

2019 State of County Transportation

Jim Hartnett, General Manager/CEO



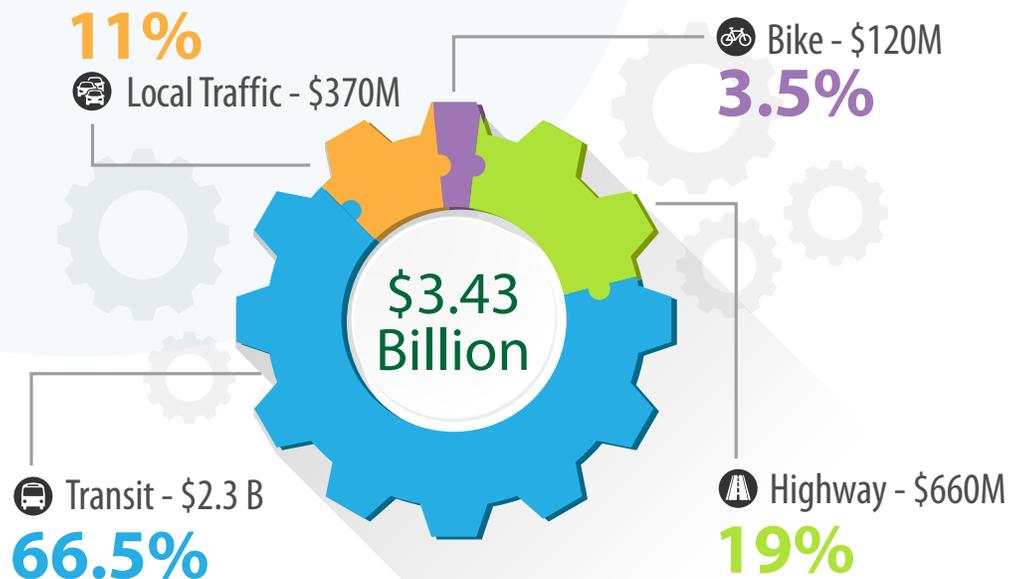
When it comes to understanding values, former Vice President Joe Biden frequently shared his father's advice:

“
Don't tell me what you value. Show me your budget, and I'll tell you what you value.”

2018 was a watershed year for transportation funding in San Mateo County, and it is safe to say that anyone taking a close look at how our County's revenues will be budgeted in 2019 and beyond would have to conclude that improving congestion and expanding mobility options is at the top of the list of our shared community values.

My last State of County Transportation report focused on how the Transit District was working to position our communities to benefit from new state, regional and local funding opportunities. Since then, across the board, all of this hard work has paid off. Thanks to overwhelming support from employers, elected officials, community organizers, advocates, and voters throughout the county, billions of dollars in new revenue is set to be invested in transportation services and improvements that benefit all of the diverse residents, families, workers, businesses, and communities that we serve.

New Transportation Funding



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New Investment

State

Last year, San Mateo County became one of the primary beneficiaries of landmark transportation funding legislation passed by the State Legislature in 2017. So far, our county has received over \$430 million in new state grants with nearly all of it focused on a multimodal set of investments targeted toward one of the County's most critical challenges: reducing congestion on the Highway 101 corridor.

These funds will help improve traffic on 101 by investing more than \$250 million in the extension of Santa Clara County's managed lane network within San Mateo County north to I-380, providing \$15 million to support the operation of new express bus routes that will give solo drivers a more viable commute alternative, and committing over \$164 million for additional electric trains to expand capacity on Caltrain's upcoming electrified commuter rail service. We know that addressing congestion on our County's busiest corridor will take a variety of strategies. Adding a managed lane to the corridor will help improve throughput, and supplementing that effort with investments in express buses and improved Caltrain capacity will equip the Highway 101 corridor with viable transit alternatives that allow more commuters to leave their car at home.

Regional

San Mateo County traffic relief efforts received another boost last June when Bay Area voters approved Regional Measure 3, which will provide funds to help relieve traffic at two of the County's congestion hotspots. The measure provides \$50 million to upgrade the Highway 101/Route 92 Interchange and \$130 million to improve traffic along the Dumbarton transportation corridor, which has quickly become one of the most congested areas of our County.

The measure also provides potential funding for the expansion of ferry service to Redwood City, support for regional express bus operations, \$100 million to expand Diridon Station in San Jose, and \$325 million to help extend Caltrain to the Salesforce Transit Center, giving San Mateo County residents a new transit connection to Downtown San Francisco.

Local

County voters again demonstrated their willingness to invest in transportation improvements in November when they approved Measure W, which will dedicate \$2.4 billion to San Mateo County transportation and congestion relief efforts over the next 30 years. The Transit District collaborated with State Assemblymember Kevin Mullin and the San Mateo County Board of Supervisors to put Measure W on the ballot. That collaboration included a nearly year-long public engagement process designed to ensure that the measure's expenditure plan would reflect community priorities. Thanks to these efforts, Measure W was broadly supported by a dedicated coalition led by the San Mateo County Economic Development Association (SAMCEDA) and the Transportation Equity Allied Movement Coalition (TEAM C), a diverse group of transit and mobility advocates.

Measure W may be a game changer for San Mateo County traffic and transportation improvements. These investments will be directed to efforts that reduce congestion on highways and local roads; advance innovative solutions that improve air quality and help prevent climate change; provide enhanced bike and pedestrian connectivity; maintain and improve services for the County's transit dependent populations, including youth, seniors, disabled, and low income residents; and expand mobility options so that public transit is the first choice for more San Mateo County commuters.



ENHANCED SERVICES

While the Transit District has been hard at work positioning our communities to benefit from these new transportation investments, we have not wasted any time improving and evolving the services we already provide to make them more relevant to our evolving community needs. Last year, the District's Board of Directors, under the guidance of its Chair Charles Stone, approved the SamTrans Business Plan. The Plan outlines a number of enhancements to our existing services, many of which have already been set in motion.



Public transportation is already among the most environmentally friendly travel options, but last year we made SamTrans service even greener with the purchase of the county's first electric transit buses. Soon we will add even more electric buses to our fleet from Burlingame-based bus manufacturer Proterra. Investments in zero emission buses benefit public health and improve air quality by eliminating carbon emissions and air pollutants. To make using

SamTrans service more convenient, we also released the first SamTrans mobile application, which is providing more and more riders with an easier way to pay their fare, plan their trip and track their bus in real time.

SamTrans bus service is already the preferred mobility option for many of our county's young people, but the District's Youth Mobility Plan will make SamTrans a more convenient, reliable service for youth riders. Over 74 schools are served by SamTrans bus routes, and last year we hired a full-time Mobility Coordinator to work with schools and parents to increase youth ridership. As a result, we've seen recent ridership grow on the system's newest routes that serve schools, and we have recruited eight youth ambassadors from local schools



to help us build the next generation of transit riders by promoting the service and helping us make it more attractive for young people.



The last comprehensive overhaul of the county's bus service was in 2012, but since then, ongoing changes have been made to better serve our communities. Last year we added a convenient connection between SFO and the Millbrae Transit Center for travelers that want to avoid



airport traffic and high parking costs. We also added new ECR Rapid service along El Camino to try to speed up travel along the county's busiest local travel corridor, and added new service connecting the Coastside to Daly City BART.

REIMAGINE SAMTRANS

But after seven years, SamTrans is overdue for another system-wide overhaul. With the resources that Measure W will provide, there is an opportunity to transform the system into one that improves service for our existing riders and expands services to make SamTrans a viable choice for new riders. This Comprehensive Operations Analysis will begin this year and we hope it will transform SamTrans service into one of the nation's premier public transit systems. We call it Reimagine SamTrans. You'll be hearing much more about it in 2019.



In the meantime, the introduction of new services will continue. This Spring, we will launch the County's first on-demand Microtransit pilot program in the Linda Mar section of Pacifica. Soon, riders will be able to use a mobile application to book curb-to-curb rides within that service area, helping seniors run errands, kids get to school, and Linda Mar beachgoers spend more time in the sand and less time hunting for parking. In August, we'll also be launching the County's first true express bus routes, providing commuters with a new travel option that connects neighborhoods with major job centers in San Mateo, Santa Clara and San Francisco counties. More Microtransit and Express bus routes are just some of the service concepts that will be explored as a part of the Reimagine SamTrans effort.



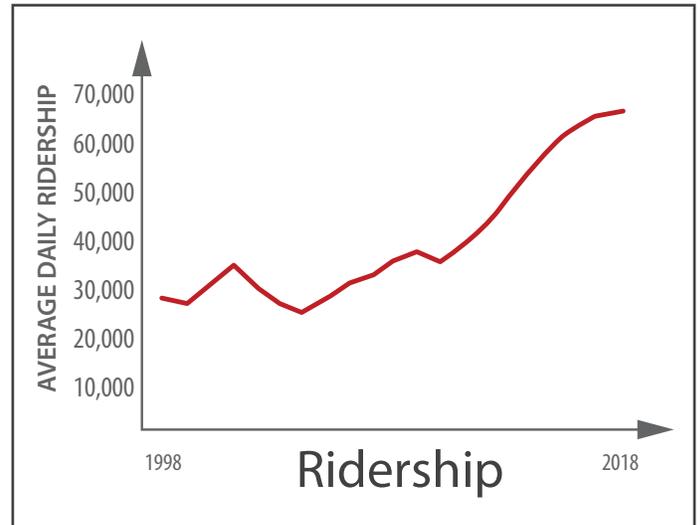
Future of Rail

If you've been near the Caltrain corridor lately, you know that Caltrain Electrification is under construction. The infrastructure that will power the system's new electric trains is being installed and the trains themselves are starting to roll off of the assembly line in Utah. Electrified service will allow the system to operate more service, with greater frequencies and reduced travel times. It also provides the system with potential to dramatically increase service levels in the future, which is something we must do to keep pace with the region's growing mobility demands.

Caltrain Business Plan

The Caltrain Business Plan is being developed to help understand what that future service expansion should look like, what additional infrastructure will be needed, and how we will pay for it. Caltrain ridership demand is already more than the current system can handle and the Business Plan work that has been done so far shows that demand could increase by 300 percent by 2040. Caltrain operates five trains per hour in each direction today, and the Business Plan is evaluating options for increasing that dramatically

Maximizing the long-term potential of Caltrain electrified service will require investment in more infrastructure including station improvements, additional electric trains, strategically located passing tracks, and separation of the tracks and roadways at the systems busiest rail crossings. It will



also require dedicated revenue to invest in operating expanded service. In preparation for this, Caltrain worked with State Senator Jerry Hill to pass Senate Bill 797, which allows voters in the three counties that Caltrain serves to consider dedicating a small 1/8-cent sales tax to the future operating and capital needs of the system.

Dumbarton Rail

The Caltrain Business Plan assumes that electrified service will be expanded south of San Jose to Gilroy, and north, to the Salesforce Transit Center, but there are also plans to expand rail service east, connecting Redwood City and Fremont with a new transit option along a corridor that has seen rapid increases in traffic congestion. This new rail connection was recommended in the District's Dumbarton Corridor Transportation Study in 2017, and last year, the District's Board of Directors entered into an exclusive negotiating agreement with Cross Bay Transit Partners, a joint venture between Facebook and



Plenary Group, to explore ways that the private sector can help advance completion of Dumbarton Rail. This effort has the chance to result in a truly historic and unprecedented partnership between the public and private sectors. We are very fortunate to be able to collaborate with local employers who are willing to push the envelope and explore innovative strategies to address our region’s most pressing challenges.



2020-2025 Strategic Plan

The San Mateo County Transportation Authority already invests \$80 million per year in local transportation improvements and, thanks to Measure W, that will increase to \$120 million. These new revenues will be

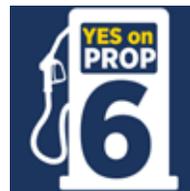
focused on improving traffic on highways and local roads, enhancing countywide bike and pedestrian connections, repairing local streets, and upgrading transit options that connect our communities to neighboring counties.

In 2019, the Transportation Authority will complete a Strategic Plan to guide how these investments are made over the next five years. The Plan will help dictate how these new revenues will be used to advance the Core Principles that provide the foundation for Measure W. In addition to traffic relief, those principles are focused on environmental and financial sustainability, equity, safety, economic development, multimodal solutions and incentivizing smart travel choices as alternatives to driving alone.

Our Commitment

Last year, San Mateo County voters were asked to support new transportation revenues three times: Regional Measure 3, State Proposition 6 and Measure W. On all three occasions, their message was loud and clear: traffic congestion is unacceptable, we believe that solutions are available, and we are willing to invest in those solutions.

At the Transit District, we are very thankful for this ringing public endorsement of our mission to deliver transportation and traffic solutions throughout San Mateo County. Now, for the first time in decades, we have resources



available to make a real impact on these very real problems. As we turn our attention to implementing these solutions, we recognize that we have an obligation to deliver. Meeting the public's expectations for investing these new revenues in a way that meets their needs is a responsibility, but it is also a privilege. We are grateful for the public's trust, and we look forward to maintaining it with a sense of accountability, transparency, and, staying true to Mr. Biden's words, an assurance that future San Mateo County transportation budgets will reflect a set of values that mirrors our communities' priorities, and the faith they have placed in us to carry them out.