed to fulfill the goals of the plan.

The public sector's investment in commuter rail, light rail, ferries, and bus lines is part of a broader strategy to improve air quality, reduce traffic congestion, and promote livable communities. When communities encourage public transit agencies to build rail and bus systems, but then do not promote higher-density development around their stations, the loss is social, as well physical. One reason that communities do not encourage more density around transit stations is the lack of fiscal incentives to pay for the public works needed to support the new residents and businesses.

AB 485 lets cities and counties capture the fiscal benefits of new construction inside transit villages by harnessing property tax increment financing for transit village development. This bill is intended to remove a roadblock to transit-oriented development by encouraging cities and counties to combine transit village planning with property tax increment financing.

We respectfully seek your support for this legislation. Thank you for your consideration of our request.

April 8, 2011

The Honorable Bonnie Lowenthal, Chairperson
Assembly Transportation Committee
State Capitol, Room 5158
Sacramento, CA 95814

Dear Chairperson Lowenthal:

The Santa Clara Valley Transportation Authority (VTA) requests your support for AB 650 (Blumenfield) when this bill comes before the Assembly Appropriations Committee for a vote. AB 650 establishes the Blue Ribbon Task Force on Public Transportation to make recommendations to the Governor and Legislature on how to develop, implement and fund a comprehensive, well-coordinated, fully functioning public transit system in California.

Public transit is a means to achieving a wide variety of important public policy goals. It provides mobility options for all Californians, is a vital component in building a strong economy for local communities and the state as a whole, and allows us to become more energy independent and less reliant on foreign oil. Furthermore, an effective public transit system is necessary for California to be able to achieve the greenhouse gas emission reduction goals and strategies embraced in AB 32 and SB 375.

It could be argued that in many respects, public transit in California stands at a crossroads. All indicators suggest that demand for public transit will grow in the future as fuel prices rise, as Californians are pressed for ways to cut their travel costs, and as the state strives to reduce the environmental impacts of transportation. However, California lacks the strategic vision and corresponding funding plan that are needed to build, maintain and operate a comprehensive, well-coordinated, fully functioning public transit system to meet the anticipated demand.

Under AB 650, the Blue Ribbon Task Force would: (a) articulate the current state of public transit in California; (b) define the public transit system that the state and our communities need in the future; (c) lay out the costs associated with building, maintaining and operating that system; and (d) recommend a way to pay for it. The task force's report is intended to serve as a roadmap for how to ensure that sufficient financial resources are provided on an ongoing basis to allow public transit agencies to effectively serve their communities and the state to achieve its important policy goals. We respectfully seek your support for this legislation. Thank you for your consideration of our request.

Sincerely,

Margaret Abe-Koga, Chairperson
Board of Directors
Santa Clara Valley Transportation Authority

April 4, 2011

The Honorable Bonnie Lowenthal, Chairperson
Assembly Transportation Committee
State Capitol, Room 5158
Sacramento, CA 95814

Dear Chairperson Lowenthal:

The Santa Clara Valley Transportation Authority (VTA) requests your support for AB 1105 (Gordon) when this bill comes before the Assembly Transportation Committee for a vote. Under current law, VTA has the state statutory authority to convert existing carpool lanes to express lanes on two transportation corridors within Santa Clara County. AB 1105 would allow for one of the transportation corridors selected to be a corridor that extends into San Mateo County, subject to the agreement of the City/County Association of Governments of San Mateo County (CCAG).

An express lane, also called a high-occupancy toll (HOT) lane, is a carpool lane that permits a single-occupant vehicle to use the carpool lane for a fee, which typically fluctuates by time of day and level of congestion. The fee is set at such a level as to ensure that the lane never becomes too congested in order to provide a time-savings benefit to carpoolers and those paying the fee. Carpoolers, as well as public transit buses, continue to use the lane for free. The revenues generated by the fee are typically used to operate and maintain the express lane facilities, provide enforcement for the express lanes, improve the highway corridor, and increase public transit service in the corridor. Studies have shown that express lanes can provide more air quality and congestion relief benefits than a simple carpool lane.

In 2004, AB 2032 (Dutra) was enacted into law to provide VTA with the appropriate state statutory authority to implement express lanes along two transportation corridors within Santa Clara County. To implement this legislation, the VTA Board of Directors approved the Silicon Valley Express Lane Program in December 2008. This program contemplates the conversion of 34 miles of existing carpool lanes on U.S. 101 between the city of Morgan Hill in south Santa Clara County and the San Mateo County line.

However, the carpool lane on U.S. 101 actually does not end at the county line; in fact, it runs roughly six miles into San Mateo County to Redwood City, thus creating a challenge for developing express lanes in the corridor. Because AB 2032 limits VTA's statutory authority to implementing express lanes within Santa Clara County, northbound single-occupant vehicles would be forced to exit the express lane at the county line, even though the carpool lane continues to Redwood City. Meanwhile, southbound single-occupant vehicles would have to wait until Palo Alto to enter the express lane. Therefore, in both directions, the potential for confusion and congestion exists as single-occupant vehicles

The Honorable Bonnie Lowenthal
April 4, 2011
Page Two

attempt to either merge into the mixed-flow lanes or enter the express lane at the county line. It would make more sense to allow single-occupant vehicles to enter/exit the express lanes where the existing carpool lanes begin/end in Redwood City.

AB 1105 would allow the entire length of the existing carpool lanes on U.S. 101 between Morgan Hill and Redwood City to be converted to express lanes as one project and in a seamless manner. We respectfully seek your support for this legislation. Thank you for your consideration of our request.

Sincerely,

Margaret Abe-Koga, Chairperson
Board of Directors
Santa Clara Valley Transportation Authority

April 1, 2011

The Honorable Cameron Smyth, Chairperson
Assembly Local Government Committee
State Capitol, Room 4098
Sacramento, CA 95814

Dear Chairperson Smyth:

The Santa Clara Valley Transportation Authority (VTA) requests your support for AB 485 (Ma) when this bill comes before the Assembly Local Government Committee for a vote. AB 485 expands the use of infrastructure financing districts (IFDs) to include the implementation of a transit village development plan. In other words, the bill would allow a city or county that prepares a transit village development plan to create an IFD and thereby use property tax increment financing to pay for public facilities, infrastructure and amenities that are needed to fulfill the goals of the plan.

The public sector's investment in commuter rail, light rail, ferries, and bus lines is part of a broader strategy to improve air quality, reduce traffic congestion, and promote livable communities. When communities encourage public transit agencies to build rail and bus systems, but then do not promote higher-density development around their stations, the loss is social, as well as physical. One reason that communities do not encourage more density around transit stations is the lack of fiscal incentives to pay for the public works needed to support the new residents and businesses.

AB 485 lets cities and counties capture the fiscal benefits of new construction inside transit villages by harnessing property tax increment financing for transit village development. This bill is intended to remove a roadblock to transit-oriented development by encouraging cities and counties to combine transit village planning with property tax increment financing.

We respectfully seek your support for this legislation. Thank you for your consideration of our request.

Sincerely,

Margaret Abe-Koga, Chairperson
Board of Directors
Santa Clara Valley Transportation Authority

March 28, 2011

The Honorable Cameron Smyth, Chairperson
Assembly Local Government Committee
State Capitol, Room 4098
Sacramento, CA 95814

Dear Chairperson Smyth:

The Santa Clara Valley Transportation Authority (VTA) requests your support for AB 57 (Beall) when this bill comes before the Assembly Appropriations Committee for a vote. AB 57 makes several adjustments to the governing board of the Metropolitan Transportation Commission (MTC), the metropolitan planning organization for the Bay Area. Under current law, the mayor of San Francisco is able to appoint one voting member to the commission. AB 57 would add two voting seats to the commission to be appointed by the mayors of San Jose and Oakland from the membership of their respective city councils. The legislation also provides that no more than three voting members of the commission may be residents of the same county.

As you may know, MTC was created in 1970 through the enactment of state legislation to serve as the transportation planning agency for the nine-county Bay Area. Over the past 40 years, the Bay Area has seen significant changes in terms of population, employment and travel patterns. The most dramatic changes are attributed to the emergence of Silicon Valley in the southern part of the region. Today, the San Jose/Santa Clara County area makes up more than 25 percent of the Bay Area's population and more than 30 percent of the region's jobs. Over the next 30 years, San Jose/Santa Clara County is projected to experience more population and job growth than any other part of the Bay Area. With a population close to 1 million, San Jose is the largest city in Northern California, the third largest in California (behind Los Angeles and San Diego) and the 10th largest in the United States, but ironically it does not have a designated voting seat on MTC.

As the Bay Area works to implement the requirements of SB 375 (Steinberg), a focus on development within the urban core and near public transit is imperative, which means that San Jose, in addition to San Francisco and Oakland, will be looked upon to accept a considerable portion of all future housing growth in the region. Effective implementation of the Bay Area's SB 375 sustainable communities strategy demands that San Jose and Oakland join San Francisco at the MTC table. Therefore, we respectfully seek your support for AB 57. Thank you for your consideration of our request.

Sincerely,

Margaret Abe-Koga, Chairperson
Board of Directors
Santa Clara Valley Transportation Authority

March 11, 2011

The Honorable Bonnie Lowenthal, Chairperson
Assembly Transportation Committee
State Capitol, Room 5158
Sacramento, CA 95814

Dear Chairperson Lowenthal:

The Santa Clara Valley Transportation Authority (VTA) requests your support for AB 57 (Beall) when this bill comes before the Assembly Appropriations Committee for a vote. AB 57 makes several adjustments to the governing board of the Metropolitan Transportation Commission (MTC), the metropolitan planning organization for the Bay Area. Under current law, the mayor of San Francisco is able to appoint one voting member to the commission. AB 57 would add two voting seats to the commission to be appointed by the mayors of San Jose and Oakland from the membership of their respective city councils. The legislation also provides that no more than three voting members of the commission may be residents of the same county.

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Sincerely,

Margaret Abe-Koga, Chairperson
Board of Directors
Santa Clara Valley Transportation Authority