

Federal, state inaction fuels Bay Area and national transportation ballot measures

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Eight years ago Californians voted to issue nearly \$10 billion in bonds to start construction of what is now considered to be the largest infrastructure project in state history: a high-speed rail system linking the Bay Area and Sacramento to Southern California.

In November, voters in just four of the nine Bay Area counties – Santa Clara, San Francisco, Alameda and Contra Costa – will go to the polls to decide the whether to tax themselves to pay for \$13.4 billion in transportation improvements covering freeways, BART, Caltrain and more.

Add in two adjacent counties also served by the Silicon Valley Business Journal – Santa Cruz and Monterey – and the total package of transportation projects is \$14.5 billion for a combined population of six million, just 15 percent of the state's residents.

Lest you think that Californians are unique in their transportation fetish, consider that voters in Seattle and two adjacent counties in Washington have Sound Transit 3 on their November ballots. It would raise a package of taxes for a \$54 billion expansion of the light rail, commuter rail and bus rapid transit system there.

“There are so many measures because traffic is such a troubling concern to voters and taxpayers in the Bay Area and beyond,” said Carl Guardino, CEO of the Silicon Valley Leadership Group and leader of Santa Clara County's Measure B campaign, the largest of the Bay Area transportation

measures that would raise \$6.4 billion over 30 years via a half-cent sales tax.

Even before U.S. Transportation Secretary Anthony Foxx visited San Jose last month to observe “What I see across the country is a frustrated public,” his words had been made manifest by a profusion of ballot measures from coast to coast asking voters to tax themselves more to move around.

According to the Buffalo, N.Y.-based Center for Transportation Excellence(CFTE), which maintains a clearinghouse of transportation ballot measures, 35 cities, counties or states have such issues on November ballots. Another 28 transportation measures have already been voted on this year.

What they have in common is that even though they require people to pay more taxes, they usually win and they’re usually supported by business. In the previous four years, the success rate reported by CFTE has ranged from 68 percent to 79 percent nationally. In rural San Benito County south of San Jose, where a \$240 million transportation measure failed in June, nearly 60 percent of voters favored the extra half-cent sales tax to pay for it but it failed because it didn’t meet the state threshold of two-thirds support for passage.

Only one chamber of commerce has so far opposed Sound Transit 3 in Washington, where the extra sales, motor vehicle and property taxes would cost the average adult an estimated \$169 a year for 25 years, according to proponents.

The Silicon Valley Leadership Group, an organization that advocates for business-friendly public policy, has led the campaigns for the previous four transportation measures in the county, all successful, and has paid for extensive polling in support of this one.

Guardino, its CEO and also a two-term member of the California Transportation Commission, said businesses’ consistent transportation support locally is “primarily because in this region’s innovation economy, our most important assets are our workers and our families. We can’t afford to have our employees and their families gritting their teeth in gridlock, wasting their time and their talents.”

But the frustration that he and Foxx describe isn't just a tame form of road rage. It's also due to decreasing support from federal and state governments and local governments – at least in wealthier areas – being willing to take up the slack. Almost no federal money is available anymore unless a local government puts up its money first. Measure B's \$6.4 billion in local funds will be used to leverage an estimated \$3.5 billion in state and federal grants.

“Historically, the federal government has paid for at least 50 percent of the major infrastructure investments,” high-speed rail CEO Jeff Morales told a Business Journal-convened panel discussion on transportation in August (the full transcript is here, this particular quote is on Page 10). “The Interstate Highway System was built with 90 percent federal money. Right now if we built out a full system as we're planning without any new federal money, that (federal) share would be about 5 percent.”

Guardino was a bit more blunt about the issue.

“Do we want to make a small investment and save both time and treasure?” he asked. “Or are we going to cave in to the gridlock in our state capitol and D.C. when it comes to transportation improvements?”
Jody Meacham is a reporter for the Silicon Valley Business Journal.