

Item 5.1 Transportation Policy Priorities for Santa Clara Valley Transportation Authority Local Investment Plan Related to Senate Bill 63 Revenue Measure

San Jose City Council

April 14, 2026

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VTA at a Glance

VTA provides sustainable, accessible, community-focused transportation options that are innovative, environmentally responsible, and promote the vitality of our region.

- ▶ VTA provides bus, light rail, and paratransit services
- ▶ VTA is the county's Congestion Management Agency (CMA)
- ▶ VTA is a funding partner for regional rail including Caltrain, Capitol Corridor, and ACE

VTA passengers travel nearly **134 million miles** annually on **27.7 million trips**.
The agency is critical to mobility and quality of life in Santa Clara County.



VTA and Economic Development

For every \$1 invested in transit, there is \$5 in economic impact.

Examples of VTA's impact beyond mobility services include:

- ▶ BART Silicon Valley Phase II: 75,000 jobs created during the project, connecting 2 million people to 3.5 million jobs in the region on completion.

- ▶ Transit Oriented Development: 28 sites in Santa Clara County, 10 in active development delivering 2,500 new homes.

- ▶ Small Business Opportunities: Provided contracting opportunities to over 350 small businesses, that includes significant number of local firms, with more than \$146 million paid to small businesses.



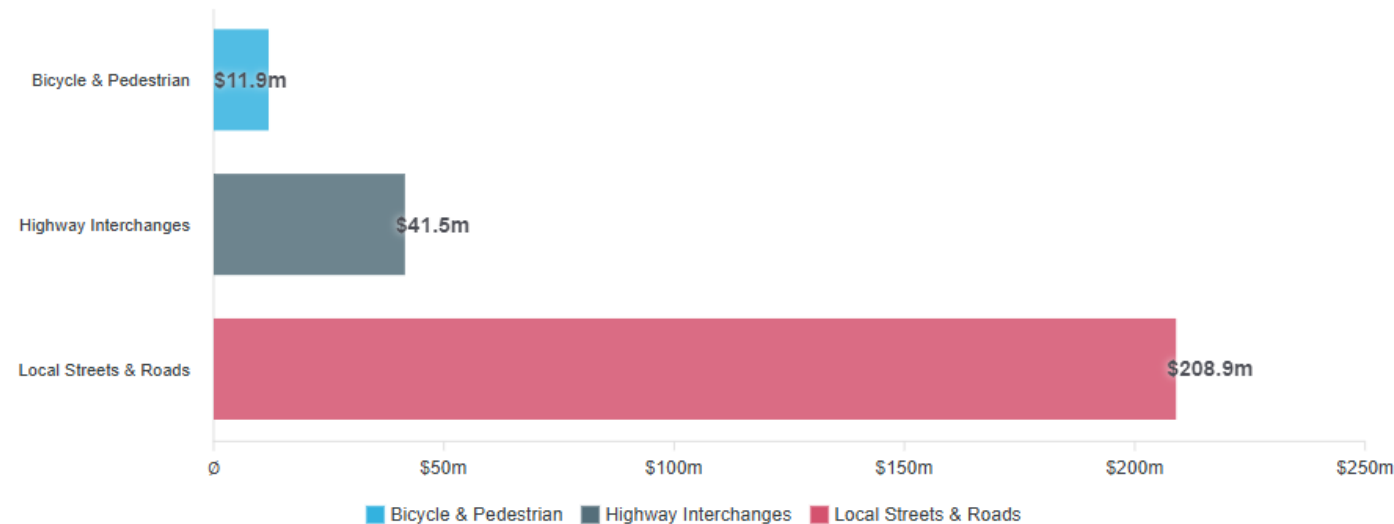
VTA in the City of San Jose

In San Jose, the vast majority of VTA's high-quality, multimodal transit options come together:

- ▶ **Orange Line (Light Rail)**
- ▶ **Green Line (Light Rail)**
- ▶ **Blue Line (Light Rail)**
- ▶ **4 Rapid Bus Lines**
- ▶ **16 Frequent Bus Lines**
- ▶ **10 Local Bus Routes**



VTA has funded and delivered billions in multimodal projects in San Jose including **\$262.3 million** in 2016 Measure B awards alone:

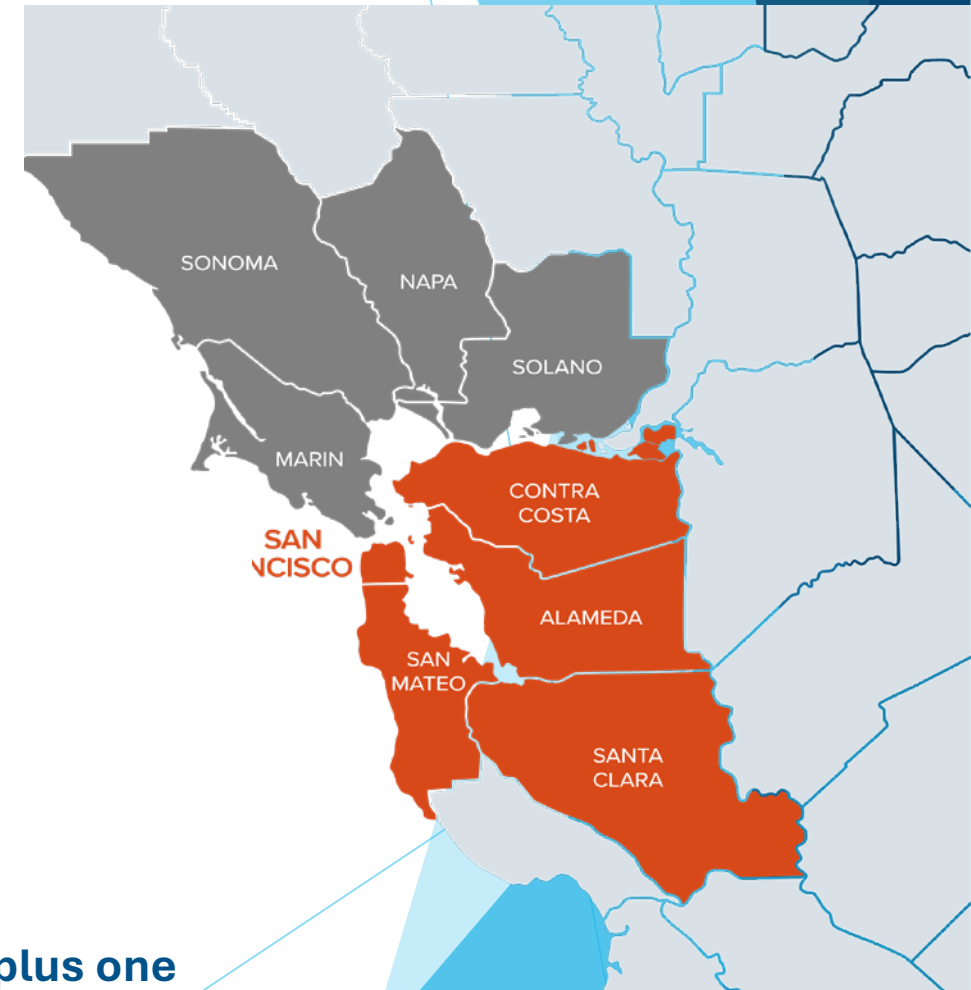


SB 63: 5-County Regional Measure

On **August 7**, the VTA Board voted unanimously to join the 5-county regional transportation sales tax measure.

- ▶ **1/2 cent rate**
- ▶ **14-year term**
- ▶ **10.38-percent to Caltrain**
- ▶ **5-percent to MTC's Transit Transformation Action Plan**
- ▶ **0.25-percent for administration**
- ▶ **\$264 million annually to Santa Clara County**

The regional measure is a **citizen's initiative**, meaning **50-percent plus one** is required for voter approval (*not* two-thirds).



SB 63: 5-County Regional Measure

Under the SB63 enabling legislation, regional measure funds may be used for...

“...public transit expenses and roadway re-pavement projects on roads served by fixed-route transit.”

Local Investment Plan Principles

VTA is developing a Local Investment Plan Santa Clara County's part of the 5-county regional measure. **We need your input!**

VTA is Focused on Three Primary Outcomes:

- ▶ **Grow** ridership
- ▶ **Increase** productivity
- ▶ **Enhance** the customer experience
 - ▶ Including safety, security and cleanliness

Delivered in a Financially Sustainable Way

Local Investment Plan Strategic Areas

Foundation

Leveraging VTA's expertise and data to drive decision-making

Reimagine

Modernizing the business model and improving VTA service delivery

Transform

Adopting new technologies and forming strategic partnerships to futureproof the VTA transit system

Local Investment Plan Strategic Areas

With your help, VTA staff can assess **potential** transit projects in each area, such as:

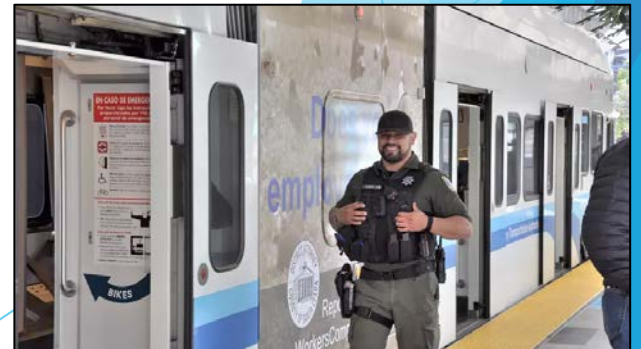
- ▶ **Foundation**
 - ▶ Bus Corridor Improvements
 - ▶ Station Upgrades
 - ▶ Transit Service
 - ▶ Transit Capital Improvements



Local Investment Plan Strategic Areas

With your help, VTA staff can assess **potential** transit projects in each area, such as:

- ▶ **Reimagine**
 - ▶ Visionary Network
 - ▶ Speed Improvements
 - ▶ Fare Programs for Seniors and Students
 - ▶ Safety and Security Enhancements



Local Investment Plan Strategic Areas

With your help, VTA staff can assess **potential** transit projects in each area, such as:

- ▶ **Transformation**
 - ▶ Innovative Customer Experience Projects
 - ▶ Advanced Vehicle Technologies
 - ▶ Light Rail Fleet Replacement
 - ▶ Station Redevelopments



Local Investment Plan – Bringing It All Together

With meaningful **city**, **county**, and **community** input, VTA staff will develop a draft local investment framework for future regional measure funds.

Project	Percentage of Revenues	Primary Outcome(s)	KPIs
Foundation			
Transit Service			
Local Road Improvements			
Station Improvements			
Reimagine			
Visionary Network			
Transit Capital Projects			
Speed Improvements			
Fare Programs			
Mico Transit			
Transformation			
Innovative Transit Projects			
Autonomous Vehicles			
AI Opportunities			
Light Rail Fleet			

Local Investment Plan Next Steps

March & April – City, County, and Community Engagement

April 17 – Future of Transportation Workshop

- ▶ **Discuss Local Investment Plan, develop KPIs that drive the three outcomes:**
 - ▶ Grow Ridership
 - ▶ Increase Productivity
 - ▶ Enhance Customer Experience

April & May – Refinement of Draft Plan, Continued Engagement

June 4 – Board Meeting

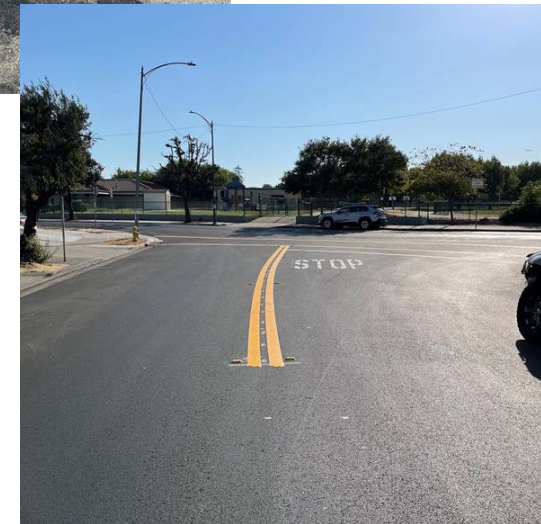
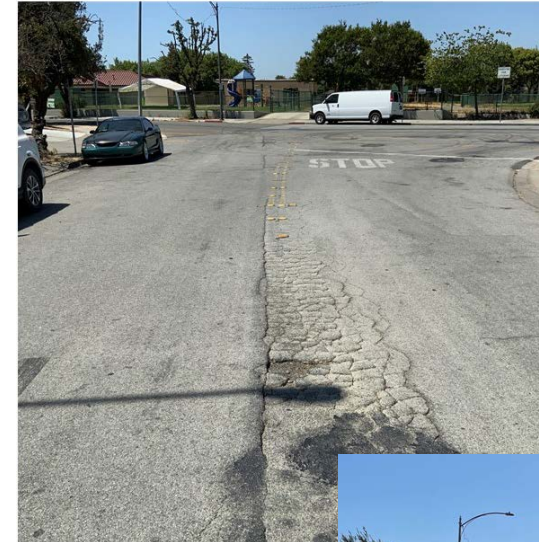
- ▶ **VTA Board action on the Local Investment Plan**

SB 63 Revenue Allocation (Santa Clara County)

Allocation Category	Share	Estimated Annual Funding
VTA (Transit + Roadway)	84.37%	\$264 million
Caltrain	10.38%	\$32.5 million
Transit Transformation (T-TAP)	5%	\$15.7 million
Administration	0.25%	\$783,500

Priority # 1: Roadway Maintenance

- SB 63 allows funding for “... roadway repavement projects on roads served by fixed-route transit”
- San José maintains approximately 660 lane miles along transit corridors
 - Maintenance est. at \$30–37 million annually
- Bus corridors wear faster, resulting in more repairs
- San José Measure T funding expires in 2028
- Staff recommendation: **>20% of funds** for street maintenance used by fixed-route transit



Priority #2: Transit-Supportive Capital

- Use as local funding to unlock major transit infrastructure projects
- Example projects:
 - Diridon Station
 - Diridon to Airport Connector
 - Caltrain electrification to Gilroy
- Modernize system: zero-emission fleet conversion & next-generation light rail
- Staff recommendation: **>30% of funds** to capital projects – local match for transformational projects



Priority #3: Transit Service & Rider Experience

- Goal: improve ridership & transit competitiveness
- Visionary Network: more frequent & reliable service
- Better experience: lighting, seating, ADA access, clean and safe transit programs, transit signal priority
- Fare modernization: fare capping, all-door boarding, and youth pass
- Staff recommendation: **~50% of funds** to improve operations, reliability, and customer experience



Regional Transit Transformation (T-TAP – 5%)

- Focus: integration, access, customer experience
- Santa Clara County priorities:
 - Seamless fare integration (transfers, Clipper START)
 - Improved wayfinding & passenger information
 - Cross-jurisdictional services: paratransit & mobility programs
- \$15.7 million/year to the Transit Transformation Action Plan, administered by MTC
- Required by enabling legislation (SB 63)



Stay Engaged: This is *Your* Local Investment Plan



Investment.Plan@vta.org



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