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July 26, 2022

Department of Elections Ballot Simplification Committee Care of Clerk Claire Miranda publications@sfgov.org

Subject: Digest for Sales Tax to Fund Transportation Projects

Dear Chair Packard and members of the Ballot Simplification Committee,

Thank you for the opportunity to appear before you on Tuesday, July 26 to discuss the digest language for the proposed San Francisco County Transportation Authority (SFCTA) Transportation Sales Tax Extension and Expenditure Plan ballot measure. In order to further clarify the information in the voter materials, we would appreciate your consideration of the attached text changes and additions (Attachment A).

I am prepared to answer questions related to these proposed revisions and look forward to meeting with you all tomorrow.

Sincerely,

Jehny

Tilly Chang Executive Director, SFCTA

cc: Supervisor Rafael Mandelman - Chair, SFCTA

Miranda, 07.25.22 Page 2 of 3

Attachment A: Proposed Text Changes and Additions to Sales Tax Measure Digest

The Way It Is Now: The City established a one-half cent sales tax to pay for transportation projects under a 30-year transportation spending plan approved by the voters at the November 4, 2003 election. The authorization for this tax will expire on March 31, 2034.

The San Francisco County Transportation Authority (TA) oversees the use of these sales tax funds. The TA may issue up to \$1.88 billion in bonds to be repaid from the sales tax funds and has issued approximately \$250 million in sales tax bonds to date. The TA's bonding capacity is separate from the City and County of San Francisco (CCSF).

State law limits the amount of revenue, including tax revenue, the TA can spend each year. State law authorizes San Francisco voters to approve increases to this limit to last for up to four years.

The Proposal: Proposition ____ would continue the existing one-half cent sales tax until 2053. Proposition ____ would also replace the current transportation spending plan with a new 30-year plan through the end of the extended term of the tax. The new plan would cover transportation projects, after the completion of any required environmental review, such as:

• road maintenance, pedestrian safety improvements, bicycle facilities, and traffic signs and signals;

- paratransit service for seniors and persons with disabilities;
- community-based projects, including in underserved neighborhoods and areas with vulnerable populations.
- transit projects for Muni, BART, and Caltrain;
- a downtown rail extension to the Salesforce Transit Center;
- construction of a Bayview Caltrain station and a Mission Bay ferry landing; and
- projects to improve freeway safety and reliability.

Under Proposition ___, the TA may issue up to a total of \$1.91 billion in bonds to pay for these projects, to be repaid from the sales tax funds.

Proposition ____ would also increase the state's limit on the TA's annual tax revenue

spending by the amount of the one-half cent sales tax collected. The increased limit would last for four years, with all future expenditures subject to independent audits and oversight. The one-half cent sales tax rate would remain unchanged.

Miranda, 07.25.22

Page 3 of 3

A "YES" Vote Means: If you vote "yes," you want to continue the one-half cent sales tax until 2053 to pay for road and transit projects described in a new 30-year spending plan, allow the Transportation Authority to issue up to \$1.91 billion in bonds to pay for these projects, and increase the total amount of money the Transportation Authority may spend each year for the next four years.

A "NO" Vote Means: If you vote "no," you do not want to make these changes.