



## Agenda

### **SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY Meeting Notice**

**DATE:** Tuesday, April 25, 2023 10:00 a.m.

**LOCATION:** Legislative Chamber, Room 250, City Hall

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(depending on your provider)

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**PUBLIC COMMENT CALL-IN:** 1-415-655-0001; Access Code: 146 958 0594 # #

To make public comment on an item, when the item is called, dial '\*3' to be added to the queue to speak. Do not press \*3 again or you will be removed from the queue. When the system says your line is unmuted, the live operator will advise that you will be allowed 2 minutes to speak. When your 2 minutes are up, we will move on to the next caller. Calls will be taken in the order in which they are received.

**COMMISSIONERS:** Mandelman (Chair), Melgar (Vice Chair), Chan, Dorsey, Engardio, Peskin, Preston, Ronen, Safaí, Stefani, and Walton

**CLERK:** Elijah Saunders

### **Remote Participation**

Members of the public may attend the meeting to observe and provide public comment at the physical meeting location listed above or may watch SF Cable Channel 26 or 99 (depending on your provider) or may visit the SFGovTV website ([www.sfgovtv.org](http://www.sfgovtv.org)) to stream the live meeting or may watch them on demand.

Members of the public may comment on the meeting during public comment periods in person or remotely. In-person public comment will be taken first; remote public comment will be taken after.

Written public comment may be submitted prior to the meeting by emailing the Clerk of the Transportation Authority at [clerk@sfcta.org](mailto:clerk@sfcta.org) or sending written comments to Clerk of the Transportation Authority, 1455 Market Street, 22nd Floor, San Francisco, CA 94103. Written comments received by 5 p.m. on the day before the meeting will be distributed to Board members before the meeting begins.

ITEM

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1. Roll Call
2. Chair's Report — **INFORMATION**



| ITEM  | PAGE     |
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| <b>3. Executive Director’s Report - INFORMATION</b>                   |          |
| <b>4. Approve the Minutes of the April 11, 2023 Meeting – ACTION*</b> | <b>5</b> |

## **Consent Agenda**

| ITEM   | PAGE       |
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| <b>5. [Final Approval] Appoint Rosa Chen to the Community Advisory Committee – ACTION*</b>   | <b>11</b>  |
| <b>6. [Final Approval] State and Federal Legislation Update – ACTION*</b><br>Support: Assembly Bill (AB) 251 (Ward) and AB 645 (Friedman)  | <b>19</b>  |
| <b>7. [Final Approval] Adopt Traffic Congestion Mitigation Tax Program Guidelines and Program \$21,279,740 in Fiscal Years 2022/23 and 2023/24 TNC Tax Funds to the San Francisco Municipal Transportation Agency for Four Projects – ACTION*</b><br><br><b>Projects:</b> SFMTA: FY23 Vision Zero Quick-Build Program (Part 2) (\$2,451,857), FY24 Vision Zero Quick-Build Program (\$9,493,883), FY22 Application Based Residential Traffic Calming (\$5,400,000), FY24 and FY25 Residential Traffic Calming Program (New Rolling Program) (\$4,270,000). | <b>23</b>  |
| <b>8. [Final Approval] Allocate \$2,451,857 in Traffic Congestion Mitigation Tax Funds, with Conditions, to the San Francisco Municipal Transportation Agency for the FY23 Vision Zero Quick-Build Program (Part 2) – ACTION*</b>  | <b>69</b>  |
| <b>9. [Final Approval] Authorize the Executive Director to Enter into a Funding Agreement with the Metropolitan Transportation Commission for a Total Amount Not to Exceed \$270,000 for San Francisco Travel Diary Survey Data Collection – ACTION*</b>   | <b>89</b>  |
| <b>10. [Final Approval] Amend the Adopted Fiscal Year 2022/23 Budget to Increase Revenues by \$31,243,544, Decrease Expenditures by \$19,121,435 and Decrease Other Financing Sources by \$55,000,000 for a Total Net Decrease in Fund Balance of \$856,528 – ACTION*</b>  | <b>101</b> |
| <b>11. [Final Approval] Approve the Revised Administrative Code and the Debt; Equal Benefits; Investment; Rules of Order; and Sunshine Policies – ACTION*</b>  | <b>119</b> |

## **End of Consent Agenda**

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| <b>12. Vision Zero: San Francisco Municipal Transportation Agency Active Communities Plan – INFORMATION*</b> | <b>269</b> |
| <b>13. Vision Zero: Speed Management Update – INFORMATION*</b>   | <b>283</b> |
| <b>14. Vision Zero: 2022 Traffic Fatality Report – INFORMATION*</b>  | <b>293</b> |



| ITEM   | PAGE       |
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| <b>15. TNCs 2020: A Profile of Ride-Hailing in California - INFORMATION*</b> | <b>303</b> |

## **Other Items**

| ITEM | PAGE |
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|------|------|

### **16. Introduction of New Items – INFORMATION\***

During this segment of the meeting, Commissioners may make comments on items not specifically listed above or introduce or request items for future consideration.

### **17. Public Comment**

### **18. Adjournment**

#### **\*Additional Materials**

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Items considered for final approval by the Board shall be noticed as such with **[Final Approval]** preceding the item title.

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If any materials related to an item on this agenda have been distributed to the Board after distribution of the meeting packet, those materials are available for public inspection at the Transportation Authority at 1455 Market Street, Floor 22, San Francisco, CA 94103, during normal office hours.

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Campaign & Governmental Conduct Code Sec. 2.100] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the San Francisco Ethics Commission at 25 Van Ness Avenue, Suite 220, San Francisco, CA 94102; (415) 252-3100; [www.sfethics.org](http://www.sfethics.org).

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San Francisco  
County Transportation  
Authority





# DRAFT MINUTES

## **San Francisco County Transportation Authority**

Tuesday, April 11, 2023

### **1. Roll Call**

Chair Mandelman called the meeting to order at 10:03 a.m.

**Present at Roll Call:** Commissioners Chan, Dorsey, Engardio, Mandelman, Preston, Peskin, Ronen, and Walton (8)

**Absent at Roll Call:** Commissioners Melgar, Safai, and Stefani (3)

### **2. Approve the Minutes of the March 21, 2020 Meeting - ACTION**

There was no public comment.

Commissioner Peskin moved to approve the minutes, seconded by Commissioner Preston.

The minutes were approved without objection by the following vote:

Ayes: Commissioners Chan, Dorsey, Engardio, Mandelman, Preston, Peskin, Ronen, and Walton (8)

Absent: Commissioners Melgar, Safai, and Stefani (3)

### **3. Community Advisory Committee Report - INFORMATION**

Kat Siegal, Vice Chair of the Community Advisory Committee, reported that the CAC met in person for the first time in three years. She reported that the CAC had a good discussion on the Quick-Build and Traffic Calming programs. Specific to the Quick-Builds, the CAC wanted to know how SFMTA planned to meet their Vision Zero goals by the end of 2024. She reported that CAC members were supportive of these projects and that Chair Kevin Ortiz requested quarterly updates from SFMTA. For the Traffic Calming program, CAC members asked how SFMTA would meet the pent up demand and how projects would be prioritized. The CAC also received a presentation on the Travel Diary Survey sponsored by the Metropolitan Transportation Commission, VTA, and Transportation Authority and the CAC stressed that there be an emphasis on equity. Finally, Vice Chair Siegal reported that the CAC received a presentation on Bay Area Express Lanes and members expressed interest in the studies, asking a number of questions, including about equity concerns.

There was no public comment.

### **4. Appoint Two Member to the Community Advisory Committee - ACTION**

Chair Mandelman continued the appointment of District 1 nominee, Sean Kim, to address a scheduling challenge.

Mike Pickford, Principal Transportation Planner, presented the item per the staff memorandum.



Rosa Chen spoke to her interest and qualifications in being reappointed to the CAC.

Commissioner Peskin thanked Ms. Chen for her service and her willingness to continue serving.

Commissioner Peskin moved to reappoint Rosa Chen to the CAC, seconded by Commissioner Dorsey.

The motion to appoint Rosa Chen to the CAC was approved without objection by the following vote:

Ayes: Commissioners Chan, Dorsey, Engardio, Mandelman, Preston, Peskin, Ronen, and Walton (8)

Absent: Commissioners Melgar, Safai, and Stefani (3)

## **5. State and Federal Legislation Update - ACTION**

Mark Watts, Public Policy Manager, presented the item per the staff memorandum.

Commissioner Dorsey thanked staff for their work on this item and stated that he was pleased to see AB 645 recommended for a support positions, said he looked forward to it being passed and stated that we was working with Chief of Police Bill Scott to gain support with law enforcement agencies.

Chair Mandelman acknowledged Commissioner Peskin who had been working to get legislative approval for automated speed enforcement for several years now.

There was no public comment.

Commissioner Dorsey moved to approve the item, seconded by Commissioner Engardio.

The item was approved without objection by the following vote:

Ayes: Commissioners Chan, Dorsey, Engardio, Mandelman, Preston, Peskin, Ronen, and Walton (8)

Absent: Commissioners Melgar, Safai, and Stefani (3)

## **6. Adopt Traffic Congestion Mitigation Tax Program Guidelines and Program \$21,279,740 in Fiscal Years 2022/23 and 2023/24 TNC Tax Funds to the San Francisco Municipal Transportation Agency for Four Projects – ACTION\***

Lynda Viray, Transportation Planner, presented the item per the staff memorandum.

After Ms. Viray's presentation, Commissioner Peskin asked whether the TNC Tax revenues included money from autonomous vehicle trips.

Director Chang responded that the Treasurer's Office was not able to confirm whether the TNC tax revenue included taxes from autonomous vehicle trips due to taxpayer confidentiality, but that they did confirm that autonomous vehicle companies were subject to the tax.

Commissioner Peskin reminded his colleagues that San Francisco had to get permission from the State to put the Prop D TNC Tax on the ballot. He stated that due to General Motor's opposition to the tax and their lobbying efforts, the bill only passed the state assembly by one vote, after which it was passed by San Francisco



voters by over two thirds. Commissioner Peskin expressed his desire to find out if Cruise was paying their fair share of the tax and to determine whether or not San Francisco could legally waive the confidentiality of these taxpayers as had been done in the past, such as for the commercial vacancy tax.

Jennifer Wong, Transportation Planner for San Francisco Municipal Transportation (SFMTA) Agency, and Damon Curtis, Traffic Calming Program Manager for SFMTA, presented their respective slide decks included in the packet.

Commissioner Engardio commented on the Quick-Build program and stated his understanding that the program's purpose was to implement improvements quickly to test things before commitment to permanent infrastructure. He added that there was a lot of money being spent on new Quick-Build programs and wanted to know when the data from the programs would be used to build permanent infrastructure. He commented that cyclists requested permanent protective infrastructure as plastic bollards were not enough and cited an example at Laguna Honda. He added that there was a Quick-Build project by the San Francisco Zoo along Sloat Avenue that would not connect to Skyline Avenue due to an issue with Caltrans right of way. He explained this specific project would require people to navigate the intersection at Skyline and Sloat. He asked when Quick-Builds would be built into permanent infrastructure. He stated the Quick-Builds concept was good, however cyclists and motorists were frustrated by them and asked when permanent protective barriers could be built.

Ms. Wong responded that Quick-Build projects receive a range of positive and negative responses due to various reasons. She added that the program established an intentional feedback loop that included implementation, evaluation, adjustments, and additional implementation/refinements, if needed. She said SFMTA staff have returned to incrementally improve Quick-Build projects and provided an example of the 7<sup>th</sup> and 8<sup>th</sup> street corridors, where SFMTA added bike signals and then transit only lanes to complement transit boarding islands. She said Quick-Build work has a connection to upcoming streetscape projects and provided an example of a detailed design phase for 5<sup>th</sup> Street to upgrade the Quick-Build into its final form. She added that this effort was time intensive. She commented that SFMTA supplements Quick-Build projects with streetscape and larger capital projects that include state and federal money, but that these larger projects required longer timelines to accommodate additional steps and regulations, such as a federal environmental review.

Commissioner Engardio asked if there were any streets or areas where SFMTA could proceed to build permanent infrastructure such as concrete barriers for cyclists.

Ms. Wong said that SFMTA could look at those permanent infrastructure opportunities. She said they were trying to maximize what they could do with city staff for Quick-Builds and balance their workload. She added there were additional considerations for capital intensive improvements. She provided an example of concrete work that required underground utilities coordination and could trigger investigations for conduits, catchments, and curb ramp accessibility features. She explained that these issues add time for the work.

Commissioner Engardio stated that he understood concrete could require underground utilities work and asked if SFMTA could quickly implement concrete



barriers such as those used for highways.

Ms. Wong said there could be opportunities for that type of concrete barrier and that in comparison to other Quick-Build programs nationwide, SFMTA was proud to have delivered concrete elements such as transit boarding islands with their partners at San Francisco Public Works (SFPW).

Commissioner Ronen asked if there was anything the Board could do in their capacity to hasten the traffic calming process. She commented that many constituents request traffic calming in the neighborhoods and wanted to help streamline the process.

Mr. Curtis responded that the changes SFMTA proposed to shrink the timeline from 3-4½ years down to 1 year would alleviate the concerns from the public received on a regular basis. He stated that he did not anticipate requesting additional help from the Board beyond their approval of the request, but that he could think of some suggestions with a little time.

Commissioner Ronen encouraged Mr. Curtis to notify the Board of any other suggestions. She stated that 1 year was not fast enough. She explained they wanted to trim bureaucracy to make things faster and cheaper where they could without losing their ability to achieve other important goals. She said she supported this item today and wanted to push SFMTA to shorten the timeline further. She added that constituents in District 9 were befuddled by the burdensome and time intensive process. She asked Mr. Curtis to return to the Board to identify ways to shorten the timeline and make a stronger and better program.

Mr. Curtis responded that he wanted to manage expectations properly. He said the proposed 9 month to 1 year timeline was as compressed as SFMTA could get without creating an entirely new branch at SFMTA that would require their own asphalt crew. He added they would continue to tweak and improve the program.

Chair Mandelman commented that the proposal before the Board today represented a very significant change and timeline shortening for the traffic calming program.

Commissioner Ronen said she appreciated that and was excited about the changes, but it was still a long timeline. She asked about the division of labor between SFMTA and SFPW for traffic calming and Quick-Build projects.

Mr. Curtis responded that SFMTA did the planning work, including data collection and evaluation, and design work. He explained construction work was done by SFPW's Bureau of Street and Sewer Repair Asphalt Shop (BSSR) and in recent years they worked with the job order contracting process through both SFMTA and SFPW to advance more traffic calming devices to supplement BSSR's work. He commented that an additional dedicated asphalt crew at BSSR could help SFMTA do more.

Commissioner Walton asked if Mr. Curtis recommended an additional asphalt crew at DPW.

Mr. Curtis responded he did not want to speak for his colleagues at SFPW and he would like to have a further conversation about this idea. He added he could utilize an additional crew and keep that crew busy implementing traffic calming measures for 9 months a year.

Commissioner Preston commented that it was great to see the reduction of the traffic



calming timeline and appreciated Commissioner Ronen's comments. He said there was an impediment to project delivery which was coordination between departments. He explained the Board passed a resolution to have the Vision Zero Task Force reconvene. He explained that funds had been allocated to do Quick-Builds along Oak Street, but that the City later learned that the San Francisco Public Utilities Commission (PUC) planned to perform major construction work on Oak Street the following year. He said SFMTA and PUC did not discuss this work with each other and, as a result, the work turned into a multi-year project. He said it was essential to increase communication between departments in order to implement improvements on time.

There was no public comment.

Commissioner Preston moved to approve the item, seconded by Commissioner Dorsey.

The amendment to the item was approved without objection by the following vote:

Ayes: Commissioners Chan, Dorsey, Engardio, Mandelman, Preston, Peskin, Ronen, and Walton (8)

Absent: Commissioners Melgar, Safai, and Stefani (3)

**7. Allocate \$2,451,857 in Traffic Congestion Mitigation Tax Funds, with Conditions, to the San Francisco Municipal Transportation Agency for the FY23 Vision Zero Quick-Build Program (Part 2) – ACTION\***

Lynda Viray, Transportation Planner, presented the item per the staff memorandum.

There was no public comment.

Commissioner Preston moved to approve the item, seconded by Commissioner Peskin.

The motion was approved without objection by the following vote:

Ayes: Commissioners Chan, Dorsey, Engardio, Mandelman, Preston, Peskin, Ronen, and Walton (8)

Absent: Commissioners Melgar, Safai, and Stefani (3)

**8. Authorize the Executive Director to Enter into a Funding Agreement with the Metropolitan Transportation Commission for a Total Amount Not to Exceed \$270,000 for San Francisco Travel Diary Survey Data Collection– ACTION\***

Drew Cooper, Senior Transportation Modeler, presented the item per the staff memorandum.

There was no public comment.

Commissioner Peskin moved to approve the item, seconded by Commissioner Dorsey.

The item was approved without objection by the following vote:

Ayes: Commissioners Chan, Dorsey, Engardio, Mandelman, Preston, Peskin, Ronen, and Walton (8)



Absent: Commissioners Melgar, Safai, and Stefani (3)

**9. Amend the Adopted Fiscal Year 2022/23 Budget to Increase Revenues by \$31,243,544, Decrease Expenditures by \$19,121,435 and Decrease Other Financing Sources by \$55,000,000 for a Total Net Decrease in Fund Balance of \$856,528- ACTION\***

Cynthia Fong, Deputy Director for Finance and Administration, presented the item per the staff memorandum.

During public comment, Francisco Da Costa called for a needs assessment and a hearing on how funds have been spent the last three years. He closed by stating that public comment was very important.

Commissioner Peskin moved to approve the item, seconded by Commissioner Walton.

The item was approved without objection by the following vote:

Ayes: Commissioners Chan, Dorsey, Engardio, Mandelman, Preston, Peskin, Ronen, and Walton (8)

Absent: Commissioners Melgar, Safai, and Stefani (3)

**10. Approve the Revised Administrative Code and the Debt; Equal Benefits; Investment; Rules of Order; and Sunshine Policies – ACTION\***

Cynthia Fong, Deputy Director for Finance and Administration, presented the item per staff memorandum.

There was no public comment.

Commissioner Ronen moved to approve the item, seconded by Commissioner Chan.

The item was approved without objection by the following vote:

Ayes: Commissioners Chan, Dorsey, Engardio, Mandelman, Preston, Peskin, Ronen, and Walton (8)

Absent: Commissioners Melgar, Safai, and Stefani (3)

## **Other Items**

**11. Introduction of New Items - INFORMATION**

There were no new items introduced.

**12. Public Comment**

There was no public comment.

**13. Adjournment**

The meeting was adjourned at 11:17 a.m.



## Memorandum

### AGENDA ITEM 5

**DATE:** April 5, 2023  
**TO:** Transportation Authority Board  
**FROM:** Maria Lombardo – Chief Deputy Director  
**SUBJECT:** 3/14/2023 Board Meeting: Appoint Two Members to the Community Advisory Committee

|  |   |
|--|---|
| <p><b>RECOMMENDATION</b>   <input type="checkbox"/> Information   <input checked="" type="checkbox"/> Action</p> <p>Neither staff nor Community Advisory Committee (CAC) members make recommendations regarding CAC appointments.</p> <p><b>SUMMARY</b></p> <p>There are two open seats on the 11-member CAC. Commissioner Chan has indicated her intent to nominate Sean Kim to fill the District 1 vacancy and Commissioner Peskin has indicated his intent to reappoint Rosa Chen to represent District 3. Ms. Chen’s term expired in March 2023. CAC members serve for a 2-year term. The current roster of CAC members is included in Attachment 1. Applications for the Districts 1 and 3 candidates are included in Attachment 2.</p> | <p><input type="checkbox"/> Fund Allocation</p> <p><input type="checkbox"/> Fund Programming</p> <p><input type="checkbox"/> Policy/Legislation</p> <p><input type="checkbox"/> Plan/Study</p> <p><input type="checkbox"/> Capital Project Oversight/Delivery</p> <p><input type="checkbox"/> Budget/Finance</p> <p><input type="checkbox"/> Contract/Agreement</p> <p><input checked="" type="checkbox"/> Other: CAC Appointment</p> |
|--|---|

### DISCUSSION

The selection of each CAC member is approved at-large by the Board; however the Board has had a practice of ensuring that there is one representative nominated by each Commissioner. The proposed amendments to the Administrative Code that the Board will consider as part of a separate agenda item at the April 11, 2023 meeting would codify this practice.

Per Section 5.2(a) of the Administrative Code, the CAC:

“...shall include representatives from various segments of the community, such as public policy organizations, labor, business, seniors, people with disabilities, environmentalists, and the neighborhoods, and reflect broad transportation interests. The committee is also intended to reflect the racial and gender diversity of San Francisco residents.”



An applicant must be a San Francisco resident to be considered eligible for appointment. Applicants are asked to provide residential location and areas of interest but provide ethnicity and gender information on a voluntary basis. CAC applications are distributed and accepted on a continuous basis. CAC applications were solicited through the Transportation Authority's website, Commissioners' offices, and email blasts to community-based organizations, advocacy groups, business organizations, as well as at public meetings attended by Transportation Authority staff or hosted by the Transportation Authority. Applications can be submitted through the Transportation Authority's website at [www.sfcta.org/cac](http://www.sfcta.org/cac).

All applicants have been advised that they need to appear in person before the Board in order to be appointed, unless they have previously appeared. If a candidate is unable to appear before the Board on the first appearance, they may appear at the following Board meeting in order to be eligible for appointment.

### **FINANCIAL IMPACT**

The requested action would not have an impact on the adopted Fiscal Year 2022/23 budget.

### **CAC POSITION**

None. The CAC does not make recommendations on the appointment of CAC members.

### **SUPPLEMENTAL MATERIALS**

- Attachment 1 – CAC Roster
- Attachment 2 – CAC Applications (Ms. Rosa Chen and Mr. Sean Kim)
- Attachment 3 – Resolution



Attachment 1  
Updated 04.6.23

Community Advisory Committee Members

| NAME               | GENDER | ETHNICITY* | DISTRICT | NEIGHBORHOOD  | AFFILIATION / INTEREST   | FIRST APPOINTED | TERM EXPIRATION |
|--------------------|--------|------------|----------|---------------|--|-----------------|-----------------|
| VACANT             |        |            | 1        |               |  |                 |                 |
| Rosa Chen          | F      | A          | 3        | Chinatown     | Business, Disabled, Environment, Neighborhood, Public Policy, Seniors                                  | Mar 2021        | Mar 2023        |
| Kevin Ortiz, Chair | M      | H/L        | 9        | Mission       | Neighborhood, Public Policy  | Dec 2019        | Dec 2023        |
| Eric Rozell        | M      | C          | 6        | Tenderloin    | Disabled, Neighborhood, Seniors  | Jan 2022        | Jan 2024        |
| Kat Siegal         | F      | C          | 5        | NP            | NP   | Feb 2022        | Feb 2024        |
| Sara Barz          | F      | C          | 7        | Sunnyside     | Business; Environment; Social and Racial Justice; Neighborhood; Public Policy                          | July 2022       | July 2024       |
| Najuawanda Daniels | F      | AA         | 10       | Hunters Point | Social and racial justice; Labor; Neighborhood; Public Policy  | Sept 2022       | Sept 2024       |
| Rachael Ortega     | F      | C          | 8        | NP            | Business; Environment; Social and racial justice; Neighborhood; Public Policy                          | Oct 2022        | Oct 2024        |
| Jerry Levine       | M      | C          | 2        | Cow Hollow    | Business, Neighborhood, Public Policy  | Nov 2018        | Nov 2024        |
| Calvin Ho          | M      | NP         | 4        | Outer Sunset  | Business, Disabled, Environment, Social and racial justice, Labor, Neighborhood, Public Policy, Senior | December 2023   | Dec 2024        |
| Mariko Davidson    | F      | NP         | 11       | Ingleside     | Environment; Neighborhood; Public Policy   | February 2023   | Feb 2025        |

\*A – Asian | AA – African American | AI – American Indian or Alaska Native | C – Caucasian | H/L – Hispanic or Latino | NH – Native Hawaiian or Other Pacific Islander | ME – Middle Eastern | NP – Not Provided (Voluntary Information)



**San Francisco  
County Transportation  
Authority**

|                           |   |
|---------------------------|---|
| Home Address Confidential | X |
| Home Phone Confidential   | X |
| Home Email Confidential   | X |

1455 Market Street, 22ND Floor, San Francisco, California 94103

415-522-4800

info@sfcta.org

www.sfcta.org

## San Francisco County Transportation Authority Application for Membership on the Citizens Advisory Committee

|                             |                           |                   |                      |
|-----------------------------|---------------------------|-------------------|----------------------|
| <b>Rosa</b>                 | <b>Chen</b>               | <b>Female</b>     | <b>n/a</b>           |
| FIRST NAME                  | LAST NAME                 | GENDER (OPTIONAL) | ETHNICITY (OPTIONAL) |
| <b>3</b>                    | <b>Chinatown</b>          | <b>REDACTED</b>   | <b>REDACTED</b>      |
| HOME SUPERVISORIAL DISTRICT | NEIGHBORHOOD OF RESIDENCE | HOME PHONE        | HOME EMAIL           |
| <b>REDACTED</b>             | <b>San Francisco</b>      | <b>California</b> | <b>94133</b>         |
| STREET ADDRESS OF HOME      | CITY                      | STATE             | ZIP                  |
| <b>3</b>                    |                           |                   |                      |
| WORK SUPERVISORIAL DISTRICT | NEIGHBORHOOD OF WORKPLACE | WORK PHONE        | WORK EMAIL           |
|                             |                           |                   |                      |
| STREET ADDRESS OF WORKPLACE | CITY                      | STATE             | ZIP                  |

### Statement of qualifications:

I have lived in Chinatown for all 26 years of my life and has been an avid public transportation rider. I have numerous years of experience working with low income neighborhoods on transit issues. Since high school, I have advocated and worked on many transportation issues such as Free Muni for Youth, Free Muni for Seniors and People with disability and pedestrian safety.

I am currently a community organizer at Chinatown Community Development Center and work together with Chinatown Transportation Research Improvement Project (TRIP) on all transportation issues that affect Chinatown. I have been working with TRIP on transportation advocacy in D3 for over 6 years and have worked with SFCTA staff on many issues that affect Chinatown such as congestion pricing as well as the Portsmouth Square NTIP plan.

### Statement of objectives:

My goal and objective if appointed is ensuring that low-income community voices are being heard and that adequate outreach has been done before moving forward on plans. On top of that, I want to advocate for my community for transit issues as many folks in D3 are public transit dependent.

**Please select all categories of affiliation or interest that apply to you:**

|   |                |
|---|----------------|
| X | Business       |
| X | Disabled       |
| X | Environment    |
|   | Labor          |
| X | Neighborhood   |
| X | Public Policy  |
| X | Senior Citizen |

**Can you commit to attending regular meetings (about once a month for the Transportation Authority CAC, or once every two to three months for project CACs):**

By entering your name and date below, and submitting this form, you certify that all the information on this application is true and correct.

Rosa Chen  
NAME OF APPLICANT

Info confirmed 4/6/23  
DATE



**San Francisco  
County Transportation  
Authority**

1455 Market Street, 22ND Floor, San Francisco, California 94103

415-522-4800

info@sfcta.org

www.sfcta.org

## **San Francisco County Transportation Authority**

### Application for Membership on the Community Advisory Committee

|                                  |                           |   |                     |
|----------------------------------|---------------------------|---|---------------------|
| <b>Sean</b>                      | <b>Kim</b>                | <b>Male</b>   |                     |
| FIRST NAME                       | LAST NAME                 | GENDER (OPTIONAL)                                   |                     |
| <b>East Asian</b>                |                           | <b>No</b>   |                     |
| ETHNICITY (OPTIONAL)             |                           | IDENTIFY AS HISPANIC, LATINO, OR LATINX? (OPTIONAL) |                     |
| <b>District 1</b>                | <b>Central Richmond</b>   | <b>[ redacted ]</b>                                 | <b>[ redacted ]</b> |
| HOME SUPERVISORIAL DISTRICT      | NEIGHBORHOOD OF RESIDENCE | HOME PHONE  | HOME EMAIL          |
| <b>[ redacted ]</b>              | <b>[ redacted ]</b>       | <b>[ redacted ]</b>                                 | <b>[ redacted ]</b> |
| STREET ADDRESS OF HOME           | CITY                      | STATE   | ZIP                 |
| <b>[ redacted ]</b>              | <b>[ redacted ]</b>       | <b>[ redacted ]</b>                                 | <b>[ redacted ]</b> |
| WORK SUPERVISORIAL DISTRICT      | NEIGHBORHOOD OF WORKPLACE | WORK PHONE  | WORK EMAIL          |
| <b>[ redacted ]</b>              | <b>[ redacted ]</b>       | <b>[ redacted ]</b>                                 | <b>[ redacted ]</b> |
| STREET ADDRESS OF WORKPLACE CITY |                           | STATE   | ZIP                 |

#### **Statement of qualifications:**

This is Sean Kim who is a resident and a business owner in central Richmond district. My spouse, Alice and I co-operate Joe's Ice Cream at 18th ave and Geary Blvd since 2012. We moved to current address in San Francisco on 2013 and raised 3 children here. All of my children have used MUNI for commuting to school. I have enjoyed riding MUNI to attend meeting and going out to entertainment. I am an immigrant from Seoul, South Korea where citizens are heavily rely on mass transportation. Currently I am one of Geary Improvement Project CAC members since Nov 2021.

#### **Statement of objectives:**

If appointed, I would like to contribute to delivery voices from family with kids and seniors and small businesses. As San Francisco is one of lowest population metro under age 18, city needs to include voices from families with children and seniors. I believe that City's transportation is one of the greatest means to support them grow and thrive in San Francisco. Also as a small business owner, I would love to deliver their voices and share the information with them to prepare and adapt to City's policies properly.

San Francisco County Transportation Authority  
Application for Membership on the Community Advisory Committee

**Please select all categories of affiliation or interest that apply to you:**

Business;Disabled;Environment;Social and racial justice;Labor;Neighborhood;Public Policy;Senior

**Can you commit to attending regular meetings (about once a month for the Transportation Authority CAC, or once every two to three months for project CACs):**

Yes

By entering your name and date below, and submitting this form, you certify that all the information on this application is true and correct.

**sean kim**

**4/4/2023**

NAME OF APPLICANT

DATE



**San Francisco  
County Transportation  
Authority**

BD041123

RESOLUTION NO. 23-40

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RESOLUTION APPOINTING ROSA CHEN TO THE COMMUNITY ADVISORY  
COMMITTEE OF THE SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

WHEREAS, Section 131265(d) of the California Public Utilities Code, as implemented by Section 5.2(a) of the Administrative Code of the San Francisco County Transportation Authority, requires the appointment of a Community Advisory Committee (CAC) consisting of eleven members; and

WHEREAS, There is currently a vacancy on the CAC for a District 3 representative; and

WHEREAS, At its April 11, 2023, meeting, the Board reviewed and considered all applicants' qualifications and experience and recommended appointing Rosa Chen to serve on the CAC for a period of two years; now therefore, be it

RESOLVED, That the Board hereby appoints Rosa Chen to serve on the CAC of the San Francisco County Transportation Authority for a two-year term; and be it further

RESOLVED, That the Executive Director is authorized to communicate this information to all interested parties.

San Francisco County Transportation Authority  
Agenda Item 6

**State Legislation – April 2023**

(Updated April 3, 2023)

To view documents associated with the bill, click the bill number link.

Staff is recommending new support positions on Assembly Bill (AB) 251 (Ward) and AB 645 (Friedman) as shown in **Table 1**.

**Table 2** shows the status of active bills on which the Board has already taken a position, or that staff has been monitoring on the watch list.

**Table 1. Recommended New Positions and Additions to Watch List**

| Recommended Positions                    | Bill #<br>Author  | Title and Summary  |
|--|---|--|
| Support<br><br>(currently on Watch list) | <a href="#">AB 251</a><br><a href="#">Ward</a> D<br><br>Principal<br>Co-author:<br><a href="#">Wiener</a> D | <p><b>California Transportation Commission: vehicle weight safety study.</b></p> <p>This bill would require the California Transportation Commission (CTC) to convene a task force to study the relationship between vehicle weight and injuries to vulnerable road users, such as pedestrians and cyclists, and the degradation of roads. It would also require the task force to study the costs and benefits of imposing a passenger vehicle weight fee or restructuring an existing fee to include consideration of vehicle weight. It would also require an analysis of the equity considerations relating to different population groups across the state. The bill would require the CTC, by no later than January 1, 2026, to prepare and submit a report to the Legislature with its findings and any legislative recommendations.</p> <p>We are recommending adopting a support position on the bill since a vehicle weight fee would have the potential to change consumer behavior, and revenues generated by a weight fee could be spent on traffic safety improvements. The San Francisco Municipal Transportation Agency (SFMTA) is supportive of this bill and the City's State Legislation Committee adopted a support position on it in March.</p> |

San Francisco County Transportation Authority  
Agenda Item 6

| Recommended Positions                           | Bill #<br>Author   | Title and Summary  |
|---|--|--|
| <p>Support</p> <p>(currently on Watch list)</p> | <p><a href="#">AB 645</a><br/><a href="#">Friedman</a> D</p> | <p><b>Vehicles: speed safety system pilot program.</b></p> <p>This bill would authorize, until January 1, 2032, the Cities of Los Angeles, San Jose, Oakland, Glendale, and Long Beach, and the City and County of San Francisco to establish a Speed Safety System Pilot Program. A speed safety system, sometimes referred to as automated speed enforcement, is a fixed or mobile electronic device that utilizes automated equipment to detect a violation of speeding laws and is designed to obtain a clear photograph, video recording, or other visual image of a vehicle license plate.</p> <p>The bill would authorize San Francisco to establish a program on designated safety corridors, on streets with a high number of speed contest or exhibition incidents, and in school zones (with some conditions). To participate, a jurisdiction would have to meet specified requirements, including:</p> <ul style="list-style-type: none"> <li>• Adopt a Speed Safety System Use Policy and a Speed Safety System Impact Report.</li> <li>• Engage in a public information campaign before implementing the program and clearly identify where the system is used.</li> <li>• Issue warning notices rather than notices of violations for the first 60 calendar days of the program.</li> <li>• Develop uniform guidelines for, among other things, the processing and storage of confidential information.</li> <li>• Offer a diversion program for indigent drivers.</li> <li>• Perform an evaluation of the speed safety system to determine its impact on street safety and economic impact on the communities where it is utilized.</li> </ul> <p>AB 645 specifies that any violation would be subject only to civil penalties. It would also make all photographic, video, or other visual or administrative records confidential except for the number of violations issued and the speeds at which they were issued for.</p> <p>We added AB 645 to the Watch list in March as a spot bill, and now that substantive language has been added we are recommending a support position. The Transportation Authority has supported similar speed safety system pilot program bills in the past since speed safety cameras are one of San Francisco's key Vision Zero strategies. We understand that SFMTA has been working with the author and will be seeking a support position from the city's State Legislation Committee in April. We have heard that the author anticipates similar opponents as prior years, including privacy protection groups and social justice organizations. However, at this time, the California Highway Patrol is expected to stay neutral, after opposing automated speed enforcement bills in the past.</p> |



San Francisco County Transportation Authority  
Agenda Item 6

**Table 2. Bill Status for Positions Taken in the 2023-24 Session**

Below are updates for the two-year bills for which the Transportation Authority have taken a position or identified as a bill to watch.  
Updates to bills since the Board's last state legislative update are italicized.

| Adopted Positions / Monitoring Status | Bill # Author   | Bill Title  | Update to Bill Status <sup>1</sup> (as of 04/03/2023) |
|---------------------------------------|---|---|---|
| Support                               | <a href="#">ACA 1</a><br><a href="#">Aguiar-Curry</a> D<br>Haney D<br><br>Principal Coauthor:<br><a href="#">Wiener</a> D | <b>Local government financing: affordable housing and public infrastructure: voter approval.</b><br><br>Reduces the voter threshold from two-thirds to 55% for a city, county, or special district to approve a bond measure that funds the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing. | Assembly Desk   |
| Watch                                 | <a href="#">AB 6</a><br><a href="#">Friedman</a> D  | <b>Transportation planning.</b><br><br>Spot bill to require regions to fund transportation projects that significantly contribute toward their sustainable communities strategy goals and the state's climate goals.  | <i>Assembly Natural Resources</i>                     |
|                                       | <a href="#">AB 7</a><br><a href="#">Friedman</a> D  | <b>Transportation: funding: capacity projects.</b><br><br>Spot bill to eliminate single occupancy vehicle freeway capacity projects.  | <i>Assembly Appropriations</i>                        |
|                                       | <a href="#">AB 251</a><br><a href="#">Ward</a> D<br><br>Principal Co-author:<br><a href="#">Wiener</a> D                  | <b>California Transportation Commission: vehicle weight safety study.</b><br><br>Requires the formation of a task force to study the relationship between vehicle weight and injuries to vulnerable road users and the costs and benefits of a passenger vehicle weight fee.  | <i>Assembly Appropriations</i>                        |
|                                       | <a href="#">AB 645</a><br><a href="#">Friedman</a> D  | <b>Vehicles: speed safety system pilot program.</b><br><br>Spot bill to establish a pilot safety program, including limited authorization of speed safety cameras.  | Assembly Transportation                               |
|                                       | <a href="#">AB 761</a><br><a href="#">Friedman</a> D  | <b>Transit Transformation Task Force.</b><br><br>Establishes a task force to develop policies to grow transit ridership and improve the transit experience, requiring a report to the Legislature by January 1, 2025.   | <i>Assembly Appropriations</i>                        |

<sup>1</sup>Under this column, "Chaptered" means the bill is now law, "Dead" means the bill is no longer viable this session, and "Enrolled" means it has passed both Houses of the Legislature. Bill status at a House's "Desk" means it is pending referral to a Committee.



**San Francisco  
County Transportation  
Authority**

BD041123

RESOLUTION NO. 23-41

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RESOLUTION ADOPTING A SUPPORT POSITION ON ASSEMBLY BILL 251 (WARD)  
AND ASSEMBLY BILL 645 (FRIEDMAN)

WHEREAS, The Transportation Authority approves a set of legislative principles to guide transportation policy advocacy in the sessions of the Federal and State Legislatures; and

WHEREAS, With the assistance of the Transportation Authority's legislative advocate in Sacramento, staff has reviewed pending legislation for the current Legislative Session and analyzed it for consistency with the Transportation Authority's adopted legislative principles and for impacts on transportation funding and program implementation in San Francisco and recommended adopting new support positions on Assembly Bill (AB) 251 (Ward) and AB 645 (Friedman), as shown in Attachment 1; and

WHEREAS, At its April 11, 2023 meeting, the Board reviewed and discussed AB 251 (Ward) and AB 645 (Friedman); now, therefore, be it

RESOLVED, That the Transportation Authority hereby adopts new support positions on AB 251 (Ward) and AB 645 (Friedman); and be it further

RESOLVED, That the Executive Director is directed to communicate this position to all relevant parties.

Attachment:

1. Attachment 1 - State Legislation - April 2023



## Memorandum

### AGENDA ITEM 7

**DATE:** March 30, 2023

**TO:** Transportation Authority Board

**FROM:** Anna LaForte – Deputy Director for Policy and Programming

**SUBJECT:** 4/11/2023 Board Meeting: Adopt Traffic Congestion Mitigation Tax Program Guidelines and Program \$21,279,740 in Fiscal Years 2022/23 and 2023/24 TNC Tax Funds to the San Francisco Municipal Transportation Agency for Four Projects

#### RECOMMENDATION ☐ Information ☒ Action

- Adopt the Traffic Congestion Mitigation Tax (TNC Tax) Program Guidelines
- Program \$21,279,740 in Fiscal Years (FYs) 2022/23 and 2023/24 TNC Tax funds to the San Francisco Municipal Transportation Agency (SFMTA) for four projects:
  - FY23 Vision Zero Quick-Build Program (Part 2) (\$2,451,857)
  - FY24 Vision Zero Quick-Build Program (\$9,493,883)
  - FY22 Application-Based Residential Traffic Calming Program (\$5,400,000)
  - FY24 & FY25 Residential Traffic Calming Program (New Rolling Program) (\$4,270,000)

- ☐ Fund Allocation
- ☒ Fund Programming
- ☐ Policy/Legislation
- ☐ Plan/Study
- ☐ Capital Project Oversight/Delivery
- ☐ Budget/Finance
- ☐ Contract/Agreement
- ☐ Other: \_\_\_\_\_

#### SUMMARY

The Transportation Authority receives 50% of the TNC Tax revenues for bicycle and pedestrian safety improvements. In October 2020, the Transportation Authority adopted the first Program Guidelines and programmed \$7.5 million to the SFMTA's Vision Zero Quick-Build Program. As of February 2023, the Board has fully allocated these funds. While revenues are on a growth trend, with this first update to the Program Guidelines (Attachment 1) we continue to take a



conservative approach to both programming and allocations. Specifically, we recommend only programming funds anticipated to be collected through Fiscal Year 2023/24 and allocating funds only after they have been collected. Based on actual revenues collected through December 2022 and estimated revenues through June 2024, we expect to have \$21,279,740 in TNC Tax funds for projects in Fiscal Years 2022/23 and 2023/24 (Table 1). Considering the projected funds available and having consulted with SFMTA about funding needs to help meet the City's Vision Zero goals, we are recommending four projects in two categories for funding that are key to reducing vehicle speeds and improving roadway safety - the Vision Zero Quick-Build Program and the new, rolling Application-Based Residential Traffic Calming Program. These guidelines also provide guidance to staff and project sponsors on administration of the TNC Tax program. At this meeting, SFMTA staff will present on the quick-build and residential traffic calming programs, including a review of project delivery and the goals of each program.

## **BACKGROUND**

The Proposition D Traffic Congestion Mitigation Tax was passed by San Francisco voters in November 2019. The measure, also referred to as the TNC Tax, is a surcharge on commercial ride-hail trips that originate in San Francisco, for the portion of the trip within the city. The tax also applies to private transit companies and rides given by autonomous vehicles commercially. Single occupant trips are taxed at 3.25%, with electric vehicle trips receiving a discount to 1.5% through 2024. Shared trips are taxed at 1.5%.

The tax is in effect until November 2045. After a 2% set aside for administration by the City and County of San Francisco (CCSF), 50% of the revenues are directed to the SFMTA for transit operations and improvements, and 50% comes to the Transportation Authority for bicycle and pedestrian safety improvements.

The pandemic and new trends in remote work have drastically reduced travel to and within San Francisco, including demand for trips provided by TNCs. This reduction in travel has severely impacted TNC Tax revenues collected over the past three years. The revenues collected between January 2020 and December 2022 total approximately \$33 million, which is about 40% of the annual revenue projected in June 2019. While revenues are on a growth trend, there still is a lot uncertainty and relatively few data points; thus, we continue to recommend a conservative approach for administering this fund program.



The first TNC Program Guidelines were adopted by the Transportation Authority Board in October 2020 when we created four programmatic categories for eligible projects, including Quick-Builds, Safe Streets, Signals, and Maintenance. In light of uncertainty about revenue levels, we programmed \$7.5 million in TNC Tax funds to the SFMTA's Vision Zero Quick-Build Program from the Quick-Builds category and deferred additional programming actions.

## DISCUSSION

**Funds Available.** With this first update to the guidelines, we are recommending programming \$21,279,740 in TNC Tax revenues expected to be collected through Fiscal Year 2023/24 as shown in Table 1 below.

Table 1 TNC Tax Funds Available for Programming

| REVENUE COLLECTION PERIOD                                       | STATUS               | AMOUNT*        |
|---|----------------------|----------------|
| Total Revenue January 2020 – June 2024                          | Actual and Projected | \$28,785,426   |
| Total Programming to Date (fully allocated as of February 2023) |                      | \$7,505,686    |
| Total Available for Programming                                 |                      | \$21,279,740** |

\*Transportation Authority share of TNC Tax revenues is 50% of collections, less 2% to CCSF for administration, less 3% for Transportation Authority administration and data analysis.

\*\*Of the total funds available for programming, the Transportation Authority has received \$8,185,321 as of December 2022.

**Priorities for Funds Available.** As noted above, we continue to take a conservative approach to both programming and allocations for this new fund source while the economy is still recovering. Specifically, we recommend only programming funds anticipated to be collected through Fiscal Year 2023/24 and allocating funds only after they have been collected. We propose programming funds to four SFMTA projects as shown in Table 2 below.

Table 2 Proposed Programming for Fiscal Year 22/23 and 23/24

| PROJECT   | AMOUNT              | ANTICIPATED ALLOCATION REQUEST |
|---|---------------------|--------------------------------|
| FY23 Vision Zero Quick-Build Program (Part 2)   | \$2,451,857         | April 2023                     |
| FY24 Vision Zero Quick-Build Program  | \$9,493,883         | Fall 2023 and Spring 2024      |
| FY22 Application-Based Residential Traffic Calming Program                              | \$5,400,000         | Fall 2023                      |
| FY24 & FY25 Application-Based Residential Traffic Calming Program (New Rolling Program) | \$4,270,000         | May 2023                       |
| <b>TOTAL</b>  | <b>\$21,279,740</b> |                                |

Details on the projects recommended for programming are described in the Program Guidelines (Attachment 1). SFMTA has requested allocation of \$2,451,857 for the FY23 Vision



Zero Quick-Build Program (Part 2) as part of a separate item on this meeting agenda. That request fully funds the scope of work approved by the Board and partially funded in February 2023.

### **FINANCIAL IMPACT**

There are no impacts to the Transportation Authority's Fiscal Year 2022/23 budget associated with the recommended actions. Funds for program administration and oversight, and data collection and analysis, are included in the Fiscal Year 2022/23 budget. Furthermore, sufficient funds will be included in future year budgets to cover program administration and data analysis.

### **CAC POSITION**

The CAC considered this item at its March 29, 2023 meeting and unanimously adopted a motion of support for the staff recommendation.

### **SUPPLEMENTAL MATERIALS**

- Attachment 1 – TNC Tax Program Guidelines
- Attachment 2 – Vision Zero Quick-Build Program SFMTA Presentation
- Attachment 3 – Application-Based Traffic Calming New Multi-Phase Program Structure SFMTA Presentation
- Attachment 4 - Resolution





# Traffic Congestion Mitigation Tax (TNC Tax)

DRAFT Program Guidelines



San Francisco  
County Transportation  
Authority

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March 2023

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## Introduction

The Proposition D Traffic Congestion Mitigation Tax was passed by San Francisco voters in November 2019. The measure, also referred to as the Transportation Network Company (TNC) Tax, is a surcharge on commercial ride-hail trips that originate in San Francisco, for the portion of the trip within the city. The intent of the TNC Tax program is to deliver improvements to transit reliability and safety on San Francisco's roadways, mitigating the effects of increased congestion due to TNC vehicles. Beginning January 1, 2020, a 1.5% tax is charged on shared rides or rides taken in a zero-emission vehicle, and 3.25% is charged on rides with a single occupant in a non-zero-emission vehicle. The measure also takes into account rides provided by autonomous vehicles in the future which would be taxed in this same manner and rides provided by private transit companies if a company were to enter the market. The tax is in effect until November 2045.

After a 2% set aside for administration by the City and County of San Francisco (CCSF), 50% of the revenues are directed to the San Francisco Municipal Transportation Agency (SFMTA) for transit operations and improvements, and 50% comes to the Transportation Authority for bicycle and pedestrian safety improvements. The ordinance (Appendix 1) outlines the eligible uses for the Transportation Authority's share of revenues which are specified as pedestrian and bicycle safety improvements, traffic calming, traffic signals, and maintenance. Eligible phases include planning, design, and construction and sponsors can be any public agency that implements eligible projects.

### REVENUE PROJECTIONS AND THE IMPACTS OF THE COVID-19 PANDEMIC

Revenue projections published by the CCSF Office of the Controller and Office of Economic Analysis released in July 2019 indicated approximately \$30 million in annual revenue. Given the nature of this new revenue source, and that it is the first of its kind in California, there was already uncertainty around how revenues would perform. In addition to that uncertainty, on March 16, 2020, only two months after revenue collection began, a shelter-in-place order was issued for San Francisco due to the COVID-19 pandemic. The pandemic and new trends in remote work have drastically reduced travel to and within San Francisco, including demand for trips provided by TNCs. This reduction in travel has severely impacted TNC Tax revenues collected over the past three years. The revenues collected between January 2020 and December 2022 total approximately \$33 million, which is about 40% of the annual revenue projected in June 2019. While revenues are on a growth trend, there still is a lot uncertainty and relatively few data points; thus, we continue to recommend a conservative approach for administering this fund program.

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The policies herein provide guidance to Transportation Authority staff and project sponsors on administration of the TNC Tax program. The first Program Guidelines were adopted by the Transportation Authority Board in October 2020 when we created four programmatic categories for eligible projects, including Quick-Builds, Safe Streets, Signals, and Maintenance. In light of uncertainty about revenue levels, we programmed \$7.5 million in TNC Tax funds to the SFMTA's Vision Zero Quick-Build Program from the Quick-Builds category. As of February 2023, the Transportation Authority has allocated \$7.5 million in TNC Tax funds, which, along with the half-cent sales tax for transportation, has been the primary source of funding for the Quick-Build Program since its inception in 2019.

## Funds Available

The Transportation Authority's share of TNC Tax revenues collected from January 2020 to December 2022 is \$16,176,296. Consistent with the CCSF, we use 2% of the Transportation Authority's share of revenues for program administration and oversight. Building off data collection and analysis efforts that led to development of the TNC Tax as well as feedback received from listening sessions conducted for the first TNC Tax guidelines, we have set aside 1% of revenues for systematic data collection and analysis of TNC trips in San Francisco. After netting out these costs, this leaves \$15,691,007 available for projects.

Based on projections from the Controller's Office, we expect to receive an additional \$13,094,419 in revenues for projects between January 2023 and June 2024. See Table 1 for actual and projected revenues between January 2020 and June 2024.

Table 1 Actual and Projected TNC Tax Revenues January 2020 - June 2024

| REVENUE COLLECTION PERIOD | STATUS               | AMOUNT *       |
|---------------------------|----------------------|----------------|
| January 2020 – June 2020  | Actual               | \$2,505,687    |
| Fiscal Year 2020/21       | Actual               | \$2,953,153    |
| Fiscal Year 2021/22       | Actual               | \$5,936,458    |
| Fiscal Year 2022/23       | Actual and Projected | \$7,469,000**  |
| Fiscal Year 2023/24       | Projected            | \$9,921,128*** |
| Total                     |                      | \$28,785,426   |

\*Transportation Authority share is 50% of collections, less 2% to CCSF for administration, less 3% for Transportation Authority administration and data analysis.

\*\*Fiscal Year 2022/23 amount reflects \$4,295,709, of actual revenue collected July - December 2022 and \$3,173,291 in revenue projected January - June 2023. Amount is based on the Fiscal Year 2022/23 Six-Month Budget Status Report released by the Controller's Office on February 15, 2023.

Fiscal Year 2022/23 revenue estimate from the Controller's Six-Month Budget Status Report is 3.75% less than the amount that was included in the CCSF Budget and Appropriation Ordinance for the Fiscal Year ending June 30, 2023.

\*\*\*Fiscal Year 2023/24 amount reflects the projected revenues according to the CCSF Budget and Appropriation Ordinance for Fiscal Year ending June 30, 2023 and Fiscal Year ending June 30, 2024 approved July 27, 2022.

Of the TNC Tax revenues collected since 2020, the Transportation Authority has programmed \$7,505,686 to the SFMTA's Vision Zero Quick-Build Program, as shown in Table 2.

Table 2 TNC Tax Programming to Date

| PROJECT                                       | STATUS    | AMOUNT             |
|---|-----------|--------------------|
| FY21 Vision Zero Quick-Build Program          | Allocated | \$2,505,686        |
| FY22 Vision Zero Quick-Build Program          | Allocated | \$3,000,000        |
| FY23 Vision Zero Quick-Build Program (Part 1) | Allocated | \$2,000,000        |
| <b>TOTAL</b>                                  |           | <b>\$7,505,686</b> |

With this first update to the guidelines, we are recommending programming \$21,279,740 in TNC Tax revenues expected to be collected through Fiscal Year 2023/24 as shown in Table 3 below.

Table 3 TNC Tax Funds Available for Programming

| REVENUE COLLECTION PERIOD                   | STATUS               | AMOUNT*        |
|---|----------------------|----------------|
| Total Revenue January 2020 – June 2024      | Actual and Projected | \$28,785,426   |
| Total Programming to Date (fully allocated) |                      | \$7,505,686    |
| Total Available for Programming             |                      | \$21,279,740** |

\*Transportation Authority share is 50% of collections, less 2% to CCSF for administration, less 3% for Transportation Authority administration and data analysis.

\*\*Of the total funds available for programming, the Transportation Authority has received \$8,185,321 as of December 2022.

Consistent with the prior guidelines and given lingering uncertainty about economic recovery and impacts on travel demand, we continue to take a conservative approach to both programming and allocations. Specifically, we recommend only programming funds anticipated to be collected through Fiscal Year 2023/24 and allocating funds only after they have been collected.

We will not set aside a capital reserve in order to maximize funds available for projects because we are only allocating funds after they have been collected. In the future when we are able to project revenues with more confidence, we may begin to allocate funds based on projections (rather than what has been collected) and would then establish a capital reserve of 10%, in line with Transportation Authority fiscal policy.

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## Programmatic Categories for Fiscal Years 2022/23 - 2023/24

As previously noted, the TNC Tax Ordinance designates 50% of the funds to the Transportation Authority for planning, design, and/or capital improvements that promote users' safety in the public right-of-way, including pedestrian and bicycle safety improvements, traffic calming, traffic signals, and maintenance of existing safety infrastructure. Considering the projected funds available and having consulted with SFMTA about funding needs to help meet the goals of Vision Zero, we are recommending two programmatic categories to receive funds in Fiscal Years 2022/23 and 2023/24, Quick-Builds and Residential Traffic Calming. Both categories are key to reducing vehicle speeds and improving roadway safety. Descriptions of each programmatic category are below.

### QUICK-BUILDS

Quick-build projects include reversible, adjustable traffic safety improvements, such as roadway and curb paint, traffic delineators, signs, traffic signal timing updates, transit boarding islands, and parking and loading changes. These projects are focused on safety improvements to the Vision Zero High Injury Network, the 12% of streets accounting for 68% of the City's severe and fatal traffic injuries. Quick-builds allow near-term implementation of safety improvements while longer-term infrastructure improvements are designed. While the materials and methods used to install improvements makes reversal possible, it is not necessarily the intent that treatments will be reversed. The SFMTA is the project sponsor for this category.

### RESIDENTIAL TRAFFIC CALMING

The Residential Traffic Calming Program is an evaluation of community-initiated requests for locations that can benefit from slower traffic speeds that can be achieved through implementation of LOW-COST safety improvements such as speed humps, speed cushions, speed tables, raised crosswalks, median islands, traffic circles, changes to lane widths, and lane shifting. The application-based program objectively evaluates requests and only recommends traffic calming where speeding is confirmed through data collection (in addition to other defined criteria). The SFMTA is the project sponsor for this category.

## Priorities for Funds Available

Based upon the above programming approach, we propose programming funds as shown in Table 4 below.

Table 4 Proposed Programming for Fiscal Year 22/23 and 23/24

| PROJECT   | AMOUNT              | ANTICIPATED ALLOCATION REQUEST |
|---|---------------------|--------------------------------|
| FY23 Vision Zero Quick-Build Program (Part 2)   | \$2,451,857         | April 2023                     |
| FY24 Vision Zero Quick-Build Program  | \$9,493,883         | Fall 2023 and Spring 2024      |
| FY22 Application-Based Residential Traffic Calming Program                              | \$5,400,000         | Fall 2023                      |
| FY24 & FY25 Application-Based Residential Traffic Calming Program (New Rolling Program) | \$4,270,000         | May 2023                       |
| <b>TOTAL</b>  | <b>\$21,279,740</b> |                                |

Details on the projects recommended for programming are described below.

### VISION ZERO QUICK-BUILD PROGRAM

**FY23 Vision Zero Quick-Build Program (Part 2).** SFMTA has requested allocation of \$2,451,857 for the FY23 Vision Zero Quick-Build Program (Part 2) at the same meeting that the TNC Tax guidelines are proposed to be approved. This request would fully fund the Vision Zero Quick-Build Program scope of work approved by the Board in February 2023, but with only partial funding for the construction phase.

**FY24 Vision Zero Quick-Build Program.** There are two planning efforts underway that will inform the program of projects and help the City meet its goal for applying the quick-build toolkit to the entire High Injury Network. The SFMTA is making progress toward this goal and has implemented quick-build measures on over 80 miles of the High Injury Network. By Summer 2023, the SFMTA expects to have recommendations from a Fehr & Peers assessment that will identify appropriate quick-build projects and spot improvements, and estimated costs, to implement measures along the remaining 50 miles of the High Injury Network. We also expect the SFMTA's Active Communities Plan to inform recommendations for quick-build projects supporting bicycle and pedestrian safety. The SFMTA anticipates that the Active Communities Plan will be completed by May 2024.

**Special Condition for FY24 Vision Zero Quick-Build Program.** Allocating TNC Tax funds to the FY24 Quick-Build Program is contingent upon the SFMTA presenting a

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list of quick-build projects that would help fulfill the City's goal to apply quick-build treatments to the entire High Injury Network.

### **APPLICATION-BASED RESIDENTIAL TRAFFIC CALMING**

**FY22 Application-Based Residential Traffic Calming.** The Transportation Authority has funded the SFMTA's Application-Based Residential Traffic Calming Program since it started in 2013. It has been structured as an annual program with applications accepted between July 1 and June 30. The SFMTA groups the applications received over the prior year and advances them through the evaluation and implementation process. During the planning phase, the SFMTA does an analysis and evaluation to determine the list of locations that meet the criteria for acceptance into the program. Requests that meet the criteria proceed to the design phase when SFMTA staff determine the appropriate traffic calming tool(s) for each location and coordinate with partner agencies, followed by a construction phase for that group of locations.

The final year of the existing application-based program covers the applications received July 1, 2020, through June 30, 2021. Residents submitted an unprecedented number of applications in this cycle primarily due to the COVID-19 emergency which required the SFMTA to waive the signature-gathering/petition requirement. The planning and design phases are funded by Prop K. TNC Tax funds would fully fund the construction phase of this project.

**FY24 & FY25 Residential Traffic Calming Program.** Starting with the FY24 & FY25 Application-Based Residential Traffic Calming Program, the SFMTA will change the way this program is structured, from an annual program to SFMTA processing applications on a quarterly basis. Having a multi-phase, multi-year allocation would enable the SFMTA to plan, design, and construct traffic calming devices on a continuous rolling basis, with the goal of accelerating project delivery by as much as two years.

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## Policies

Policies provide guidance to both Transportation Authority staff and project sponsors on the various aspects of managing the TNC Tax program. The policies highlighted here address the allocation and administration of funds and clarify the Transportation Authority's expectations of sponsors to deliver their projects. We have made non-substantive changes to the policies from the first Program Guidelines. We anticipate revising these policies in the future as revenue trends emerge and we can more confidently forecast anticipated revenues.

### 1.1 | ALLOCATION

- Prior to allocation of any TNC Tax funds, projects must be programmed by the Transportation Authority Board.
  - Allocations of TNC Tax funds will be based on an application package prepared and submitted by the project sponsor in the SFCTA Portal (<https://portal.sfcta.org/>) for Transportation Authority review and approval. The package will be in accordance with application guidelines and formats as outlined in the Transportation Authority's allocation request procedures, with the final application submittal to include sufficient detail and supporting documentation to facilitate a determination that the applicable conditions of these policies have been satisfied.
  - Fiscal Year Cash Flow Distribution Schedules will be adopted as part of the allocation approval. The Transportation Authority will not guarantee reimbursement levels higher than those adopted in the original allocation or as amended.
  - Funds will be allocated to phases of a project based on demonstrated readiness to begin the work and ability to complete the product. Any impediments to completing the project phase will be taken into consideration, including, but not limited to, lack of a full funding plan for the requested phase(s), failure to provide evidence of necessary inter- and/or intra-agency coordination, evidence of a lack of community support or consensus, or any pending or threatened litigation.
  - The project sponsor will provide certification at the time of an allocation request that all complementary fund sources are committed to the project. Funding is considered committed if it is included specifically in a programming document adopted by the governing board or entity with the authority to program (or commit) the funds and recognized by the Transportation Authority as available for the phase at the time the funds are needed.
  - In establishing priorities, the Transportation Authority will take into consideration the need for TNC Tax funds to be available for matching federal, state, or regional fund sources for the project or program requesting the allocation.
-



- Projects with complementary funds from other sources will be given priority for allocation if there are timely use of funds requirements outside of the Transportation Authority's jurisdiction applied to the other fund sources.
- To support cost-effective project delivery, transparency, and prudent management of this pay-as-you-go-program, TNC Tax funds will be allocated to one project phase at a time. The Transportation Authority will grant an exception to this policy and recommend multi-phase allocations for the SFMTA's Vision Zero Quick-Build Program and the Application-Based Residential Traffic Calming Program given overlapping planning, design and construction phases as work is conducted on multiple corridors.
- Allocations of TNC Tax funds for specific project phases will be contingent on the prerequisite milestones shown in Table 5. The Transportation Authority will grant an exception to this policy for the SFMTA's Vision Zero Quick-Build Program and the Application-Based Residential Traffic Calming Program. Allocation requests will be made prior to advertising for services or initiating procurements for projects funded with TNC Tax funds.

Table 5 Prerequisite Milestones for Allocation.

| PHASE                 | PREREQUISITE MILESTONE(S) FOR ALLOCATION  |
|-----------------------|---|
| Planning              | <ul style="list-style-type: none"> <li>● Funds programmed by the Board</li> </ul>   |
| Design Studies (PS&E) | <ul style="list-style-type: none"> <li>● Funds programmed by the Board</li> <li>● Approved environmental document</li> <li>● Capital construction phase included in programming document, such as Capital Improvement Program</li> </ul>  |
| Construction          | <ul style="list-style-type: none"> <li>● Funds programmed by the Board</li> <li>● Approved environmental document</li> <li>● Right of way certification (if appropriate)</li> <li>● 95% PS&amp;E or substantial completion of design</li> <li>● All applicable permits</li> </ul> |

- Project phases for which TNC Tax funds will be allocated will be expected to result in a complete work product or deliverable. Table 6 demonstrates the products expected to accompany allocations. Requests for allocations that are expected to result in a work product/deliverable other than that shown in Table 6 for a specific phase shall include a description of the expected work product/deliverable, and are subject to approval by the Transportation Authority.

Table 6 Expected Work Product/Deliverable.

| PHASE                   | EXPECTED WORK PRODUCT/DELIVERABLE  |
|-------------------------|--|
| • Planning              | • Final report or memorandum including set of recommendations identified through the planning process  |
| • Design Studies (PS&E) | • Evidence of completion of design (e.g. copy of design certifications page and/or work authorization) |
| • Construction          | • Constructed improvement  |

- It is imperative to the success of the TNC Tax program that project sponsors of TNC Tax-funded projects work with Transportation Authority representatives in a cooperative process. It is the project sponsor's responsibility to keep the Transportation Authority apprised of significant issues affecting project delivery and costs. Ongoing communication resolves issues, facilitates compliance with Transportation Authority policies and contributes greatly toward ensuring that adequate funds will be available when they are needed.
- At the time of allocation, priority will be given to projects that:
  - » **Benefit disadvantaged populations.** Projects that directly benefit disadvantaged populations, whether the project is directly located in an Equity Priority Community or can demonstrate benefits to disadvantaged populations.
  - » **Improve safety for vulnerable populations.** Projects that improve safety for vulnerable populations, including but not limited to projects near schools, senior centers, community centers that improve safety for pedestrians, people on bicycles, children and seniors.
  - » **Located on the High Injury Network.** Projects that improve safety on the Vision Zero High Injury Network.
  - » **Demonstrate community engagement and support.** Projects with clear and diverse community support and/or developed out of a community-based planning process (e.g., community-based transportation plan, the Neighborhood Transportation Improvement Program, corridor improvement study, campus master plan, station area plans, etc.).
  - » **Time sensitive.** Projects that are trying to take advantage of time sensitive construction coordination opportunities and whether the project would leverage other funding sources with timely use of funds requirements.
  - » **Leverage other funding.** Projects that can demonstrate leveraging of TNC Tax funds, or that can justify why they are ineligible, have very limited eligibility, or compete poorly to receive Prop K or other discretionary funds.

- 
- » **High priority for project sponsor.** For project sponsors that submit multiple TNC Tax programming requests, the Transportation Authority will consider the project sponsor's relative priority for its requests.
  - » **Consider project delivery track record.** The Transportation Authority will consider the project sponsors' past project delivery track record of prior Transportation Authority-programmed funds when prioritizing potential TNC Tax-funded projects. For sponsors that have not previously received Transportation Authority funds, the Transportation Authority will consider the sponsors' project delivery track record for capital projects funded by other means.
  - » **Demonstrate geographic equity.** TNC Tax programming will reflect fair geographic distribution that takes into account the various needs of San Francisco's neighborhoods. This factor will be applied program-wide and to individual projects, as appropriate.

## 1.2 | TIMELY USE OF FUNDS REQUIREMENTS

- Timely-use-of-funds requirements will be applied to all TNC Tax allocations to help avoid situations where funds sit unused for prolonged periods of time. Any programmed project that does not request allocation of funds in the year of programming may, at the discretion of the Transportation Authority Board, have its funding reprogrammed to other projects.
- The intent of the TNC Tax program is to expedite delivery of safety improvements. Therefore, implementation of the project phase must commence within 6 months of the date of allocation. Implementation includes issuance of a purchase order to secure project components, award of a contract, or encumbrance of staff labor charges by project sponsor. Any project that does not begin implementation within 6 months of the date of allocation may have its sponsor request a new timely-use-of-funds deadline with a new project schedule, subject to the approval of the Transportation Authority.
- TNC Tax final reimbursement requests and project closeout requests shall be submitted within 12 months of project completion.

## 1.3 | ADMINISTRATION

- This is a reimbursement-based program.
  - TNC Tax funds will be spent down at a rate proportional to the TNC Tax share of the total funds programmed to that project phase or program. The Transportation Authority will consider exceptions on a case-by-case basis (e.g. another fund source is not immediately available or cannot be used to cover certain expenses). Project
-

sponsors should notify the Transportation Authority of the desire for an exception to this policy when requesting allocation of funds.

- Retroactive expenses are ineligible. No expenses will be reimbursed that are incurred prior to Board approval of the allocation for a particular project. The Transportation Authority will not reimburse expenses incurred prior to fully executing a Standard Grant Agreement. Exceptions to this policy may be made, including:
  - » Where the Transportation Authority has previously approved the scope of a project and that scope has incurred increased costs.
  - » Capital costs of a multi-year project to which the Transportation Authority has made a formal commitment in a resolution for out-year costs, although the funds have not been allocated.

While these costs shall be eligible for reimbursement in the situations cited above, the timing and amount of reimbursement will be subject to a Transportation Authority allocation.

- Indirect expenses are ineligible. Reimbursable expenses will include only those expenses directly attributable to the delivery of the products for that phase of the project receiving a TNC Tax allocation.



# **Vision Zero Quick-Build Program**

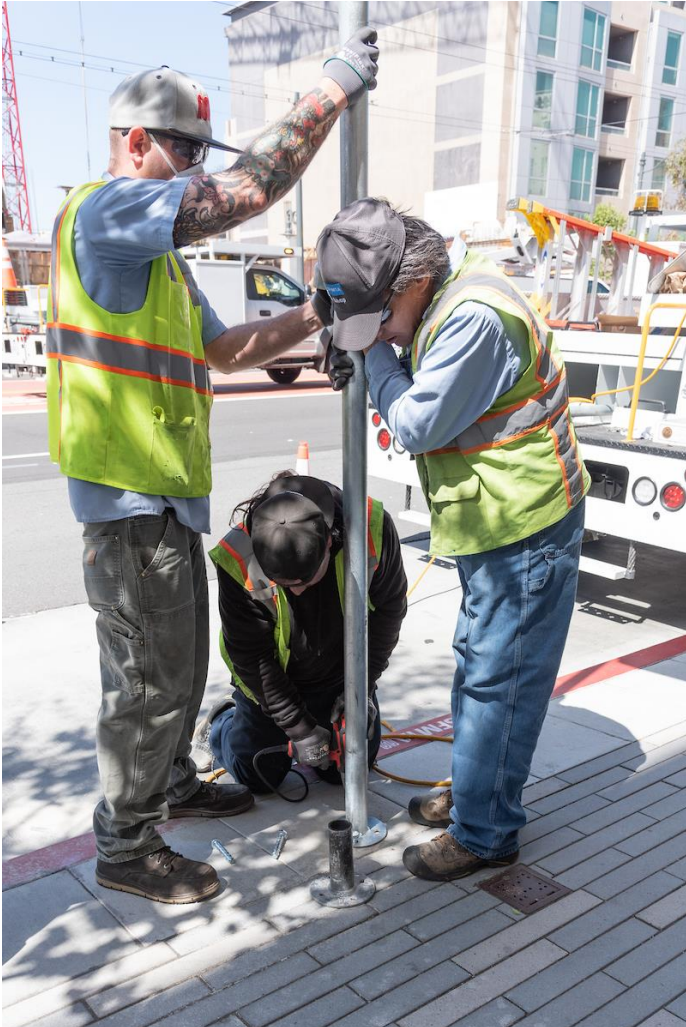
SFCTA Community Advisory Committee

March 23, 2023

# Vision Zero Quick-Build Program

- Quick-build safety projects are a critical part of realizing the physical changes to street design required to reach San Francisco's Vision Zero commitment.
- Quick-build projects have a streamlined approval process and use reversible, adjustable and lower-cost materials that can be installed quickly.

# Quick-Build Program



- Traffic safety improvements that are
  - Easy to implement
  - Lower cost
  - Adjustable/reversible
- Design, construct, and evaluate more nimbly and iteratively



# Quick-Build Improvements

Typical quick-build improvements include:

Paint, signs, and delineators



Signal timing changes



Parking and loading changes



Transit stop changes





# Projects to Date

Completed <sup>45</sup>

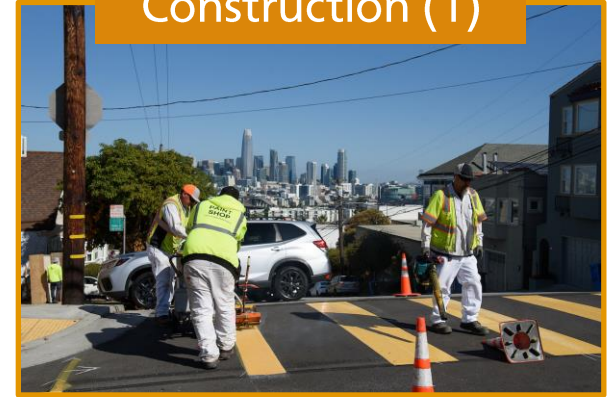


3rd Street  
 5th Street  
 6th Street  
 7th Street  
 Alemany Boulevard  
 Battery/Sansome  
 Beale Street  
 Brannan Street  
 California Street  
 Franklin Street  
 The Embarcadero  
 Evans/Hunters Point/Innes  
 Evans Avenue  
 Folsom Street  
 Golden Gate Avenue  
 Howard Street  
 Indiana Street  
 Jones Street  
 Leavenworth Street  
 Market Street  
 Mission/Geneva  
 South Van Ness Avenue  
 Taylor Street  
 Terry Francois Boulevard  
 Townsend Street  
 Williams Avenue

# Projects by Phases

Lake Merced Boulevard (Skyline to John Muir)  
Approved by SFMTA Board in January 2023

## Construction (1)



## Planning & Design (11)



3rd/Townsend Street  
17th Street (Potrero to Pennsylvania)  
Alemany Boulevard (Congdon to Ellsworth)  
Bayshore Boulevard (Oakdale to Industrial)  
Frida Kahlo Way / Ocean Avenue / Geneva Avenue  
Hyde Street (Market to Geary)  
Lincoln Way (22nd to Arguello)  
Oak Street (Shrader to Baker)  
Sloat Boulevard (Great Highway to Skyline)  
Sutter Street (Market to Polk)  
Valencia Street (15th to 23rd)

# Projects by Phases

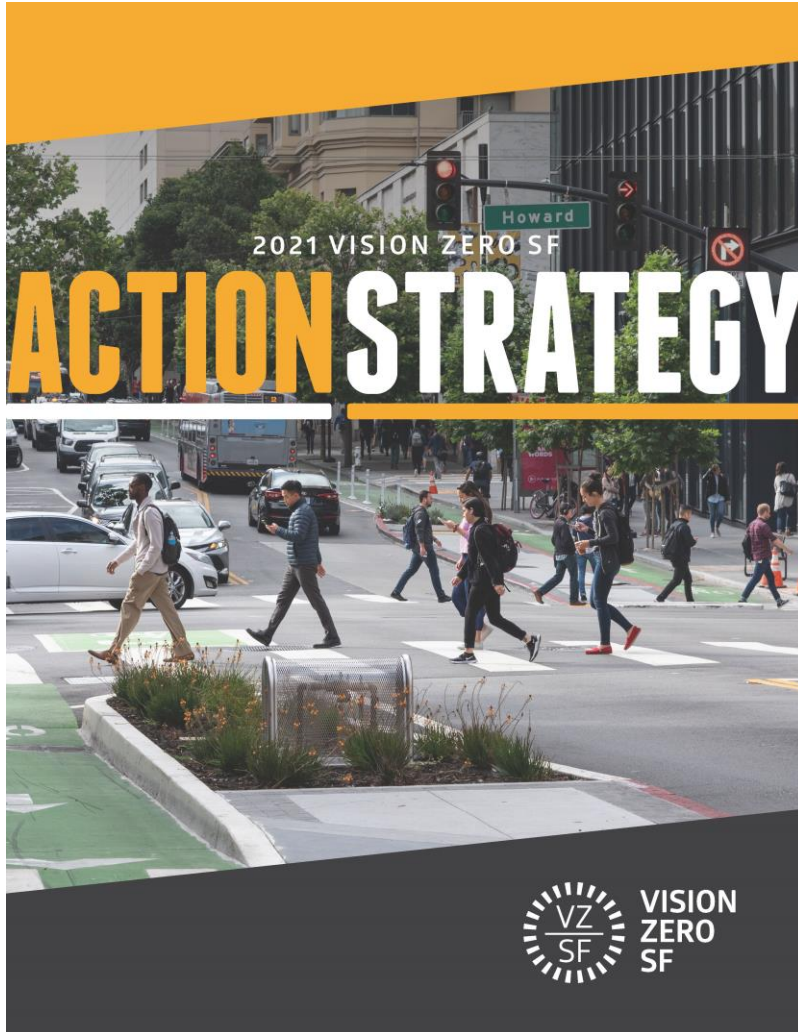
## Recent Fund Request (7)



Beach Street (Embarcadero to Van Ness)  
Larkin Street (Market to Geary)  
Cesar Chavez Street (Pennsylvania to Maryland)  
Clarendon Avenue (Laguna Honda to Johnstone)  
Guerrero Street (Market to 20th)  
Lincoln Way (22nd to Great Hwy)  
JFK/Oak/Fell



# Vision Zero Action Strategy



*More than 80 miles of safety improvements have already been completed or are in planning or construction on the High Injury Network. This Action Strategy commits the City to applying the Quick-Build toolkit on the remaining 80 miles of the High Injury Network*

[visionzerosf.org/about/action-strategy/](https://visionzerosf.org/about/action-strategy/)



# Program Successes

- | Iterative design: streamlined delivery and thorough evaluation
- | Flexibly respond to community-identified traffic safety needs and construction coordination opportunities
- | Maximize use of local funding for traffic safety improvements



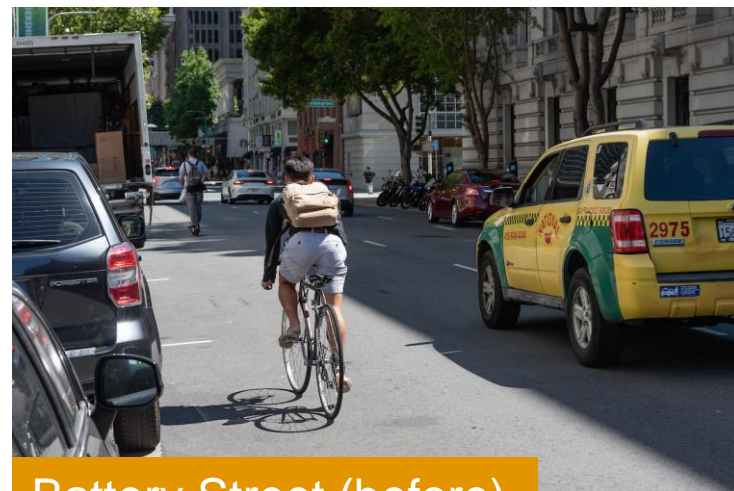
# Project Results

20% improvement of bus on-time performance along 7<sup>th</sup> and 8<sup>th</sup> Streets

Bicycle use increased by 29% along Golden Gate

Volume of vehicles traveling on Jones and Hyde decreased by 24%

[SFMTA.com/SafeStreetsEvaluation](https://www.sfmta.com/SafeStreetsEvaluation)

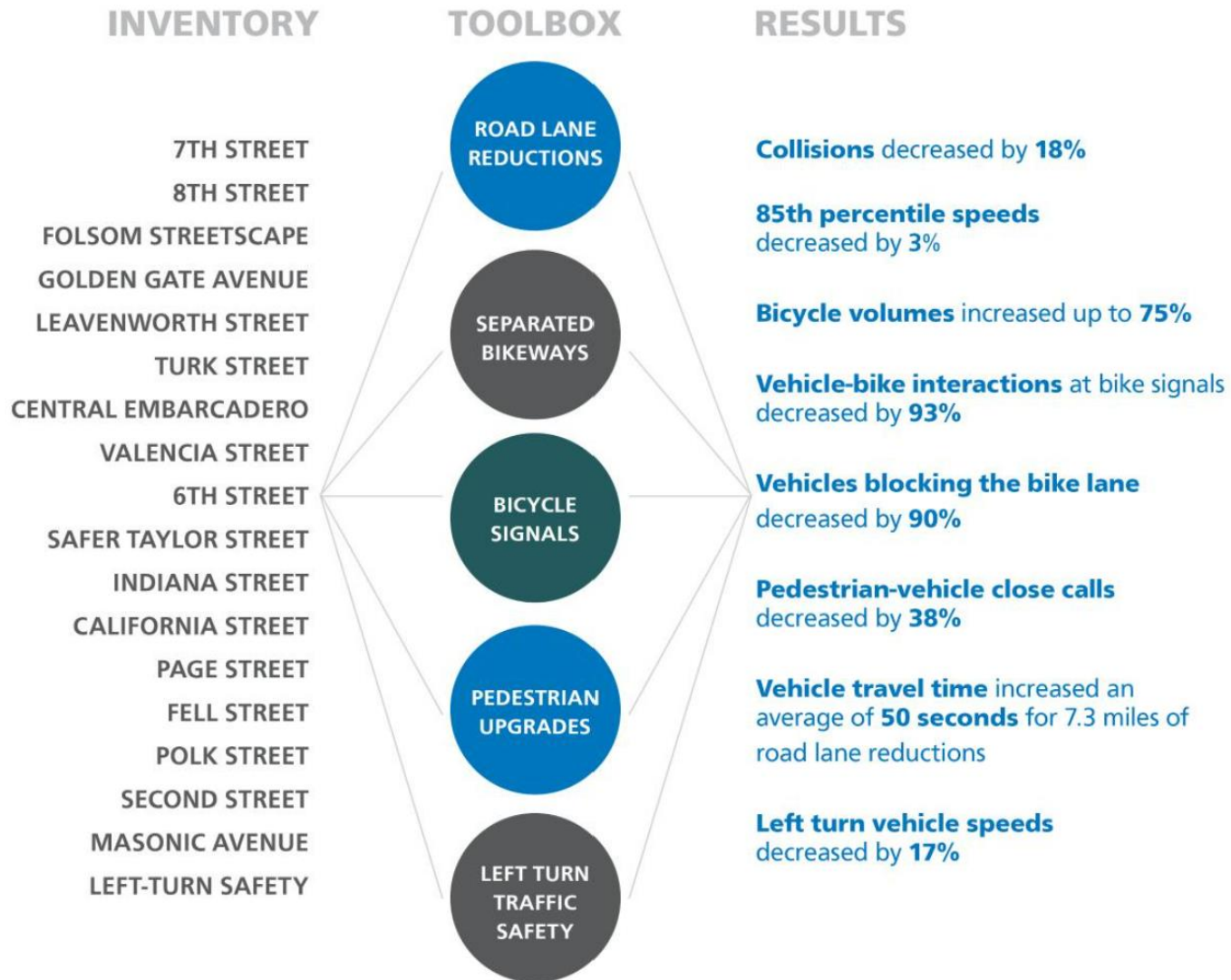


Battery Street (before)



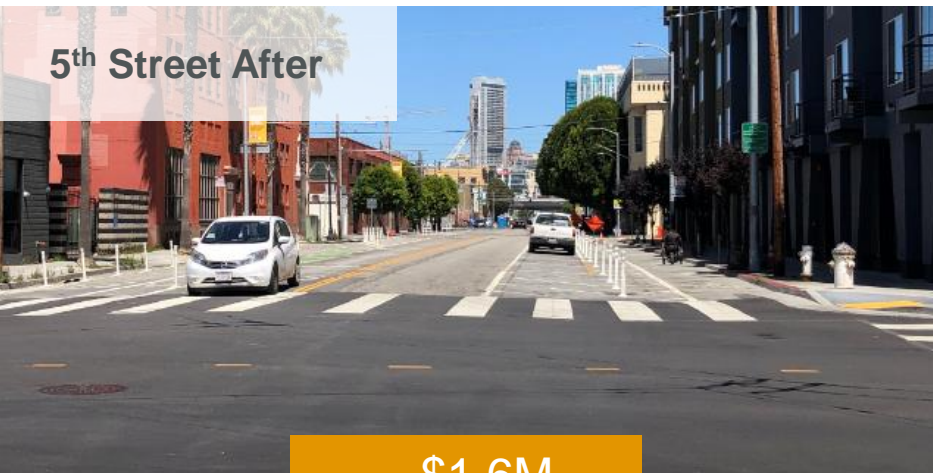
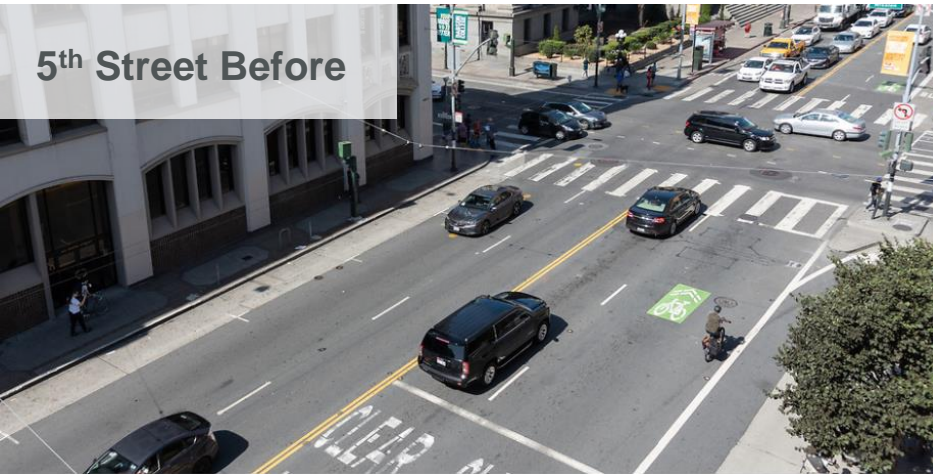
Battery Street (after)

# Project Results





# QUICK-BUILDS VS STREETSCAPE PROJECTS

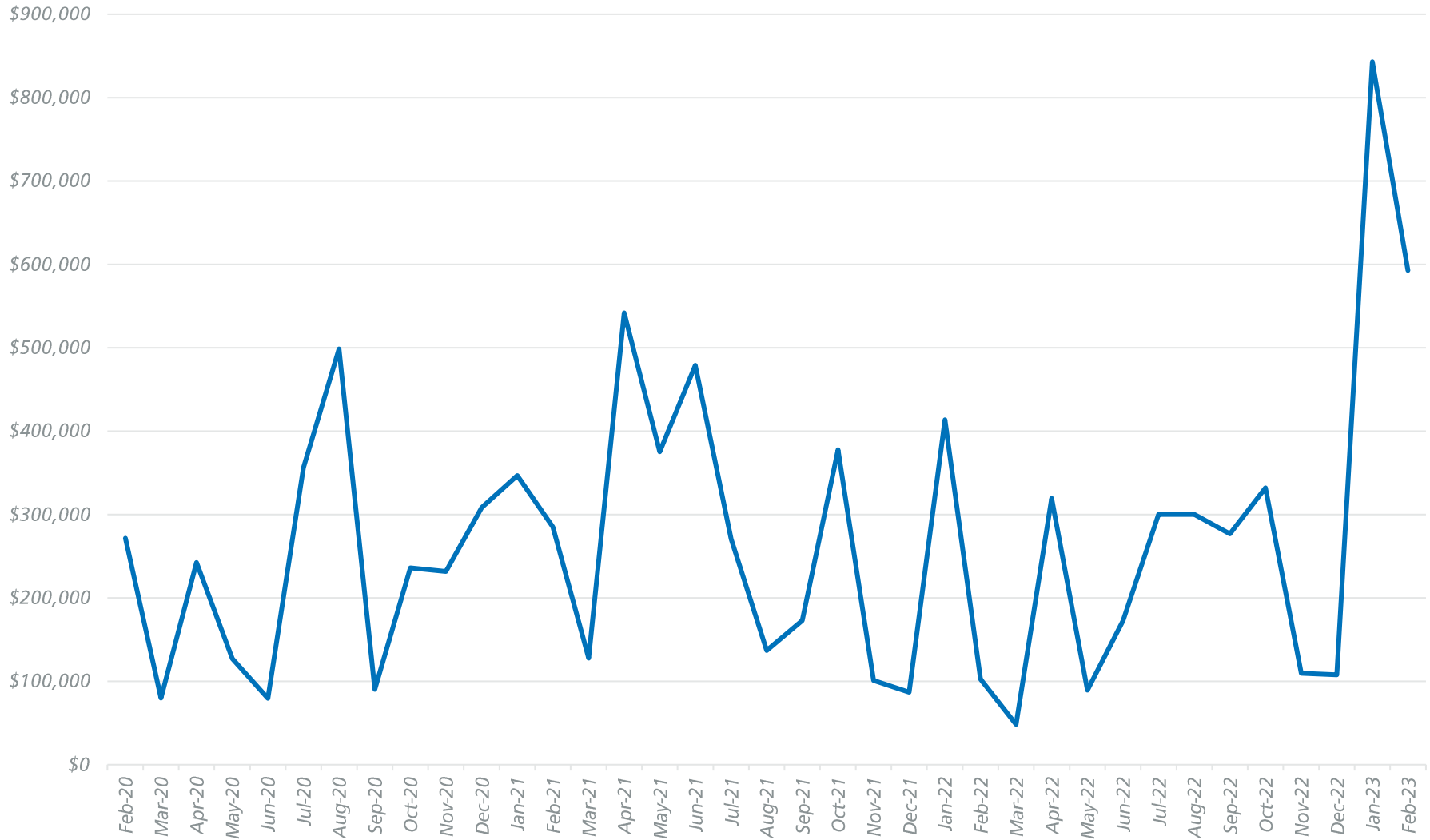


~ \$1.6M  
Quick-Build



~ \$20M  
Streetscape

# Three-Year Monthly Expenditure



# Complementary Efforts





# Contact Information

Jennifer Wong

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Website: [SFMTA.com/QuickBuild](https://www.sfmta.com/QuickBuild)

Email: [QuickBuild@SFMTA.com](mailto:QuickBuild@SFMTA.com)

# Application-Based Traffic Calming Program Restructuring

**SFCTA – Community Advisory Committee**  
**03 | 22 | 2023**

# Traffic Calming Program History

**2000: Traffic Calming Guidelines Developed and Formal Traffic Calming Program Established**

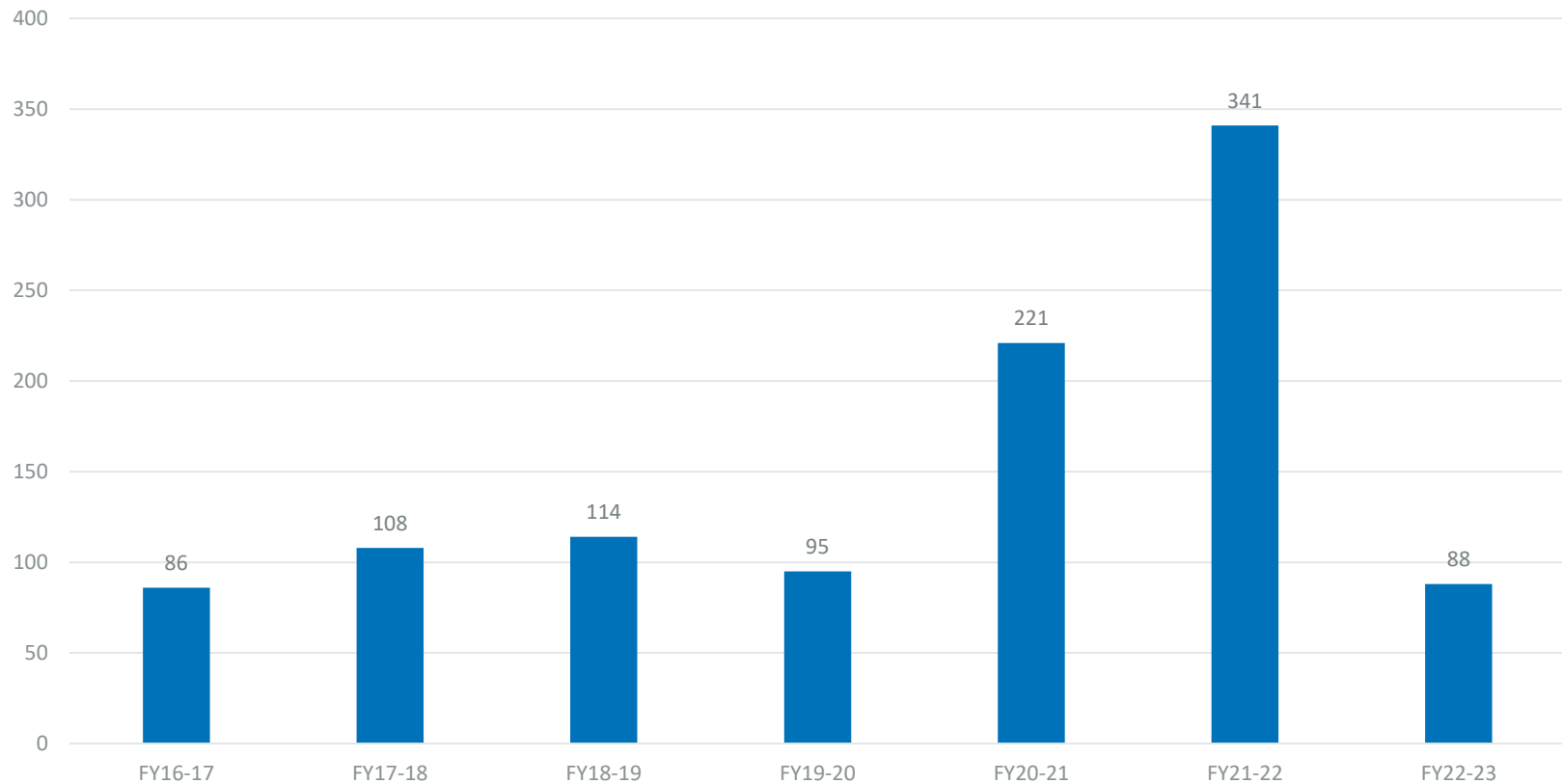
**2001-2012: Areawide Projects**

**2013-2022: Block-Specific Projects**

**2023: Project-Delivery Focused**

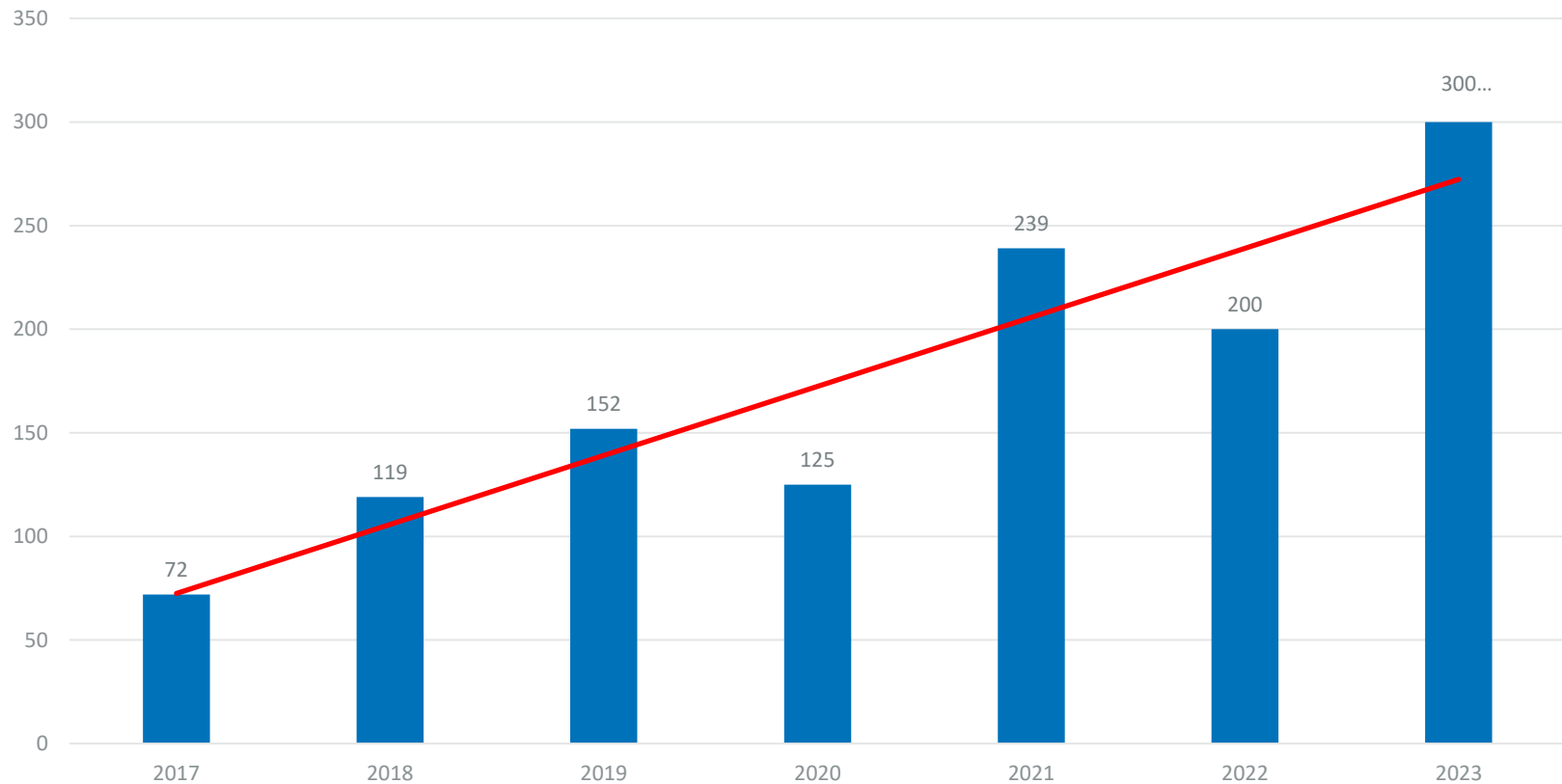
# Traffic Calming is Growing

## Traffic Calming Applications Received



# Traffic Calming is Growing

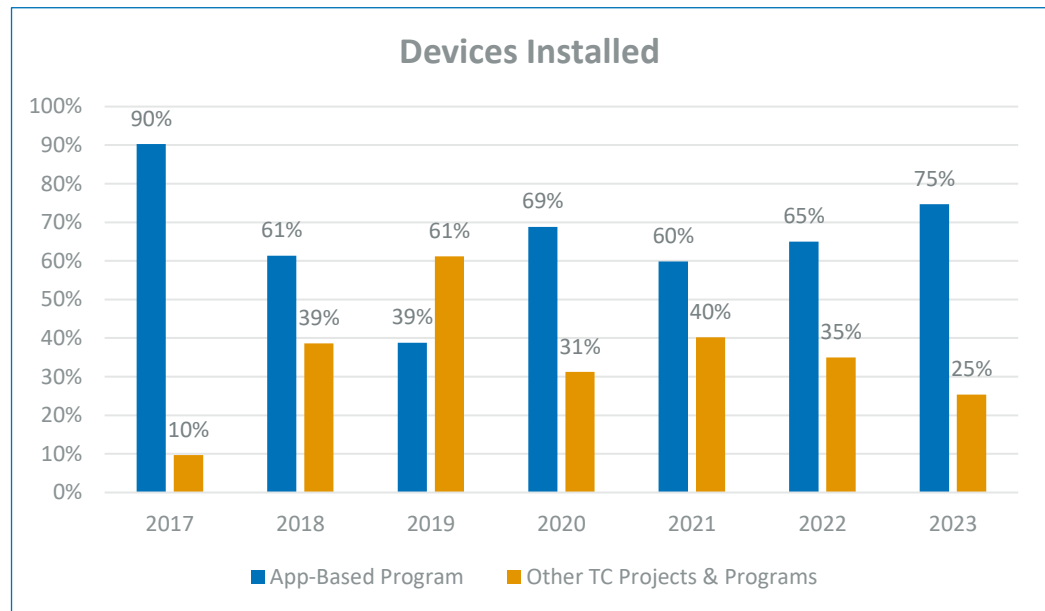
## Traffic Calming Devices Installed





# Other TC Projects & Programs

- Discretionary Projects from Board of Supervisors/SFCTA
  - Neighborhood Transportation Improvement Program (NTIP)
  - Community Response Team (CRT)
  - Participatory Budgeting (PB)
- Quick Build
- Slow Streets
- Schools Engineering
- Vision Zero Proactive
- Miscellaneous



Other projects and programs typically account for 25%-40% of all traffic calming devices installed each year.

# Timeline – Existing Program

**Assume cycle begins 7/1/23**

- Jul 2023–Jun 2024: APPLICATION PERIOD
- Jul 2024–Jun 2025: PLANNING PHASE
- Jul 2025–Jun 2026: DESIGN PHASE
- Jul 2026–Dec 2027: CONSTRUCTION PHASE

**Total Time = 3 to 4½ years**

# Timeline - New Program

**Assume cycle begins 7/1/23**

- Jul 2023–Oct 2023: PLANNING PHASE (no separate application period)
- Oct 2023–Jan 2024: DESIGN PHASE
- Jan 2024–Jun 2024: CONSTRUCTION PHASE

This cycle will be repeat on a rolling basis.

**Total Time = 9 to 12 months!**

# New Program Structure

|                 | 2023  |     |     |   |     |     | 2024  |     |   |   |     |   |   |   |   |     |   |   | 2025 |   |     |     |     |     |     |     |     |
|-----------------|---|-----|-----|---|-----|-----|---|-----|---|---|-----|---|---|---|---|-----|---|---|------|---|-----|-----|-----|-----|-----|-----|-----|
|                 | JUL   | AUG | SEP | OCT   | NOV | DEC | JAN   | FEB | MAR   | APR   | MAY | JUN   | JUL   | AUG   | SEP   | OCT | NOV   | DEC   | JAN  | FEB   | MAR | APR | MAY | JUN | JUL | AUG | SEP |
| PLN Phase       | Submitted Applications: Assessment, Data Collection, Analysis, and Notification |     |     |   |     |     |   |     |   |   |     |   |   |   |   |     |   |   |      |   |     |     |     |     |     |     |     |
|                 |   |     |     | Submitted Applications: Assessment, Data Collection, Analysis, and Notification |     |     |   |     |   |   |     |   |   |   |   |     |   |   |      |   |     |     |     |     |     |     |     |
|                 |   |     |     |   |     |     | Submitted Applications: Assessment, Data Collection, Analysis, and Notification |     |   |   |     |   |   |   |   |     |   |   |      |   |     |     |     |     |     |     |     |
| DES Phase       |   |     |     | Accepted Applications: Design, TASC, Public Hearing, and Final Approval         |     |     |   |     |   | Submitted Applications: Assessment, Data Collection, Analysis, and Notification |     |   |   |   |   |     |   |   |      |   |     |     |     |     |     |     |     |
|                 |   |     |     |   |     |     | Accepted Applications: Design, TASC, Public Hearing, and Final Approval         |     |   |   |     |   | Submitted Applications: Assessment, Data Collection, Analysis, and Notification |   |   |     |   |   |      |   |     |     |     |     |     |     |     |
|                 |   |     |     |   |     |     |   |     | Accepted Applications: Design, TASC, Public Hearing, and Final Approval         |   |     |   |   | Submitted Applications: Assessment, Data Collection, Analysis, and Notification |   |     |   |   |      |   |     |     |     |     |     |     |     |
| CON Phase       |   |     |     |   |     |     | Approved Applications: Field Marking, Work Orders, Installation, and Inspection |     |   |   |     | Accepted Applications: Design, TASC, Public Hearing, and Final Approval |   |   |   |     | Submitted Applications: Assessment, Data Collection, Analysis, and Notification |   |      |   |     |     |     |     |     |     |     |
|                 |   |     |     |   |     |     |   |     | Approved Applications: Field Marking, Work Orders, Installation, and Inspection |   |     |   | Accepted Applications: Design, TASC, Public Hearing, and Final Approval         |   |   |     |   | Submitted Applications: Assessment, Data Collection, Analysis, and Notification |      |   |     |     |     |     |     |     |     |
|                 |   |     |     |   |     |     |   |     |   |   |     |   | Approved Applications: Field Marking, Work Orders, Installation, and Inspection |   |   |     | Accepted Applications: Design, TASC, Public Hearing, and Final Approval         |   |      |   |     |     |     |     |     |     |     |
|                 |   |     |     |   |     |     |   |     |   |   |     |   |   |   | Approved Applications: Field Marking, Work Orders, Installation, and Inspection |     |   | Accepted Applications: Design, TASC, Public Hearing, and Final Approval         |      |   |     |     |     |     |     |     |     |
|                 |   |     |     |   |     |     |   |     |   |   |     |   |   |   |   |     |   | Approved Applications: Field Marking, Work Orders, Installation, and Inspection |      |   |     |     |     |     |     |     |     |
|                 |   |     |     |   |     |     |   |     |   |   |     |   |   |   |   |     |   |   |      | Approved Applications: Field Marking, Work Orders, Installation, and Inspection |     |     |     |     |     |     |     |
| Concurrent Work | Construction of approved applications from FY21-22 Cycle                        |     |     |   |     |     |   |     |   |   |     |   |   |   |   |     |   |   |      |   |     |     |     |     |     |     |     |
|                 |   |     |     |   |     |     | Design of accepted applications from FY22-23 Cycle                              |     |   |   |     |   |   |   |   |     |   |   |      |   |     |     |     |     |     |     |     |
|                 |   |     |     |   |     |     |   |     |   |   |     |   | Construction of approved applications from FY22-23 Cycle                        |   |   |     |   |   |      |   |     |     |     |     |     |     |     |
|                 |   |     |     |   |     |     |   |     |   |   |     |   |   |   |   |     |   |   |      |   |     |     |     |     |     |     |     |

# Questions?

<https://sfmta.com/trafficcalming>

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SFMTA Sustainable Streets  
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(415) 646-2671



**San Francisco  
County Transportation  
Authority**

BD041123

RESOLUTION NO. 23-42

RESOLUTION ADOPTING THE TRAFFIC CONGESTION MITIGATION TAX (TNC TAX)  
PROGRAM GUIDELINES AND PROGRAMMING \$21,279,740 IN TNC TAX FUNDS TO FOUR  
PROJECTS

WHEREAS, San Francisco voters approved the Proposition D Traffic Congestion Mitigation Tax or TNC Tax in November 2019; and

WHEREAS, The TNC Tax is a surcharge on commercial ride-hail trips that originate in San Francisco, for the portion of the trip within the city, and it also applies to private transit companies and rides given by autonomous vehicles commercially; and

WHEREAS, After a 2% set aside for administration by the City and County of San Francisco, 50% of the revenues are directed to the San Francisco Municipal Transportation Agency (SFMTA) for transit operations and improvements, and 50% are directed to the Transportation Authority for bicycle and pedestrian safety improvements; and.

WHEREAS, In October 2020, the Transportation Authority adopted the first TNC Tax Program Guidelines and programmed \$7,505,686 to the SFMTA's Vision Zero Quick-Build Program and the Board has fully allocated these funds; and

WHEREAS, In order to inform the first update to the Program Guidelines, staff consulted with the SFMTA on funding needs to meet the goals of Vision Zero; and

WHEREAS, Staff developed the proposed Program Guidelines (Attachment 1), which establish two programmatic categories to guide the programming and allocation of funds (i.e., Quick-Builds and Application-Based Residential Traffic Calming); provide revenue projections; and set policies to guide program administration, including programming and allocation of funds; and

WHEREAS, Given the current uncertainty about economic recovery and impacts on travel demand, staff recommends taking a conservative approach and only programming funds anticipated to be collected through Fiscal Year 2023/24 at this time and allocating funds only after they have been collected; and

WHEREAS, After consulting with the San Francisco Controller's Office, and netting out a combined 3% for Transportation Authority administration (2%) and data analysis (1%), Transportation Authority staff estimate that \$21,279,740 in TNC Tax revenues, comprised of actual and projected revenues, will be available by June 2024 to program to projects; and



WHEREAS, Staff is recommending programming \$21,279,740 in TNC Tax revenues to SFMTA's FY23 Vision Zero Quick-Build Program (Part 2) (\$2,451,857), FY24 Vision Zero Quick-Build Program (\$9,493,883), FY22 Application-Based Residential Traffic Calming (\$5,400,000) and FY24 & FY25 Application-Based Residential Traffic Calming Program (New Rolling Program) (\$4,270,000) in order to provide high priority safety improvements in the near-term; and

WHEREAS, At its March 29, 2023 meeting, the Community Advisory Committee (CAC) was briefed on the draft TNC Tax Program Guidelines and recommended programming and unanimously adopted a motion of support for the staff recommendation; now, therefore, be it

RESOLVED, That the Transportation Authority hereby adopts the attached TNC Tax Program Guidelines; and be it further

RESOLVED, That the Transportation Authority hereby programs a total of \$21,279,740 to four SFMTA projects:

- FY23 Vision Zero Quick-Build Program (Part 2) (\$2,451,857),
- FY24 Vision Zero Quick-Build Program (\$9,493,883),
- FY22 Application-Based Residential Traffic Calming (\$5,400,000) and
- FY24 & FY25 Application-Based Residential Traffic Calming Program (New Rolling Program) (\$4,270,000).

Attachment:

1. TNC Tax Program Guidelines

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San Francisco  
County Transportation  
Authority





## Memorandum

### AGENDA ITEM 8

**DATE:** March 30, 2023

**TO:** Transportation Authority Board

**FROM:** Anna LaForte - Deputy Director for Policy and Programming

**SUBJECT:** 4/11/2023 Board Meeting: Allocate \$2,451,857 in Traffic Congestion Mitigation Tax Funds, with Conditions, to the San Francisco Municipal Transportation Agency for the FY23 Vision Zero Quick-Build Program (Part 2)

#### RECOMMENDATION ☐ Information ☒ Action

Allocate \$2,451,857 in Traffic Congestion Mitigation Tax (TNC Tax) funds, with Conditions, to the San Francisco Municipal Transportation Agency (SFMTA) for the FY23 Vision Zero Quick-Build Program (Part 2)

#### SUMMARY

In February 2023, the Board allocated a total of \$2,345,143 in TNC Tax and Prop K funds to the SFMTA to fully fund the design phase and partially fund the construction phase of the FY23 Vision Zero Quick-Build Program. This request for \$2,451,857 in TNC Tax funds would fully fund the construction phase of the project and it is conditioned upon Board adoption of the TNC Tax Program Guidelines and programming the requested TNC Tax funds to the subject project, which is a separate item on this agenda. Attachment 1 lists the subject request, including phase of work, supervisorial districts and leveraging of other funds. Attachment 2 provides a brief description of the project. Attachment 3 contains the staff recommendations. SFMTA staff will attend the meeting to answer any questions the Board may have regarding the FY23 Vision Zero Quick-Build Program (Part 2).

- ☒ Fund Allocation
- ☐ Fund Programming
- ☐ Policy/Legislation
- ☐ Plan/Study
- ☐ Capital Project Oversight/Delivery
- ☐ Budget/Finance
- ☐ Contract/Agreement
- ☐ Other: \_\_\_\_\_

### DISCUSSION

Attachment 1 summarizes the subject request, including information on proposed leveraging. Attachment 2 includes a brief project description. Attachment 3 summarizes the staff



recommendations, highlighting the special condition that allocating these funds is conditioned upon Board approval of the TNC Tax Guidelines and programming the requested funds to the subject project, which is a separate item on this agenda.

An Allocation Request Form for the project is attached, with more detailed information on scope, schedule, budget, funding, and deliverables.

## **FINANCIAL IMPACT**

The recommended action would allocate \$2,451,857 in TNC funds. The allocation would be subject to the Fiscal Year Cash Flow Distribution Schedule contained in the attached Allocation Request Form.

Attachment 4 shows the TNC Fiscal Year 2022/23 allocations approved to date, with associated annual cash flow commitments as well as the recommended allocation and cash flow amounts that are the subject of this memorandum.

Sufficient funds are included in the Fiscal Year 2022/23 annual budget. Furthermore, sufficient funds will be included in future budgets to cover the recommended cash flow distributions in those fiscal years.

## **CAC POSITION**

The CAC considered this item at its March 29, 2023 meeting and unanimously adopted a motion of support for the staff recommendation.

## **SUPPLEMENTAL MATERIALS**

- Attachment 1 - Summary of Request
- Attachment 2 - Project Description
- Attachment 3 - Staff Recommendations
- Attachment 4 - TNC Allocation Summary - FY 2022/23
- Attachment 5 - Allocation Request Form (1)
- Attachment 6 - Resolution

| Source       | EP Line No./<br>Category <sup>1</sup> | Project<br>Sponsor <sup>2</sup> | Project Name  | Current<br>TNC Tax Request | Total Cost for<br>Requested<br>Phase(s) | Leveraging  |  | Phase(s)<br>Requested | District(s) |
|--------------|---------------------------------------|---------------------------------|---|----------------------------|---|---|--|-----------------------|-------------|
|              |                                       |                                 |   |                            |   | Expected<br>Leveraging<br>by EP Line <sup>3</sup> | Actual<br>Leveraging by<br>Project Phase(s) <sup>4</sup> |                       |             |
| TNC Tax      | Quick-Builds                          | SFMTA                           | FY23 Vision Zero Quick-Build<br>Program Implementation (Part 2) | \$ 2,451,857               | \$ 3,302,000                            | NA  | 90%  | Construction          | Citywide    |
| <b>TOTAL</b> |                                       |                                 |   |                            | <b>\$ 3,302,000</b>                     | <b>0%</b>   | <b>90%</b>   |                       |             |

## Footnotes

<sup>1</sup> "EP Line No./Category" is either the Prop K Expenditure Plan line number referenced in the 2021 Prop K Strategic Plan or the Prop AA Expenditure Plan category referenced in the 2022 Prop AA Strategic Plan, including: Street Repair and Reconstruction (Street), Pedestrian Safety (Ped), and Transit Reliability and Mobility Improvements (Transit) or the Traffic Congestion Mitigation Tax (TNC Tax) category referenced in the Program Guidelines.

<sup>2</sup> Acronyms: SFMTA (San Francisco Municipal Transportation Agency)

<sup>3</sup> "Expected Leveraging By EP Line" is calculated by dividing the total non-Prop K funds expected to be available for a given Prop K Expenditure Plan line item (e.g. Pedestrian Circulation and Safety) by the total expected funding for that Prop K Expenditure Plan line item over the 30-year Expenditure Plan period. For example, expected leveraging of 90% indicates that on average non-Prop K funds should cover 90% of the total costs for all projects in that category, and Prop K should cover only 10%.

<sup>4</sup> "Actual Leveraging by Project Phase" is calculated by dividing the total non-Prop K, non-Prop AA, or non-TNC Tax funds in the funding plan by the total cost for the requested phase or phases. If the percentage in the "Actual Leveraging" column is lower than in the "Expected Leveraging" column, the request (indicated by yellow highlighting) is leveraging fewer non-Prop K dollars than assumed in the Expenditure Plan. A project that is well leveraged overall may have lower-than-expected leveraging for an individual or partial phase.

Attachment 2: Brief Project Descriptions <sup>1</sup>

| EP Line No./<br>Category | Project<br>Sponsor | Project Name   | TNC Tax<br>Funds<br>Requested | Project Description   |
|--------------------------|--------------------|--|-------------------------------|---|
| Quick-Builds             | SFMTA              | FY23 Vision Zero<br>Quick-Build Program<br>Implementation (Part 2) | \$ 2,451,857                  | <p>The Vision Zero Quick-Build Program expedites the delivery of pedestrian safety, bicycle safety, and traffic calming improvements citywide. Quick-Build projects are comprised of reversible or adjustable traffic control, such as roadway and curb paint, signs, traffic signal timing updates, traffic lane reconfigurations, and parking and loading adjustments. Safety improvements include protected bikeways, boarding islands, painted safety zones, curb ramps, loading zones, and more. The TNC Tax funds requested for Part 2 would fully fund the construction phase for 8 corridors listed in the allocation request form, to-be-identified spot improvements, program management, program evaluation, and outreach. SFMTA plans to conduct design and construction concurrently at various locations across the city, with all improvements open for use by Fall 2025.</p> <p>In February 2023, the Board approved Part 1 of this request when it allocated \$2 million in TNC Tax funds and \$345,143 in Prop K funds to fully funded the design phase and partially funded the \$3.3 million construction phase of this project. The subject request would fully fund the construction phase.</p> |
| <b>TOTAL</b>             |                    |  | <b>\$2,451,857</b>            |   |

<sup>1</sup> See Attachment 1 for footnotes.

## Attachment 3: Staff Recommendations

| EP Line No./ Category | Project Sponsor | Project Name   | Prop K Funds Recommended | Prop AA Funds Recommended | TNC Tax Funds Recommended | Recommendations   |
|-----------------------|-----------------|--|--------------------------|---------------------------|---------------------------|---|
| TNC Tax/Prop K        | SFMTA           | FY23 Vision Zero Quick-Build Program Implementation (Part 2) |                          |                           | \$ 2,451,857              | The recommended allocation is <b>conditioned upon Board adoption</b> of the TNC Tax Program Guidelines and programming the requested TNC Tax funds to the project, which is a separate item on this agenda. |
| <b>TOTAL</b>          |                 |  | \$ -                     | \$ -                      | \$ 2,451,857              |   |

<sup>1</sup> See Attachment 1 for footnotes.

Attachment 4.  
TNC Allocation Summary - FY2022/23

| TRAFFIC CONGESTION MITIGATION TAX (TNC Tax) |              |            |            |              |            |
|---|--------------|------------|------------|--------------|------------|
| FY2022/23                                   | Total        | FY 2022/23 | FY 2023/24 | FY 2024/25   | FY 2025/26 |
| Prior Allocations                           | \$ 2,000,000 | \$ 300,000 | \$ 659,400 | \$ 1,040,600 | \$ -       |
| Current Request(s)                          | \$ 2,451,857 | \$ -       | \$ -       | \$ 2,451,857 | \$ -       |
| New Total Allocations                       | \$ 4,451,857 | \$ 300,000 | \$ 659,400 | \$ 3,492,457 | \$ -       |

The above table shows total cash flow for all FY 2022/23 allocations approved to date, along with the current recommended allocation(s).

# San Francisco County Transportation Authority

## Allocation Request Form

|                                 |  |
|---------------------------------|--|
| <b>FY of Allocation Action:</b> | FY2022/23  |
| <b>Project Name:</b>            | FY23 Vision Zero Quick-Build Program Implementation (Part 2) |
| <b>Grant Recipient:</b>         | San Francisco Municipal Transportation Agency                |

### EXPENDITURE PLAN INFORMATION

|                                  |              |
|----------------------------------|--------------|
| <b>TNC TAX Expenditure Plans</b> | Quick Builds |
| <b>Current TNC TAX Request:</b>  | \$2,451,857  |
| <b>Supervisory District</b>      | Citywide     |

### REQUEST

#### Brief Project Description

The Vision Zero Quick-Build Program expedites the delivery of pedestrian safety, bicycle safety, and traffic calming improvements citywide. Quick-Build projects are comprised of reversible or adjustable traffic control, such as roadway and curb paint, signs, traffic signal timing updates, traffic lane reconfigurations, and parking and loading adjustments. Safety improvements include protected bikeways, boarding islands, painted safety zones, curb ramps, loading zones, and more. This request is for funding to implement anticipated quick-build improvements in 2023 and 2024 at various locations.

#### Detailed Scope, Project Benefits and Community Outreach

Quick-Build projects are comprised of reversible or adjustable traffic control, such as roadway and curb paint, signs, traffic signal timing updates, traffic lane reconfigurations, and parking and loading adjustments. While quick-build projects are limited in scope, they offer the opportunity to implement safety improvements more quickly than a typical design-bid-build process. Quick-build projects are primarily implemented entirely by City crews, rather than with contractors, and include paint, signs, minor signal modifications and timing updates, plastic delineators, meter placement, concrete islands, curb ramps, and minor pavement improvements.

To help expedite the delivery of safer streets, the SFMTA seeks funding to continue implementing quick-build improvements on San Francisco's High Injury Network. This allocation request supports the implementation of the program as described below. Planned safety improvements include traffic control measures such as protected bikeways, signal modifications, painted safety zones, adjustments to parking regulations, changes to the configuration of traffic lanes, and other changes.

#### Corridor Projects:

- Beach Street, The Embarcadero to Van Ness Avenue
- Larkin Street, Market Street to Geary
- Cesar Chavez Street, Pennsylvania to Maryland
- Clarendon Avenue, Laguna Honda to Johnstone
- Guerrero Street, Market Street to 20th Street

- Lincoln Way, 22nd Avenue to Great Highway
- JFK Drive Connections (John F Kennedy Drive, Kezar Drive to Stanyan Street; Oak Street, Stanyan Street to Shrader Street; Fell Street, Shrader Street to Stanyan Street)
- Access Improvements (Golden Gate Avenue; Leavenworth Avenue; Williams Avenue)

This program is aligned to the strong and consistent demand for immediate safety improvements on critical streets citywide, heard through the development of the Vision Zero Action Strategy and from past hearings on the Vision Zero Quick-Build program at the SFMTA Board and the Transportation Authority. The program will continue expanding on the initial work of the Vision Zero Quick-Build program to bring traffic safety improvements to high-risk areas throughout the city. Projects will be developed and implemented with strong community engagement and work that can be primarily completed by in-house SFMTA and Public Works crews. As new projects emerge, they will be shared through Quarterly Progress Reports to the Transportation Authority.

### **Access Improvements:**

Quick-build projects follow an iterative design process that may necessitate new changes after initial installation. The SFMTA has identified locations of previously installed projects that are in need of curb ramps that complement the new street design. Curb ramps are needed at one intersection locations featuring a marked crosswalk and six midblock locations adjacent to accessible loading zones.

### **Programmatic Spot Improvements:**

Spot improvements include intersection and midblock improvements not yet identified as part of the Vision Zero Quick-Build Program, but to be implemented over the next 12-months in any and all supervisorial districts. Projects will be developed and implemented with strong community engagement and work that can be primarily completed by in-house SFMTA and San Francisco Public Works crews. SFMTA will target high crash locations on the High Injury Network. Intersection improvements include paint, signs, minor signal modifications and timing updates, plastic delineators, traffic calming devices, meter placement, concrete for boarding islands, and minor pavement improvements.

### **Project Evaluations:**

The Vision Zero Quick-Build Program includes project evaluations as a component of each quick-build project. Quick-build project teams consult with the SFMTA's Safe Streets Evaluation Program to form a customized evaluation strategy. Data is collected in various methods, including video feed, automated counters, collision database, and user surveys. Evaluation metrics are applied both to travel behavior before and after the installation of transportation safety treatments to create an appropriate comparison. As an outcome, the evaluation results may be further used to refine current project designs and/or support the use of treatments at other locations. Evaluation results may be used in communication material to the public and offer transparency and accountability. Evaluation results also contribute to a larger collection of findings as their consistent metric and analysis technique allow for tracking trends over time.

### **Outreach and Communications Support:**

Community outreach and engagement is a crucial component of the Vision Zero Quick-Build program. As projects typically follow an expedited timeline, it is important to ensure that each project is appropriate and responsive to community needs. The low-cost, easily adjustable nature of quick-build improvements also allows the SFMTA to modify project designs based on public input without waiting on the implementation of larger streetscape elements.

In order to collect feedback from a wide range of sources that are representative of the community, project teams employ a number of methods to maximize outreach and engagement:



- **Stakeholder meetings and site visits:** Once a project corridor has been identified, staff work directly with members of the community to address their questions and concerns. Staff often conduct door-to-door site visits along the corridor and host stakeholder meetings to gather feedback. In-language ambassadors may also support this work by providing translation services during site visits or stakeholder meetings.
- **Community events:** As part of the outreach phase, project teams hold open houses and public hearings to provide information on project specifics and collect comments and questions from the public. In order to make these events more accessible, open houses and public hearings are often held at an on-site location in the community or a virtual open house accessible at all hours for a multiple week duration. The events are promoted using multichannel marketing and translated materials are provided as needed.
- **Public awareness:** Each project has an associated webpage on the SFMTA website that includes background information about the project and relevant reports and documents. Members of the public are invited to sign up for further email updates about the project on the webpage, as well as in-person meetings and events. Prior to holding community events, project teams and in-language ambassadors conduct on-site visits and issue public notices using mailers, posted flyers, and social media campaigns to boost awareness. In addition to these activities, a public relations officer may also assist with blog posts, press releases, and strategic communications to elected officials, stakeholder groups, and news outlets. Materials may be translated into languages more commonly found in specific neighborhoods or communities. From past project experience, these languages may include Spanish, Chinese, Russian, Filipino, Arabic, and/or Vietnamese.
- **Monthly updates:** Every month, the Vision Zero Quick-Build program circulates a newsletter describing progress updates and news on various projects. The newsletter is circulated to SFMTA staff, city government agencies, community advocacy groups, and other external stakeholders.

Through the methods outlined above, Vision Zero Quick-Build projects are tailored to the communities in which they are implemented. Public outreach and engagement activities allow us to learn about challenges that road users face, engage the community on design alternatives, collect feedback on project proposals, learn more about business operations and how the project may affect stakeholders, inform the public of progress and milestones, and more.

### **Program Management and Administration:**

This program is aligned to the strong and consistent demand for immediate safety improvements on critical streets citywide, heard through the development of the Vision Zero Action Strategy and from past hearings on the Vision Zero Quick-Build program at the SFMTA Board and the Transportation Authority. The program will continue expanding on the initial work of the Vision Zero Quick-Build program to bring traffic safety improvements to high-risk areas throughout the city.

The scope of this project includes program management and administrative tasks, including providing regular programmatic updates to management and internal stakeholders, coordinating with other relevant internal programs (e.g. Safe Streets Evaluation Program, Vision Zero Action Strategy), creating and sharing project management resources across project teams, researching and presenting best practices with other agencies, and more. A central task of program management also involves managing a portfolio of quick-build projects by tracking the progress, status, and timeline of individual implementation projects, as well as scope, budgets, expenditures, staffing, outreach status, legislative status, and other project attributes.

### **Part 2 of Funding Requested for FY23 Vision Zero Quick-Build Program**

In February 2023 through Resolution 2023-032 the Board allocated \$2,000,000 in TNC Tax funds, and \$345,143 in Prop K funds for the design phase and a portion of the construction phase. This

request would fully fund the construction phase of this project.

### **Project Location**

Various - see scope for details

### **Project Phase(s)**

Construction (CON)

### **Justification for Multi-phase Request**

Multi-phase allocation is recommended given short duration design phases for quick-build projects and overlapping design and construction phases as work is conducted on multiple corridors. Improvements are expected to move quickly from design to construction, as they do not require major street re-construction and will be implemented by city crews and/or on-call contractors.

## **5YPP/STRATEGIC PLAN INFORMATION**

|   |             |
|---|-------------|
| <b>Type of Project in the Prop K 5YPP/Prop AA Strategic Plan?</b> | New Project |
|---|-------------|

### **Justification for Necessary Amendment**

This request is to allocate \$2,451,857 million in TNC Tax funds to fully fund the construction phase of this program. Approval is contingent upon TNC Tax Program Guidelines, which is a separate item on this agenda. The TNC Tax Guidelines recommend programming these funds to this project.

# San Francisco County Transportation Authority

## Allocation Request Form

|                                 |  |
|---------------------------------|--|
| <b>FY of Allocation Action:</b> | FY2022/23  |
| <b>Project Name:</b>            | FY23 Vision Zero Quick-Build Program Implementation (Part 2) |
| <b>Grant Recipient:</b>         | San Francisco Municipal Transportation Agency                |

### ENVIRONMENTAL CLEARANCE

|                            |                      |
|----------------------------|----------------------|
| <b>Environmental Type:</b> | Categorically Exempt |
|----------------------------|----------------------|

### PROJECT DELIVERY MILESTONES

| Phase  | Start       |               | End         |               |
|--|-------------|---------------|-------------|---------------|
|  | Quarter     | Calendar Year | Quarter     | Calendar Year |
| Planning/Conceptual Engineering (PLAN)               |             |               |             |               |
| Environmental Studies (PA&ED)                        |             |               |             |               |
| Right of Way   |             |               |             |               |
| Design Engineering (PS&E)                            | Apr-May-Jun | 2023          | Apr-May-Jun | 2025          |
| Advertise Construction                               |             |               |             |               |
| Start Construction (e.g. Award Contract)             | Apr-May-Jun | 2023          |             |               |
| Operations (OP)                                      |             |               |             |               |
| Open for Use   |             |               | Oct-Nov-Dec | 2025          |
| Project Completion (means last eligible expenditure) |             |               | Oct-Nov-Dec | 2025          |

### SCHEDULE DETAILS

SFMTA will provide updates on design and construction implementation schedules for individual corridors on a quarterly basis.

# San Francisco County Transportation Authority Allocation Request Form

|                                 |  |
|---------------------------------|--|
| <b>FY of Allocation Action:</b> | FY2022/23  |
| <b>Project Name:</b>            | FY23 Vision Zero Quick-Build Program Implementation (Part 2) |
| <b>Grant Recipient:</b>         | San Francisco Municipal Transportation Agency                |

## FUNDING PLAN - FOR CURRENT REQUEST

| Fund Source                             | Planned     | Programmed | Allocated | Project Total |
|---|-------------|------------|-----------|---------------|
| EP-140: Pedestrian Circulation/Safety   | \$0         | \$0        | \$345,143 | \$345,143     |
| EP-601: Quick Builds                    | \$2,451,857 | \$0        | \$505,000 | \$2,956,857   |
| <b>Phases In Current Request Total:</b> | \$2,451,857 | \$0        | \$850,143 | \$3,302,000   |

## FUNDING PLAN - ENTIRE PROJECT (ALL PHASES)

| Fund Source                                   | Planned     | Programmed | Allocated   | Project Total |
|---|-------------|------------|-------------|---------------|
| PROP K  | \$0         | \$0        | \$345,143   | \$345,143     |
| TNC TAX                                       | \$2,451,857 | \$0        | \$2,000,000 | \$4,451,857   |
| <b>Funding Plan for Entire Project Total:</b> | \$2,451,857 | \$0        | \$2,345,143 | \$4,797,000   |

## COST SUMMARY

| Phase                           | Total Cost  | PROP K -<br>Current<br>Request | TNC TAX -<br>Current<br>Request | Source of Cost Estimate           |
|---------------------------------|-------------|--------------------------------|---------------------------------|-----------------------------------|
| Planning/Conceptual Engineering | \$0         |                                |                                 |                                   |
| Environmental Studies           | \$0         |                                |                                 |                                   |
| Right of Way                    | \$0         |                                |                                 |                                   |
| Design Engineering              | \$1,495,000 |                                |                                 | Prior experience with SFMTA labor |
| Construction                    | \$3,302,000 | \$345,143                      | \$2,956,857                     | Prior experience with SFMTA labor |
| Operations                      | \$0         |                                |                                 |                                   |
| Total:                          | \$4,797,000 | \$345,143                      | \$2,956,857                     |                                   |

|                              |            |
|------------------------------|------------|
| <b>% Complete of Design:</b> | 0.0%       |
| <b>As of Date:</b>           | 11/30/2022 |
| <b>Expected Useful Life:</b> | N/A        |

# San Francisco County Transportation Authority

## Allocation Request Form

|                                 |  |
|---------------------------------|--|
| <b>FY of Allocation Action:</b> | FY2022/23  |
| <b>Project Name:</b>            | FY23 Vision Zero Quick-Build Program Implementation (Part 2) |
| <b>Grant Recipient:</b>         | San Francisco Municipal Transportation Agency                |

### SFCTA RECOMMENDATION

|                                 |             |                                  |             |
|---------------------------------|-------------|----------------------------------|-------------|
| <b>Resolution Number:</b>       |             | <b>Resolution Date:</b>          |             |
| <b>Total TNC TAX Requested:</b> | \$2,451,857 | <b>Total TNC TAX Recommended</b> | \$2,451,857 |

|                            |   |                         |  |
|----------------------------|---|-------------------------|--|
| <b>SGA Project Number:</b> | 623-107007                                    | <b>Name:</b>            | FY23 Vision Zero Quick-Build Program Implementation (Part 2) |
| <b>Sponsor:</b>            | San Francisco Municipal Transportation Agency | <b>Expiration Date:</b> | 12/31/2026   |
| <b>Phase:</b>              | Construction                                  | <b>Fundshare:</b>       | 100.0%   |

#### Cash Flow Distribution Schedule by Fiscal Year

| <b>Fund Source</b> | <b>FY2024/25</b> | <b>Total</b> |
|--------------------|------------------|--------------|
| TNC TAX EP-601     | \$2,451,857      | \$2,451,857  |

#### Deliverables

- Quarterly progress reports shall include detailed updated information on the scope, schedule, budget, and expenditures for each corridor, as well as project delivery updates including work performed in the prior quarter, work anticipated to be performed in the upcoming quarter, and any issues that may impact delivery.
- SFMTA shall provide monthly progress reports for Spot Improvements which include planned, underway and completed locations of spot improvements with district and summary of improvements, when known.
- SFMTA shall provide regular project evaluation updates. SFMTA's annual Safe Streets Evaluation report will be accepted to fulfill this deliverable, so long as it addresses the corridors included in this request.

#### Notes

- In February 2023 through Resolution 2023-032 the Board allocated \$2,000,000 in TNC Tax funds and \$345,143 in Prop K funds for the design phase and a portion of the construction phase. This request would fully fund the construction phase for the full scope of work in this request.

| <b>Metric</b>                       | <b>PROP K</b> | <b>TNC TAX</b> | <b>PROP AA</b> |
|-------------------------------------|---------------|----------------|----------------|
| Actual Leveraging - Current Request | 89.55%        | 10.45%         | No PROP AA     |
| Actual Leveraging - This Project    | 92.81%        | 7.19%          | No PROP AA     |

# San Francisco County Transportation Authority Allocation Request Form

|                                 |  |
|---------------------------------|--|
| <b>FY of Allocation Action:</b> | FY2022/23  |
| <b>Project Name:</b>            | FY23 Vision Zero Quick-Build Program Implementation (Part 2) |
| <b>Grant Recipient:</b>         | San Francisco Municipal Transportation Agency                |

## EXPENDITURE PLAN SUMMARY

|                                 |             |
|---------------------------------|-------------|
| <b>Current TNC TAX Request:</b> | \$2,451,857 |
|---------------------------------|-------------|

- 1) The requested sales tax and/or vehicle registration fee revenues will be used to supplement and under no circumstance replace existing local revenues used for transportation purposes.

|   |
|---|
| Initials of sponsor staff member verifying the above statement: |
| LV  |

## CONTACT INFORMATION

|               | Project Manager         | Grants Manager                   |
|---------------|-------------------------|----------------------------------|
| <b>Name:</b>  | Jennifer Wong           | Mary Jarjoura                    |
| <b>Title:</b> | Transportation Planner  | Principal Administrative Analyst |
| <b>Phone:</b> | (415) 701-4551          | (415) 646-2765                   |
| <b>Email:</b> | jennifer.wong@sfmta.com | mary.jarjoura@sfmta.com          |

## SFMTA - Typical Unit Cost Estimates for Quick-Build Project Elements

### Notes

- Unit costs do not include contingency. 20% contingency will be added to project construction cost estimates.
- Unit costs do not include escalation.
- Specific elements of individual project may be higher or lower than typical costs based on field conditions.
- Unit costs include labor and materials required for installation.
- Quick-build projects may include other elements not listed below, based on specific project needs.

### Typical Unit Costs - SFMTA Paint Shop

| ITEM # | DESCRIPTION                                | UNIT   | Typical Unit Cost |
|--------|--|--------|-------------------|
| 1      | 12" Crosswalk Lines / Stop Bars            | Lin Ft | \$6.39            |
| 2      | 4" Broken White or Yellow                  | Lin Ft | \$1.82            |
| 3      | 4" Solid White or Yellow                   | Lin Ft | \$3.20            |
| 4      | 6" Broken White                            | Lin Ft | \$2.63            |
| 5      | 6" Solid White                             | Lin Ft | \$4.00            |
| 6      | 8" Broken White or Yellow                  | Lin Ft | \$3.60            |
| 7      | 8" Solid White or Yellow                   | Lin Ft | \$4.69            |
| 8      | 24" Solid White or Yellow                  | Lin Ft | \$6.52            |
| 9      | Double Yellow                              | Lin Ft | \$6.27            |
| 10     | Two Way Left Turn Lanes (ea line)          | Lin Ft | \$4.17            |
| 11     | Raised Pavement Markers (White or Yellow)  | Each   | \$14.66           |
| 12     | Per Block Fees                             | Each   | \$1,013.85        |
| 13     | Parking Stalls (Angle Stalls or "T"s)      | Each   | \$35.25           |
| 14     | Bus Zones                                  | Lin Ft | \$7.76            |
| 15     | a. Ped Ramp Painting (inside Metro Dist.)  | Int.   | \$382.93          |
| 16     | b. Ped Ramp Painting (outside Metro Dist.) | Int.   | \$256.50          |
| 17     | Color Curb Painting                        | Lin Ft | \$10.21           |
| 18     | Wheel Stops (4" x 6" x 48" - Rubber)       | Each   | \$309.99          |
| 19     | 3.5" x 5.5" x 18" Pavement Bars (concrete) | Bar ft | \$62.00           |
| 20     | Green Sharrow Backing - thermoplastic      | Sq Ft  | \$16.00           |
| 21     | Green Bike Lane - thermoplastic            | Sq Ft  | \$16.00           |
| 22     | Bike box                                   | Sq Ft  | \$16.00           |
| 23     | Khaki paint for Painted Safety Zones       | Sq Ft  | \$16.00           |
| 24     | Flexible delineator posts                  | Each   | \$150.00          |
| 25     | Methacrylate pavement legends              | Sq Ft  | \$12.00           |

### Typical Unit Costs - SFMTA Sign and Parking Meter Shop

| ITEM # | DESCRIPTION                         | UNIT | Typical Unit Cost |
|--------|-------------------------------------|------|-------------------|
| 1      | Street Name Signs                   | Each | \$ 300.00         |
| 2      | Street Cleaning Signs               | Each | \$ 300.00         |
| 3      | TANSAT                              | Each | \$ 300.00         |
| 4      | Blue Zone Signs                     | Each | \$ 300.00         |
| 5      | Bike Lane Signs                     | Each | \$ 300.00         |
| 6      | Lane Assignments                    | Each | \$ 300.00         |
| 7      | Bike 8" Signals R/Y/G               | Each | \$ 174.40         |
| 8      | Safe-Hit Posts                      | Each | \$ 50.00          |
| 9      | Extinguishable NTOR                 | Each | \$ 2,730.00       |
| 10     | Parking Meter Adjustment/relocation | Each | \$ 250.00         |



### Quick-Build Tasks by Location (TNC Tax Funding Requested - Part 1 and Part 2)

| #     | Name<br>(Limits)  | Supervisory<br>District | Anticipated Scope Details   | Funds<br>Requested |
|-------|---|-------------------------|---|--------------------|
| 1     | Beach Street<br>(Embarcadero to Van Ness)                                     | 2, 3                    | Pedestrian safety improvements, protected bikeway feasibility study         | \$ 405,000         |
| 2     | Larkin Street<br>(Market to Geary)  | 5, 6                    | Pedestrian safety improvements, lane reduction, transit-only lane           | \$ 596,000         |
| 3     | Cesar Chavez Street<br>(Pennsylvania to Maryland)                             | 10                      | Protected bikeway, pedestrian safety improvements                           | \$ 500,000         |
| 4     | Clarendon Avenue<br>(Laguna Honda to Johnstone)                               | 7                       | Bicycle safety improvements, pedestrian safety improvements, lane reduction | \$ 500,000         |
| 5     | Guerrero Street<br>(Market to 20th)   | 8, 9                    | Pedestrian safety improvements  | \$ 240,000         |
| 6     | Lincoln Way<br>(22nd to Great Highway)  | 4                       | Pedestrian safety improvements  | \$ 340,000         |
| 7     | JFK Connections   | 1, 5                    | Bicycle safety improvements, signal modifications                           | \$ 760,000         |
| 8     | Access Improvements (Leavenworth Street, Golden Gate Avenue, Williams Avenue) | 5, 10                   | Curb ramps  | \$ 286,000         |
| 9     | Programmatic Spot Improvements  |                         | Various   | \$ 610,000         |
| Total |   |                         |   | \$ 4,237,000       |





## Quick-Build Tasks by Phase

|    |  | Funds Requested - Part 1 and Part 2 |              |              |
|----|--|-------------------------------------|--------------|--------------|
| #  | Vision Zero Quick-Build Task   | Design                              | Construction | Total        |
| 1  | Beach Street<br>(Embarcadero to Van Ness)  | \$ 150,000                          | \$ 255,000   | \$ 405,000   |
| 2  | Larkin Street<br>(Market to Geary)   | \$ 180,000                          | \$ 416,000   | \$ 596,000   |
| 3  | Cesar Chavez Street<br>(Pennsylvania to Maryland)                                | \$ 150,000                          | \$ 350,000   | \$ 500,000   |
| 4  | Clarendon Avenue<br>(Laguna Honda to Johnstone)                                  | \$ 150,000                          | \$ 350,000   | \$ 500,000   |
| 5  | Guerrero Street<br>(Market to 20th)  | \$ 40,000                           | \$ 200,000   | \$ 240,000   |
| 6  | Lincoln Way<br>(22nd to Great Highway)   | \$ 35,000                           | \$ 305,000   | \$ 340,000   |
| 7  | JFK Connections  | \$ 85,000                           | \$ 675,000   | \$ 760,000   |
| 8  | Access Improvements<br>(Leavenworth Street, Golden Gate Avenue, Williams Avenue) | \$ -                                | \$ 286,000   | \$ 286,000   |
| 9  | Programmatic Spot Improvements   | \$ 145,000                          | \$ 465,000   | \$ 610,000   |
| 10 | Project Evaluations  | \$ 82,000                           |              | \$ 82,000    |
| 11 | Outreach & Communications Support  | \$ 328,000                          | \$ -         | \$ 328,000   |
| 12 | Program Management & Administration  | \$ 150,000                          | \$ -         | \$ 150,000   |
|    |  | \$ 1,495,000                        | \$ 3,302,000 | \$ 4,797,000 |
|    |  | Total DES                           | Total CON    | Total        |

In February 2023 through Resolution 2023-032 the Board allocated \$2,000,000 in TNC Tax funds, and \$345,143 in Prop K funds for the design phase and a portion of the construction phase. Part 1 fully funded the design phase (\$1,495,000 from TNC Tax) and partially funded the \$3.3 million construction phase (\$505,000 from TNC Tax and \$345,143 from Prop K). This Part 2 request for \$2,451,857 million in TNC Tax funds would fully fund the construction phase of this project.



**San Francisco  
County Transportation  
Authority**

BD041123

RESOLUTION NO. 23-43

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RESOLUTION ALLOCATING \$2,451,857 IN TRAFFIC CONGESTION MITIGATION TAX FUNDS, WITH CONDITIONS, TO THE SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY FOR THE FY23 VISION ZERO QUICK-BUILD PROGRAM (PART 2)

WHEREAS, The Transportation Authority received one request for a total of \$2,451,857 in Traffic Congestion Mitigation Tax or TNC Tax funds as summarized in Attachments 1 and 2; and

WHEREAS, The request seeks funds from the Quick-Builds category of the TNC Tax Program Guidelines; and

WHEREAS, The Transportation Authority will consider programming \$2,451,857 in TNC Tax funds for the San Francisco Municipal Transportation Agency's FY23 Vision Zero Quick-Build Program (Part 2) at its April 2023 meetings; and

WHEREAS, After reviewing the request, Transportation Authority staff recommended allocating a total of \$2,451,857 in TNC tax funds, with conditions for the FY23 Vision Zero Quick-Build Program (Part 2), as described in Attachment 3 and detailed in the attached allocation request form, which include staff recommendations for TNC allocation amount, required deliverables, timely use of funds requirements, special conditions, and a Fiscal Year Cash Flow Distribution Schedule; and

WHEREAS, There are sufficient funds in the Capital Expenditures line item of the Transportation Authority's approved Fiscal Year 2022/23 budget to cover the proposed action; and

WHEREAS, At its March 29, 2023 meeting, the Community Advisory Committee (CAC) was briefed on the subject request and unanimously adopted a motion of support for the staff recommendation; and

RESOLVED, That the Transportation Authority hereby allocates \$2,451,857 in TNC tax funds, with conditions for or the FY23 Vision Zero Quick-Build Program (Part 2) as summarized in Attachment 3 and detailed in the attached allocation request form; and be it further

RESOLVED, That the Transportation Authority finds the allocation of these funds to be in conformance with the adopted TNC Guidelines and programming; and be it further

RESOLVED, That the Transportation Authority hereby authorizes the actual expenditure (cash reimbursement) of funds for these activities to take place subject to the



Fiscal Year Cash Flow Distribution Schedule detailed in the enclosed allocation request forms; and be it further

RESOLVED, That the Capital Expenditures line item for subsequent fiscal year annual budgets shall reflect the maximum reimbursement schedule amounts adopted and the Transportation Authority does not guarantee reimbursement levels higher than those adopted; and be it further

RESOLVED, That as a condition of this authorization for expenditure, the Executive Director shall impose such terms and conditions as are necessary for the project sponsor to comply with applicable law and adopted Transportation Authority policies and execute Standard Grant Agreement to that effect; and be it further

RESOLVED, That as a condition of this authorization for expenditure, the project sponsor shall provide the Transportation Authority with any other information it may request regarding the use of the funds hereby authorized; and be it further

RESOLVED, That the Capital Improvement Program of the Congestion Management Program is hereby amended, as appropriate.

Attachments:

1. Summary of Request Received
2. Brief Project Description
3. Staff Recommendations
4. TNC Allocation Summary - FY 2022/23
5. TNC Allocation Request Form (1)

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San Francisco  
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## Memorandum

### AGENDA ITEM 9

**DATE:** 3/30/2023

**TO:** Transportation Authority Board

**FROM:** Joe Castiglione - Deputy Director for Technology, Data & Analysis

**SUBJECT:** 4/11/23 Board Meeting: Authorize the Executive Director to Enter into a Funding Agreement with the Metropolitan Transportation Commission for a Total Amount Not to Exceed \$270,000 for San Francisco Travel Diary Survey Data Collection

#### **RECOMMENDATION** ☐ Information ☒ Action

- Authorize the Executive Director to enter a funding agreement with the Metropolitan Transportation Commission (MTC) for \$270,000 for San Francisco Travel Diary Survey data collection.
- Authorize the Executive Director to negotiate agreement payment terms and non-material agreement terms and conditions.

#### **SUMMARY**

We are the lead for three efforts - the Transportation Demand Management (TDM) Market Analysis Study; the Transportation Sustainability Program (TSP) Evaluation Tool Design and Implementation project; and our San Francisco Congestion Management Agency activities - all of which require the use of household travel diary data. The budgets for each effort include funding for supplemental travel diary surveying as part of the MTC Bay Area Travel Survey (Survey) effort. The Survey is a partnership between our agency, MTC and the Santa Clara Valley Transportation Authority to collect individual-level travel behavior data on a biannual basis. A total of \$270,000 in funding will increase the number of survey responses collected by MTC in under-sampled areas of San Francisco. We will use the results of the data collection effort for analysis efforts in the TDM Travel Market Analysis Study and TSP Evaluation Tool project, to support SF-CHAMP travel demand forecasting model development and calibration, and to support the 2023 Congestion Management Program update. We expect data to be collected in Spring and Fall of 2023.

- ☐ Fund Allocation
- ☐ Fund Programming
- ☐ Policy/Legislation
- ☐ Plan/Study
- ☐ Capital Project Oversight/Delivery
- ☐ Budget/Finance
- ☒ Contract/Agreement
- ☐ Other:  
\_\_\_\_\_



## **BACKGROUND**

We are leading the TDM Travel Market Analysis Study (Study), which will identify travel markets that are best suited for TDM investments due to factors such as trip types, travel distance, transit effectiveness, land uses, or variation in transportation supply and network conditions. The Study will identify travel markets where TDM programs are expected to best support travel needs and have the biggest opportunity to shift travel choices; develop an updated TDM toolbox; and establish evaluation guidelines for TDM projects that can inform prioritization and design of TDM strategies in the city. The Study will be funded by a Prop K appropriation of \$406,000, anticipated to be approved at the March 21, 2023 Board meeting.

We have also been leading the TSP Evaluation Tool Design and Implementation project, a multi-year effort to develop statistical models and a web-based tool to quantify the effectiveness of the TDM strategies included in San Francisco's TDM Program in reducing vehicle miles traveled by promoting sustainable travel options. The TSP Evaluation Tool Design and Implementation project is funded by a previously approved Prop K appropriation of \$152,684.

Finally, as the Congestion Management Agency for San Francisco County, we are responsible for maintaining a data base on traffic impacts for use in a countywide transportation computer model, and for preparing and adopting a biennial congestion management program.

These three efforts, all of which require the use of household travel diary data, include a combined budget of \$270,000 to augment planned data collection through the MTC Household Travel Diary Survey effort, a partnership between our agency, MTC, and the Santa Clara Valley Transportation Authority. This effort will collect household-level travel behavior data on a biannual basis, and the additional survey responses collected through this effort will help ensure a sufficient sample is collected to develop travel profiles for four San Francisco super districts and citywide, to provide detailed information on traveler responses to different TDM strategies, to support travel demand model updates including the use of emerging modes, and to report on changes mode usage in San Francisco.

## **DISCUSSION**

**Data Collection.** In 2018 and 2019, we partnered with MTC to collect individual travel behavior data through the joint "Bay Area Travel Survey" effort. Both agencies plan to initiate another travel diary survey effort in 2023 to collect updated travel information for the region and San Francisco to support the three aforementioned efforts. The TDM Travel Market Analysis project budget includes \$130,000 to supplement this effort to assemble demographic and travel diary survey data for San Francisco residents. The data will support an analysis to understand TDM propensity—where TDM investments will have the greatest impact—based on demographics, land uses, and transportation supply / network conditions. The TSP Evaluation Tool Design and Implementation project includes \$40,000 to collect data required to implement the tool. The 2023 Congestion Management Program update and travel demand model project budgets are complemented by \$100,000 in funding from the Traffic Congestion Mitigation Tax. Data collection will occur in the nine-county San Francisco



Bay Area in spring and fall of 2023. MTC is leading this regional effort, and has selected and procured the services of a consultant team to complete the work after an extensive survey instrument evaluation process.

The data collection effort will involve traditional travel diary surveying in order to gather complete travel information on all trips made by travelers including origin, destination, mode, purpose, party size, travel times, travel costs, traveler demographics, and trip path details in order to support transferable model estimation. The data will be collected for all members of a household and will be designed to ensure that disadvantaged and hard-to-reach populations are adequately captured in the sample of people surveyed. Surveys will be implemented in English, Spanish and Chinese.

This year's survey will augment the traditional travel diary survey to collect some stated preference-type information from travelers. This may include information on induced travel, mode shift, or sensitivities to price and travel times. For example, the survey will collect data from TNC users about what travel models they might have used were a TNC unavailable or unaffordable and may collect information on preferences regarding use of autonomous vehicles.

Participant data will be collected for a one-week period. We anticipate that the sample size target for the planned data collection in San Francisco will be approximately 1,350 – 1,590 surveys. The data collection scope of work is included in Attachment 1.

## **FINANCIAL IMPACT**

Budget for services identified in this agreement will be provided by Prop K appropriations and Traffic Congestion Mitigation Tax administration funds. The adopted Fiscal Year 2022/23 Budget and Work Program includes funding for a portion of the data collection. Sufficient funds will be included in future budgets to cover the remaining cost of the agreement.

## **CAC POSITION**

The Community Advisory Committee considered this item at its March 29, 2023 meeting and unanimously adopted a motion of support for the staff position.

## **SUPPLEMENTAL MATERIALS**

Attachment 1 – Scope of Work

Attachment 2 - Resolution

**ATTACHMENT 1**  
**Scope Of Work**  
 Outline of Services

All services under the Agreement shall be authorized by Task Order, initiated and developed according to the detailed task order process described in Attachment A-1, Task Order Process, attached hereto and incorporated herein by this reference. Task Orders shall include, at a minimum, a detailed description of the work to be performed, a completion date for performance, a maximum payment amount, payment terms (deliverables-based or time and materials) and subconsultant participation (if any), in a completed form as shown in Attachment A-2, Task Order Form, attached hereto and incorporated herein by this reference.

Examples of some of the services to be performed by CONSULTANT are:

**PHASE 1: Trial Test of Bench Apps**

In Phase 1, firms selected for award onto the Bench will be expected to perform the following Task 1: Smartphone Application Demonstration with Bay Area Travel/Transit Modes. Firms shall customize their apps and perform a Trial Test of their apps with up to 50 MTC-provided participant households. MTC shall gather user feedback at the conclusion of the Trial Test period. Adjustments to Trial test will be made if Covid protocols impact testing. Changes to Trial test must be approved by MTC. Firms shall be compensated for their efforts on a firm-fixed basis, with payment due upon MTC acceptance of satisfactory deliverables.

**TASK 1: Smartphone Application Demonstration with Bay Area Travel/Transit Modes**

In this task, MTC and partnering agencies will evaluate each firm's smartphone travel diary data collection app.

**Task 1.1 – App Customization**

Each firm shall customize its travel diary App so that it shall function in the San Francisco Bay Area and include Bay Area-specific travel/transit mode response options. The App must be able to collect components of person travel, including GPS-enabled trip traces and milestone locations, such as origins, destinations, and any transit boarding, alighting, and transfer locations. Access and egress modes to/from transit should also be able to be recorded, especially walk and drive access/egress. The smartphone travel diaries must work on both iPhone and Android operating systems, and across a variety of smartphone vintages. The App must be available for download on the App Store for iOS devices and Google Play. For Task 1, survey instruments will only be needed in English. But please note that the final selected firm (Consultant) shall be required to translate the App to Spanish, Simplified Chinese, and Traditional Chinese, and possibly other languages as well for the full field data collection in Task 3, Step 2 below.

The Project Team would like to see each firm's best work to date, but this exercise should not require extensive reprogramming of current tools. Only minor customizations are anticipated. More significant customizations will be developed with the firm selected for final award of the full Project in Task 3, Survey Methodology and Instrument Refinements below.



### Task 1.2 – Trial Test of App

Following approval of the customized App, each firm shall make the smartphone App travel diary survey available for pilot testing by up to 50 individual devices over a two-week period. Trial Test participants will be provided by MTC. Each firm shall coordinate implementation of the Trial Test with MTC and its partners. Each firm shall collect the data from the Trial Test and provide the Trial Test dataset to MTC. MTC and its partners will evaluate the app for such characteristics as ease of use/user interface, accuracy of trip detection, accuracy of data collection, consistency between user responses and trip traces, battery use/efficiency, and perhaps other criteria to be defined with MTC.

#### **Deliverables:**

- 1.1 App Customizations
- 1.2 Trial Test of App, including Trial Test dataset

The remaining scope is subject to full award of the project.

### **PHASE 2: Project Implementation**

In Phase 2, the firm selected for final award (Consultant) shall develop and administer a Travel Diary Survey Program (Project) wherein the Consultant would:

1. Review and refine MTC’s existing travel survey questionnaire for ongoing use in data collection.
2. Implement the instrument via more than one survey mode for reaching different Bay Area target populations. Survey modes anticipated include a customized smartphone application (“App”) and CATI and/or Internet survey modes to collect information about a user’s travel behavior.
3. Develop and administer an incentive program to reward and encourage participation.
4. Recruit survey participants from all around the San Francisco Bay Area.
5. Administer the survey program approximately once every two years.
6. Apply real-time and post processing QA/QC and inference/imputation procedures to ensure data integrity and consistency.
7. Organize survey program data for reporting to MTC

This Project will be for an initial four-year period, with the option to extend for up to six additional years depending on the Project’s success. Additionally, MTC anticipates partnering with other Bay Area regional agencies for additional data collection within their jurisdictions.

A preliminary scope of work is listed below. Consultant shall perform the following tasks:

#### **TASK 2: Project Management**

Consultant shall host a Project Kick-off Meeting with the MTC Project Team to refine the scope, schedule, and budget for the Project. Consultant shall finalize the scope, schedule, and budget in a Project Workplan to be submitted to MTC for approval. Consultant shall then provide ongoing, day-to-day oversight, guidance, and coordination for the Project. This includes facilitating discussions and coordinating work with MTC and partnering agencies, reviewing work products, providing survey methodology suggestions, and documenting work.

**Deliverables:**

- 2.1 Project Kick-Off Meeting
- 2.2 Project Workplan
- 2.3 Ongoing Project Management

**TASK 3: Survey Methodology and Instrument Refinements**

While MTC anticipates using a travel diary App as the primary means of collecting participant travel behavior, Consultant shall develop additional survey modes to increase survey representativeness of Bay Area target populations.

Building on the work accomplished for Task 1, Consultant shall work with MTC and partnering agencies to refine the travel diary App survey instrument and to develop secondary data retrieval methods – i.e., Internet and/or Computer Assisted Telephone Interviewing (CATI). It will be important for Consultant to address any challenges they foresee translating the Task 1 survey instrument into Internet and/or CATI implementations.

Consultant must design instruments that are attractive, intuitive to complete, and encourage completion by participants. Once field-ready survey instruments are developed, consultant shall make additional changes throughout the life of the project, both to improve data collection and to respond to evolving stakeholder data needs. Examples of additional questions that have already been discussed at MTC include those about high occupancy/toll lane usage and household tenure/relocation behavior.

It is particularly noteworthy for this task that Consultant discuss how it intends to capture proxy-reported travel of other household members, particularly children, within the survey instrument. Relevant California privacy law as it relates to this task should be discussed, and any challenges and responses to those challenges described.

Please also address the benefits and drawbacks of including stated preference questions within the survey.

For representativeness of data collection, instrument translations to Spanish, Simplified Chinese, and Traditional Chinese are anticipated, and possibly other languages as well.

**Deliverables:**

- 3.1 Survey methodology and finalized instrument(s) for each survey cycle

**TASK 4: Survey Pretest and Fee Schedule**

Implement survey pretest of instruments developed and updated in Tasks 1 and 3. Evaluate effectiveness of participant recruitment strategies, data retrieval methods, use of incentives to encourage the participation of targeted population groups, non-response issues for often problematic survey questions (e.g., household income, race/ethnicity, etc.), and the quality of any geographic data collected. Work with MTC and partners to define what constitutes a completed survey. Summarize findings in a pretest report and make recommendations for final survey instruments and survey approach. Working with MTC and partners, update survey methods and materials based on lessons learned in the Survey Pretest.

Consultant shall develop pricing information for completed surveys (“Fee Schedule”) based on results of the pretest and finalized survey scope. The Fee Schedule will include a marginal cost for surveys that both MTC and partnering agencies can use to develop a data collection budget. MTC and partnering agencies will work with Consultant to consider flexible approaches to the fee schedule, including considerations such as person- vs. household-based surveying, possible combined person-day completion targets, and development of appropriate standards for designating a survey complete.

**Deliverables:**

- 4.1 - Technical memorandum: Pretest Plan and Evaluation Criteria
- 4.2 - Technical memorandum: Survey Pretest Results and Recommendations
- 4.3 - Survey Pretest Data Files
- 4.4 - Fee Schedule for completed surveys

**TASK 5: Develop Sampling Plans and Participant Recruitment Approach**

Work with MTC and partnering agencies to develop sampling frequency and representative sampling plans. Items for consideration:

- Survey frequency (i.e., annually, biennially, or some other frequency)
- Sampling methods, including specific approaches to probability- and non-probability-based sampling
- Sample size recommendations, including potential oversampling in jurisdictions of MTC partnering agencies
- Suggestions for stratifying sample frame (e.g., household- vs. person-based sampling frame, geographic areas, household size, household income, age of householder, race/ethnicity of householder, special travel markets such as transit or TNCs, etc.)
- Weeklong (or beyond) vs. shorter (e.g., one or two days of data collection)

Based on internal discussion and outreach with other MPOs, MTC has tentatively decided that biennial data collection is likely more manageable than true continuous data collection. Consultant shall provide recommendations based on applied experience for different sampling frequencies.

MTC and its partnering agencies are open as to whether the sampling frame is household- or person-based and would like help in evaluating ease of data collection, cost, and data quality tradeoffs. Survey participant recruitment strategies should include approaches for representative sampling of “hard-to-reach” populations such as racial/ethnic minorities, non-English speakers, and low-income populations. MTC would like to hear suggestions about participant recruitment strategies (and pilot ideas that may lead to new such strategies) that can scale up to the size of anticipated regional data collection, or at least make a substantial contribution to overall sampling goals. These should include traditional address-based sampling, but also address the feasibility of non-probability (“convenience”) surveying approaches. Related to this, MTC may be interested in pursuing multi-year “panel” surveying to better understand year-over-year changes within the same household. Please provide insights into the challenges and opportunities of such surveying.

**Deliverables:**

- 5.1 - Technical memorandum: Sampling Plan for Each Survey Cycle

### **TASK 6: Communications and Outreach**

Assist with the development of numerous communication exercises, including the design and maintenance of a project website, potential use of social media, survey promotional materials, and technical papers related to the survey development and deployment.

Deliverables:

6.1 – Outreach will be specified by task order

### **TASK 7: Administer Bay Area Travel Diary Survey**

Collect travel diary surveys using the work produced in Tasks 1-6 above as guidance. Work with MTC and partnering staff to determine the proper sampling rate and deployment of different survey modes, depending on respective data needs and survey budgets.

Consultant shall need to discuss the tradeoffs and implications on sample size of single day vs. multi-day data collection (as discussed in Task 5, above), and whether they recommend any passive data collection (via the smartphone app).

#### **Deliverables:**

7.1 - Technical memorandum: Quality Control and Procedures Plan

7.2 - Regular progress reports

7.3 - Draft survey data files for review

### **TASK 8: Data Review, Cleaning, and Imputation**

Work with MTC and its partnering agencies to determine the best way to review data records for logic and completeness, how to address any coding errors, if/when to discard data records, and if/when to implement any data imputation procedures. This task may also include regular survey progress reports and sharing of preliminary data records to ensure expectations for final data deliverables are being met. Please describe your capabilities related to the below survey record cleaning and evaluation tasks:

- Trip trace visualization for logic review
- Survey item logic testing steps, including real-time data checks for internal consistency of survey records
- Imputation strategies
- Documenting data cleaning procedures, including provision of any scripts used on a code management repository. Given the ongoing nature of this project, and a desire to archive and refine QA/QC processes, MTC is requesting that any data cleaning, imputation, and trace visualization tools be logged (committed) to our GitHub repository.

MTC and its partners will work with Consultant to define what constitutes a useable sample for the travel diary survey.

#### **Deliverables:**

8.1 - Technical memorandum: Plan for Data Review, Cleaning, and Imputation

8.2 - QA/QC tools and scripts delivered to MTC's GitHub repository

### **TASK 9: Data Weighting and Expansion**

Assist with and/or complete survey data weighting and expansion. Work with MTC and its partners to determine the control target datasets and approach used for survey data weighting and expansion. Like Task 8, above, Consultant shall need to anticipate documenting and scripting weighting/expansion methods and committing such scripts to the MTC GitHub repository for ongoing use and development.

#### **Deliverables:**

- 9.1 - Technical memorandum: Travel Diary Survey Data Weighting and Expansion Methods
- 9.2 - Household and person weighting and expansion factors
- 9.3 - Weighting/expansion scripts delivered to MTC's Github repository

### **Task 10: Deliver Weighted and Expanded Datasets**

Deliver cleaned datasets with any necessary data deletions, recodes, and/or imputation work. Work with MTC and its partnering agencies to determine the format of dataset deliverables. Example files that might be included in such a deliverable are the following: household, person, trip, activity, location, vehicle, and GPS records. For this task, the Consultant shall be reimbursed per the agreed-upon Fee Schedule described above in Task 4.

Proposers should describe how they will comply with the special provisions related to the protection (in collection, storage, and transmission) of personally identifiable information set forth in Attachment F, Special Conditions Relating to Personally Identifiable Information of Appendix D-1, MTC Standard Consultant Contract.

#### **Deliverables:**

- 10.1 - Household, person, trip, vehicle, GPS trace survey records, and other data files as necessary
- 10.2 - Survey codebook for interpreting files and variables

### **TASK 11: Report Materials**

Provide reporting materials as requested. These include status and methodology reporting, and may include interim and/or final reports that document each element of the project and summarizes survey findings.

#### **Deliverables:**

- 11.1 - Technical memorandum: Interim Summary Report
- 11.2 - Technical memorandum: Final Summary Report



**San Francisco  
County Transportation  
Authority**

BD041123

RESOLUTION NO. 23-44

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RESOLUTION AUTHORIZING A FUNDING AGREEMENT WITH THE METROPOLITAN TRANSPORTATION COMMISSION IN AN AMOUNT NOT TO EXCEED \$270,000 FOR SAN FRANCISCO TRAVEL DIARY SURVEY DATA COLLECTION AND AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE AGREEMENT PAYMENT TERMS AND NON-MATERIAL AGREEMENT TERMS AND CONDITIONS

WHEREAS, As the Congestion Management Agency for San Francisco County, the Transportation Authority is responsible for maintaining a data base on traffic impacts for use in a countywide transportation computer model; and

WHEREAS, The Transportation Authority is leading the Travel Demand Management (TDM) Market Analysis Study, which will identify travel markets that are best suited for TDM investments due to factors such as trip types, travel distance, transit effectiveness, land uses, or variation in transportation supply and network conditions; and

WHEREAS, The Transportation Authority is leading the Transportation Sustainability Program (TSP) Evaluation Tool Design and Implementation project, a multi-year effort to develop statistical models and a web-based tool to quantify the effectiveness of the TDM strategies included in San Francisco's TDM Program in reducing vehicle miles traveled by promoting sustainable travel options; and

WHEREAS, All of these efforts require information about San Francisco and regional residents travel behaviors as collected in travel diary surveys; and

WHEREAS, The Metropolitan Transportation Commission (MTC) is leading a regional travel diary survey data collection effort in spring and autumn 2023 in partnership with the Santa Clara Valley Transportation Authority and the Transportation Authority; and

WHEREAS, Transportation Authority staff recommends contributing \$270,000 toward the effort to increase the number of survey responses collected by MTC in under-sampled areas of San Francisco, providing a more robust data set; and

WHEREAS, The Transportation Authority's contribution toward MTC's travel diary survey data collection services will be funded from a combination of Prop L and TNC Tax funds; and

WHEREAS, At its March 29, 2023 meeting, the Community Advisory Committee was briefed on and unanimously adopted a motion of support for the staff recommendation; now,



therefore, be it

RESOLVED, That Executive Director is authorized to enter a funding agreement with the MTC for \$270,000 for San Francisco Travel Diary Survey data collection; and be it further

RESOLVED, That the Executive Director is hereby authorized to negotiate agreement payment terms and non-material agreement terms and conditions; and be it further

RESOLVED, That for the purposes of this resolution, "non-material" shall mean contract terms and conditions other than provisions related to the overall contract amount, terms of payment, and general scope of services; and be it further

RESOLVED, That notwithstanding the foregoing and any rule or policy of the Transportation Authority to the contrary, the Executive Director is expressly authorized to execute agreements and amendments to agreements that do not cause the total agreement value, as approved herein, to be exceeded and that do not expand the general scope of services.

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San Francisco  
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## Memorandum

### AGENDA ITEM 10

**DATE:** March 30, 2023

**TO:** Transportation Authority Board

**FROM:** Cynthia Fong – Deputy Director for Finance and Administration

**SUBJECT:** 4/11/23 Board Meeting: Amend the Adopted Fiscal Year 2022/23 Budget to Increase Revenues by \$31,243,544, Decrease Expenditures by \$19,121,435 and Decrease Other Financing Sources by \$55,000,000 for a Total Net Decrease in Fund Balance of \$856,528

#### **RECOMMENDATION** ☐ Information ☐ Action

Amend the adopted Fiscal Year (FY) 2022/23 budget to increase revenues by \$31,243,544, decrease expenditures by \$19,121,435 and decrease other financing sources by \$55,000,000 for a total net decrease in fund balance of \$856,528.

#### **SUMMARY**

Every year we present the Board with any adjustments to the adopted annual budget. This revision is an opportunity to take stock of changes in revenue trends, recognize grants or other funds that are obtained subsequent to the original approval of the annual budget, and adjust for unforeseen expenditures. In June 2022, through Resolution 22-60, the Board adopted the FY 2022/23 Annual Budget and Work Program.

The effect of the amendment on the adopted FY 2022/23 Budget in the aggregate line item format specified in the Fiscal Policy is shown in Attachments 1 and 3. A comparison of revenues and expenditures to prior year actual and adopted budgeted numbers is presented in Attachment 2. The detailed budget explanations by line item with variances over 5% are included in Attachment 4.

- ☐ Fund Allocation
- ☐ Fund Programming
- ☐ Policy/Legislation
- ☐ Plan/Study
- ☐ Capital Project Oversight/Delivery
- ☒ Budget/Finance
- ☐ Contract/Agreement
- ☐ Other: \_\_\_\_\_



## **BACKGROUND**

The budget revision is an opportunity for us to revise revenue projections and expenditure line items to reflect new information or requirements identified in the months elapsed since the adoption of the annual budget. Our Fiscal Policy allows for the amendment of the adopted budget during the fiscal year to reflect actual revenues and expenditures incurred. The revisions typically take place after completion of the annual fiscal audit, which certifies actual expenditures and carryover revenues.

## **DISCUSSION**

The proposed budget amendment reflects an increase of \$31.2 million in revenues, a decrease of \$19.1 million in expenditures, and a decrease of \$55.0 million in other financing sources for a total net decrease of \$856,528 in fund balance. These revisions include carryover revenues and expenditures from the prior period. Detailed budget revisions for the Treasure Island Mobility Management Agency (TIMMA) will be presented as a separate item to a future TIMMA Committee and TIMMA Board.

Revenue and expenditure revisions are related to the increase in Sales Tax revenues, interest income, federal and state program revenues, capital project costs reported in the Congestion Management Agency Programs and non-personnel expenditures reported in the Sales Tax Program, and decrease in Traffic Congestion Mitigation Tax, regional program revenues, capital project costs reported in the Sales Tax Program and the Vehicle Registration Fee for Transportation Improvements (Prop AA) Program, personnel expenditures, and debt service costs. Major changes in revenue and expenditure line items (addressed in Attachment 4) include the following:

- **New Prop K Appropriation Funding**
  - Transportation Demand Management Market Analysis
  - District 4 Microtransit Business Plan [NTIP Planning]
  - District 2 Safety Study and Implementation [NTIP Planning]
  - Pennsylvania Avenue Extension Pre-Environmental Bridging Study
  - Brotherhood Way Safety and Circulation Plan
  - Slow Duboce Triangle Study [NTIP Planning]
  - District 5 Mission Bay School Access Plan [NTIP Planning]
- **New Federal, State, and Regional and Other Funding**
  - Federal Highway Administration's Rebuilding American Infrastructure with Sustainability and Equity grant for Yerba Buena Island Westside Bridges Seismic Retrofit Project (Westside Bridges)



- Senate Bill 1 Local Partnership Program (SB1 LPP) for Westside Bridges
- Sustainable Communities for Brotherhood Way Active Transportation Corridor
- Carbon Neutral Cities Alliance for Decarbonizing Downtown Business Deliveries Study
- **Increase in Revenue Estimates**
  - Federal and state program revenues for Interstate 80/YBI Interchange Improvement Project – Southgate Road Realignment Improvements
  - Sales Tax Revenues
  - Interest Income
  - SB1 LPP for YBI Multi-Use Pathway
- **Project Delays**
  - Prop K Projects (various projects detailed in Attachment 4)
  - Prop AA Projects (various projects detailed in Attachment 4)
  - Southgate Road Realignment Improvements – Torpedo Building Rehabilitation
  - I-280 Southbound Ocean Avenue Off-Ramp Realignment
  - Hillcrest Road Widening

Additionally, administrative operating costs, debt service costs and other financing sources need to be updated from the original estimates contained in the adopted FY 2022/23 budget:

- increased administrative operating costs for migration of financial and accounting data and transition of current accounting system to cloud-based Microsoft Dynamics 365 Finance & Operations (Enterprise License) platform and for computer equipment and software upgrades that were previously paused due to the pandemic; and
- decreased debt service costs due to lower interest expenses related to the Revolving Credit Agreement; and
- decreased drawdown on the Revolving Credit Agreement due to Sales Tax Program capital expenditures coming in \$15.5 million lower than anticipated in FY 2022/23 and increased federal and state Program Revenues for the YBI Southgate project.

## **FINANCIAL IMPACT**

The proposed amendment to the FY 2022/23 budget would increase revenues by \$31.2 million, decrease expenditures by \$19.1 million, and decrease other financing sources by \$55.0 million, for a total net decrease in fund balance of \$856,528, as described above.



## **CAC POSITION**

The Community Advisory Committee (CAC) considered this item at its March 29, 2023, meeting and unanimously adopted a motion of support for the staff position.

## **SUPPLEMENTAL MATERIALS**

- Attachment 1 - Proposed Budget Amendment
- Attachment 2 - Proposed Budget Amendment - Comparison of Revenues and Expenditures
- Attachment 3 - Proposed Budget Amendment - Line Item Detail
- Attachment 4 - Budget Amendment Explanations
- Attachment 5 - Resolution



**San Francisco  
County Transportation  
Authority**

**Attachment 1  
Proposed Fiscal Year 2022/23 Budget Amendment**

|  | Proposed Budget Amendment by Fund |   |   |   |   |  | Budget<br>Amendment<br>Fiscal Year<br>2022/23 |
|--|-----------------------------------|---|---|---|---|--|---|
|  | Sales Tax<br>Program              | Congestion<br>Management<br>Agency Programs | Transportation<br>Fund for Clean<br>Air Program | Vehicle<br>Registration Fee<br>for<br>Transportation<br>Improvements<br>Program | Treasure Island<br>Mobility<br>Management<br>Agency Program | Traffic<br>Congestion<br>Mitigation Tax<br>Program |   |
| <b>Revenues:</b>                       |                                   |   |   |   |   |  |   |
| Sales Tax Revenues                     | \$ 111,212,000                    | \$ -  | \$ -  | \$ -  | \$ -  | \$ -   | \$ 111,212,000                                |
| Vehicle Registration Fee               | -                                 | -   | -   | 4,834,049   | -   | -  | 4,834,049                                     |
| Traffic Congestion Mitigation Tax      | -                                 | -   | -   | -   | -   | 7,546,000  | 7,546,000                                     |
| Interest Income                        | 850,000                           | -   | 1,028   | 12,485  | -   | 178,222  | 1,041,735                                     |
| Program Revenues                       | -                                 | 37,138,674                                  | 690,700   | -   | 1,544,271   | -  | 39,373,645                                    |
| <b>Total Revenues</b>                  | <b>112,062,000</b>                | <b>37,138,674</b>                           | <b>691,728</b>                                  | <b>4,846,534</b>  | <b>1,544,271</b>  | <b>7,724,222</b>                                   | <b>164,007,429</b>                            |
| <b>Expenditures</b>                    |                                   |   |   |   |   |  |   |
| Capital Project Costs                  | 122,271,480                       | 16,108,752                                  | 760,852   | 6,635,067   | 712,766   | 3,405,686  | 149,894,603                                   |
| Administrative Operating Costs         | 9,273,701                         | 2,605,671                                   | 43,384  | 241,702   | 863,600   | 143,246  | 13,171,304                                    |
| Debt Service Costs                     | 21,798,050                        | -   | -   | -   | -   | -  | 21,798,050                                    |
| <b>Total Expenditures</b>              | <b>153,343,231</b>                | <b>18,714,423</b>                           | <b>804,236</b>                                  | <b>6,876,769</b>  | <b>1,576,366</b>  | <b>3,548,932</b>                                   | <b>184,863,957</b>                            |
| <b>Other Financing Sources (Uses):</b> | <b>38,392,156</b>                 | <b>(18,424,251)</b>                         | <b>-</b>  | <b>-</b>  | <b>32,095</b>   | <b>-</b>   | <b>20,000,000</b>                             |
| <b>Net change in Fund Balance</b>      | <b>\$ (2,889,075)</b>             | <b>\$ -</b>                                 | <b>\$ (112,508)</b>                             | <b>\$ (2,030,235)</b>   | <b>\$ -</b>   | <b>\$ 4,175,290</b>                                | <b>\$ (856,528)</b>                           |
| Budgetary Fund Balance, as of July 1   | \$ 33,352,196                     | \$ -  | \$ 1,077,462                                    | \$ 17,049,362   | \$ -  | \$ 9,496,190                                       | \$ 60,975,210                                 |
| Budgetary Fund Balance, as of June 30  | <u>\$ 30,463,121</u>              | <u>\$ -</u>                                 | <u>\$ 964,954</u>                               | <u>\$ 15,019,127</u>  | <u>\$ -</u>   | <u>\$ 13,671,480</u>                               | <u>\$ 60,118,682</u>                          |



**San Francisco  
County Transportation  
Authority**

**Attachment 2  
Proposed Fiscal Year 2022/23 Budget Amendment  
Comparison of Revenues and Expenditures**

| Category                                     | Fiscal Year<br>2021/22 Actual | Fiscal Year<br>2022/23 Adopted<br>Budget | Proposed Fiscal<br>Year 2022/23<br>Budget<br>Amendment | Variance from<br>Fiscal Year<br>2022/23 Adopted<br>Budget | % Variance     |
|--|-------------------------------|--|--|---|----------------|
| Sales Tax Revenues                           | \$ 104,818,305                | \$ 101,701,000                           | <b>\$ 111,212,000</b>                                  | \$ 9,511,000  | 9.4%           |
| Vehicle Registration Fee                     | 4,652,149                     | 4,834,049                                | <b>4,834,049</b>                                       | -   | 0.0%           |
| Traffic Congestion Mitigation Tax            | 6,120,263                     | 7,815,500                                | <b>7,546,000</b>                                       | (269,500)   | -3.4%          |
| Interest Income                              | (1,201,096)                   | 374,570                                  | <b>1,041,735</b>                                       | 667,165   | 178.1%         |
| Program Revenues                             |                               |  |  |   |                |
| Federal                                      | 8,111,307                     | 7,632,364                                | <b>26,983,302</b>                                      | 19,350,938  | 253.5%         |
| State  | 1,059,871                     | 3,779,538                                | <b>6,826,840</b>                                       | 3,047,302   | 80.6%          |
| Regional and other                           | 5,759,240                     | 6,626,864                                | <b>5,563,503</b>                                       | (1,063,361)   | -16.0%         |
| Other Revenues                               | 142                           | -  | -  | -   | 0.0%           |
| <b>Total Revenues</b>                        | <b>129,320,181</b>            | <b>132,763,885</b>                       | <b>164,007,429</b>                                     | <b>31,243,544</b>   | <b>23.5%</b>   |
| Capital Project Costs                        | 117,727,970                   | 166,774,647                              | <b>149,894,603</b>                                     | (16,880,044)  | -10.1%         |
| Administrative Operating Costs               |                               |  |  |   |                |
| Personnel expenditures                       | 7,030,501                     | 9,348,335                                | <b>9,182,063</b>                                       | (166,272)   | -1.8%          |
| Non-Personnel expenditures                   | 1,967,710                     | 3,232,905                                | <b>3,989,241</b>                                       | 756,336   | 23.4%          |
| Debt Service Costs                           | 22,580,656                    | 24,629,505                               | <b>21,798,050</b>                                      | (2,831,455)   | -11.5%         |
| <b>Total Expenditures</b>                    | <b>149,306,837</b>            | <b>203,985,392</b>                       | <b>184,863,957</b>                                     | <b>(19,121,435)</b>                                       | <b>-9.4%</b>   |
| <b>Other Financing Sources (Uses)</b>        | <b>-</b>                      | <b>75,000,000</b>                        | <b>20,000,000</b>                                      | <b>(55,000,000)</b>                                       | <b>-73.3%</b>  |
| <b>Net change in Fund Balance</b>            | <b>\$ (19,986,656)</b>        | <b>\$ 3,778,493</b>                      | <b>\$ (856,528)</b>                                    | <b>\$ (4,635,021)</b>                                     | <b>-122.7%</b> |
| <b>Budgetary Fund Balance, as of July 1</b>  | <b>\$ 80,961,866</b>          | <b>\$ 60,975,210</b>                     | <b>\$ 60,975,210</b>                                   |   |                |
| <b>Budgetary Fund Balance, as of June 30</b> | <b>\$ 60,975,210</b>          | <b>\$ 64,753,703</b>                     | <b>\$ 60,118,682</b>                                   |   |                |



|   | Proposed Budget Amendment by Fund |   |   |   |   |  | Proposed Fiscal<br>Year 2022/23<br>Budget<br>Amendment |
|---|-----------------------------------|---|---|---|---|--|--|
|   | Sales Tax<br>Program              | Congestion<br>Management<br>Agency Programs | Transportation<br>Fund for Clean<br>Air Program | Vehicle<br>Registration Fee<br>for<br>Transportation<br>Improvements<br>Program | Treasure Island<br>Mobility<br>Management<br>Agency Program | Traffic<br>Congestion<br>Mitigation Tax<br>Program |  |
| <b>Revenues:</b>  |                                   |   |   |   |   |  |  |
| Sales Tax Revenues  | \$ 111,212,000                    | \$ -  | \$ -  | \$ -  | \$ -  | \$ -   | \$ 111,212,000   |
| Vehicle Registration Fee  | -                                 | -   | -   | 4,834,049   | -   | -  | 4,834,049  |
| Traffic Congestion Mitigation Tax   | -                                 | -   | -   | -   | -   | 7,546,000  | 7,546,000  |
| Interest Income   | 850,000                           | -   | 1,028   | 12,485  | -   | 178,222  | 1,041,735  |
| <b>Program Revenues</b>   |                                   |   |   |   |   |  |  |
| Federal   |                                   |   |   |   |   |  |  |
| Advanced Transportation and Congestion Management Technologies Deployment                 | -                                 | -   | -   | -   | 304,627   | -  | 304,627  |
| Ferry Boat Discretionary Funds - Treasure Island Ferry Terminal                           | -                                 | -   | -   | -   | 82,816  | -  | 82,816   |
| Innovative Deployments to Enhance Arterials Shared Automated Vehicle                      | -                                 | -   | -   | -   | 133,840   | -  | 133,840  |
| Highway Bridge Program - I-80/Yerba Buena Island (YBI) Interchange Improvement            | -                                 | 23,794,845                                  | -   | -   | -   | -  | 23,794,845   |
| Rebuilding American Infrastructure with Sustainability and Equity - YBI Bridge Structures | -                                 | 1,038,800                                   | -   | -   | -   | -  | 1,038,800  |
| Priority Conservation Area Program - YBI Multi-Use Pathway                                | -                                 | 513,054                                     | -   | -   | -   | -  | 513,054  |
| Surface Transportation Program 3% Revenue and Augmentation                                | -                                 | 1,115,320                                   | -   | -   | -   | -  | 1,115,320  |
| <b>State</b>  |                                   |   |   |   |   |  |  |
| Affordable Housing and Sustainable Communities (AHSC) - Treasure Island Ferry Terminal    | -                                 | -   | -   | -   | 18,180  | -  | 18,180   |
| AHSC - I/80 YBI Interchange Improvement Project   | -                                 | 3,430,743                                   | -   | -   | -   | -  | 3,430,743  |
| Planning, Programming & Monitoring SB45 Funds   | -                                 | 275,000                                     | -   | -   | -   | -  | 275,000  |
| Infill Infrastructure Grant Program - Hillcrest Road Widening Project                     | -                                 | 582,063                                     | -   | -   | -   | -  | 582,063  |
| SB1 LPP - YBI Bridge Structures   | -                                 | 465,600                                     | -   | -   | -   | -  | 465,600  |
| SB1 LPP - YBI Multi-Use Pathway Project   | -                                 | 513,054                                     | -   | -   | -   | -  | 513,054  |
| Seismic Retrofit Proposition 1B - I/80 YBI Interchange Improvement Project                | -                                 | 1,373,476                                   | -   | -   | -   | -  | 1,373,476  |
| Sustainable Communities - School Access Plan  | -                                 | 80,927                                      | -   | -   | -   | -  | 80,927   |
| Sustainable Communities - Brotherhood Active Transportation and Open Space Plan           | -                                 | 87,797                                      | -   | -   | -   | -  | 87,797   |
| <b>Regional and other</b>   |                                   |   |   |   |   |  |  |
| Bay Area Toll Authority - I-80/YBI Interchange Improvement                                | -                                 | 3,016,838                                   | -   | -   | -   | -  | 3,016,838  |
| Carbon Neutral Cities Alliance - Decarbonizing Downtown Business Deliveries Study         | -                                 | 64,046                                      | -   | -   | -   | -  | 64,046   |
| San Francisco Municipal Transportation Agency (SFMTA) - School Access Plan                | -                                 | 12,111                                      | -   | -   | -   | -  | 12,111   |
| SFMTA - Travel Demand Modeling Assistance   | -                                 | 75,000                                      | -   | -   | -   | -  | 75,000   |
| Treasure Island Community Development - Ferry Exchange                                    | -                                 | -   | -   | -   | 547,262   | -  | 547,262  |
| Treasure Island Development Authority (TIDA) - Treasure Island Mobility Management Agency | -                                 | -   | -   | -   | 457,546   | -  | 457,546  |
| TIDA - YBI Interchange Improvement & Bridge Structures                                    | -                                 | 700,000                                     | -   | -   | -   | -  | 700,000  |
| Vehicle Registration Fee Revenues (TFCA)  | -                                 | -   | 690,700   | -   | -   | -  | 690,700  |
| <b>Total Revenues</b>   | <b>\$ 112,062,000</b>             | <b>\$ 37,138,674</b>                        | <b>\$ 691,728</b>                               | <b>\$ 4,846,534</b>   | <b>\$ 1,544,271</b>   | <b>\$ 7,724,222</b>                                | <b>\$ 164,007,429</b>                                  |



|   | Proposed Budget Amendment by Fund |   |   |   |   |  | Proposed Fiscal<br>Year 2022/23<br>Budget<br>Amendment |
|---|-----------------------------------|---|---|---|---|--|--|
|   | Sales Tax<br>Program              | Congestion<br>Management<br>Agency Programs | Transportation<br>Fund for Clean<br>Air Program | Vehicle<br>Registration Fee<br>for<br>Transportation<br>Improvements<br>Program | Treasure Island<br>Mobility<br>Management<br>Agency Program | Traffic<br>Congestion<br>Mitigation Tax<br>Program |  |
| <b>Expenditures:</b>                                |                                   |   |   |   |   |  |  |
| Capital Project Costs                               |                                   |   |   |   |   |  |  |
| Individual Project Grants, Programs & Initiatives   | \$ 120,000,000                    | \$ -  | \$ 760,852                                      | \$ 6,635,067  | \$ -  | \$ 3,305,686                                       | \$ 130,701,605   |
| Technical Professional Services                     | 2,271,480                         | 16,108,752                                  | -   | -   | 712,766   | 100,000  | 19,192,998   |
| Administrative Operating Costs                      |                                   |   |   |   |   |  |  |
| Personnel Expenditures                              |                                   |   |   |   |   |  |  |
| Salaries  | 3,501,241                         | 1,715,336                                   | 29,058  | 161,890   | 489,878   | 95,945   | 5,993,348  |
| Fringe Benefits                                     | 1,726,112                         | 845,661                                     | 14,326  | 79,812  | 241,510   | 47,301   | 2,954,722  |
| Pay for Performance                                 | 233,993                           | -   | -   | -   | -   | -  | 233,993  |
| Non-personnel Expenditures                          |                                   |   |   |   |   |  |  |
| Administrative Operations                           | 3,407,355                         | 44,674                                      | -   | -   | 126,012   | -  | 3,578,041  |
| Equipment, Furniture & Fixtures                     | 345,000                           | -   | -   | -   | -   | -  | 345,000  |
| Commissioner-Related Expenses                       | 60,000                            | -   | -   | -   | 6,200   | -  | 66,200   |
| Debt Service Costs                                  |                                   |   |   |   |   |  |  |
| Fiscal Charges                                      | 105,000                           | -   | -   | -   | -   | -  | 105,000  |
| Interest Expenses                                   | 7,568,050                         | -   | -   | -   | -   | -  | 7,568,050  |
| Bond Principal Payment                              | 14,125,000                        | -   | -   | -   | -   | -  | 14,125,000   |
| <b>Total Expenditures</b>                           | <b>\$ 153,343,231</b>             | <b>\$ 18,714,423</b>                        | <b>\$ 804,236</b>                               | <b>\$ 6,876,769</b>   | <b>\$ 1,576,366</b>   | <b>\$ 3,548,932</b>                                | <b>\$ 184,863,957</b>                                  |
| <b>Other Financing Sources (Uses):</b>              |                                   |   |   |   |   |  |  |
| Transfers in from other funds                       | 18,424,251                        | -   | -   | -   | 32,095  | -  | 18,456,346   |
| Transfers out to other funds                        | (32,095)                          | (18,424,251)                                | -   | -   | -   | -  | (18,456,346)   |
| Draw on Revolving Credit Agreement                  | 20,000,000                        | -   | -   | -   | -   | -  | 20,000,000   |
| <b>Total Other Financing Sources (Uses)</b>         | <b>38,392,156</b>                 | <b>(18,424,251)</b>                         | <b>-</b>  | <b>-</b>  | <b>32,095</b>   | <b>-</b>   | <b>20,000,000</b>                                      |
| <b>Net change in Fund Balance</b>                   | <b>\$ (2,889,075)</b>             | <b>\$ -</b>                                 | <b>\$ (112,508)</b>                             | <b>\$ (2,030,235)</b>   | <b>\$ -</b>   | <b>\$ 4,175,290</b>                                | <b>\$ (856,528)</b>                                    |
| Budgetary Fund Balance, as of July 1                | \$ 33,352,196                     | \$ -  | \$ 1,077,462                                    | \$ 17,049,362   | \$ -  | \$ 9,496,190                                       | \$ 60,975,210  |
| <b>Budgetary Fund Balance, as of June 30</b>        | <b>\$ 30,463,121</b>              | <b>\$ -</b>                                 | <b>\$ 964,954</b>                               | <b>\$ 15,019,127</b>  | <b>\$ -</b>   | <b>\$ 13,671,480</b>                               | <b>\$ 60,118,682</b>                                   |
| Fund Reserved for Program and Operating Contingency | \$ 11,121,200                     | \$ -  | \$ 69,070                                       | \$ 483,405  | \$ -  | \$ 754,600   | \$ 12,428,275  |

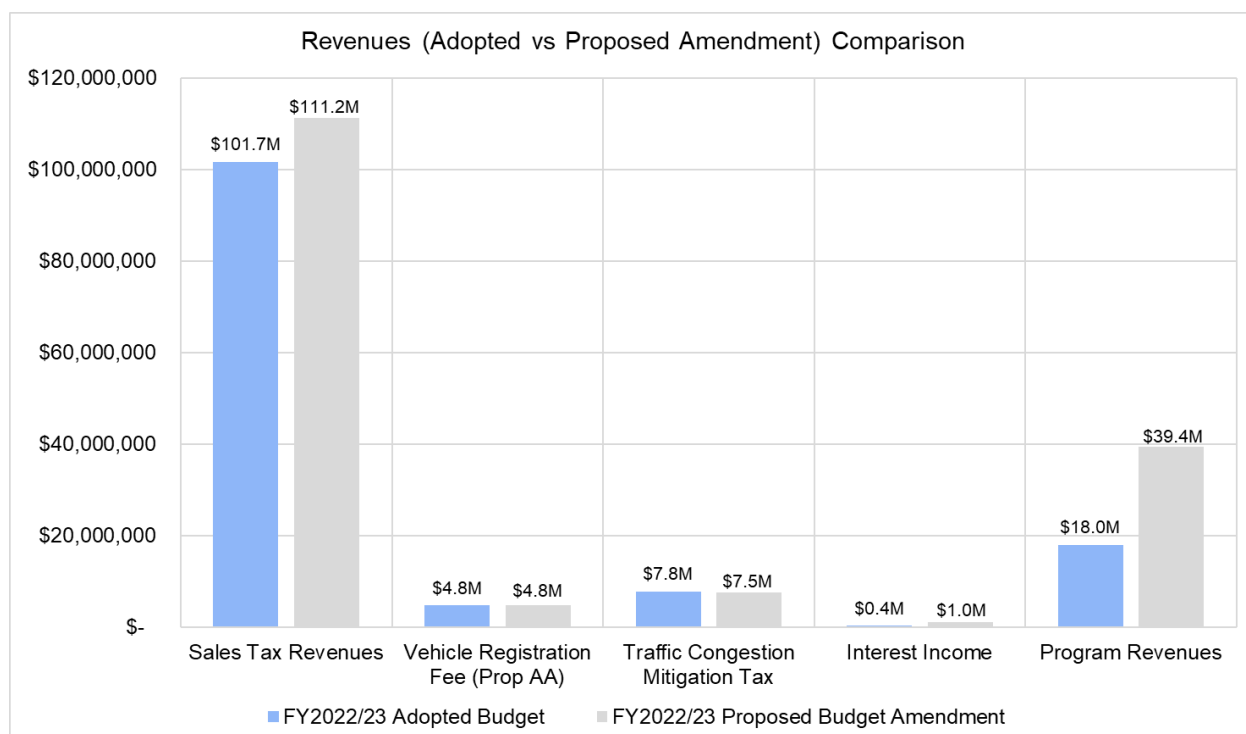


## Attachment 4

### Fiscal Year 2022/23 Budget Amendment Explanations

| TOTAL REVENUES |                           |              |
|----------------|---------------------------|--------------|
| Adopted Budget | Proposed Budget Amendment | Variance     |
| \$132,763,885  | \$164,007,429             | \$31,243,544 |

The following chart shows the comparative composition of revenues for the proposed amended and adopted Fiscal Year (FY) 2022/23 budget.



| Sales Tax Revenues |                           |             |
|--------------------|---------------------------|-------------|
| Adopted Budget     | Proposed Budget Amendment | Variance    |
| \$101,701,000      | \$111,212,000             | \$9,511,000 |

On November 4, 2003, San Francisco voters approved Proposition K (Prop K), the imposition of a retail transactions and use tax of one-half of 1% in the City and County of San Francisco to fund the Prop K Expenditure Plan. The 30-year expenditure plan extends through March 31, 2034 and prioritizes \$2.35 billion (in 2003 dollars) and leverages another \$9 billion in federal, state, and local funds for transportation improvements. The expenditure plan restricts expenditures to four major categories: 1) Transit; 2) Streets and Traffic Safety; 3) Paratransit services for seniors and disabled people; and 4) Transportation System Management/Strategic Initiatives.

## Attachment 4

### Fiscal Year 2022/23 Budget Amendment Explanations

In November 2022, 71.8% of San Francisco voters approved Proposition L (Prop L), the Sales Tax for Transportation Projects measure, effective April 1, 2023, superseding Prop K and extending the half-cent local transportation sales tax through 2053 and directing \$2.6 billion (in 2020 dollars) in half-cent sales tax funds over 30 years to help deliver safer, smoother streets, more reliable transit, continue paratransit services for seniors and persons with disabilities, reduce congestion, and improve air quality. This is the second time that the San Francisco transportation sales tax has been reauthorized with voter approval of a new Expenditure Plan: as mentioned above, in 2003, voters approved Prop K, reauthorizing the Prop B sales tax, which was approved in 1989.

Based on FY 2022/23 sales tax revenues earned through December 2022, we project sales tax revenues to increase by \$9.5 million, or 9.4%, as compared to the adopted FY 2022/23 budget, which would be 6.1% above prior year actuals. Sales tax revenues increased due to higher than anticipated levels of sustained inflation and a moderate level of pandemic recovery seen in the restaurant, retail, and automobile sales industries. This projection is aligned with the City Controller's Office's revised growth projection of its FY 2022/23 sales tax revenue.

| Interest Income |                           |           |
|-----------------|---------------------------|-----------|
| Adopted Budget  | Proposed Budget Amendment | Variance  |
| \$374,570       | \$1,041,735               | \$667,165 |

Most of our investable assets are deposited in the City's Treasury Pool (Pool). The level of our deposits held in the Pool during the year depends on the volume and timing of Prop K capital project reimbursement requests. Our cash balance consists largely of allocated Sales Tax Revenue funds, which are invested until invoices are received and sponsors are reimbursed.

Total Interest Income is projected to increase by \$667,165, or 178.1%, for FY 2022/23. Interest rates have increased from 0.5% assumed in the adopted budget to an average 1.6% over the past seven months in the Pool. The increase is also due to a higher bank balance in the Pool account at the start of the fiscal year as compared to the adopted budget, thus more interest earned on the deposits. The amended budget does not include any adjustments that would occur due to GASB Statement No. 31 which is an adjustment to report the change in fair value of investments in the Pool.

| Federal Program Revenues |                           |              |
|--------------------------|---------------------------|--------------|
| Adopted Budget           | Proposed Budget Amendment | Variance     |
| \$7,632,364              | \$26,983,301              | \$19,350,938 |

Federal Program Revenues are expected to increase by \$19.4 million, or 253.5%, as compared to the adopted budget. This is primarily due to an increase of \$24.8 million in federal Highway Bridge Program funding for the Southgate Road Realignment Improvements Project (Southgate), or Phase 2 of the Interstate-80/Yerba Buena Island Interchange Improvement Project, and Yerba Buena Island Westside Bridges Seismic Retrofit Project (Westside Bridges) with construction activities for the

## Attachment 4

### Fiscal Year 2022/23 Budget Amendment Explanations

Southgate project to be completed by summer 2023 with some closeout costs in the following fiscal year. During this fiscal year, we anticipate collecting federal reimbursements from Caltrans for the Southgate project that has been deferred from past years due to Caltrans' cash management policy, which requires local agencies to use non-federal fund sources to advance the project until federal funds are obligated and available for reimbursement. In addition, the increase is due to the award of the Federal Highway Administration's Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant funding for the Westside Bridges project as construction activities commence during the fourth quarter of this fiscal year. This increase is also offset by a decrease of combined \$5.1 million in Advanced Transportation and Congestion Management Technologies Deployment (ATCMTD), Ferry Boat Discretionary Funds - Treasure Island Ferry Terminal, and Innovative Deployments to Enhance Arterials Shared Automated Vehicle (IDEA-SAV) for the Treasure Island Mobility Management Agency Program (TIMMA), which will be deferred to the next fiscal year due to the delay in toll and affordability program adoption with toll system design and integration work and other components of the TIMMA program to proceed thereafter. The TIMMA FY 2022/23 revenues will be presented as a separate item to the TIMMA Committee and TIMMA Board at its respective future meetings. Also, there is a decrease of \$349,148 in Priority Conservation Area Program for the YBI Multi-Use Pathway project that has been shifted to an increase in Senate Bill 1 Local Partnership Program (SB1 LPP) funds for the project as project costs are now eligible for state LPP reimbursement.

| State Program Revenues |                           |             |
|------------------------|---------------------------|-------------|
| Adopted Budget         | Proposed Budget Amendment | Variance    |
| \$3,779,538            | \$6,826,840               | \$3,047,302 |

State Program Revenues are expected to increase by \$3.0 million, or 80.6%, as compared to the adopted budget. This is mainly due to an increase of \$1.4 million in Seismic Retrofit Proposition 1B funding for the Southgate project, which provides matching funds to the federal Highway Bridge Program funding as mentioned above, as well as \$3.4 million in Affordable Housing and Sustainable Communities (AHSC) funding as the Southgate project comes to completion this summer 2023. Furthermore, the proposed budget amendment includes new SB1 LPP funding of \$465,600 for the first year of construction activities related to the Westside Bridges project, which will match to the federal RAISE grant funding, and SB1 LPP funding of \$401,347 for YBI Multi-Use Pathway Project, which will match to the federal Priority Conservation Area Program grant mentioned above. This increase is also offset by a decrease of \$1.4 million in AHSC - Treasure Island Ferry Terminal and AHSC - East Bay Bus Exchange funding for TIMMA, a decrease of \$710,629 in Infill Infrastructure Grant Program for the Hillcrest Road Widening Project, and a decrease of \$514,586 in SB 1 LPP for the I-280 Southbound Ocean Avenue Off-Ramp Realignment project. These state program revenues will be deferred to next fiscal year.

**Attachment 4**  
**Fiscal Year 2022/23 Budget Amendment Explanations**

| <b>Regional and Other Program Revenues</b> |                                  |                 |
|--|----------------------------------|-----------------|
| <b>Adopted Budget</b>                      | <b>Proposed Budget Amendment</b> | <b>Variance</b> |
| \$6,626,864                                | \$5,563,503                      | \$(1,063,361)   |

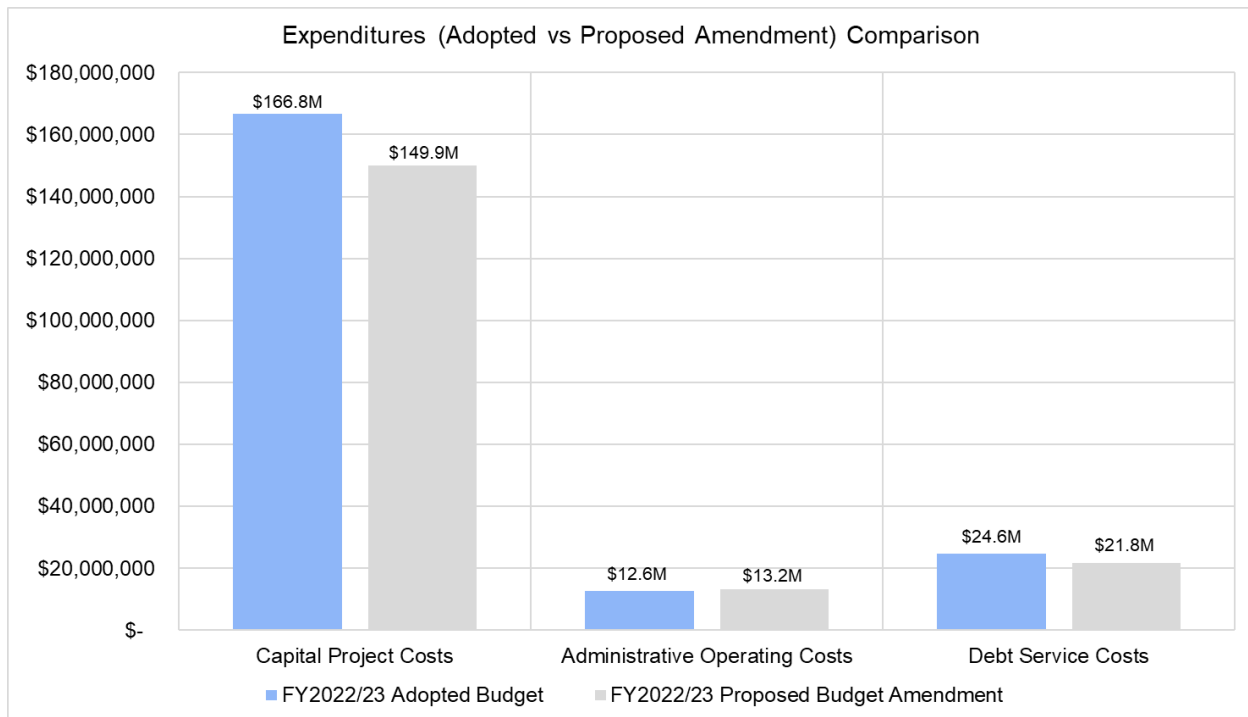
Regional and Other Program Revenues are expected to decrease by \$1.1 million, or 16.0%, as compared to the adopted budget. This is mainly due to \$3.2 million of funding from the Treasure Island Community Development LLC (TICD)'s Exhibit N Shuttle Exchange and Ferry Exchange for the TIMMA in FY 2022/23 that has been deferred to the next fiscal year for reasons mentioned above in Federal Program Revenues. In addition, \$1.3 million of funding from the Bay Area Toll Authority (BATA) for the Torpedo Building Rehabilitation work of the Southgate project in FY 2022/23 has been deferred to the next fiscal year to align with the project's construction schedule. Design work will be completed by late summer/early fall with construction activities starting thereafter. Also, there is a decrease of \$261,066 in BATA funding for the Southgate project that has been shifted to an increase in federal and state grant funds for the project as project costs are now eligible for reimbursement.

This decrease is also offset by \$3.2 million in increased funding for Westside Bridges project from BATA and the Treasure Island Development Authority (TIDA), as well as \$64,046 in new funding from the Carbon Neutral Cities Alliance for the Decarbonizing Downtown Business Deliveries Study, and \$457,546 in deferred funding from TIDA in prior year to be spent this fiscal year in the TIMMA program.

**Attachment 4**  
**Fiscal Year 2022/23 Budget Amendment Explanations**

| TOTAL EXPENDITURES |                           |                |
|--------------------|---------------------------|----------------|
| Adopted Budget     | Proposed Budget Amendment | Variance       |
| \$203,985,392      | \$184,863,957             | \$(19,121,435) |

The following chart shows the comparative composition of expenditures for the proposed amended and adopted FY 2022/23 budget.



| Capital Project Costs |                           |                |
|-----------------------|---------------------------|----------------|
| Adopted Budget        | Proposed Budget Amendment | Variance       |
| \$166,774,647         | \$149,894,603             | \$(16,880,044) |

Capital Project Costs in FY 2022/23 are budgeted to decrease from the adopted FY 2022/23 budget by \$16.9 million, or 10.1%, which is primarily due to lower capital costs from the Sales Tax, Prop AA, and TIMMA programs, offset by anticipated higher capital costs from the CMA program. Costs by Program Fund are detailed below.

**Attachment 4**  
**Fiscal Year 2022/23 Budget Amendment Explanations**

| <b>Capital Project Costs - Sales Tax Program</b> |                                  |                 |
|--|----------------------------------|-----------------|
| <b>Adopted Budget</b>                            | <b>Proposed Budget Amendment</b> | <b>Variance</b> |
| \$137,816,845                                    | \$122,271,480                    | \$(15,545,365)  |

Capital Project Costs for the Sales Tax Program in FY 2022/23 are budgeted to decrease by \$15.5 million, or 11.3%, as compared to the adopted budget. This is primarily based on the cash flow amendments approved in Winter 2022/23 as part of our ongoing cash management activities and to provide input to the inaugural Prop L Strategic Plan, which is under development. The main drivers of reductions in Capital Project Costs include reductions associated with the Light Rail Vehicle Procurement; New Flyer Mid-Life Overhaul Phase 1; Better Market Street; and L-Taraval Transit Enhancements (Segment B). Expenditures related to these projects will be deferred to next fiscal year. Additionally, this amended budget includes de-obligation of funds from the Breda Light Rail Vehicle Heating, Ventilation, and Air Conditioning Refurbishment project and the Breda Light Rail Vehicles Overhauls project.

| <b>Capital Project Costs - Congestion Management Agency (CMA) Programs</b> |                                  |                 |
|--|----------------------------------|-----------------|
| <b>Adopted Budget</b>  | <b>Proposed Budget Amendment</b> | <b>Variance</b> |
| \$7,616,109  | \$16,108,752                     | \$8,492,643     |

Capital Project Costs for CMA Programs in FY 2022/23 are budgeted to increase by \$8.5 million, or 111.5%, as compared to the adopted budget. This increase is mainly due to approximately \$6.1 million of right-of-way and construction activities related to the Southgate project that was deferred from FY 2021/22. The construction is expected to be completed by summer 2023 with some closeout costs in the following year. We also have increased and initiated new efforts during the year, including Brotherhood Way Safety and Circulation Plan, District 2 Safety Study and Implementation, District 4 Microtransit Business Plan, District 5 Mission Bay School Access Plan, and Transportation Demand Management Market Analysis projects, which are funded by Prop K appropriations and increase CMA Capital Project Costs by \$349,890. In addition, the proposed budget amendment includes \$1.3 million for additional design services for the Westside Bridges project, an increase of \$3.4 million the start of construction activities for Westside Bridges project, which would be funded by federal and regional grants, and \$513,054 for the YBI Multi-Use Path project which would be funded by federal and state grants.

This increase is also offset by a decrease of \$1.3 million in Capital Project Costs for the Torpedo Building Rehabilitation work of the Southgate project in FY 2022/23 that has been deferred to the next fiscal year to align with the project's construction schedule as mentioned above in Regional and Other Program Revenues. Capital Project Costs of \$1.1 million for the I-280 Southbound Ocean Avenue Off-Ramp Realignment project will be deferred to next fiscal year due to a longer than anticipated pre-award audit review process conducted by Caltrans on the consultant contract. In addition, Capital

**Attachment 4**  
**Fiscal Year 2022/23 Budget Amendment Explanations**

Project Costs of \$860,630 for the Hillcrest Road Widening project will be deferred to next fiscal year due to a delay in start of consultant work.

| <b>Capital Project Costs - Prop AA Program</b> |                                  |                 |
|--|----------------------------------|-----------------|
| <b>Adopted Budget</b>                          | <b>Proposed Budget Amendment</b> | <b>Variance</b> |
| \$7,859,747                                    | \$6,635,067                      | \$(1,224,680)   |

Capital Project Costs for the Prop AA Program in FY 2022/23 are expected to decrease by \$1.2 million, or 15.6%, as compared to the adopted budget. The major drivers of this budget decrease are projects that have experienced delays or requested allocation later in the fiscal year than we expected. The largest budget updates are due to delays to San Francisco Municipal Transportation Agency's (SFMTA) L-Taraval Transit Enhancements (Segment B) due to design changes and coordination with PG&E, which result in invoicing decreasing from \$1.8 million to \$366,000 and Transit Stop Signage Enhancement Program - Phase 1, which has been delayed due to staffing changes, decreasing from \$521,949 to \$102,500, and San Francisco Public Works' 23rd Street, Dolores Street, York Street, and Hampshire Street Pavement Renovation decreasing from \$563,129 to \$163,055. Some projects, such as SFMTA's Muni Metro Station Enhancements Phase 1 are actually expected to invoice more than budgeted because invoicing originally expected in FY 2021/22 was shifted to FY 2022/23.

| <b>Administrative Operating Costs - Non-Personnel Expenditures</b> |                                  |                 |
|--|----------------------------------|-----------------|
| <b>Adopted Budget</b>  | <b>Proposed Budget Amendment</b> | <b>Variance</b> |
| \$3,232,905  | \$3,989,241                      | \$756,336       |

Non-Personnel Expenditures in FY 2022/23 are expected to increase by \$756,336, or 23.4%, as compared to the adopted budget. This increase is primarily due to costs related to the migration of financial and accounting data and transition of the current accounting system, Microsoft Dynamics AX 2012 to the cloud-based Microsoft Dynamics 365 Finance & Operations (Enterprise License) platform as well as related integration, project management, and information technology costs, approved by the Board in January 2023, through Resolution 23-27. The cost of the migration will be a one-time expenditure. We anticipate fully transitioning to Microsoft Dynamics 365 Finance & Operations (Enterprise License) and completing the migration project by July 2023. The increase is also related to additional costs for computer equipment and software upgrades that were previously paused due to the pandemic.

**Attachment 4**  
**Fiscal Year 2022/23 Budget Amendment Explanations**

| <b>Debt Service Costs</b> |                                  |                 |
|---------------------------|----------------------------------|-----------------|
| <b>Adopted Budget</b>     | <b>Proposed Budget Amendment</b> | <b>Variance</b> |
| \$24,629,505              | \$21,798,050                     | \$(2,831,455)   |

Debt Service Costs in FY 2022/23 are expected to decrease by \$2.8 million, or 11.5%, as compared to the adopted budget. Due to the proposed decrease of \$15.5 million in Sales Tax Program Capital Project Costs and a higher bank balance in the Pool account at the start of the fiscal year as compared to the adopted budget, we may potentially need to drawdown from the Revolving Credit Agreement at a later time in the fiscal year and at a lower amount than anticipated, from \$75 million to \$20 million. Thus, interest expenses associated with the Revolving Credit Agreement are lower than originally projected in the adopted budget.

| <b>OTHER FINANCING SOURCES (USES) - DRAW ON REVOLVING CREDIT AGREEMENT</b> |                                  |                 |
|--|----------------------------------|-----------------|
| <b>Adopted Budget</b>  | <b>Proposed Budget Amendment</b> | <b>Variance</b> |
| \$75,000,000   | \$20,000,000                     | \$(55,000,000)  |

The estimated level of sales tax capital expenditures for FY 2022/23 may trigger the need to drawdown up to \$20 million from the Revolving Credit Agreement which is \$55 million less than what we had anticipated during the adoption of the budget. This decrease is partially due to Sales Tax Program capital expenditures coming in \$15.5 million lower than anticipated during the adoption of the budget. In addition, we anticipate \$18.4 million repayment from the CMA Program to the Sales Tax Program from the increased federal and state grant reimbursements for the YBI Southgate project as mentioned above. We will continue to monitor capital spending closely during the remainder of the year through a combination of cash flow needs for allocation reimbursements, progress reports and conversations with project sponsors, particularly our largest grant recipient, the SFMTA.





RESOLUTION AMENDING THE ADOPTED FISCAL YEAR 2022/23 BUDGET TO INCREASE REVENUES BY \$31,243,544, DECREASE EXPENDITURES BY \$19,121,435 AND DECREASE OTHER FINANCING SOURCES BY \$55,000,000 FOR A TOTAL NET DECREASE IN FUND BALANCE OF \$856,528

WHEREAS, In June 2022, through approval of Resolution 22-60, the Transportation Authority adopted the Fiscal Year (FY) 2022/23 Annual Budget and Work Program; and

WHEREAS, The Transportation Authority's Fiscal Policy allows for the amendment of the adopted budget during the fiscal year to reflect actual revenues and expenditures incurred; and

WHEREAS, Revenue and expenditure revisions are related to Sales Tax revenues, interest income, federal and state program revenues, capital project costs reported in the Congestion Management Agency Programs and non-personnel expenditures reported in the Sales Tax Program, and decrease in Traffic Congestion Mitigation Tax, regional program revenues, capital project costs reported in the Sales Tax Program and the Vehicle Registration Fee for Transportation Improvements (Prop AA) Program, personnel expenditures, and debt service costs; and

WHEREAS, Major changes in revenues due to additional funding include the following: Transportation Demand Management Market Analysis, District 4 Microtransit Business Plan [NTIP Planning], District 2 Safety Study and Implementation [NTIP Planning], Pennsylvania Avenue Extension Pre-Environmental Bridging Study, Brotherhood Way Safety and Circulation Plan, Slow Duboce Triangle Study [NTIP Planning], District 5 Mission Bay School Access Plan [NTIP Planning] Federal Highway Administration's Rebuilding American Infrastructure with Sustainability and Equity grant for Yerba Buena Island (YBI) Westside Bridges Seismic Retrofit Project (Westside Bridges), Senate Bill 1 Local Partnership Program (SB1 LPP) for Westside Bridges, Sustainable Communities for Brotherhood Way Active Transportation Corridor, and Carbon Neutral Cities Alliance for Decarbonizing Downtown Business Deliveries Study; and

WHEREAS, Major changes in revenues due to increase in revenue estimates include the following: Federal and state program revenues for Interstate 80/YBI Interchange Improvement Project - Southgate Road Realignment Improvements, Sales Tax Revenues,



Interest Income, and SB1 LPP for YBI Multi-Use Pathway; and

WHEREAS, Major changes in expenditures due to project delays and/or project sponsors' prioritizing reimbursement from other fund sources include the following projects: Prop K various projects, Prop AA various projects, Southgate Road Realignment Improvements - Torpedo Building Rehabilitation, I-280 Southbound Ocean Avenue Off-Ramp Realignment, and Hillcrest Road Widening; and

WHEREAS, Administrative operating costs, debt service costs, and other financing sources also need to be updated from the original estimates contained in the adopted FY 2022/23 budget; and

WHEREAS, At its March 29, 2023, meeting, the Community Advisory Committee was briefed on the proposed budget amendment and unanimously adopted a motion of support for the staff recommendation; now, therefore, be it

RESOLVED, That the Transportation Authority's adopted FY 2022/23 budget is hereby amended to increase revenues by \$31.2 million, decrease expenditures by \$19.1 million, and decrease other financing sources by \$55.0 million, for a total net decrease in fund balance of \$856,528, as shown in Attachment 1.

Attachment:

1. Proposed Fiscal Year 2022/23 Budget Amendment



## Memorandum

### AGENDA ITEM 11

**DATE:** April 6, 2023

**TO:** Transportation Authority Board

**FROM:** Cynthia Fong – Deputy Director for Finance and Administration

**SUBJECT:** 4/11/23 Board Meeting: Approve the Revised Administrative Code and the Debt; Equal Benefits; Investment; Rules of Order; and Sunshine Policies

|  |  |
|--|--|
| <p><b>RECOMMENDATION</b>   <input type="checkbox"/> Information   <input checked="" type="checkbox"/> Action</p> <p>Approve the revised Administrative Code and the Debt; Equal Benefits; Investment; Rules of Order; and Sunshine policies</p> <p><b>SUMMARY</b></p> <p>It is the Transportation Authority Board’s direction to review all policies periodically to ensure compliance with current statutes and Transportation Authority objectives. We are recommending revisions to the Administrative Code and the Debt; Equal Benefits; Investment; Rules of Order; and Sunshine; policies to conform to applicable law, provide additional clarity and flexibility, and reflect administrative and organizational changes since the last update.</p> | <p><input type="checkbox"/> Fund Allocation</p> <p><input type="checkbox"/> Fund Programming</p> <p><input type="checkbox"/> Policy/Legislation</p> <p><input type="checkbox"/> Plan/Study</p> <p><input type="checkbox"/> Capital Project Oversight/Delivery</p> <p><input type="checkbox"/> Budget/Finance</p> <p><input type="checkbox"/> Contract/Agreement</p> <p><input checked="" type="checkbox"/> Other: Policies</p> |
|--|--|

### BACKGROUND

We develop and implement policies and procedures to organize and formalize agency activities, and to ensure compliance with current statutes and our objectives. We review our Debt Policy annually to maintain prudent debt management principles and maximize our debt capacity. We also review our Investment Policy annually to ensure the policy language remains consistent with governing code and the primary investment objectives of safety of principal, liquidity, and a return on investment consistent with both the risk and cash flow characteristics of our portfolio are met. While we are not required to annually review our Administrative Code and Equal Benefits; Rules of Order; and Sunshine policies, it is good management practice to do so on a regular or as-needed basis.

Below is a brief description of the Administrative Code and Debt; Equal Benefits; Investment; Rules of Order; and Sunshine policies that are the subject of this memorandum.

**Administrative Code:** Prescribe powers and duties of officers, the method and appointment of employees, and the policies and systems of agency operation and management.



**Debt Policy:** Organize and formalize debt issuance-related policies and procedures necessary to carry out the operations of our agency.

**Equal Benefits Policy:** Enforce nondiscrimination provisions in all Transportation Authority contracts and to prohibit the Transportation Authority from contracting with vendors that discriminate in the provisions of benefits between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees.

**Investment Policy:** Set out policies and procedures that enhance opportunities for a prudent and systematic investment policy and to organize and formalize investment-related procedures.

**Rules of Order:** Provide guidance on how the Transportation Authority Board and Committee meetings are conducted.

**Sunshine Policy:** Ensure that the Transportation Authority serves the public with open public decision making as required by California's Ralph M. Brown Act and Public Records Act.

## **DISCUSSION**

The purpose of this memorandum is to present staff recommendations for updates to our policies. At our request, our legal counsels reviewed these policies. Based on that review, we are recommending revisions as redlined in the proposed policies and outlined in the set of matrices in Attachments 1 through 9. We are recommending revisions to the Administrative Code and Debt; Equal Benefits; Investment; Rules of Order; and Sunshine policies to conform to applicable law, provide additional clarity and flexibility, and reflect administrative and organizational changes since the last update.

The Board last adopted the Administrative Code in June 2021 through Ordinance 21-01. At our request, Nossaman LLP reviewed the Administrative Code. Based on their review, we are recommending changes as redlined in the proposed code in Attachment 2.

The Board last adopted the Debt and Investment Policies in June 2022 through Resolution 21-57. At our request, Squire Patton Boggs LLP and KNN Public Finance, LLC, have reviewed these policies and based on their reviews, we are recommending changes as redlined in the proposed policies in Attachments 3 and 5.

The Board adopted the Equal Benefits Policy in June 2016 through Resolution 16-56. At our request, Meyers Nave reviewed this policy and based on their reviews, we are recommending changes as redlined in the proposed policies in Attachment 4.

The Board last adopted the Rules of Order in February 2017 through Resolution 17-30. At our request, Nossaman LLP reviewed this policy and based on their reviews, we are recommending changes as redlined in the proposed policies in Attachment 6.



The Board adopted the Sunshine Policy in April 1995 through Resolution 95-10. At our request, Nossaman LLP reviewed this policy and based on their reviews, we are recommending changes as redlined in the proposed policies in Attachment 7.

## **FINANCIAL IMPACT**

The recommended action would not have an impact on the adopted Fiscal Year 2022/23 budget.

## **CAC POSITION**

The Community Advisory Committee considered this item at its March 29, 2023, meeting and unanimously adopted a motion of support for the staff recommendation, which at the time also included the Procurement and Travel, Conference, Training, and Business Expense Reimbursement policies. Subsequent to the CAC meeting and at the request of Commissioner Chair Mandelman, we are deferring updates to the Procurement and Travel, Conference, Training, and Business Expense Reimbursement policies to a future meeting, in order to align with anticipated changes to Chapter 12X of the San Francisco Administrative Code relating to contracting and staff travel to states with laws that restrict abortion access, discriminate against LGBT individuals, or suppress voting rights.

## **SUPPLEMENTAL MATERIALS**

- Attachment 1 - Summary of Proposed Revisions
- Attachment 2 - Proposed Administrative Code
- Attachment 3 - Proposed Debt Policy
- Attachment 4 - Proposed Equal Benefits Policy
- Attachment 5 - Proposed Investment Policy
- Attachment 6 - Proposed Rules of Order
- Attachment 7 - Proposed Sunshine Policy
- Attachment 8 - Ordinance (Administrative Code)
- Attachment 9 - Resolution (Policies)

| SECTION  | REVISION   | REASON  | PAGE |
|--|--|---|------|
| <b>SECTION 2. DUTIES OF THE TRANSPORTATION AUTHORITY (a)</b>   | <p>The Transportation Authority shall have the power, authority, and duty to do all things necessary and required to accomplish the stated purposes and goals of Division 12.5 of the California Public Utilities Code, also known as the Bay Area County Traffic and Transportation Funding Act, including the following:</p> <p>(a) Administer the <u>2022 Transportation Expenditure Plan, approved by voters as Proposition L and effective on April 1, 2023, which supersedes the New Transportation Expenditure Plan approved by voters as Proposition K and effected on November 4, 2003, as well as the original</u> Transportation Expenditure Plan, <del>which became effective upon approval</del> <u>approved</u> by voters as Proposition B on November 7, 1989, <del>superseded by the New Transportation Expenditure Plan, which became effective upon adoption by the voters as Proposition K on November 4, 2003; and extended</del> <u>extending</u> the sales tax implemented by Proposition B for a <u>another</u> 30-year period.</p> <p>(b) Adopt an annual budget by June 30 <u>of each year</u> and fix the compensation of its commissioners and employees. The compensation of commissioners shall be as provided in Section 3.2 herein.</p> <p>(c) Cause a post audit of its financial transactions and records at least annually by a certified public accountant.</p> <p>(d) Prepare and adopt an annual report by January 31 of each year on the <u>progress to achieve the objectives of completion of</u> <del>completed for</del> the projects in the Transportation Expenditure Plan.</p> <p>(e) Conduct an employee performance evaluation of the Executive Director by December 31 of each year for the Executive Director's work performance <del>for the current of the preceding</del> year.</p> <p>(f) Perform other related responsibilities, including but not limited to (i) serving as the county program manager for the Transportation Fund for Clean Air; (ii) serving as the county Congestion Management Agency; (iii) administering Proposition AA projects; and (iv) administering Prop D projects.</p> | <p>Update to sales tax implementation history and revisions for clarity.</p>  | 1    |
| <b>SECTION 4. STAFF TO THE TRANSPORTATION AUTHORITY</b><br><b>(a) Executive Director.</b><br>Subsection 5. | <p>To direct the preparation and administration of purchase orders and contracts for goods and services, <u>and</u> to execute contracts for goods, materials, and services, including support services, <del>and agreements with sponsoring agencies</del> where estimated expenditures thereunder do not exceed <del>\$75,000</del> <u>\$100,000</u> and to execute any agreements with sponsoring agencies where sufficient funding for such is available in the Transportation Authority's budget;</p>   | <p>Updates to reflect current circumstances.</p> <p>Revision to increase Executive Director's authorization threshold to be in line with comparable transportation agencies and adjust for inflation.</p> | 4    |

| SECTION  | REVISION   | REASON  | PAGE |
|--|--|---|------|
| <b>SECTION 4. STAFF TO THE TRANSPORTATION AUTHORITY</b><br><br><b>(a) Executive Director.</b><br><br>Subsection 7.   | To provide the day-to-day administration of the Transportation Authority and to perform such other and additional duties as the Transportation Authority <u>Board</u> may prescribe.   | Minor revision for clarity.   | 4    |
| <b>SECTION 5. METHODS, PROCEDURES, AND SYSTEMS OF OPERATION AND MANAGEMENT</b><br><br><b>SECTION 5.2. COMMUNITY ADVISORY COMMITTEES.</b><br><br><b>(a) Community Advisory Committee.</b> | <p>The Board shall appoint eleven non-Commission members to a Community Advisory Committee. This committee shall include representatives from various segments of the community, such as public policy organizations, labor, business, seniors, people with disabilities, environmentalists, and neighborhoods, and reflect broad transportation interests. The committee is also intended to reflect the racial and gender diversity of San Francisco residents. <u>Each Commissioner shall nominate one member to the committee.</u> The committee members shall be residents of San Francisco and shall serve <del>without compensation</del> for a two-year period. Any member who is absent for four of any twelve regularly scheduled consecutive meetings shall have their membership automatically terminated. Any resulting vacancy shall be filled for a new two-year period. Any member whose membership has been terminated or whose term of office has expired and who wishes to be reappointed shall contact their District Supervisor and shall reappear before the Board to speak on their behalf. This committee shall meet at least quarterly, and all meetings shall be conducted pursuant to the Brown Act and shall be open to the public. The regular meetings of the committee shall be held on the fourth Wednesday of each month at 6:00 p.m. at the Transportation Authority's offices at 1455 Market Street, 22nd Floor, San Francisco, California, <u>barring a state of emergency which would move the location to a virtual meeting platform.</u> The staff of the Transportation Authority will be available to assist the committee. This committee shall provide input to the Transportation Authority in:</p> <ol style="list-style-type: none"> <li>1. Defining the mission of the Transportation Authority;</li> <li>2. Reflecting community values in the development of the mission and program of the Transportation Authority, and channeling that mission and program back to the community;</li> <li>3. Defining criteria and priorities for implementing the <del>New Transportation Expenditure Plan programs</del> consistent with the intention of <del>Proposition K</del> <u>the half-cent sales tax funding purposes</u>; and</li> <li>4. Monitoring the Transportation Authority's programs and evaluating the sponsoring agencies' productivity and effectiveness.</li> </ol> | <p>Revisions for clarity and to allow flexibility to compensate committee members.</p> <p>Updates to reflect current circumstances or state of affairs.</p> | 6-7  |



| SECTION  | REVISION   | REASON  | PAGE |
|--|--|---|------|
| <b>SECTION 5. METHODS, PROCEDURES, AND SYSTEMS OF OPERATION AND MANAGEMENT</b> | (a) Contracts for the purchase of supplies, equipment, and materials in excess of <del>\$75,000</del> <u>\$100,000</u> shall be awarded after a formal competitive procurement process in conformance with the Transportation Authority's adopted Procurement Policy.  | Revision to increase Executive Director's authorization threshold to be in line with comparable transportation agencies and adjust for inflation. | 7    |
| <b>SECTION 5.3 CONTRACTS.</b>  | (b) Contracts for the purchase of services in excess of <del>\$75,000</del> <u>\$100,000</u> shall be awarded after a formal competitive procurement process in conformance with the Procurement Policy.   | Minor revision for accuracy and consistency.  |      |
|  | (c) The Executive Director is authorized to contract for supplies, equipment, materials, and services for an amount less than or equal to <del>\$75,000</del> <u>\$100,000</u> in conformance with the Procurement Policy. The Executive Director is authorized to amend contracts and agreements within the parameters specified in the Procurement Policy.   |   |      |
|  | (d) Where advantageous, the Transportation Authority may contract without initiating a competitive procurement process with any public agency, including but not limited to, the <del>State-California</del> Department of Transportation, the Metropolitan Transportation Commission, or any transit district, county, or city, including the City <u>and County of San Francisco</u> , to render designated services or to provide materials on behalf of the Transportation Authority in conformance with the Procurement Policy. |   |      |
|  | (e) All contracts shall reflect the Disadvantaged Business Enterprise/Local Business Enterprise goals, if applicable and as permitted by law, and Equal Benefits provisions adopted by the Transportation Authority.   |   |      |



| SECTION   | REVISION  | REASON   | PAGE |
|---|---|--|------|
| <b>V. SOURCE OF SECURITY FOR DEBT FINANCING</b> | Beginning in April of 1990, the State of California Board of Equalization (now the California Department of Tax and Fee Administration) started collecting the sales tax revenues for the Transportation Authority as set forth in the San Francisco County Transportation Expenditure Plan (Prop B Expenditure Plan) for a period not to exceed twenty years. In November of 2003, San Francisco voters approved the Proposition K Sales Tax (Prop K) a <del>new</del> 30-year Expenditure Plan (Expenditure Plan) that superseded Prop B and continued the one-half of one percent sales tax. <u>In November 2022, San Francisco voters approved the Proposition L Sales Tax (Prop L), a new 30-year Expenditure Plan that supersedes Prop K and continues the one-half of one percent sales tax.</u> The Transportation Authority's current debt obligations are secured by the sales tax revenues generated from the Transportation Authority's one-half cent (0.5%) sales tax collections in the City and County of San Francisco. The sales tax is currently set to expire on March 31, <del>2034</del> <u>2053</u> . | Update to recognize the adoption of new Prop L measure.  | 2    |
| <b>VI. STRATEGIC PLAN INTEGRATION</b>           | The Transportation Authority's multi-year Strategic Plan, which programs the Expenditure Plan, shall be used in combination with this Debt Policy and the Fiscal Policy to ensure proper allocation and financing of <del>Prop K</del> eligible projects. The Strategic Plan sets priorities and strategies for allocating <del>Prop K</del> funds under its guiding principles, while the Debt Policy provides policy direction and limitations for proposed financing and the Fiscal Policy provides guidance on decisions pertaining to internal fiscal management. Debt issuance for capital projects shall not be recommended for Board approval unless such issuance has been incorporated into the Strategic Plan.   | Minor revisions for clarity.   | 2    |
| <b>VII. STANDARDS FOR USE OF DEBT FINANCING</b> | Retitle the subheading as follows: Capital Projects   | Revision to reflect other types of capital projects that could be financed using long-term debt. | 3    |
| B. <del>Long-Term</del> Capital Projects.       |   |  |      |



| SECTION  | REVISION   | REASON   | PAGE |
|--|--|--|------|
| <b>VII. STANDARDS FOR USE OF DEBT FINANCING</b><br><br>B. <del>Long-Term</del> Capital Projects.             | <p>The Transportation Authority will issue long-term debt only to finance and refinance <del>long-term</del> capital projects. When the Transportation Authority finances capital projects by issuing bonds, the average principal amortization should not exceed 120% of the weighted average useful life of the project being financed or refinanced if the bonds are intended to be federally tax-exempt and the debt repayment period should not exceed the earlier of the following: (1) the sunset date of the current Expenditure Plan or (2) forty (40) years from the date of issuance. Inherent in its long-term debt policies, the Transportation Authority recognizes that future taxpayers will benefit from the capital investment and that it is appropriate that they pay a share of the asset cost. Long-term debt financing shall not be used to fund operating costs unless such costs qualify as capital expenditures under federal tax <del>principles</del><u>law</u>.</p>   | <p>Revisions to reflect other types of capital projects that could be financed using long-term debt, for clarity, and to track term used in federal tax law.</p> | 3    |
| <b>VII. STANDARDS FOR USE OF DEBT FINANCING</b><br><br>D. Ongoing Debt Administration and Internal Controls. | <p>The Transportation Authority shall maintain all debt-related records for a period of not less than the term of the debt plus three years. At a minimum, this repository will include all official statements, bid documents, ordinances, indentures, trustee reports, continuing disclosure reports, material events notices, tax certificates, information regarding the investment of and project costs paid with bond proceeds, underwriter and other agreements, etc., for all Transportation Authority debt. To the extent that official transcripts incorporate these documents, possession of a transcript will suffice (transcripts may be <del>hard copy, or stored on CD-ROM in physical or electronic formats</del>). The Transportation Authority developed a standard procedure for archiving transcripts for any new debt. The Transportation Authority developed procedures and controls that will be reviewed periodically. The Transportation Authority has established internal controls to ensure compliance with the Debt Policy, all debt covenants and any applicable requirements of applicable law.</p> | <p>Minor change in recognition that the Transportation Authority may store transcripts electronically in formats other than CD-ROM.</p>                          | 3    |

| SECTION   | REVISION   | REASON   | PAGE |
|---|--|--|------|
| <b>VII. STANDARDS FOR USE OF DEBT FINANCING</b><br><br>E. Tax Law Compliance, Rebate Policy and System.       | <p>The use of proceeds of debt issued by the Transportation Authority, the interest on which is intended to be federally tax-exempt, is subject to requirements, <u>restrictions</u>, and limitations in order <u>for</u> the debt to qualify for tax-exemption initially at issuance and <u>to</u> remain <del>s</del> tax-exempt on an ongoing basis until such debt is fully repaid. Failure to comply with such requirements, <u>restrictions</u> and limitations could cause such issue of the Transportation Authority's debt <del>to be determined</del> to fail to qualify for tax-exemption, retroactive to the date of issuance. The Transportation Authority designates the Executive Director, and their designee, to periodically undertake procedures to confirm compliance with such requirements, <u>restrictions</u>, and limitations. In furtherance thereof, the Executive Director, and their designee, will consult with the Transportation Authority's bond counsel or others as deemed necessary regarding such periodic procedures or in the event that it is discovered that noncompliance has or may have occurred.</p> <p>In addition, in furtherance of the above, the Transportation Authority will accurately account for all interest earnings in debt-related funds. These records will be designed to ensure that the Transportation Authority is in compliance with all debt covenants, including covenants related to the preservation of the tax-exempt status of debt issued on such basis, and with all applicable laws. The Transportation Authority will maximize the interest earnings on all funds within the investment parameters set forth in the respective indentures, consistent with consideration of applicable yield limits and arbitrage requirements and as permitted by the Investment Policy. The Transportation Authority will develop a system for reporting interest earnings that relates to and complies with any tax certificate(s) relating to its outstanding debt and Internal Revenue Code rebate, yield limit, and arbitrage rules, and for making any required filings with State and Federal agencies. The Transportation Authority will retain records as required by its tax certificate(s). The Transportation Authority shall have the authority to retain the services of an Arbitrage Rebate Consultant.</p> | Revisions for clarity, grammar, and readability. | 4    |
| <b>VIII. FINANCING CRITERIA</b><br><br>A. <u>Purpose of Debt</u> .  | <p>When the Transportation Authority determines the use of debt is appropriate, <u>such debt may be new money debt or refunding debt</u>. <del>the following criteria will be utilized to evaluate the type of debt to be issued.</del></p>  | Minor revision for clarity.                      | 4    |
| <b>VIII. FINANCING CRITERIA</b><br><br>A. <u>Purpose of Debt</u> .<br><br>1. New Money <u>DebtFinancing</u> . | <p>Retitle the subheading as follows: New Money Debt.</p>  | Minor revision for clarity and consistency.      | 4    |



| SECTION  | REVISION  | REASON   | PAGE |
|--|---|--|------|
| <b>VIII. FINANCING CRITERIA</b><br>A. <u>Purpose of Debt.</u><br>1. New Money <u>Financing Debt.</u> | New money <del>debt is debt issued to finance issues</del> are financings that generate <del>funding for</del> capital projects. <del>Eligible c</del> Capital projects <del>eligible for financing with debt issued by the for allocation of</del> Transportation Authority funds include the acquisition, construction, or major rehabilitation of capital assets. <del>In accordance with the philosophy of the Debt Policy,</del> Long-term debt proceeds generally may not be used for operating expenses. Capital project funding requirements are outlined in the annual budget, the Strategic Plan, and the Expenditure Plan. | Minor revision for clarity and consistency.          | 4    |
| <b>VIII. FINANCING CRITERIA</b><br>A. <u>Purpose of Debt.</u><br>2. Refunding <u>Debt Financing.</u> | Retitle the subheading as follows: Refunding Debt.  | Minor revision for clarity and consistency.          | 5    |
| <b>VIII. FINANCING CRITERIA</b><br>A. <u>Purpose of Debt.</u><br>2. Refunding <u>Financing Debt.</u> | Refunding debt is issued to retire all or a portion of an outstanding bond issue or other debt. Refunding issuances can be used to achieve present-value savings on debt service, to modify interest rate risk, or to restructure the payment schedule, type of debt instrument used, or covenants of existing debt. The Transportation Authority must analyze each refunding issue on a present-value basis to identify economic effects before approval. Policies on the administration of refunding financings are detailed further in Section XI: Refinancing Outstanding Debt.   | Revision to correct typo of reference to Section XI. | 5    |

| SECTION                         | REVISION   | REASON  | PAGE |
|---------------------------------|--|---|------|
| <b>VIII. FINANCING CRITERIA</b> | <b>Long-Term Debt.</b>   |   |      |
| <b>B. TYPES OF DEBT.</b>        |  |   |      |
| <b>1. Long-Term Debt.</b>       | <p>The Transportation Authority may issue long-term debt (e.g., fixed or variable rate revenue bonds) <del>to finance capital projects when such projects when funding allocations</del> cannot be financed <del>from with</del> current revenues <del>or funds</del>. The proceeds derived from long-term <del>debt borrowing</del> will not be used to finance current operations or normal maintenance. Long-term debt will be structured such that average principal amortization does not exceed 120% of the weighted average useful life of the project being financed or refinanced if the bonds are intended to be federally tax-exempt and the debt repayment period does not exceed the earlier of the following: (a) the sunset date of the current Expenditure Plan and (b) forty (40) years from the date of issuance.</p> <p><b>Fixed Rate</b></p> <p>a) <b>Current Coupon Bonds</b> are bonds that pay interest periodically and principal at maturity. They may be used for both new money and refunding transactions. Bond features may be <del>selected at the time of sale adjusted</del> to accommodate the market conditions at <del>such the time, of sale, including changing Bond features that may be selected include the</del> dollar amounts for <del>different</del> principal maturities, <del>offering</del> discount and premium <del>bond</del>-pricing <del>for each maturity, modifying</del> call provisions, <del>utilizing use of</del> bond insurance, <del>and determining how to fund funding of</del> the debt service reserve fund, if any, and <del>funding of</del> costs of issuance.</p> <p>b) <b>Zero Coupon and Capital Appreciation Bonds</b> pay interest that is compounded and paid only when principal matures. <del>Interest continues to accrue on the unpaid interest, and these These</del> types of bonds typically bear interest at rates that are higher than those on current-coupon bonds, therefore representing a more expensive funding option. In the case of zero-coupon bonds, principal paid at maturity is discounted back to the initial investment amount received at issuance. In the case of capital appreciation bonds (CABs), interest on the bond accretes until maturity. Often, CABs are structured so as not to be callable prior to maturity, even if economic conditions are such that substantial savings could be achieved through refunding <del>those the</del> CABs.</p> | Minor revisions for clarity and flexibility for the Transportation Authority. | 5    |

| SECTION  | REVISION   | REASON  | PAGE |
|--|--|---|------|
| <b>VIII. FINANCING CRITERIA</b><br><b>B. TYPES OF DEBT.</b><br><b>2. Short-Term Debt.</b><br>Subsection d).    | <b>Letters or Lines of Credit</b> shall be considered as an alternative to or credit support for other short-term borrowing options. The Transportation Authority presently has a \$1 <del>2540</del> million revolving credit facility. Amounts can be repaid and reborrowed under the revolving credit facility or another letter or line of credit without further Board action. The average amortization of amounts drawn under the revolving credit facility, letter or line of credit may not exceed 120% of the weighted average useful life of the project being financed or refinanced if the borrowing is intended to be federally tax-exempt and the borrowing must be fully repaid by the earlier of the following: (a) the sunset date of the current Expenditure Plan and (b) forty (40) years from the date of issuance. The repayment of loans under a revolving credit facility or other letter or line of credit is often facilitated by the issuance of long-term bonds or the repaying of principal from cash on hand. If proceeds of long-term bonds are used to repay loans under the revolving credit facility or other letter or line of credit, the amortization and the repayment of the long-term bonds must satisfy the limits set forth above.  | Update to the amount of current revolving credit facility.  | 7    |
| <b>VIII. FINANCING CRITERIA</b><br><b>B. TYPES OF DEBT.</b><br><b>3. Variable Rate Debt.</b><br>Subsection a). | <b>Variable Rate Debt Capacity.</b> Except for the existing \$1 <del>2540</del> million revolving credit facility (to which the following requirements of variable rate debt do not apply) or any replacement facility, the Transportation Authority will maintain a conservative level of outstanding variable rate debt in consideration of general rating agency guidelines recommending a maximum of a 20-30% variable rate exposure, in addition to maintaining adequate safeguards against risk and managing the variable revenue stream both as described below: <ol style="list-style-type: none"> <li><b>Adequate Safeguards Against Risk.</b> Financing structure and budgetary safeguards are in place to prevent adverse impacts from interest rate shifts. <del>such</del> Such structures could include, <del>without limitation, but are not limited to;</del> interest rate swaps, interest rate caps and the matching of assets and liabilities.</li> <li><b>Variable Revenue Stream Repayment Amounts.</b> <del>The revenue stream for repayment is</del> The amount repaid over time will be variable, and is anticipated to move in the same direction as market-generated variable interest rates. <del>or the</del> The dedication of revenues allows capacity for variability.</li> <li><b>(3) As a Component to Synthetic Fixed Rate Debt.</b> Variable rate bonds may be used in conjunction with a financial strategy, which results in synthetic fixed rate debt, subject to <del>other</del> the provisions of the Debt Policy regarding Financial Derivative Products.</li> </ol> | Update to the amount of current revolving credit facility.<br><br>Minor revisions for clarity and flexibility for Transportation Authority. | 7-8  |

| SECTION  | REVISION  | REASON   | PAGE |
|--|---|--|------|
| <b>IX. TERMS AND CONDITIONS OF BONDS</b><br><br><b>B. CAPITALIZED INTEREST.</b>  | <p>The nature of the Transportation Authority's revenue stream is such that funds are generally continuously available, and the use of capitalized interest should not normally be necessary. However, certain types of financings may require the use of capitalized interest from the issuance date until the project sponsor has constructive use of the financed project. Unless otherwise required, including as may be required by statute with respect to the deposit of original issue premium, the Transportation Authority will avoid the use of capitalized interest <del>to so as to not obviate</del> unnecessarily <del>increasing</del> <u>increase</u> the bond issuance size. Interest shall not be funded (capitalized) beyond three (3) years, unless required by statute with respect to the deposit of original issue premium, or a shorter period if further restricted by statute. The Transportation Authority may require that capitalized interest on the initial series of bonds be funded from the proceeds of the bonds. Interest earnings may, at the Transportation Authority's discretion and, if permitted under applicable federal tax law, be applied to extend the term of capitalized interest but in no event beyond the authorized term.</p> | Minor revision for clarity.  | 6    |
| <b>IX. TERMS AND CONDITIONS OF BONDS</b><br><br><b>C. LIEN LEVELS.</b>           | <p>Senior, Parity, and Subordinate Liens have been established under the Transportation Authority's Indenture governing the Transportation Authority's sales tax revenue bonds. The Transportation Authority may utilize any of these lien levels in a manner that will maximize <del>the most critical constraint, typically either cost or capacity, allowing for</del> the <del>most</del> beneficial use of sales tax revenues securing the series of bonds, <u>given the applicable critical constraint of such funds, such as cost or capacity.</u></p>   | Minor revision for clarity.  | 9    |
| <b>IX. TERMS AND CONDITIONS OF BONDS</b><br><br><b>D. ADDITIONAL BONDS TEST.</b> | <p>Any new money senior lien sales tax debt issuance must not <u>result in the sales tax revenues collected in a 12 month period specified by the Transportation Authority within the most recent 18 months immediately preceding the issuance of the senior lien sales tax debt to be cause the Transportation Authority's debt service to be expected to exceed the level at which the incoming sales tax revenues are</u> less than one and three quarters times (1.75x) the maximum annual <u>projected principal, interest, and</u> debt service for the aggregate outstanding Senior Lien bonds including the debt service for the new issuance, calculated in accordance with the Indenture. This test shall not apply to refunding debt. The Transportation Authority may by Supplemental Indenture issue or incur Parity Debt and Subordinate Obligations, subject to the limitations set forth in the Indenture, the Act, the Ordinance, and other applicable law.</p>  | Revision to clarify the period for this provision, as currently provided in financing documents. | 9    |



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|--|---|--|----|
| <b>X. CREDIT ENHANCEMENTS</b><br><br><b>B. DEBT SERVICE RESERVES.</b>                      | <p>When required, a reserve fund equal to not more than the least of ten percent (10%) of the original principal amount of the bonds, maximum annual debt service or one-hundred-and-twenty-five (125%) percent of average annual debt service (Reserve Requirement) shall be funded from the proceeds of each series of bonds, subject to Federal tax regulations and in accordance with the requirements of credit enhancement providers, <del>if any, and</del> rating agencies, and <del>with investors'</del> requirements.</p> <p>The Transportation Authority shall have the authority to purchase reserve equivalents (i.e., the use of a reserve fund surety) when such purchase is deemed prudent and advantageous. Such equivalents shall be evaluated in comparison to cash funding of reserves on a net present value basis.</p> | Revisions for clarity.                                     | 11 |
| <b>X. CREDIT ENHANCEMENTS</b><br><br><b>C. LIQUIDITY FACILITIES AND LETTERS OF CREDIT.</b> | <p>The Transportation Authority shall have the authority to enter into liquidity <del>facilities</del> <u>facility</u> and letter-of-credit <del>agreements</del> <u>arrangements</u> when such <del>agreements</del> <u>arrangements</u> are deemed prudent and advantageous. <u>The Transportation Authority may enter into such arrangements only with</u> <del>Only</del> those financial institutions <del>with that have</del> short-term ratings of not less than VMIG 1/P1, A-1 <del>and or</del> F1, by Moody's Investor Services, Standard &amp; Poor's <del>and or</del> Fitch Ratings, respectively, and <del>with have</del> ratings from at least two of the three aforementioned ratings agencies; <del>may participate in Transportation Authority liquidity facilities and letter of credit agreements.</del></p>            | Revisions for clarity.                                     | 11 |
| <b>XII. METHODS OF ISSUANCE</b> <del>SALE</del>  | Retitle the subheading as follows: Methods of Sale  | Minor revision for clarity.                                | 13 |
| <b>XII. METHODS OF ISSUANCE</b><br><br><b>C. PRIVATE PLACEMENT.</b>                        | <p>From time to time the Transportation Authority may elect to privately place its debt or borrow directly from a bank or other financial institution. Such placement or borrowing shall only be considered if this method is likely to result in cost savings to the Transportation Authority relative to other methods of debt issuance on a net present value basis, using the Transportation Authority's investment rate as the appropriate measure of the discount rate. For the existing \$1<del>2540</del> million revolving credit facility or any replacement facility that is bank purchased, such requirements do not apply.</p>   | Update to the amount of current revolving credit facility. | 14 |



#### XIV. CONSULTANTS

##### C. BOND COUNSEL.

Transportation Authority debt will include a written opinion by legal counsel affirming that the ~~debt is a valid and binding obligation, and stating Transportation Authority is authorized to issue the proposed debt, that the Transportation Authority has met all constitutional and statutory requirements necessary for issuance, and a determination of~~ the proposed debt's federal income tax status. The approving opinion and other documents relating to the issuance of debt will be prepared by nationally recognized counsel with extensive experience in public finance and tax issues. Counsel will be selected by the Transportation Authority through its request for proposal process.

Minor revision for clarity.

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The services of bond counsel may include, but are not limited to:

- a) Rendering a legal opinion with respect to authorization and valid issuance of debt obligations including whether the interest paid on the debt is tax exempt under federal and State of California law;
- b) Preparing all necessary legal documents in connection with authorization, sale, issuance and delivery of bonds and other obligations;
- c) Assisting in the preparation of the preliminary and final official statements or commercial paper memorandum;
- d) Participating in discussions with potential investors, insurers, and credit rating agencies, if requested; and
- e) Providing continuing advice, as requested, on the proper use and administration of bond proceeds under applicable laws and the indenture, particularly arbitrage tracking and rebate requirements.

#### XV. UNDERWRITER SELECTION

##### E. UNDERWRITER'S DISCOUNT.

- a) The Transportation Authority will evaluate the proposed underwriter's discount against comparable issues in the market. If there are multiple underwriters in the transaction, the Transportation Authority will determine the allocation of fees with respect to the management fee. The determination will be based upon participation in the structuring phase of the transaction.
- b) All fees and allocation of the management fee will be determined prior to the sale date; a cap on management fee, expenses and ~~fees and expenses of~~ underwriter's counsel will be established and communicated to all parties by the Transportation Authority. The senior manager shall submit an itemized list of expenses charged to members of the underwriting group. Any additional expenses must be substantiated.

Minor revision for clarity.

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## GLOSSARY

**Arbitrage.** The difference between the interest paid on an issue of tax-exempt debt and the interest earned by investing the debt proceeds in higher-yielding taxable securities. IRS regulations govern arbitrage earned pursuant to the investment of the proceeds of tax-exempt municipal securities.

**Balloon Maturity.** A maturity within an issue of bonds that contains a disproportionately large percentage of the principal amount of the original issue.

**Bullet Maturity.** The maturity of an issue of bonds for which there are no principal payments prior to the final stated maturity date.

**Call Provisions.** The terms of the bond contract giving the issuer the right to redeem all or a portion of an outstanding issue of bonds prior to their stated dates of maturity at a specific price, usually at or above par.

**Capitalized Interest.** A portion of the proceeds of an issue that is set aside to pay interest on the securities for a specific period of time. Interest is sometimes capitalized for the construction period of the project.

**Commercial Paper.** Very short-term, unsecured promissory notes issued in either registered or bearer form, and usually backed by a line of credit with a bank that, upon the maturity thereof, successively rolls into other short term promissory notes until the principal thereof is paid by the Transportation Authority.

**Competitive Sale.** A sale of securities by an issuer in which underwriters or syndicates of underwriters submit sealed bids to purchase the securities in contrast to a negotiated sale.

**Continuing Disclosure.** The ongoing disclosure provided by an issuer to comply with a continuing disclosure undertaking. Generally includes annual updates of operating and financial information, audited financial statements, and notice of events specifically identified in the undertaking.

**Credit Enhancement.** Credit support purchased by the issuer to raise the credit rating of the issue. The most common credit enhancements consist of bond insurance, direct or standby letters of credit, and lines of credit.

**DBE.** Disadvantaged Business Enterprises as defined by the Transportation Authority's current DBE policy.

**Debt Service Reserve Fund.** The fund in which moneys are placed which may be used to pay debt service if pledged revenues are insufficient to satisfy the debt service requirements.

**Deep Discount Bonds.** Bonds that are priced for sale at a substantial discount from their face or par value.

Minor revisions for clarity and consistency with federal tax law.

21-21

**Derivatives.** (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or ~~security asset~~ (interest rates, foreign exchange rates, equities or commodities).

**Designation Policies.** Outline as to how an investor's order is filled when a maturity in an underwriting syndicate is oversubscribed. The senior managing underwriter and issuer decide how the bonds will be allocated among the syndicate. There are three primary classifications of orders, which form the designation policy. The highest priority is given to Group Net orders; the next priority is given to Net Designated orders and Member orders are given the lowest priority.

**Escrow.** A fund established to hold moneys pledged and to be used to pay debt service on ~~an outstanding issue~~ one or more existing obligations.

**Expenses.** Compensates senior managers for out-of-pocket expenses including: underwriters counsel, DTC charges, travel, syndicate expenses, dealer fees, overtime expenses, communication expenses, computer time and postage.

**Grant Anticipation Notes (GANs).** Short-term notes issued by the government unit, usually for capital projects, which are paid from the proceeds of State or Federal grants of any type.

**Grant Anticipation Revenue Vehicle Financing (GARVEE).** Bonds issued by the State and enable entities to fund transportation projects that are secured by certain federal grants.

**Letters of Credit.** A bank credit facility supporting the payment of bonds wherein the bank agrees to lend a specified amount of funds for a limited term.

**Management Fee.** The fixed percentage of the gross spread which is paid to the managing underwriter for the structuring phase of a transaction.

**Members.** Underwriters in a syndicate other than the senior underwriter.

**Negotiated Sale.** A method of sale in which the issuer chooses one underwriter to negotiate terms pursuant to which such underwriter will purchase and market the bonds.

**Original Issue Discount.** The amount by which the original par amount of an issue exceeds its ~~initial sale public offering~~ price at the time a substantial amount of such issue is sold to the public ~~originally offered to an investor~~.

**Original Issue Premium.** The amount by the ~~public offering initial sale~~ price of an issue exceeds its original par amount at the time a substantial amount of such issue is sold to the public ~~is originally offered to an investor~~.

**Pay-As-You-Go.** An issuer elects to finance a project with existing cash flow as opposed to issuing debt obligations.

**Present Value.** The current value of a future cash flow.

**Private Placement.** The original placement of an issue with one or a limited number of investors as opposed to being publicly offered or sold.

**Rebate.** A requirement imposed by the Tax Reform Act of 1986 whereby the issuer of the bonds must pay the IRS an amount equal to the difference between the amount its profit earned from investment of bond proceeds at a yield above the bond yield and the amount that would have been earned at a yield equal to the bond yield, calculated pursuant to the IRS code federal tax law together with all income earned on the accumulated profit earnings pending payment, subject to certain exceptions.

**Sales Tax and Revenue Anticipation Notes (TRANs).** Short-term notes issued by a government unit, usually for operating purposes, which are paid from the proceeds of sales tax or other anticipated revenue sources.

**Selling Groups.** The group of securities dealers who participate in an offering not as underwriters but rather as those who receive securities less the selling concession from the managing underwriter for distribution at the public offering price.

**Syndicate Policies.** The contractual obligations placed on the underwriting group relating to distribution, price limitations and market transactions.

**Transportation Infrastructure Finance Innovation Act (TIFIA).** Loans and loan guaranty program provided by the United States Department of Transportation for transportation projects of regional importance.

**Underwriter.** A dealer that purchases new issues of municipal securities from the Issuer and resells them to investors.

**Underwriter's Discount.** The difference between the price at which the Underwriter buys bonds from the Issuer and the price at which they are reoffered to investors.

**Variable Rate Debt.** An interest rate on a security, which changes at intervals according to an index or a formula or other standard of measurement as, stated in the bond contract.

| SECTION   | REVISION   | REASON  | PAGE |
|---|--|---|------|
| <b>SECTION 1. ALL CONTRACTS TO INCLUDE NONDISCRIMINATION PROVISIONS; DEFINITIONS (c)</b><br><br>Paragraphs 1 to 8 | <p>Definitions. As used in this policy the following words and phrases shall have the meanings indicated herein:</p> <p>"Age" shall mean the age of any employee or applicant for employment who has attained the age of 40 years, <del>and has not attained the age of 65 years.</del> For the purposes of this policy, discrimination because of age shall mean dismissal from employment of, or refusal to employ or rehire any person because of <del>his or her</del> <u>their</u> age, if such person has attained the age of 40 years <del>and has not attained the age of 65 years,</del> if the person is physically able and mentally competent to perform the services required. Age limitations of apprenticeship programs in which the State or its political subdivisions participate shall not be considered discriminatory within the meaning of this policy.</p> <p>"Amend" shall mean to substantively change the terms of a pre-existing contract, and shall not include amendments to decrease the scope of work or the amount to be paid under a contract. Construction change orders shall not be construed as contract amendments for the purposes of this policy.</p> <p>"Board" shall mean the Board of Commissioners of the San Francisco County Transportation Authority.</p> <p>"Contract" shall mean an agreement for public works or improvements to be performed, or for goods or services to be purchased or grants to be provided, at the expense of the Transportation Authority or to be paid out of moneys deposited in the treasury or out of trust moneys under the control or collected by the Transportation Authority, and does not include agreements entered into after June 28, 2016 pursuant to settlement of legal proceedings, contracts for urgent litigation expenses, or contracts for a cumulative amount of \$5,000 or less per vendor in each fiscal year.</p> <p>"Contractor" means any person or persons, firm, partnership, corporation, or combination thereof, who enters into a contract with the Executive Director or designee empowered by law to enter into contracts on the part of the Transportation Authority.</p> <p>"Executive Director" shall mean the Executive Director of the Transportation Authority.</p> <p>"Disability," <u>with respect to an individual,</u> shall mean a physical or mental impairment which substantially limits one or more major life activities, or a record of such an impairment, <u>or being regarded as having such an impairment.</u></p> | <p>Removed language limiting age discrimination to employees who have "not attained the age of 65 years." Definition of "age" modified to be consistent with federal Age Discrimination in Employment Act (ADEA) and age discrimination provisions of California's Fair Employment and Housing Act (FEHA), which generally do not impose an upper limit of 65 years of age.</p> <p>Changed gender references to neutral form.</p> <p>Revise definition of "disability" to be consistent with Americans with Disabilities Act.</p> | 1    |

## Attachment 1 Equal Benefits Policy

| SECTION  | REVISION   | REASON   | PAGE |
|--|--|--|------|
| <b>SECTION 1. ALL CONTRACTS TO INCLUDE NONDISCRIMINATION PROVISIONS; DEFINITIONS (c)</b><br><br>Paragraphs 9 to 16 | <p>"Domestic partner" shall mean any person who has a currently registered domestic partnership with a governmental body pursuant to State or local law authorizing such registration.</p> <p>"Gender identity" shall mean a person's various individual attributes as they are understood to be masculine and/or feminine.</p> <p>"Qualified disabled employee" shall mean a person able to perform the essential functions of a job with or without reasonable accommodation.</p> <p>"Sex" shall mean the character of being male or female, <u>and includes, but is not limited to, pregnancy, childbirth, or related medical conditions; gender identity; transgender status; and sex stereotyping.</u></p> <p>"Sexual orientation" shall mean the status of being lesbian, gay, bisexual, or heterosexual.</p> <p>"Subcontract" shall mean an agreement to provide goods and/or services, including construction labor, materials, or equipment, to a contractor, if such goods or services are procured or used in the fulfillment of the contractor's obligations arising from a contract with the Transportation Authority.</p> <p>"Subcontractor" means any person or persons, firm, partnership, corporation, or any combination thereof, who enters into a subcontract with a contractor. <u>For contracts for or on behalf of the City and County of San Francisco,</u> such term shall include any person or entity who enters into an agreement with any subcontractor for the performance of 10 percent or more of any subcontract.</p> <p>"Transportation Authority" shall mean the San Francisco County Transportation Authority.</p> | <p>Revised definition of "sex" to be consistent with Equal Employment Opportunity Commission guidance and regulations regarding Title VII of the Civil Rights Act.</p> <p>Revised definition of "subcontractor" as it relates to contracts entered for or on behalf of the City and County of San Francisco (City), consistent with the Section 12B.1(c) of SF Admin. Code</p> | 2-3  |

| SECTION  | REVISION   | REASON   | PAGE |
|--|--|--|------|
| <b>SECTION 2.<br/>NONDISCRIMINATION<br/>PROVISIONS (a)</b> | <p>The contractor or subcontractor will not discriminate against any employee, Transportation Authority employee working with such contractor or subcontractor, or applicant for employment with such contractor or subcontractor on the basis of the fact or perception of that person's race, color, religion, ancestry, national origin, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability, weight, height, AIDS/HIV status, or association with members of classes protected under this policy or in retaliation for opposition to any practices forbidden under this policy. Discrimination on the basis of sex includes sexual harassment as defined in Section 16.9-25(b) of the San Francisco Administrative Code. The contractor or subcontractor will take action to ensure that applicants are employed, and that employees are treated equally during employment, without regard to the fact or perception of their race, color, creed, religion, ancestry, national origin, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability, or AIDS/HIV status. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training, including apprenticeship. Nothing in this policy shall require or prohibit the establishment of new classifications of employees in any given craft. The provisions of this Section with respect to age shall not apply to (1) termination of employment because of the terms or conditions of any bona fide retirement or pension plan, (2) operation of the terms or conditions of any bona fide retirement or pension plan which has the effect of a minimum service requirement, and (3) operation of the terms or conditions of any bona fide group or insurance plan. <u>The contractor or subcontractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in such form and content as shall be furnished or approved by the awarding authority setting forth the provisions of this Section.</u></p> | <p>Revised to include language of notice posting requirement of contractor/subcontractor nondiscrimination policy. Language added to be consistent with Section 12B.2(a) of SF Admin. Code.</p>  | 4    |
| <b>SECTION 2.<br/>NONDISCRIMINATION<br/>PROVISIONS (c)</b> | <p>The contractor or subcontractor shall provide reasonable accommodation for qualified disabled applicants for employment and for qualified disabled employees. Said contractor or subcontractor need not provide reasonable accommodation if such would present an undue hardship. An undue hardship <u>means significant difficulty or expense incurred by a contractor or subcontractor with respect to the resources and circumstances of the particular employer in relationship to the cost or difficulty of providing a specific accommodation. Undue hardship must be assessed on a case-by-case basis and refers not only to financial difficulty, but to reasonable accommodations that are unduly extensive, substantial, or disruptive, or those that would fundamentally alter the nature or operation of the business. may include but not be limited to more than a de minimis cost, violation of the seniority rights of other co-workers as established by a bona fide seniority system, or a health or safety risk to the employee or co-employees. The burden of establishing undue hardship rests on the employer.</u></p>  | <p>Revised explanation of meaning of "undue hardship. The language that was removed from the definition of "undue hardship" was removed because it provided for the meaning of "undue hardship" within the context of religious accommodations under Title VII. The meaning of "undue hardship" under ADA standards is stricter, so this language was added.</p> | 5    |

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| <b>SECTION 2.<br/>NONDISCRIMINATION<br/>PROVISIONS (d)</b> | The contractor or subcontractor will in all solicitations or advertisements for employees placed by or on <del>his or her</del> their behalf, state that qualified applicants will receive consideration for employment without regard to the fact or perception of their race, creed, religion, color, ancestry, national origin, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability, weight, height or AIDS/HIV status.   | Changed gender references to neutral form.  | 5    |
| <b>SECTION 2.<br/>NONDISCRIMINATION<br/>PROVISIONS (e)</b> | The contractor or subcontractor will send to each labor union or representative of workers with which <del>he or she</del> they has a collective bargaining agreement or other agreement or understanding, a notice advising the said labor union or workers' representative of the contractor's or subcontractor's commitments under this Section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.   | Changed gender references to neutral form.  | 5    |
| <b>SECTION 2.<br/>NONDISCRIMINATION<br/>PROVISIONS (g)</b> | <p><u>When directed by the Transportation Authority, for contracts for or on behalf of the City and County of San Francisco, the contractor or subcontractor shall submit an Equal Pay Report if the contractor or subcontractor has at least 20 employees worldwide and, for a contract or subcontract, the agreement has a value equal to or in excess of the Threshold Amount set forth in the San Francisco Administrative Code Chapter 6 or the Minimum Competitive Amount set forth in San Francisco Administrative Code Chapter 21, as applicable, or, for a grant, the agreement has a value equal to or in excess of \$50,000.</u></p> <p><u>(1) The Equal Pay Report shall provide summary information on compensation paid to employees identified by sex, race, sex and race, and data points the Human Rights Commission of the City and County of San Francisco has adopted by regulation.</u></p> <p><u>(2) Each contractor or subcontractor shall file a complete and accurate Equal Pay Report with the Transportation Authority commencing on a date set by the Transportation Authority but no later than July 3, 2017. Thereafter, each contractor or subcontractor shall file an Equal Pay Report annually.</u></p> <p><u>(3) The Equal Pay Report requirements of this Section 2(g) shall apply to all qualifying contracts, subcontracts and grants first advertised for bid, request for qualification or proposal is issued or initiated on a date set by the Transportation Authority but no later than July 3, 2017.</u></p> | Language added consistent with Section 12B.2(f)(2) of SF Admin. Code, which requires a contractor or subcontractor to submit an equal pay report under specified circumstances. | 4-5  |



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|  | <p><u>(4) If any information in the Equal Pay Report constitutes proprietary financial data, or confidential trade secret, or is protected by the right of privacy under the U.S. or California Constitution, the Transportation Authority shall not disclose such information unless required by law, including under the California Public Records Act and the San Francisco Sunshine Ordinance. The Equal Pay Report may be disclosed to the City and County of San Francisco.</u></p>  |  |      |
| <b>SECTION 2.<br/>NONDISCRIMINATION<br/>PROVISIONS (h)</b> | <p><u>A contractor or subcontractor shall be deemed to have breached the nondiscrimination provisions of this policy upon a finding by the Executive Director or such other official who may be designated by the Board, that the contractor or subcontractor has willfully violated such nondiscrimination provisions.</u></p> <p>(1) A breach of the nondiscrimination provisions in the performance of a contract or subcontract shall be deemed by the Transportation Authority to be material breach of contract and the basis for determination by the Transportation Authority that the contractor or subcontractor is an irresponsible bidder as to all future contracts for which such contractor or subcontractor may submit bids. Such contractor or subcontractor shall not for a period of up to two years thereafter, or until it shall establish and carry out a program in conformity with the nondiscrimination provisions of this policy, be allowed to act as a contractor or subcontractor under any contract.</p> <p><u>(2) If a finding of discrimination is made by the Executive Director, the Transportation Authority shall submit a report to the Board that provides details of what actions, if any, the Transportation Authority undertook under this policy.</u></p> <p><u>(A) Upon such finding by the Executive Director or other official designated by the Board, the Transportation Authority shall notify the contractor or subcontractor that unless the contractor or subcontractor demonstrates to the satisfaction of the Executive Director or other official designated by the Board, within such reasonable period as the Board shall determine, that the violation has been corrected, action will be taken as set forth in Subparagraphs (h) and (i) hereof.</u></p> <p><u>(B) The Transportation Authority shall, within 10 days of the date of issuance of any finding by the Executive Director or other official designated by the Board for the enforcement of this policy, mail to any person or persons affected by said finding, a copy of said finding, together with written notice of the right to appeal such finding. Notice of appeal must be filed in writing with the Chairperson of the Board within 20 days of the date of mailing said copy and notice.</u></p> | <p>Language added consistent with Section 12B.2(g)(1) of SF Admin. Code, to introduce provisions regarding breach of nondiscrimination policy.</p> | 6-7  |

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|         | <p><u>(C) For purpose of appeal proceedings under this Section, a quorum shall consist of six members of the Board. The vote of the majority of the full Board shall be necessary to affirm, reverse or modify such decisions, order or other action rendered hereunder.</u></p> <p><u>(D) The presiding officer of the Board shall have the power to administer oaths to witnesses in appeals before the Board under this Section. In the event that any person shall fail or refuse to appear as a witness in any such proceeding after being requested to do so, and if it shall appear to the Board that their testimony, or books, records, documents or other things under their control are material and relevant as evidence in the matter under consideration by the Board in the proceeding, the presiding officer of the Board may subpoena such person, requiring their presence at the proceeding, and requiring them to bring such books, records, documents or other things under their control.</u></p> <p><u>(E) All appeals to the Board shall be open to the public. Records and minutes shall be kept of such proceedings and shall be open to public inspection. Upon reaching a decision in any appeal, the Board shall give written notice thereof to the Executive Director or other official designated by the Board, and the appellant or appellants. The decision of the Board shall be final unless within 15 days of the filing and service of written notice thereof appropriate legal proceedings are filed in a court of competent jurisdiction by any party to the contract, property contract or subcontract.</u></p> <p><u>(F) If any contractor or subcontractor shall fail to appear at an appeal proceeding of the Board after having been given written notice to appear, such failure to appear shall be grounds for termination of the contract, property contract or subcontract and such contractor or subcontractor shall be deemed to have forfeited all rights, benefits, and privileges thereunder.</u></p> <p><u>(3) The Transportation Authority may deduct from the amount payable to the contractor or subcontractor by the City under any contract subject to this policy, or may impose upon the contractor or subcontractor, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this policy. In addition to any other penalties provided for the violation of the nondiscrimination provisions of this policy, the contract or subcontract may be terminated or suspended, in whole or in part, by the Transportation Authority upon the basis of a finding as set forth in Section 2(h) that the contractor has discriminated contrary to the provisions of this policy, and all moneys due or to become due hereunder may be forfeited to, and retained by, the</u></p> |        |      |

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|  | <p><u>Transportation Authority.</u></p> <p>(4) Nothing contained in this policy shall be construed in any manner so as to prevent the Transportation Authority from pursuing any other remedies that may be available at law, equity or under any contract.</p>                                    |  |      |
| <b>SECTION 2.<br/>NONDISCRIMINATION<br/>PROVISIONS (i)(1)</b>                  | <p>If the contractor or subcontractor has been held to be an irresponsible bidder under Section 2(hg) hereof, the contractor or subcontractor shall furnish evidence that it has established and is carrying out a program in conformity with the nondiscrimination provisions of this policy.</p> | Updated section reference.                 | 7    |
| <b>SECTION 4.<br/>NONAPPLICABILITY,<br/>EXCEPTIONS AND<br/>WAIVERS. (e)(2)</b> | <p>The Transportation Authority will incur a financial loss which, in the opinion of the Executive Director, would violate <del>his or her</del> their fiduciary duties.</p>   | Changed gender references to neutral form. | 9    |

Attachment 1  
Investment Policy

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| <b>J.I. INTRODUCTION</b>  | <p>The purpose of this document is to set out policies and procedures that enhance opportunities for a prudent and systematic investment policy and to organize and formalize investment-related procedures.</p> <p>The investment policies and procedures of the San Francisco County Transportation Authority (Transportation Authority) are, in every case, subject to and limited by applicable provisions of <u>federal and state laws and executive orders</u> and to prudent money management principles. All funds will be invested in accordance with the Transportation Authority's Investment Policy, and applicable provisions of Chapter 4 of Part 1 of Division 2 of Title 5 of the California Government Code (Section 53600 et seq.). The investment of bond proceeds (including proceeds of notes issued pursuant to bond documents) will be further restricted by the provisions of relevant bond documents.</p>   | Added references to applicable federal laws and federal and state executive orders.                       | 1    |
| <b>III. PRUDENT INVESTOR STANDARD</b>   | <p>In managing its investment program, the Transportation Authority will observe the "Prudent Investor" standard as stated in Government Code Section 53600.3, applied in the context of managing an overall portfolio. Investments will be made with care, skill, prudence, and diligence, taking into account the prevailing circumstances, including, but not limited to, the general economic conditions, the anticipated needs of the Transportation Authority, and other relevant factors that a prudent person acting in a fiduciary capacity and familiar with those matters would use in the <u>conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the Transportation Authority.</u><del>stewardship of funds of a like character and purpose.</del></p>   | Revision to clarify and define applicable standard.   | 2    |
| <b><u>V. INVESTMENTS SUBJECT TO FEDERAL AND STATE LAWS AND EXECUTIVE ORDERS</u></b> | <p><u>Investments of the Transportation Authority shall be subject to all applicable federal and state laws and executive orders of the President of the United States and Governor of the State of California.</u></p>  | Explicit statement of existing policy.  | 2    |
| <b><del>X.XI.</del> PERMITTED INVESTMENT INSTRUMENTS</b>                            | <p>California Government Code Section 53601 governs and limits the investments permitted for purchase by the Transportation Authority. Within those investment limitations, the Transportation Authority seeks to further restrict eligible investment to the investments listed below. The portfolio will be diversified by security type and institution, to avoid incurring unreasonable and avoidable concentration risks regarding specific security types or individual financial institutions.</p> <p>Percentage limitations, where indicated, apply at the time of purchase. Rating requirements where indicated, apply at the time of purchase. In the event a security held by the Transportation Authority is subject to a rating change that brings it below the minimum specified rating requirement, the Executive Director will notify the Board of the change. The course of action to be followed will then be decided on a case-by-case basis, considering such factors as the reason for the rating</p> | Various revisions for clarity, to provide correct statutory references and to eliminate unnecessary text. | 4    |

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|         | <p>reduction, prognosis for recovery or further rating reductions and the current market price of the security.</p> <ol style="list-style-type: none"> <li>1. United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest. There is no limitation as to the percentage of the portfolio that may be invested in this category.</li> <li>2. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There is no limitation as to the percentage of the portfolio that may be invested in this category.</li> <li>3. Repurchase Agreements not to exceed one year duration. There is no limitation as to the percentage of the portfolio that may be invested in this category. The <del>Repurchase Agreements must be secured by following collateral restrictions will be observed: Only</del> U.S. Treasury securities or Federal Agency securities <del>are acceptable collateral</del>. All securities underlying repurchase agreements must be delivered to the Transportation Authority's custodian bank versus payment or be handled under a properly executed tri-party repurchase agreement. The market value of securities that <del>underlie</del> <del>underlay</del> a repurchase agreement <del>will</del> <u>must</u> be valued at 102 percent or greater of the funds borrowed against those securities and the value will be adjusted no less than quarterly. Since the market value of the underlying securities is subject to daily market fluctuations, the investments in repurchase agreements will be in compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day.</li> <li>4. Obligations of the State of California or any local agency within the state, including bonds payable solely out of revenues from a revenue-producing property owned, controlled, or operated by the state or any local agency; provided that the obligations are rated in one of the two highest categories by a nationally recognized statistical-rating organization (NRSRO). There is no limitation as to the percentage of the portfolio that may be invested in this category.</li> <li>5. Registered treasury notes or bonds of any of the other 49 <u>states of the</u> United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 <u>states of the</u> United States, in addition to California, provided that the obligations are rated in one of the two highest categories by a NRSRO. There is no limitation as to the percentage of the portfolio that may be invested in this category.</li> <li>6. Bankers' Acceptances issued by domestic or domestic branches of foreign banks, which are eligible for purchase by the Federal Reserve System, the short-term paper of which is rated in the highest category by a NRSRO. <u>Such</u></li> </ol> |        |      |

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|         | <p><del>Purchases of</del> Banker's Acceptances may not exceed 180 days maturity or 40 percent of the Transportation Authority's portfolio. No more than 30 percent of the Transportation Authority's portfolio may be invested in the Banker's Acceptances of any one commercial bank.</p> <p>7. Commercial paper of "prime" quality rated the highest ranking or of the highest letter or number rating as provided by a NRSRO. The entity that issues the commercial paper will meet all of the criteria in either (1) or (2) as follows: (1) the corporation will be organized and operating within the United States as a general corporation, will have assets in excess of five hundred million dollars (\$500,000,000), and will issue debt, other than commercial paper, if any, that is rated "A" or higher by a NRSRO; or (2) the <del>entity corporation</del> will be organized within the United States as a special purpose corporation, trust, or limited liability company, <del>have has</del> program-wide credit enhancements including, but not limited to, over collateralizations, letters of credit, or surety bond; <del>and have has</del> commercial paper that is rated "A-1" or higher, or equivalent by a NRSRO. Eligible commercial paper may not exceed 270 days' maturity nor represent more than 10% of the outstanding paper of an issuing corporation, or 25% of the Transportation Authority's portfolio.</p> <p>8. Medium-term corporate notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the U.S. or any state and operating within the U.S. Medium-term corporate notes will be rated in a rating category "A" or better by a NRSRO. <del>Purchases of m</del>Medium-term notes <del>may will</del> not exceed 30 percent of the Transportation Authority's portfolio.</p> <p>9. FDIC insured or fully collateralized time certificates of deposit in financial institutions located in California. <del>Such Purchases of</del> time certificates of deposit may not exceed 1 year in maturity or 10 percent of the Transportation Authority's portfolio.</p> <p>10. To be eligible to receive <del>the Transportation Authority's local agency</del> money, a bank, savings association, federal association, or federally insured industrial loan company <del>must shall</del> have received an overall rating of not less than "satisfactory" in its most recent evaluation by the appropriate federal financial supervisory agency of its record of meeting the credit needs of California's communities, including low- and moderate-income neighborhoods, pursuant to Section 2906 of Title 12 of the United States Code. <del>The FFIEC provides an overall assessment of the insured depositories' ability to meet the credit needs of their communities, consistent with safe and sound operations.</del></p> <p>11. Negotiable certificates of deposit or deposit notes issued by a nationally or state-chartered bank, a savings association, or a federal association, a state or federal credit union or by a state-licensed branch of a foreign bank. <del>Purchases of n</del>Negotiable certificates of deposit may not exceed 30 percent of the Transportation Authority's portfolio.</p> |        |      |

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|         | 12. State of California's Local Agency Investment Fund (LAIF). The LAIF portfolio should be reviewed periodically. There is no limitation as to the percentage of the portfolio that may be invested in this category. However, the amount invested may not exceed the maximum allowed by LAIF.  |        |      |
|         | 13. The California Asset Management Program, as authorized by Section 53601 (p) of the California Government Code. The Program constitutes shares in a California common law trust established pursuant to Section 6509.7 of Title 1, Division 7, Chapter 5 of the Government Code of the State of California which invests exclusively in investments permitted by subdivisions (a) to (q) of Section 53601 of the Government Code of California, as it may be amended.   |        |      |
|         | 14. Insured savings account or money market account. To be eligible to receive local agency deposits, a financial institution must have received a minimum overall satisfactory rating for meeting the credit needs of California communities in its most recent evaluation. There is no limitation as to the percentage of the portfolio that may be invested in this category. Bank deposits are required to be collateralized as specified under Government Code Section 53630 et. seq. The collateralization requirements may be waived for any portion that is <del>insured</del> covered by the FDIC. The Transportation Authority shall have a signed agreement with any depository accepting Transportation Authority funds per Government Code Section 53649. |        |      |
|         | 15. Placement Service Certificates of Deposit (CDs). Certificates of deposit placed with a private sector entity that assists in the placement of certificates of deposit with eligible financial institutions located in the United States (Government Code Section 53601.8). The full amount of the principal and the interest that may be accrued during the maximum term of each certificate of deposit shall at all times be insured by the FDIC. The combined maximum portfolio exposure to Placement Service CDs and Negotiable CDs is limited to 30%. The maximum investment maturity will be restricted to five years.  |        |      |
|         | 16. The San Francisco City and County Treasury Pool. There is no limitation as to the percentage of the portfolio that may be invested in this category. Unless otherwise noted, the maximum maturity from the trade settlement date can be no longer than five years. Any loans or investments of Transportation Authority funds invested in the San Francisco City and County Treasury Pool to agencies of the City and County of San Francisco will specifically require the approval of the Board prior to purchase or acceptance.   |        |      |
|         | 17. Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940. To be eligible for investment pursuant to this subdivision these companies shall meet either of the following criteria:  |        |      |
|         | <ul style="list-style-type: none"> <li>• Attain the highest ranking or highest letter and numerical rating provided by not less than two NRSROs.</li> </ul>  |        |      |

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|                 | <ul style="list-style-type: none"> <li>Have an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000).</li> </ul> <p>The purchase price of shares of beneficial interest purchased will not include any commission that these companies may charge and will not exceed 20 percent of the Transportation Authority's portfolio.</p>  |   |      |
| <b>Glossary</b> | <p><b>Agencies.</b> Federal agency securities and/or Government-sponsored enterprises.</p> <p><b>Asked.</b> The price at which securities are offered.</p> <p><b>Bankers' Acceptance (BA).</b> A draft or bill of exchange <del>issued accepted</del> by a bank or trust company <del>that guaranteed payment at a later time. The accepting institution guarantees payment of the bill, as well as the issuer.</del></p> <p><del><b>Benchmark.</b> A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.</del></p> <p><b>Bid.</b> The price offered by a buyer of securities. (when you are selling securities, you ask for a bid.) See offer.</p> <p><b>Broker.</b> A broker brings buyers and sellers together, for <del>which the broker typically receives a commission for a successful sale</del> <u>a commission</u>.</p> <p><b>Certificate of Deposit (CD).</b> A time deposit with a specific maturity evidenced by a certificate. Large-denomination CDs are typically negotiable.</p> <p><b>Collateral.</b> Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.</p> <p><b>Coupon.</b> (a) the annual rate of interest that a bond issuer promises to pay the bondholder on the bond's face value. (b) a certificate attached to a bond evidencing interest due on a payment date.</p> <p><b>Dealer.</b> A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.</p> <p><del><b>Debenture.</b> A bond secured only by the general credit of the issuer.</del></p> <p><b>Delivery versus Payment.</b> There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.</p> | Minor revisions for clarity and proposed deletion of defined terms not used in Investment Policy. | 10   |



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|         | <p><b>Derivatives.</b> (1) financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities, or commodities).</p> <p><b>Discount.</b> The difference between <del>the principal amount of a security and its issue price</del> where the issue price is lower than the principal amount of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.</p> <p><b>Discount securities.</b> Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g., U.S. Treasury bills.</p> <p><b>Diversification.</b> Dividing investment funds among a variety of securities offering independent returns.</p> <p><b>Federal credit agencies.</b> Agencies of the federal government set up to supply credit to various classes of institutions and individuals, e.g., S&amp;Ls, small business firms, students, farmers, farm cooperatives, and exporters.</p> <p><b>Federal Deposit Insurance Corporation (FDIC).</b> A federal agency that insures bank deposits, currently up to <del>\$250,000 per depositor per insured bank</del> \$100,000 per deposit.</p> <p><b>Federal funds rate.</b> The rate of interest at which fed funds are traded. This rate is currently pegged by the federal reserve through open-market operations.</p> <p><b>Federal Home Loan Banks (FHLB).</b> Government sponsored wholesale banks (currently 12 regional banks), which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBS is to liquefy the housing related assets of its members who must purchase stock in their district bank.</p> <p><b>Federal National Mortgage Association (FNMA).</b> FNMA, like GNMA was chartered under the federal national mortgage association act in 1938. FNMA is a federal corporation working under the auspices of the department of housing and urban development (HUD). It is the largest single provider of residential mortgage funds in the united statesUnited States. Fannie mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.</p> <p><b>Federal Open Market Committee (FOMC).</b> Consists of seven members of the federal reserve board and five of the twelve federal reserve bank presidents. The president of the <del>N</del>new yorkYork federal reserve bank is a permanent member, while</p> |        | 10-11 |

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|         | <p><del>the other presidents serve on a rotating basis. The committee periodically meets to set federal reserve guidelines regarding purchases and sales of government securities in the open market as a means of influencing the volume of bank credit and money.</del></p> <p><b>Federal reserve system.</b> The central bank of the united states created by congress and consisting of a seven member board of governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.</p> <p><del>Financial statements. Financial statements are an overview of the agency's finances and shall be prepared in accordance with generally accepted accounting principles and shall be accompanied by a report, certificate, or opinion of an independent certified public accountant or independent public accountant.</del></p> <p><del>Government national mortgage association (gnma or ginnie mae). Securities influencing the volume of bank credit guaranteed by gnma and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions: Security holder is protected by full faith and credit of the Government. Ginnie mae securities are backed by the fha, va or fmha mortgages. The term "pass-throughs" is often used to describe ginnie maes.</del></p> <p><b>Liquidity.</b> A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.</p> <p><b>Market value.</b> The price at which a security is trading and could presumably be purchased or sold.</p> <p><del>Master repurchase agreement. A written contract covering all future transactions between the parties to repurchase=reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower.</del></p> <p><b>Maturity.</b> The date upon which the principal or stated value of an investment becomes due and payable.</p> <p><b>Money market.</b> The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) Are issued and traded.</p> <p><b>Nationally Recognized Statistical-Rating Organization (NRSRO).</b> A credit rating agency that issues credit ratings that the U.S. Securities and <del>e</del>Exchange <del>c</del>Commission (<del>SEC</del><del>sec</del>) permits other financial firms to use for certain regulatory purposes.</p> <p><b>Offer.</b> The price asked by a seller of securities. (when you are buying securities, you ask for an offer.) See asked and bid <u>definitions</u>.</p> |        | 11-12 |

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|         | <p>Open market operations. Purchases and sales of government and certain other securities in the open market by the new york federal reserve bank as directed by the fomc in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the federal reserve's most important and most flexible monetary policy tool.</p> <p><b>Portfolio.</b> Collection of securities held by an investor.</p> <p><b>Primary dealer.</b> A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the federal reserve bank of New York and are subject to its informal oversight. Primary dealers include securities and exchange commission (sec)-registered securities broker-dealers, banks, and a few unregulated firms.</p> <p>Prudent person rule. An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.</p> <p><b>Qualified public depository.</b> A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the public deposit protection commission to hold public deposits.</p> <p><b>Rate of return.</b> The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.</p> <p><b>Repurchase Agreement (RP or REPO).</b> <u>A purchase of securities by an agency pursuant to an agreement by which the counterparty seller will repurchase the securities on or before a specified date and for a specified amount and the counterparty will deliver the underlying securities to the agency by book entry, physical delivery, or by third-party custodial agreement.</u> A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use rp extensively to finance their positions. Exception: when the fed is said to be doing rp, it is lending money that is, increasing bank reserves.</p> <p>Safekeeping. A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.</p> |        | 12-13 |

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|         | <p><del>Secondary market. A market made for the purchase and sale of outstanding issues following the initial distribution.</del></p> <p><b>Securities and Exchange Commission (SEC).</b> Agency created by congress to protect investors in securities transactions by administering securities legislation.</p> <p><b>Sec Rule 15c3-1.</b> See uniform net capital rule <u>definition</u>.</p> <p><del>Structured notes. Notes issued by government sponsored enterprises (fhfb, fnma, slma, etc.) And corporations, which have imbedded options (e.g., call features, step up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.</del></p> <p><b>Treasury bills.</b> A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.</p> <p><b>Treasury bonds.</b> Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.</p> <p><b>Treasury notes.</b> Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.</p> <p><b>Uniform net capital rule.</b> Securities and exchange commission requirement that, <del>subject to certain exceptions, prohibits</del> member firms as well as nonmember broker-dealers in securities <del>from permitting their respective aggregate indebtedness to exceed 1500 percent of its net capital; Maintain a maximum ratio of indebtedness to liquid capital of 15 to 1;</del> also called net capital rule and net capital ratio. Indebtedness covers all money owed <del>to a firm</del>, including margin loans and commitments to purchase securities. <del>This is</del> one reason new public issues are spread among members of underwriting syndicates. <del>Net liquid</del> capital includes cash and assets easily converted into cash.</p> <p><b>Yield.</b> The rate of annual income returns on an investment, expressed as a percentage. (a) income yield is obtained by dividing the current dollar income by the current market price for the security. (b) net yield or yield to maturity is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.</p> |        | 13-14 |

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| <b>CHAPTER 1. CHAPTER 1. DEFINITIONS</b><br><br>Rule 1.9                                     | <p>"Committee Room" shall mean <u>San Francisco City Hall Committee Room 263 or 250 of City Hall</u>, or other location as designated with proper notice; <u>and "Legislative Chamber" shall mean San Francisco City Hall Room 250.</u></p>   | <p>Revision to correct meeting room location designations.</p>   | 1    |
| <b>CHAPTER 2. ORGANIZATION AND MEETINGS</b><br><br>Rule 2.5 *Meeting and Rules of Procedure. | <p>All proceedings of the Board shall be in conformance with the provisions of the Bay Area <u>County</u> Traffic and Transportation Funding Act (<del>Sections 131000 et seq. of Division 12.5 of the California Government Code § 131000 et seq.</del>), the San Francisco County Transportation <u>Authority</u> Reauthorization <del>Authority</del> Ordinance (<u>San Francisco Business and Tax Regulations Code</u>, Article 14, <u>§ commencing with Section 1401 et seq. of the San Francisco Business and Tax Regulations Code</u>), and the <u>2022 Transportation Expenditure Plan approved by voters as Proposition L on November 8, 2022</u> <del>New Transportation Expenditure Plan adopted by the voters as Proposition K on November 4, 2003</del>, and the Administrative Code.</p> <p>Except as otherwise determined by the Chair, regular meetings of the Board shall be held <del>at a time set by the Chair</del> on the second and fourth Tuesday of each month in the Legislative Chamber <del>of City Hall</del>, <u>or on a Tuesday within that month that does not fall except when that day is on a federal holiday, in which case the meeting shall be held on the following Tuesday.</u> Committee meetings shall be held in the Committee Room or other location as designated with proper notice by the Transportation Authority.</p> <p>*The acts of the Board shall be expressed by motion, resolution, or ordinance (<u>California Government Code § Section 131263 of the Code</u>).</p> <p>*All meetings of the Board shall be conducted in the manner prescribed by the Ralph M. Brown Act (<u>California Government Code § 54950</u> <del>Chapter 9 commencing with Section 54950 of Part 1 of Division 2 of Title 5 of the California Government Code</del>) and the Transportation Authority's adopted Sunshine Policy.</p> | <p>Revisions to correct citation notes of applicable laws referenced.</p> <p>Update to the current or upcoming sales tax expenditure plan.</p> <p>Revisions for clarity of schedule of meetings.</p> | 3-4  |
| <b>CHAPTER 2. ORGANIZATION AND MEETINGS</b><br><br>Rule 2.6 Temporary Meeting Place.         | <p>In the event the regular meeting place is unavailable, the Chair shall designate some other appropriate place as <del>its</del> <u>the Board's</u> temporary meeting place.</p>  | <p>Minor revision for clarity.</p>   | 4    |
| <b>CHAPTER 2. ORGANIZATION AND MEETINGS</b><br><br>Rule 2.9 *Quorum.                         | <p>A majority of the members of the Board shall constitute a quorum for the transaction of business, and all official acts of the Board shall require the affirmative vote of a majority of the members of the Board (<del>Section 131262 of the California Government Code § 131262</del>).</p>  | <p>Revision to correct citation notes of applicable laws referenced.</p>   | 4    |

Attachment 1  
Rules of Order

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| <b>CHAPTER 2. ORGANIZATION AND MEETINGS</b><br><br>Rule 2.13 Permission to Remove Disruptive Persons. Paragraphs 1-5 | <p>The Board or committee Chair shall possess the power and duty to order removed from the meeting room any person who commits the following acts in respect to a regular or special meeting of the Board or a standing or select committee:</p> <ul style="list-style-type: none"> <li>Disorderly, contemptuous, or insolent behavior toward the Board or committee or any member thereof, tending to interrupt the due and orderly course of said meeting.</li> <li>A breach of the peace, boisterous conduct, or violent disturbance tending to interrupt the due and orderly course of said meeting;</li> <li>Disobedience of any lawful order of the presiding officer, which shall include an order to be seated or to refrain from addressing the Board or committee, and</li> <li>Any other unlawful interference with the due and orderly course of said meeting.</li> </ul>  | Revisions for clarity and consistency.                                       | 5    |
| <b>CHAPTER 3. BOARD RULES AND PROCEDURES</b><br><br>Rule 3.1 Call to Order and Roll Call.                            | <p>The Chair shall preside at all Board meetings, and shall call each regular, adjourned, recessed, or special meeting to order at the appointed hour. Immediately after the call to order, the Clerk shall call the roll of the members of the Board and shall record <u>and enter into the minutes</u> those members present and <del>shall enter in the minutes the names of those members present</del> <u>absent, as well as</u> <del>and note</del> those members who arrive subsequent to the first roll call <del>and those absent</del>. In the absence of the Chair, the Vice-Chair shall preside and in the absence of both the Chair and the Vice-Chair, the members present after waiting fifteen (15) minutes from the <del>scheduled onset</del> <u>start</u> of the meeting, by an order entered in the minutes, shall elect one of their members to act as <u>the presiding officer</u>. Chair pro tempore <del>who, while so acting, The Chair pro tempore</del> shall have the authority of the Chair <del>while in this role. The presiding officer, and</del> shall proceed with the Order of Business <u>of the meeting</u>.</p> | Revisions for clarity and consistency.                                       | 6    |
| <b>CHAPTER 3. BOARD RULES AND PROCEDURES</b><br><br>Rule 3.2 Order of Business.                                      | <p>The normal Order of Business for the Board shall be as follows:</p> <ol style="list-style-type: none"> <li>Roll Call</li> <li>Chair's Report</li> <li>Executive Director's Report</li> <li><u>Approval of Minutes</u></li> <li><del>4.5. Consent Agenda (or Items Recommended from Committee)</del></li> <li><del>5.1. Approval of Minutes</del></li> <li><del>Old Business</del> <u>End of Consent Agenda</u></li> <li>Introduction of New Items</li> <li>Public Comment</li> <li>Adjournment</li> </ol>   | Revision to reflect current order of agenda and current listing terminology. | 6    |

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| <b>CHAPTER 3. BOARD RULES AND PROCEDURES</b><br><br>Rule 3.3 Addressing the Board.        | When a member desires to address the Board, the member shall address the presiding officer, and when recognized shall proceed to speak, confining discussion to the <del>question-agenda item</del> before the Board. Members shall not be recognized when away from their seats.  | Revision for clarity and update to reflect current terminology.  | 6    |
| <b>CHAPTER 3. BOARD RULES AND PROCEDURES</b><br><br>Rule 3.6 Calling of Items.            | The Chair shall decide whether items may be acted upon individually (or grouped) when the <del>question-agenda item</del> is called unless a member requests that they be considered separately.   | Revision for clarity and update to reflect current terminology.  | 7    |
| <b>CHAPTER 3. BOARD RULES AND PROCEDURES</b><br><br>Rule 3.9 *Measures Not on the Agenda. | Before considering an item of business not on the agenda, the Board shall adopt a motion (i) by majority vote of the full membership of the Board that an emergency <del>situation</del> exists, as defined in California Government Code <del>§ Section</del> 54956.5; or (ii) by a two-thirds vote of the full membership, or if less than two-thirds of the members are present, a unanimous vote of those members present, determining that there is a need to take immediate action and that the need to take action <del>came to the attention of the Transportation Authority arose</del> after the agenda was posted ( <del>Code §Section</del> 54954.2 <del>of the California Government Code</del> ).  | Minor revisions for clarity and to track Government Code Section 54954.2 and 54956.5.<br><br>Revision to correct citation notes of applicable laws referenced. | 7-8  |
| <b>CHAPTER 3. BOARD RULES AND PROCEDURES</b><br><br>Rule 3.10 Action by Motion.           | All resolutions, ordinances, parliamentary actions, recommendations of the Board, actions on matters which concern only the internal functioning of the Board, directives to the staff of the Transportation Authority to perform some specific act in the line of official duty, adoption of the annual report, inquiries, actions of a ceremonial or commemorative nature, and such other actions as may be approved by the Transportation Authority's legal counsel, may be accomplished by motion.<br><br>Unless otherwise provided by these Rules, a motion of a parliamentary nature shall require for adoption the affirmative vote of at least a majority of the members of the Board <del>[present at the meeting at the time of the vote], there being present</del> not less than a quorum.<br><br>*All other motions shall require for adoption the affirmative vote of a majority of all the members of the Board, except as otherwise provided by these Rules, the Administrative Code, or other applicable law. | Revisions for clarity.   | 8    |
| <b>CHAPTER 3. BOARD RULES AND PROCEDURES</b><br><br>Rule 3.13 Division of the Question.   | On the demand of any member, the Chair shall order <del>a question an agenda item</del> divided if it includes <del>multiple</del> propositions <del>with so distinct</del> each distinct in substance that one being taken away, one of more substantive proposition shall remain for the decisions of the Board. When divided, each proposition shall then be considered and voted upon separately as if it had been offered alone.  | Revisions for clarity and update to reflect current terminology.   | 8    |

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| <b>CHAPTER 3. BOARD RULES AND PROCEDURES</b><br><br>Rule 3.19 *Voting Requirements and Procedure. | <p>Every member present when a measure is put forth shall vote for or against it unless prohibited from voting by applicable law because of a conflict of interest, which shall be disclosed (<del>Code §§Sections</del> 1090 et seq. and 87100 et seq. <del>of the California Government Code</del>, and all other relevant laws or regulations). <u>A member with a conflict of interest pursuant to California Government Code §Section 87100 et. seq. shall follow the disqualification procedures set forth in 2the California Code of Regulations §section 18707.</u></p> <p>No member shall be permitted to vote <del>upon a question</del> until the roll is called or before <del>the a</del> vote is announced.</p> <p>*A tie vote on any matter before the Board shall be deemed <del>to be a disapproval/fail of a motion</del> (<del>Section 131262 of the Code</del> <u>§ 131262</u>).</p> | <p>Revision to clarify procedure for addressing conflict of interest.</p> <p>Revision to correct citation notes of applicable laws referenced.</p> <p>Revisions for clarity.</p> | 9-10 |
| <b>CHAPTER 3. BOARD RULES AND PROCEDURES</b><br><br>Rule 3.21 Vote to be Entered in the Minutes.  | <p>the Board has voted upon any matter, the names of the members who voted for and those who voted against the <del>question/agenda item, as well as the number of votes by ayes and noes shall be entered in the Minutes, and the votes by ayes and noes</del> shall be recorded in the minutes.</p>  | <p>Revisions for clarity and update to reflect current terminology.</p>  | 10   |
| <b>CHAPTER 3. BOARD RULES AND PROCEDURES</b><br><br>Rule 3.24 *Posting of the Agenda.             | <p>The Clerk shall post and distribute the agenda in an accessible manner to all persons known or presumed to be interested in <del>a particular measure/items</del> to be considered <u>at an upcoming meeting</u>, and such notice shall be <del>initiated so as to be reasonably designed to reach recipients</del> <u>posted or announced</u> not later than seventy-two (72) hours before any regularly scheduled Board meeting and twenty-four (24) hours before any special meeting is scheduled (<del>Sections 59454.2 and 54956 of the California Government Code</del> <u>§ 59454.2 and 54956</u>).</p> <p>In the case of a rescheduled or canceled meeting, notice of the rescheduled <del>new</del> meeting shall be posted outside <u>San Francisco City Hall</u> Room 244 <del>in City Hall</del>.</p>   | <p>Revisions for clarity and to correct citation notes of applicable laws referenced.</p>  | 10   |
| <b>CHAPTER 3. BOARD RULES AND PROCEDURES</b><br><br>Rule 3.25 *Meetings to Be Public.             | <p>Every Board meeting shall be open to the public except that the Chair may order a meeting to be held in closed session for consideration of matters permitted to be discussed in closed session (<del>Sections 54954.5 et seq. of the California Government Code</del> <u>§ 54954.5 et seq.</u>).</p>   | <p>Revision to correct citation notes of applicable laws referenced.</p>   | 10   |



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| <b>CHAPTER 3. BOARD RULES AND PROCEDURES</b><br>Rule 3.26 * Public Comment.               | Any member of the public is entitled to comment on any matter on the agenda before it is acted on by the Board, unless a matter had previously been considered by a committee or the Board and was not substantially changed since it was heard, as determined by the Board. In addition, the last item <u>prior to adjournment</u> at each Board meeting shall provide an opportunity for members of the public to directly address the Board on items of interest to the public <u>that are within the subject matter jurisdiction of the Transportation Authority, and</u> which <del>have had</del> not been discussed earlier in the meeting <del>that are within the subject matter jurisdiction of the Transportation Authority</del> . Members of the public may address the Board for up to two (2) minutes or for such number of minutes as set by the Chair. The Chair may limit the total testimony to thirty (30) minutes. | Revisions for clarity and consistency.                                    | 11   |
| <b>CHAPTER 4. COMMITTEE RULES AND PROCEDURES</b><br>Rule 4.1 Call to Order and Roll Call. | The committee chair shall preside at all committee meetings, and shall call each regular, adjourned, recessed, or special meeting to order at the appointed hour. Immediately after the call to order, the Clerk shall call the roll of the committee members and shall record <del>those members present</del> and <del>shall</del> enter in the minutes the names of those members present <del>as well as those members who arrive subsequent to the first roll call</del> and those absent <u>during roll call</u> . In the absence of the committee chair, the vice-chair shall preside. The presiding officer shall proceed with the Order of Business.   | Revisions for clarity and update to reflect current notetaking practices. | 12   |
| <b>CHAPTER 4. COMMITTEE RULES AND PROCEDURES</b><br>Rule 4.2 Order of Business.           | The normal Order of Business for committees shall be as follows:<br>1. Roll <del>call</del> <u>Call</u><br><del>2. Consent Agenda</del><br><del>3.2.</del> Approval of Minutes<br><del>4. Old Business</del><br><del>3.</del> <u>Items for Recommendation</u><br><del>5.4.</del> Introduction of New Items<br><del>6.5.</del> Public Comment<br><del>7.6.</del> Adjournment   | Revision of typo and update to reflect current listing terminology.       | 12   |
| <b>CHAPTER 4. COMMITTEE RULES AND PROCEDURES</b><br>Rule 4.4 Committee Chair.             | Appointments to committees, including committee chair and vice-chair, will be determined by the <u>Board</u> Chair at the beginning of each year ( <del>Section 3(a) of the Administrative Code § 3(a)</del> ).   | Minor revision for clarity.   | 13   |
| <b>CHAPTER 4. COMMITTEE RULES AND PROCEDURES</b><br>Rule 4.5 Time of Meeting.             | Every committee shall meet at the time set by the <u>Board</u> Chair, committee chair at the beginning of his or her appointment, or a majority of the committee, in that order of priority. Whenever a meeting falls on a holiday or a quorum does not result, the meeting shall be rescheduled at the discretion of the committee chair.  | Minor revision for clarity.   | 13   |



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| <b>CHAPTER 4. COMMITTEE RULES AND PROCEDURES</b><br>Rule 4.8 Calling of Items.             | The committee chair shall decide whether items may be acted upon individually (or grouped) when the <del>question agenda item</del> is called, unless a member requests that they be separate.  | Revision to reflect current terminology.   | 13    |
| <b>CHAPTER 4. COMMITTEE RULES AND PROCEDURES</b><br>Rule 4.11 *Measures Not on the Agenda. | Before considering an item of business not on the agenda, the committee shall adopt a motion (i) by majority vote of the full membership of the committee that an emergency <u>situation</u> exists, as defined in California Government Code <del>§Section</del> 54956.5; or (ii) by the two-thirds vote of its members, or if less than two-thirds of the members are present, by a unanimous vote of those members present, determining that there is a need to take immediate action and that the need to take action <u>came to the attention of the Transportation Authority</u> <del>arose</del> after the agenda was posted ( <del>Section 54954.2 of the</del> California Government Code( <u>§ 54954.2</u> )).  | Minor revisions for clarity and to track Government Code Section 54954.2 and 54956.5.<br><br>Revision to correct citation notes of applicable laws referenced. | 13    |
| <b>CHAPTER 4. COMMITTEE RULES AND PROCEDURES</b><br>Rule 4.12 Action by Motion.            | All resolutions, ordinances, parliamentary actions, recommendations of a committee, actions on matters which concern only the internal functioning of a committee, directives to the staff of the Transportation Authority to perform some specific act in the line of official duty, inquiries, actions of ceremonial or commemorative nature, and such other actions as may be approved by Transportation Authority's legal counsel, may be accomplished by motion.<br><br>Unless otherwise provided by these Rules, a motion of a parliamentary nature shall require for adoption the affirmative vote of at least a majority of the members of the committee <u>present at the meeting at the time of the vote</u> , <del>there being present</del> not less than a quorum.<br><br>*All other motions shall require for adoption the affirmative vote of a majority of all the members of the committee, except as otherwise provided by these Rules, the Administrative Code, or other applicable law. | Revisions for clarity.   | 13-14 |
| <b>CHAPTER 4. COMMITTEE RULES AND PROCEDURES</b><br>Rule 4.14 Action by Motion.            | On the demand of any member, the committee chair shall order a question <u>(or agenda item)</u> divided if it includes <u>multiple</u> propositions <del>with so distinct</del> <u>each distinct</u> in substance that one being taken away, one of more substantive proposition shall remain for the decisions of the committee. When divided, each proposition shall then be considered and voted upon separately as if it had been offered alone.  | Revisions for clarity.   | 14    |

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| <b>CHAPTER 4. COMMITTEE RULES AND PROCEDURES</b><br><br>Rule 4.19 *Voting Requirements and Procedure. | <p>Every member present when a motion is put forth shall vote for or against it unless prohibited from voting by applicable law because of a conflict of interest, which shall be disclosed (<del>Code Sections</del> 1090 et seq. and 87100 et seq. <del>of the California Government Code</del>, and all other relevant laws or regulations). <u>A member with a conflict of interest pursuant to California Government Code Section 87100 et. seq. shall follow the disqualification procedures set forth in the California Code of Regulations Section 18707.</u></p> <p>No member shall be permitted to vote <del>upon a question</del> until the roll is called or before <del>the a</del> vote is announced.</p> <p>A tie vote on any matter before the committee shall be deemed to be a disapproval except that the Chair may break a tie vote as provided in Administrative Code <del>Section</del> 5.1-(c).</p>                                | <p>Revision to clarify procedure for addressing conflict of interest.</p> <p>Revision to correct citation notes of applicable laws referenced.</p> <p>Revisions for clarity.</p> | 15    |
| <b>CHAPTER 4. COMMITTEE RULES AND PROCEDURES</b><br><br>Rule 4.21 Vote to be Entered in the Minutes.  | <p>After the committee has voted upon any matter, the names of the members who voted for and those who voted against the question <u>(or agenda item), as well as the number of votes by ayes and noes shall be entered in the Minutes, and the votes by ayes and noes</u> shall be recorded in the minutes.</p>  | <p>Revision for clarity.</p>   | 15    |
| <b>CHAPTER 4. COMMITTEE RULES AND PROCEDURES</b><br><br>Rule 4.23 *Posting of the Agenda.             | <p>The Clerk shall post and distribute the agenda in an accessible manner to all persons known or presumed to be interested in <del>a particular measure</del> <u>items</u> to be considered <u>at an upcoming meeting</u>, and such notice shall be <del>initiated so as to be reasonably designed to reach recipients</del> <u>posted or announced</u> not later than seventy-two (72) hours before any regularly scheduled Board meeting and twenty-four (24) hours before any special meeting is scheduled (<del>Sections 59454.2 and 54956 of the California Government Code</del> <u>§ 59454.2 and 54956</u>).</p>  | <p>Revisions for clarity and to correct citation notes of applicable laws referenced.</p>  | 15-16 |
| <b>CHAPTER 4. COMMITTEE RULES AND PROCEDURES</b><br><br>Rule 4.24 Public Comment.                     | <p>Any member of the public is entitled to comment on any matter on the agenda before it is acted on by the committee, unless a matter had previously been considered by the committee and was not substantially changed since it was heard, as determined by the committee. In addition, the last item at each committee meeting prior to adjournment shall provide an opportunity for members of the public to directly address the committee on items of interest to the public <u>that are within the subject matter jurisdiction of the Transportation Authority, and</u> which <del>have had</del> not been discussed earlier in the meeting <del>that are within the subject matter jurisdiction of the Transportation Authority</del>. Members of the public may address the committee for up to two (2) minutes or for such number of minutes as set by the chair. The committee chair may limit the total testimony to thirty (30) minutes.</p> | <p>Minor revisions for clarity.</p>  | 16    |

Attachment 1  
Sunshine Policy

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| <b>STATEMENT OF PURPOSE</b>                 | It is the <del>duty of the San Francisco County Transportation Authority Authority's (Transportation Authority) duty</del> to serve the public, reaching its decisions in full view of the public. Committees and the full Board of Commissioners exist to conduct the people's business. This Policy will <del>assure</del> <u>ensure</u> that their deliberations are conducted before the people and that Transportation Authority operations are open to the people's review. Although access to the government decision making process is also the intent of California's Ralph M. Brown Act and Public Records Act, the Transportation Authority's Sunshine Policy was enacted to strengthen the requirements for open public decision making. The Transportation Authority adopts this Policy to assure that, in general intent as well as in administrative procedure, the people of the City remain in control of the government they created.   | Minor revisions for clarity.   | 1    |
| <b>A. DEFINITIONS</b><br><br>Subsection 2.d | "Meeting" shall not include any of the following: <ul style="list-style-type: none"><li>i. individual contacts or conversations between a member of a policy body and a public constituent or the staff or employees of the Transportation Authority, which do not convey to the member the views or positions of other members upon the subject matter of the contact or conversation and in which the member does not solicit or encourage the restatement of the views of the other members.</li><li>ii. the attendance of a majority of the members of a policy body at a regional, statewide, or national conference, or at a meeting organized to address a topic of local community concern and open to the public, provided that a majority of the members refrain from using the occasion to collectively discuss <del>the topic of the conference or meeting, or any other</del> business within the subject matter jurisdiction of the respective policy body; or</li><li>iii. the attendance of a majority of the members of a policy body at a purely social, recreational, or ceremonial occasion other than one sponsored or organized by or for the policy body itself, provided that a majority of the members refrain from using the occasion to <u>collectively</u> discuss any business within the subject matter jurisdiction of the respective policy body. A meal gathering of a policy body before, during, or after a business meeting of the policy body is part of that meeting and shall be conducted only under circumstances that permit public access to hear and observe the discussion of members. Such meetings shall not be conducted in restaurants or other accommodations where public access is possible only in consideration of making a purchase or making some other payment of value.</li></ul> | Revisions for clarity and consistency with rest of section language. | 1    |
| <b>A. DEFINITIONS</b>                       | The terms as used herein shall be as defined in the Ralph M. Brown Act, <u>California</u> Government Code Sections 54950, et <u>seq.</u> , and whenever in this Policy the following words or phrases are used, <del>they shall mean:</del>   | Minor revisions for clarity.   | 1    |

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| <b>B. PUBLIC ACCESS TO MEETINGS</b><br><br>1. Meetings to Be Open and Public; Application of <u>Ralph M.</u> Brown Act. | Retitle the subheading as follows: Meetings to Be Open and Public; Application of <u>Ralph M.</u> Brown Act.   | Minor revision to title for consistency.   | 2    |
| <b>B. PUBLIC ACCESS TO MEETINGS</b><br><br>2. Passive Meetings.   | <p>Passive Meetings. Gatherings subject to this subsection, which shall be known as "passive meetings," are the following: advisory committees created in writing by <del>the initiative of</del> a member of the Transportation Authority <del>Board or</del> the Executive Director of the Transportation Authority at the request of a Transportation Authority <u>Board</u> member; and social, recreational, or ceremonial occasions sponsored or organized by or for a policy body to which a majority of such policy body members have been invited. This subsection shall not apply to a committee which consists solely of employees of the Transportation Authority and/or employees of other local agencies.</p> <p>a. <del>Gatherings</del><u>Passive meetings</u>, as defined above, shall be accessible to individuals upon inquiry, and to the extent possible, consistent with the facilities in which such meetings occur.</p> <p>b. Such <del>gatherings</del><u>passive meetings</u> need not be formally noticed, although the time, place, and nature of the gathering shall be disclosed upon inquiry by a constituent of the public, and any agenda actually prepared for the gathering shall be accessible to such public constituents as a public record.</p> <p>c. Such <del>passive meetings</del><u>gatherings</u> need not be conducted in any particular space for the accommodation of spectators, although spectators shall be permitted to observe on a space available basis consistent with legal and practical restrictions on occupancy.</p> <p>d. Such <del>passive meetings</del><u>gatherings of a business nature</u> need not provide opportunities for comment by spectators, although the person presiding may, in <del>his or her</del><u>their</u> discretion, entertain such questions or comments from spectators as may be relevant to the business of the gathering.</p> <p><u>Passive meetings</u><del>Gatherings</del> may hold closed sessions under <del>any</del> circumstances allowed by this Policy, <del>or but only to the extent also allowed by</del> the Ralph M. Brown Act. <u>In addition, passive meetings</u><del>gatherings</del> <u>may hold closed sessions under circumstances allowed by the Ralph M. Brown Act.</u></p> | Revisions for clarity, consistency, and to update gender references to neutral form. | 3    |

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| <b>B. PUBLIC ACCESS TO MEETINGS</b><br><br>3. Conduct of Business; Time and Place for Meetings. | <p>a. The Transportation Authority has established the time and place for holding its regular meetings in its Administrative Code.</p> <p>b. If a regular scheduled meeting of a policy body would otherwise fall on a holiday, it shall instead be <u>rescheduled in accordance with the Rules of Order, Rules 2.5 and 4.5, held on the next business day.</u></p> <p>c. If, because of fire, flood, earthquake, or other emergency, it would be unsafe to meet in the customary location, the meetings may be held for the duration of the emergency at some other place specified by the policy body. The change of meeting site shall be announced, by the most rapid means of communication available at the time, in a notice to the local media who have requested <u>in writing</u> notice of special meetings, <del>in writing</del>, pursuant to Government Code Section 54956.</p> <p>d. Meetings of advisory policy bodies shall be preceded by notice delivered <del>personally or by</del> <u>electronic or physical</u> mail at least 24 hours before the time of such meeting to each person who has requested; <del>in writing</del>; notice of such meeting. If the advisory policy body elects to hold regular meetings, it shall provide by bylaws, or whatever other rule is utilized by the <del>respective</del> advisory policy body, for the conduct of its business, <del>and</del> for the time and place for holding such regular meetings. In such case, no notice of regular meetings, other than the posting of an agenda in the place used by the policy body or executive officer which it advises, is required.</p> <p>e. Special meetings of any policy body, including advisory policy bodies that choose to establish regular meeting times, may be called at any time by the presiding officer thereof or by a majority of the members thereof; <del>by delivering personally or by mail</del> written notice to each member of the policy body and to each local newspaper, radio, or television station that has requested notice of such meeting in writing. Such notice must be delivered <del>personally or by</del> <u>electronic or physical</u> mail <u>and received</u> at least 24 hours before the time of such special meeting as specified in the notice. The notice shall specify the time and place of the special meeting and the business to be transacted. No other business shall be considered at such meetings by the policy body. Such written notice may be dispensed with as to any member of the policy body who at or prior to the time the meeting convenes files with the secretary of the policy body a written waiver of notice. Such waiver may be given by <del>telegram</del> <u>electronic mail</u>. Such written notice may also be dispensed with as to any member who is actually present at the meeting at the time it convenes. Each special meeting shall be held at the regular meeting place of the policy body, except that the policy body may designate an alternate meeting place, provided that such alternate location is specified in the call and notice of the special meeting.</p> | <p>Revision to eliminate duplicative text to the extent duplicative of the Rules of Order, Rules 2.5 and 4.5.</p> <p>Minor revisions for clarity and accuracy.</p> <p>Revisions to reflect current communication methods.</p> | 3    |

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| <b>B. PUBLIC ACCESS TO MEETINGS</b><br><br>4. Agenda Requirements; Regular Meetings.<br><br>Subsection a. | <del>A policy body shall post an agenda in accordance with the Rules of Order, Rules 3.24 and 4.23. At least 72 hours before a regular meeting, a policy body shall post an agenda containing a meaningful description of each item of business to be transacted or discussed at the meeting.</del>  | Revision to eliminate duplicative text to the extent of the Rules of Order, Rules 3.24 and 4.23. | 4    |
| <b>B. PUBLIC ACCESS TO MEETINGS</b><br><br>4. Agenda Requirements; Regular Meetings.<br><br>Subsection b. | <del>A description is meaningful if it is sufficiently clear and specific to alert a person of average intelligence and education whose interests are affected by the item that he or she may have reason to attend the meeting or seek more information on the item. The description should be brief, concise, and non-technical. It may refer to explanatory documents, such as correspondence or reports, posted adjacent to the agenda or, if such documents are of more than one page in length, available for public inspection and copying at a stated location during normal office hours.</del> | Revision to eliminate duplicative text to the extent of the Rules of Order, Rules 3.24 and 4.23. | 4    |
| <b>B. PUBLIC ACCESS TO MEETINGS</b><br><br>4. Agenda Requirements; Regular Meetings.<br><br>Subsection c. | <del>The agenda shall specify the time and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public, and on the policy body's website, if the policy body has one.</del>   | Revision to eliminate duplicative text to the extent of the Rules of Order, Rules 3.24 and 4.23. | 4    |



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| <b>B. PUBLIC ACCESS TO MEETINGS</b><br><br>4. Agenda Requirements; Regular Meetings.<br><br>Subsection e. | <p>Notwithstanding subsection (<del>bd</del>) of this section, <u>before considering an item of business not on the agenda, the</u> policy body <u>shall adopt a motion in accordance with the Rules of Order, Rules 3.9 and 4.11.</u></p> <p><del>c. —may take action on items of business not appearing on the posted agenda under any of the following conditions:</del></p> <p><del>i. —Upon a determination by a majority vote of the policy body that an accident, natural disaster or work force disruption <u>an activity or situation that severely impairs public health, and safety, or both exists.</u></del></p> <p><del>ii.i. —Upon a good faith, reasonable determination by a two-thirds vote of the members of the policy body present at a meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that (A) the need to take immediate action on the item is so imperative as to threaten serious injury to the public interest if action were deferred to a subsequent special or regular meeting, or relates to a purely commendatory action, and (B) that the need for such action came to the attention of the policy body subsequent to the agenda being posted as specified in subsection (a) of this Section:</del></p> <p><del>i. The item was posted pursuant to subsection (a) of this Section for a prior meeting of the policy body occurring not more than five calendar days prior to the date of the subsequent meeting at which action is to be taken on the item, and at the prior meeting the item was continued to the subsequent meeting at which action is being taken.</del></p> | <p>Revision to eliminate duplicative text to the extent of the Rules of Order, Rules 3.9 and 4.11.</p> | 5    |
| <b>B. PUBLIC ACCESS TO MEETINGS</b><br><br>5. Agenda Disclosures; Closed Sessions.<br><br>Subsection a.   | <p>In addition to the brief general description of items to be discussed or acted upon in open and public session, the agenda posted pursuant to Government Code Section 54954.2, any <del>mailed</del> notice given pursuant to Government Code Section 54954.1, and any call and <del>notice delivered/or email</del> to the local media and posted pursuant to Government Code Section 54956 shall specify and disclose the nature of any closed sessions by providing all of the following information:</p>  | <p>Revisions to reflect current communication methods.</p>   | 5    |



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| <b>B. PUBLIC ACCESS TO MEETINGS</b>        | With respect to every item of business to be discussed in closed session pursuant to Government Code Section 54956.9, either:  | Revisions to reflect current communication methods.                       | 6    |
| 5. Agenda Disclosures;<br>Closed Sessions. | CONFERENCE WITH LEGAL COUNSEL  | Revision of references to subsections of Government Code Section 54956.9. |      |
| Subsection a.i.                            | Existing litigation:<br><br>Unspecified to protect service of process<br>Unspecified to protect settlement posture<br><br>-----or:<br><br>CONFERENCE WITH LEGAL COUNSEL<br><br>Anticipated litigation:<br><br>As defendant<br><br>As plaintiff<br><br>The space under "Existing litigation" shall be used to specifically identify a case under discussion pursuant to subdivision (a) of Government Code Section 54956.9, unless the identification would jeopardize the policy body's ability to effectuate service of process upon one or more unserved parties, in which instance the space in the next succeeding line shall be checked, or unless the identification would jeopardize the policy body's ability to conclude existing settlement negotiations to its advantage, in which instance the space in the next succeeding line shall be checked. If the closed session is called pursuant to subdivision <del>(d)(2) or (4)(b) or</del> of Section 54956.9, the appropriate space shall be checked under "Anticipated litigation" <del>to</del> to indicate the policy body's anticipated position as defendant or plaintiff respectively. If more than one instance of anticipated litigation is to be reviewed, space may be saved by entering the number of separate instances in the "As defendant" <del>or H or H</del> "As plaintiff" <del>or L</del> spaces or both as appropriate. |   |      |

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| <b>B. PUBLIC ACCESS TO MEETINGS</b>        | With respect to every item of business to be discussed in closed session pursuant to Government Code Section 54957, either:        | Revision to reflect update in categories. | 6    |
| 5. Agenda Disclosures;<br>Closed Sessions. | THREAT TO PUBLIC SERVICES OR FACILITIES  |   |      |
| Subsection a.ii.                           | Name of law enforcement agency and title of officer or name, title, and agency of law enforcement officer(s) to be conferred with: |   |      |
|  | ----- or:  |   |      |
|  | PUBLIC EMPLOYEE APPOINTMENT/HIRING   |   |      |
|  | Title/description of position(s) to be filled:   |   |      |
|  | PUBLIC EMPLOYEE PERFORMANCE EVALUATION   |   |      |
|  | Position and, in the case of a routine evaluation, name of employee(s) being evaluated:  |   |      |
|  | ----- or:  |   |      |
|  | PUBLIC EMPLOYEE DISMISSAL/ <u>DISCIPLINE/RELEASE</u>   |   |      |
|  | Number of employees affected:  |   |      |

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| <b>B. PUBLIC ACCESS TO MEETINGS</b><br><br>6. Agenda and Related Materials; Public Records.<br><br>Subsections a to e. | <p>a. Agendas of meetings and any other documents on file with the clerk of the policy body, when intended for distribution to all, or a majority of all, of the members of a policy body in connection with a matter anticipated for discussion or consideration at a public meeting shall be made available to the public. However, this disclosure need not include any material exempt from public disclosure under <u>the California Public Records Act (Government Code Sections 6250, et seq.), including without limitation</u>, Government Code Sections 6253.5, 6254, or 6254.7.</p> <p>b. Records which are subject to disclosure under subsection (a) and which are intended for distribution to the policy body prior to commencement of a public meeting shall be made available for public inspection and copying upon request prior to commencement of such meeting, whether or not actually distributed to, or received by the policy body, at the time of the request.</p> <p><del>c.—Records which are subject to disclosure under subsection (a) and which are distributed during a public meeting but prior to commencement of discussion on the records, shall be made available for public inspection prior to commencement of, and during, discussion of the records:</del></p> <p><del>d.</del><u>c.</u> Records which are subject to disclosure under subsection (a) of this Section; and which are distributed during their discussion at a public meeting shall be made available for public inspection immediately or as soon thereafter as is practicable.</p> <p><del>e.</del><u>d.</u> A policy body may charge a duplication fee of one cent per page for a copy of a public record prepared for consideration at a public meeting. Neither this section nor the California Public Records Act (<del>Government Code sections 6250, et seq.</del>) shall be construed to limit or delay the public's right to inspect any record required to be disclosed by that Act, whether or not distributed to a policy body.</p> | <p>Revision to list reference to California Public Records Act earlier in the section for clarity.</p> <p>Revision for clarity and to eliminate duplicative text in the section.</p> | 6-7  |

**B. PUBLIC ACCESS TO MEETINGS**

7. Closed Sessions.

A policy body may hold closed sessions as follows:

- a. With the Attorney General, district attorney, sheriff, or chief of police, or their respective deputies, on matters posing a threat to the security of public buildings or a threat to the public's right of access to public services or public facilities.
- b. To consider the appointment, employment, evaluation of performance, or dismissal of policy body employee, if the policy body has the authority to appoint, employ, or dismiss the employee, or to hear complaints or charges brought against the employee by another person or employee unless the employee complained of requests a public hearing. As a condition to holding a closed session on specific complaints or charges brought against an employee by another person or employee, the employee shall be given written notice of ~~his or her~~ their right to have the complaints or charges heard in an open session rather than a closed session, which notice shall be delivered to the employee personally or by mail at least 24 hours before the time for holding the session. If notice is not given, any disciplinary or other action taken by the legislative body against the employee based on the specific complaints or charges in the closed session shall be null and void. The legislative policy body also may exclude from the public or closed meeting during examination of a witness, any or all other witnesses in the matter being investigated by the policy body. The term "employee" shall not include any elected official, member of a policy body ~~or applicant for such a position~~, or person providing services to the policy body as an independent contractor or the employee thereof, other than an independent contractor or employee thereof who functions as an officer or employee of the policy body, including but not limited to independent attorneys or law firms providing legal services to the policy body for a fee rather than a salary.
- c. A policy body, based on advice of its legal counsel, ~~and on a motion and vote in open session to assert the attorney-client privilege~~, may hold a closed session to confer with or receive advice from its legal counsel regarding pending litigation when discussion in open session concerning those matters would prejudice the position of the policy body in the litigation. Litigation shall be considered pending when any of the following circumstances exist:
  - i. An adjudicatory proceeding before a court, administrative body exercising its adjudicatory authority, hearing officer, or arbitrator, to which the policy body is a party, has been initiated formally.
  - ii. A point has been reached where, in the opinion of the policy body on the advice of its legal counsel, based on existing facts and circumstances, there is a significant exposure to litigation against the policy body, or the policy body is meeting only to decide whether a closed session is authorized pursuant to that advice or, based on those facts and circumstances, the policy body has decided to initiate or is deciding whether to initiate litigation.

A closed session may not be held under this section to consider the qualifications or engagement of an independent contract attorney or law firm, for litigation services or otherwise.

Revision to update gender references to neutral form.

7-8

Revisions to eliminate requirements not required under the Brown Act, eliminate duplicative text, and correct cross-reference.

Minor revision for accuracy of section reference.

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|         | <p>d. <del>Prior to holding a closed session pursuant to this section, the policy body shall disclose the justification for its closure either by entries in the appropriate categories on the agenda or, in the case of an item added to the agenda based on a finding of necessity and urgency, by an oral announcement specifying the same information.</del> Prior to any closed session, a policy body shall state the general reason or reasons for the closed session, and may cite the statutory authority, including the specific <del>section and subdivision</del> <u>reference</u>, or other legal authority under which the session is being held. In the closed session, the policy body may consider only those matters covered in its statement. In the case of regular and special meetings, the statement shall be made in the form of the agenda disclosures and specifications required by Section 5 of this Policy. In the case of adjourned and continued meetings, the statement shall be made with the same disclosures and specifications required by Section 5 of this Policy, as part of the notice provided for the original meeting. In the case of an item added to the agenda as a matter of urgent necessity, the statement shall be made prior to the determination of urgency and with the same disclosures and specifications as if the item had been included in the agenda pursuant to Section <del>5</del> <u>4</u> of this Policy. Nothing in this section shall require or authorize a disclosure of information prohibited by state or federal law.</p> |        | 8    |

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| <b>B. PUBLIC ACCESS TO MEETINGS</b><br><br>8. Disclosure of Closed Session Discussions and Actions.<br><br>Subsections b.i and b.ii. | <p>A policy body shall publicly report any action taken in closed session and the vote or abstention of every member present thereon, as follows:</p> <p>i. Litigation: Direction or approval given to the policy body's legal counsel to prosecute, defend or seek or refrain from seeking appellate review or relief, or to otherwise enter as a <u>party, intervenor, or amicus</u> curia in any form of litigation shall be reported in open session as soon as given, or at the first meeting after an adverse party has been served in the matter if immediate disclosure of the policy body's intentions would be contrary to the public interest. The report shall identify the adverse party or parties, any co-parties with the policy body, any existing claim or order to be defended against or any factual circumstances or contractual dispute giving rise to the policy body's complaint, petition, or other litigation initiative.</p> <p>ii. Settlement. A policy body shall neither solicit nor agree to any term in a settlement which would preclude the release, upon request by the public, of the text of the settlement itself and any related documentation communicated to or received from the adverse party or parties. Where the disclosure of documents in a litigation matter that has been settled could <u>be detrimental to the public body's interest in pending affect</u> litigation on a <u>closely</u> related case, the documents required to be disclosed by subdivision (b) of this Section need not be disclosed until the <u>closely</u> related case is settled or otherwise finally concluded.</p> | Minor revisions for clarity.                                     | 9    |
| <b>B. PUBLIC ACCESS TO MEETINGS</b><br><br>8. Disclosure of Closed Session Discussions and Actions.<br><br>Subsection c.             | <p>Reports required to be made immediately may be made orally or in writing, but shall be supported by copies of any contracts, settlement agreements, or other documents related to the transaction that were finally approved or adopted in the closed session and that embody the information required to be disclosed <u>by immediately report.</u> <u>Copies of such documents shall be</u> provided to any person who requested such copies in a written request submitted within 24 hours of the posting of the agenda, or who has made a standing request for all such documentation as part of a request for notice of meetings.</p>   | Minor revisions for clarity.                                     | 9    |
| <b>B. PUBLIC ACCESS TO MEETINGS</b><br><br>10. (TITLE)   | <p>Retitle the subheading as follows: <u>Tape Audio or Video</u> Recording, <u>Filming</u>, and Still Photography.</p>  | Revisions to reflect current media recording technology methods. | 10   |

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| <b>B. PUBLIC ACCESS TO MEETINGS</b><br><br>10. <del>Tape</del> <u>Audio or Video</u> Recording, <del>Filming</del> , and Still Photography.<br><br>Subsections a and b. | <p>a. Any person attending an open and public meeting of a policy body shall have the right to record the proceedings with an audio or video <del>tape</del> recorder, <del>or</del> a still <del>or motion</del> picture camera, or <del>to</del> broadcast the proceedings, in the absence of a reasonable finding of the policy body that the recording or broadcast cannot continue without such noise, illumination, or obstruction of view as to constitute a persistent disruption of the proceedings.</p> <p>b. The policy body shall <del>tape</del> <u>audio or video</u> record each regular and special meeting. Each such <u>audio or video</u> <del>tape</del> recording, <del>unless otherwise noted, is available for public inspection and download at the San Francisco Government TV website at <a href="https://sfgovtv.org/sfgovtv-live-events">https://sfgovtv.org/sfgovtv-live-events</a> under Video on Demand &gt; Commissions, Councils &amp; Boards</del> and any audio or video recording of a meeting of any other policy body made at the direction of the policy body shall be a public record subject to inspection, pursuant to the California Public Records Act, and shall not be erased or destroyed for at least 30 days, provided that if during that 30-day period a written request for inspection or copying of that record is made, the recording shall not be destroyed or erased until the requested inspection or copying has been accomplished. Inspection of any such video or tape recording shall be provided without charge on a device made available by the policy body. <del>If a member of the public is unable to access the online recordings, they may make a written request within 30 days of a previous policy body meeting for a downloaded copy of the requested recording. Pursuant to the California Public Records Act, the record shall not be destroyed or erased until the requested inspection, copying, or receipt of copy has been accomplished, provided that the written request was made during the 30-day period.</del></p> | Revisions to reflect current media recording technology methods. | 10-11 |

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| <b>B. PUBLIC ACCESS TO MEETINGS</b><br><br>11. Public Testimony at Regular and Certain Special Meetings.<br><br>Subsections a to c | <p><del>Every agenda for regular and special meetings shall provide an opportunity for members of the public to directly address the policy body, in accordance with the Rules of Order, Rules 3.26 and 4.24. Every agenda for regular meetings shall provide an opportunity for members of the public to directly address a policy body on items of interest to the public that are within policy body's subject matter jurisdiction, provided that no action shall be taken on any item not appearing on the agenda unless the action is otherwise authorized by Section B.4.e. of this Policy.</del></p> <p><del>Every agenda for special meetings at which action is proposed to be taken on an item shall provide an opportunity for each member of the public to directly address the policy body concerning that item prior to action there upon.</del></p> <p><del>A policy body may adopt reasonable regulations to ensure that the intent of subsections (a) and (b) of this Section 11 are carried out, including, but not limited to, regulations limiting the total amount of time allocated for public testimony on particular issues and for each individual speaker. Each policy body shall adopt a rule providing that each person wishing to speak on an item before the policy body at a regular or special meeting shall be permitted to be heard once for up to three minutes.</del></p> <p><del>A policy body shall not abridge or prohibit public criticism of the policy, procedures, programs, or services of the policy body, or of any other aspect of its proposals or activities, or of the acts or omissions of the policy body, on the basis that the performance of one or more public employees is implicated, or on any basis other than reasonable time constraints adopted in regulations pursuant to subsection (c) of this Section.</del></p> | <p>Revision to eliminate duplicative text to the extent of the Rules of Order, Rules 3.26 and 4.24.</p>                     | 11   |
| <b>B. PUBLIC ACCESS TO MEETINGS</b><br><br>12. Minutes.  | <p><del>The minutes for each regular and special meeting shall be kept in accordance with the Rules of Order, Rule 3.20. A clerk of the policy body shall record the minutes for each regular and special meeting of the policy body. The minutes shall state the time the meeting was called to order, the names of the members attending the meeting, the roll call vote on each matter considered at the meeting, the time the policy body began and ended any closed session, a list of those members of the public who spoke on each matter if the speakers identified themselves, whether <del>such public</del> speakers supported or opposed the matter, and the time the meeting was adjourned. The draft minutes of each meeting shall be available for inspection and copying upon request no later than 72 hours before the next meeting of the policy body. The officially adopted minutes shall be available for inspection and copying upon request no later than ten working days after the meeting at which the minutes are adopted. Adopted minutes of each previously conducted meeting will be posted on the policy body's website at least 72 hours before the next meeting. Physical copies can be made available for public inspection or receipt, including format into Braille or increased type size, by written request no earlier than 72 hours before the next policy body meeting. Upon request, minutes required to be produced by this Section shall be made available in Braille or increased type size.</del></p>   | <p>Revision for clarity and accuracy and to eliminate duplicative text to the extent of the Rules of Order, Rule 3.20.:</p> | 11   |



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| <b>C. PUBLIC INFORMATION</b><br>2. Release of Documentary Public Information.<br>Subsections a and b. | <p>a. Release of documentary public information, whether for inspection of the original or by providing a copy, shall be governed by the California Public Records Act, <del>which shall prevail in the event of conflict with this Policy in any particulars not addressed by this Policy.</del></p> <p>b. Inspection and copying of documentary public information stored in electronic form shall be made available to the person requesting the information in any form requested which is available to the policy body, its members, or employees, including <del>portable drive, printout, or FTP data access disk, tape, printout or monitor</del> at a charge no greater than the cost of the media on which it is duplicated, plus the direct costs of equipment, supplies, and labor costs associated with duplicating the electronic file which is requested. Inspection of documentary public information on a computer monitor need not be allowed where the information sought is intertwined with information not subject to disclosure under the California Public Records Act and this Policy. Nothing in this section shall require the policy body to program or reprogram a computer to respond to a request for information or to release information where the release of that information would violate a licensing agreement or copyright law.</p> | <p>Minor revision to clarify that the California Public Records Act shall apply in the event of conflict, if the Sunshine Policy does not address an issue.</p> <p>Revision to reflect current information recording methods.</p> | 12    |
| <b>C. PUBLIC INFORMATION</b><br>3. Release of Oral Public Information.<br>Subsection b.               | <p>The role of the person or persons so designated shall be to provide information on as timely and responsive a basis as possible to those members of the public who are not requesting information from a specific person. This Section shall not be interpreted to curtail existing informal contacts between employees and members of the public when these contacts are occasional, acceptable to the employees of the policy body, and not disruptive of <del>his or her</del> their respective operational duties and confined to accurate information not confidential by law.</p>   | <p>Revision to update gender references to neutral form.</p>  | 12    |
| <b>C. PUBLIC INFORMATION</b><br>3. Release of Oral Public Information.<br>Subsection d.               | <p>Public employees shall not be discouraged from or disciplined for the expression of their personal opinions on any matter of public concern while not on duty, so long as the opinion (1) is not represented as that of the policy body and does not misrepresent the policy body position; and (2) does not disrupt coworker relations, impair discipline or control by superiors, erode a close working relationship premised on personal loyalty and confidentiality, interfere with the employee's performance of <del>his or her</del> their duties or obstruct the routine operation of the office in a manner that outweighs the employee's interests in expressing that opinion. In adopting this subdivision, the policy body intends merely to restate and affirm court decisions recognizing the First Amendment rights enjoyed by public employees. Nothing in this section shall be construed to provide rights to policy body employees beyond those recognized by courts, now or in the future, under the First Amendment, or to create any new private cause of action or defense to disciplinary action.</p>   | <p>Revision to update gender references to neutral form.</p>  | 12-13 |

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| <b>C. PUBLIC INFORMATION</b><br>4. Public Review File -- Policy Body Communications.<br>Subsection b. | Communications, as described in subsection (a), sent or received in the last three business days <del>of the current date</del> , shall be maintained in chronological order in the office of the policy body. After documents have been on file for two full days, they may be removed, <del>and in at</del> the discretion of the Executive Director of the policy body; <del>placed in a monthly chronological file.</del> | Revision for clarity and update to current information recording methods. | 13   |



**San Francisco  
County Transportation  
Authority**

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## Administrative Code

Ordinance 23-XX

### SECTION 1. TITLE AND AUTHORITY.

This Ordinance is enacted pursuant to the provisions of California Public Utilities Code Section 131265, and may be referred to as the "San Francisco County Transportation Authority Administrative Code." This Ordinance prescribes the powers and duties of the San Francisco County Transportation Authority (Transportation Authority) Board; the method of appointment of employees of the Transportation Authority; and the policies and systems of operation and management of the Transportation Authority.

### SECTION 2. DUTIES OF THE TRANSPORTATION AUTHORITY.

The Transportation Authority shall have the power, authority, and duty to do all things necessary and required to accomplish the stated purposes and goals of Division 12.5 of the California Public Utilities Code, also known as the Bay Area County Traffic and Transportation Funding Act, including the following:

- (a) Administer the 2022 Transportation Expenditure Plan, approved by voters as Proposition L and effective on April 1, 2023, which supersedes the New Transportation Expenditure Plan approved by voters as Proposition K and effected on November 4, 2003, as well as the original Transportation Expenditure Plan, ~~which became effective upon approval~~ approved by voters as Proposition B on November 7, 1989, ~~superseded by the New Transportation Expenditure Plan, which became effective upon adoption by the voters as Proposition K on November 4, 2003; and extended~~ extending the sales tax implemented by Proposition B for a another 30-year period.
- (b) Adopt an annual budget by June 30 of each year and fix the compensation of its commissioners and employees. The compensation of commissioners shall be as provided in Section 3.2 herein.
- (c) Cause a post audit of its financial transactions and records at least annually by a certified public accountant.
- (d) Prepare and adopt an annual report by January 31 of each year on the ~~progress to achieve the objectives~~ of completion of completed for the projects in the Transportation Expenditure Plan.
- (e) Conduct an employee performance evaluation of the Executive Director by December 31 of each year for the Executive Director's work performance ~~for the current of the~~ preceding year.



- (f) Perform other related responsibilities, including but not limited to (i) serving as the county program manager for the Transportation Fund for Clean Air; (ii) serving as the county Congestion Management Agency; (iii) administering Proposition AA projects; and (iv) administering Prop D projects.

### **SECTION 3. POWERS AND DUTIES OF THE TRANSPORTATION AUTHORITY COMMISSIONERS.**

The eleven members of the Board of Supervisors of the City and County of San Francisco shall be the commissioners of the Transportation Authority. They shall be known as "Commissioners" individually, and as the Board of Commissioners, or Board, collectively.

- (a) **Chair.** The Chair shall possess the following powers and duties:
1. To preside at all meetings;
  2. To appoint the membership and the Chair and Vice-Chair of the committees of the Transportation Authority, except for the Community Advisory Committee;
  3. To decide the agenda of Board meetings;
  4. To sign contracts, deeds, and other instruments on behalf of the Transportation Authority; and
  5. To perform such additional duties as may be designated by the Transportation Authority.
- (b) **Vice-Chair.** The Vice-Chair shall perform the duties of the Chair in the absence or incapacity of the Chair.

#### **SECTION 3.1. METHOD OF APPOINTMENT OF THE TRANSPORTATION AUTHORITY OFFICERS.**

- (a) The Chair shall be elected at the first meeting of the Transportation Authority, and thereafter, after the first complete calendar year, annually, at the first meeting in January. The newly appointed Chair shall immediately preside, following their election at the same meeting.
- (b) The Vice-Chair shall be elected at the first meeting of the Transportation Authority, and thereafter, after the first complete calendar year, annually, at the first meeting in January.
- (c) If the Chair or Vice-Chair resigns or is removed from office, the election for Chair or Vice-Chair to serve the remainder of the term shall be at the next meeting of the



Transportation Authority. Except as provided in Section 3.2(a) below, the Chair and Vice Chair shall serve without compensation but shall be entitled to reimbursement as provided in Section 3.2(b) below.

### **SECTION 3.2. COMPENSATION OF COMMISSIONERS.**

- (a) As required by the provisions of California Public Utilities Code Section 131268, Commissioners shall be compensated at the rate of \$100 for each day attending the business of the Transportation Authority, but not to exceed \$400 in any month, for any of the following occurrences that are related to the business of the Transportation Authority:
1. A meeting of the legislative body or committee thereof;
  2. A meeting of an advisory body;
  3. A conference or organized educational activity, including ethics training; or
  4. Any other occurrence, if the Transportation Authority has adopted a written policy in a public meeting specifying that the attendance at such occurrence would constitute the performance of official duties for which Commissioners may receive compensation.
- (b) Commissioners shall receive reimbursement for necessary travel and personal expenses incurred in the performance of their duties when such expenses are authorized in advance and as set forth in the Transportation Authority's adopted Travel, Conference, Training, and Business Expense Reimbursement Policy.

### **SECTION 4. STAFF TO THE TRANSPORTATION AUTHORITY.**

- (a) **Executive Director.** The Board shall appoint the Executive Director, who shall serve at the pleasure of the Board. The Executive Director shall possess the power and duty to administer the business of the Transportation Authority, including the following powers and duties:
1. To supervise and direct preparation of the annual budget for the Transportation Authority;
  2. To formulate and present plans for implementation of the Transportation Expenditure Plan, including establishment of project priorities within the priorities set by the plan, and the means to finance them;
  3. To provide guidance to and to monitor and coordinate the activities of the project sponsors to ensure that the projects are completed;



4. To submit to the Board each year a complete report of the finances and administrative activities of the Transportation Authority from the preceding year;
  5. To direct the preparation and administration of purchase orders and contracts for goods and services, and to execute contracts for goods, materials, and services, including support services, ~~and agreements with sponsoring agencies~~ where estimated expenditures thereunder do not exceed ~~\_\$75,000\_\$100,000~~ and to execute any agreements with sponsoring agencies where sufficient funding for such is available in the Transportation Authority's budget;
  6. To administer the personnel system of the Transportation Authority, including hiring, controlling, supervising, promoting, transferring, suspending with or without pay, or discharging any employee. To this end, the Executive Director shall prepare and maintain a Personnel Manual, stating the rules of employment of the Transportation Authority and methods of compensation established by the Transportation Authority; and
  7. To provide the day-to-day administration of the Transportation Authority and to perform such other and additional duties as the Transportation Authority Board may prescribe.
- (b) **Chief Deputy Director.** The Executive Director shall appoint a Chief Deputy Director. In the event of the Executive Director's temporary absence, disability, unavailability, or during a vacancy in that position, the Chief Deputy Director shall act as the Executive Director.
- (c) **Additional Staff.** The Executive Director may create additional staff positions subject to the approval of the Board. Duties shall be defined by the Executive Director and shall be contained in a written job description. The Executive Director shall appoint additional staff members to approved positions. All employees are "at-will" employees and serve at the pleasure of the Executive Director.

#### **SECTION 4.1. BENEFITS FOR EMPLOYEES.**

The Transportation Authority may contract with the appropriate agencies of the State of California to provide retirement and health benefits for its employees or with any other retirement or health system which it determines is in the best interests of its employees, and in accordance with applicable state and federal laws.

#### **SECTION 4.2. RULES OF EMPLOYMENT.**

The Executive Director or their designee shall administer the personnel policies of the Transportation Authority as set forth in the Personnel Manual. The Executive Director



shall take all necessary actions to hire, promote, transfer, suspend with or without pay, or discharge any employee in accordance with the procedures in the Personnel Manual.

## **SECTION 5. METHODS, PROCEDURES, AND SYSTEMS OF OPERATION AND MANAGEMENT.**

### **SECTION 5.1. COMMITTEES OF THE TRANSPORTATION AUTHORITY.**

- (a) **Personnel Committee.** The Chair shall appoint a Personnel Committee, which shall be composed of the Chair and Vice-Chair of the Transportation Authority and the City and County of San Francisco's representative to the Metropolitan Transportation Commission (MTC), as appointed by the San Francisco Board of Supervisors. If the MTC representative is also the Chair or Vice-Chair of the Board, the Chair shall be able to appoint a third member to the Personnel Committee. The Chair or their designee shall serve as the Chair of the Personnel Committee. Two members shall constitute a quorum and all official acts of the Personnel Committee shall require the affirmative vote of a majority of the authorized number of members of the committee. Meetings of the Personnel Committee shall be held at the call of the Chair. The responsibilities of this committee shall include the following:
  - 1. To make recommendations on the hiring, firing, and employment status of the Executive Director of the Transportation Authority;
  - 2. To conduct annual performance evaluations of the Executive Director; and
  - 3. To make recommendations on the Transportation Authority's policies and actions related to staffing levels, job specifications, compensation ranges, and employment conditions.
- (b) **Additional Committees.** The Board may create, and the Chair shall appoint, the membership of select committees consisting of Commissioners and established consistent with the following criteria:
  - 1. The committee shall have a clear, simple, narrow, single statement of purpose;
  - 2. The committee will be created for a specified maximum period of time; and
  - 3. The size of the committee will be either three or five Commissioners, based on the committee purpose.
- (c) **Transportation Authority Committee Procedures.** The Chair shall be eligible to be appointed and to serve on any committee established under this Code as a voting, regular member. If not appointed as a regular member of a committee, the Chair shall serve as a non-voting, ex-officio member, except that the Chair shall serve as a



voting member when their presence is necessary in order to constitute a quorum. A majority of the authorized number of members of a committee shall constitute a quorum for the transaction of business and all official acts of the committee shall require the affirmative vote of the majority of the authorized number of members of the committee. In the case of a tie vote, the Chair, if present but not acting as a voting member, may cast the deciding vote. If the Chair's presence causes a quorum of the members of the full Board to be present, the committee meeting shall be recessed and the meeting convened or reconvened as a special Board meeting.

## **SECTION 5.2. COMMUNITY ADVISORY COMMITTEES.**

- (a) **Community Advisory Committee.** The Board shall appoint eleven non-Commission members to a Community Advisory Committee. This committee shall include representatives from various segments of the community, such as public policy organizations, labor, business, seniors, people with disabilities, environmentalists, and neighborhoods, and reflect broad transportation interests. The committee is also intended to reflect the racial and gender diversity of San Francisco residents. Each Commissioner shall nominate one member to the committee. The committee members shall be residents of San Francisco and shall serve ~~without compensation~~ for a two-year period. Any member who is absent for four of any twelve regularly scheduled consecutive meetings shall have their membership automatically terminated. Any resulting vacancy shall be filled for a new two-year period. Any member whose membership has been terminated or whose term of office has expired and who wishes to be reappointed shall contact their District Supervisor and shall reappear before the Board to speak on their behalf. This committee shall meet at least quarterly, and all meetings shall be conducted pursuant to the Brown Act and shall be open to the public. The regular meetings of the committee shall be held on the fourth Wednesday of each month at 6:00 p.m. at the Transportation Authority's offices at 1455 Market Street, 22nd Floor, San Francisco, California, barring a state of emergency which would move the location to a virtual meeting platform. The staff of the Transportation Authority will be available to assist the committee. This committee shall provide input to the Transportation Authority in:
1. Defining the mission of the Transportation Authority;
  2. Reflecting community values in the development of the mission and program of the Transportation Authority, and channeling that mission and program back to the community;
  3. Defining criteria and priorities for implementing the ~~New Transportation~~ Expenditure Plan programs consistent with the intention of ~~Proposition K~~ the half-cent sales tax funding purposes; and





4. Monitoring the Transportation Authority's programs and evaluating the sponsoring agencies' productivity and effectiveness.
- (b) **Additional Advisory Committees.** The Board may appoint any other advisory committees that it deems necessary.

### **SECTION 5.3. CONTRACTS.**

- (a) Contracts for the purchase of supplies, equipment, and materials in excess of ~~\$75,000~~ \$100,000 shall be awarded after a formal competitive procurement process in conformance with the Procurement Policy.
- (b) Contracts for the purchase of services in excess of ~~\$75,000~~ \$100,000 shall be awarded after a formal competitive procurement process in conformance with the Procurement Policy.
- (c) The Executive Director is authorized to contract for supplies, equipment, materials, and services for an amount less than or equal to ~~\$75,000~~ \$100,000 in conformance with the Procurement Policy. The Executive Director is authorized to amend contracts and agreements within the parameters specified in the Procurement Policy.
- (d) Where advantageous, the Transportation Authority may contract without initiating a competitive procurement process with any public agency, including but not limited to, the ~~State~~ California Department of Transportation, the Metropolitan Transportation Commission, or any transit district, county, or city, including the City and County of San Francisco, to render designated services or to provide materials on behalf of the Transportation Authority in conformance with the Procurement Policy.
- (e) All contracts shall reflect the Disadvantaged Business Enterprise/Local Business Enterprise goals, if applicable and as permitted by law, and Equal Benefits provisions adopted by the Transportation Authority.

### **SECTION 5.4. PROCEDURES FOR IMPLEMENTING THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.**

#### **Section 5.4.1. Authority and Mandate.**

- (a) This Section 5.4 is adopted pursuant to the California Environmental Quality Act, Public Resources Code Sections 21000 and following, as amended; and pursuant to the Guidelines for Implementation of the California Environmental Quality Act, as amended, appearing as Title 14, Division 6, Chapter 3 of the California Code of Regulations (hereinafter referred to collectively as "CEQA").



- (b) Any amendments to CEQA adopted subsequent to the effective date shall not invalidate any provision of this Section 5.4. Any amendments to CEQA that may be inconsistent with this Section 5.4 shall govern until such time as the relevant provision is amended to remove such inconsistency.
- (c) This Section 5.4 shall govern in relation to all other ordinances of the Transportation Authority and rules and regulations pursuant thereto. In the event of any inconsistency, the provisions of this Section 5.4 shall prevail.

#### **Section 5.4.2. Incorporation by Reference.**

The provisions of CEQA are not repeated here, but are expressly incorporated herein by reference as though fully set forth.

#### **Section 5.4.3. Responsibility.**

The administrative actions required by CEQA with respect to the preparation of environmental documents, giving of notice and completing other activities shall be performed by staff of the Transportation Authority or by consultants under the direction of the Transportation Authority. These activities may include, but are not limited to:

- (a) Preparing any necessary forms, checklists, and processing guidelines to implement CEQA in accordance with this Section 5.4;
- (b) Determining excluded and exempt activities which are not subject to CEQA;
- (c) Determining when a negative declaration or environmental impact report (EIR) is required when acting as a lead agency or as is otherwise required by CEQA;
- (d) Ensuring that agencies and other interested parties are consulted and have an opportunity to comment during the CEQA process when acting as a lead agency or as is otherwise required by CEQA;
- (e) Preparing environmental documents and notices when acting as a lead agency or as is otherwise required by CEQA;
- (f) Consulting, providing comments, and attending hearings as necessary on behalf of the Transportation Authority when it acts as a responsible agency under CEQA; and
- (g) Ensuring coordination with federal lead and responsible agencies when project review is required under both CEQA and the National Environmental Policy Act ("NEPA").



#### **Section 5.4.4. List of Non-Physical and Ministerial Projects.**

The Transportation Authority shall maintain a list of types of ministerial projects excluded from CEQA. Such lists shall be modified over time as the status of types of projects may change under applicable laws, ordinances, rules, and regulations. The list shall not be considered totally inclusive, and may at times require refinement or interpretation on a case-by-case basis. The list of ministerial projects and modifications thereto shall be kept posted in the offices of the Transportation Authority, with updated copies shall be sent to the Board.

#### **Section 5.4.5. Categorical Exemptions.**

The Transportation Authority shall maintain a list of types of projects that are categorically exempt from CEQA. This list shall be kept posted in the offices of the Transportation Authority, with updated copies sent to the Board. The list shall be kept up to date in accordance with any changes in CEQA.

#### **Section 5.4.6. Initial Evaluation of Projects**

- (a) For projects that are not statutorily excluded or categorically exempt from CEQA, an initial study shall be prepared to establish whether a negative declaration or an EIR is required prior to the decision as to whether to carry out or approve the project. If it is clear at the outset that an EIR is required, however, such determination may be made immediately, and no initial study shall be required.
- (b) Each initial study shall meet the requirements of CEQA with respect to contents and consultation with Responsible and Trustee Agencies. During preparation of the initial study, the Transportation Authority may consult with any person having knowledge or interest concerning the project.
- (c) If a project is subject to both CEQA and NEPA, an initial evaluation prepared pursuant to NEPA may be used to satisfy the requirements of this section.
- (d) Based on the analysis and conclusions in the initial study, the Transportation Authority shall determine, based on the requirements of CEQA, whether there is substantial evidence that any aspect of the project may cause a significant effect on the environment, and whether a negative declaration or EIR shall be prepared.



**Section 5.4.7. Negative Declarations or Mitigated Negative Declarations.**

- (a) When a negative declaration is required, it shall be prepared by or at the direction of the Transportation Authority. All CEQA requirements governing contents, notice, and recirculation shall be met.
- (b) The Board shall review and consider the information contained in the final negative declaration, together with any comments received during the public review process, and, upon making the findings as provided in CEQA, shall adopt the negative declaration, prior to approving the project. If the Board adopts a mitigated negative declaration, it shall also adopt a program for reporting on or monitoring the mitigation measures for the project that it has either required or made a condition of approval to mitigate or avoid significant environmental effects.

**Section 5.4.8. Draft Environmental Impact Reports.**

- (a) If it is determined that a project may have a significant effect on the environment and that an EIR is required, the Transportation Authority shall prepare a Notice of Preparation and shall meet all requirements for notice and circulation as required by CEQA.
- (b) The EIR shall be prepared by or under the direction of the Transportation Authority. The EIR shall first be prepared as a draft report. During preparation of the draft EIR, the Transportation Authority may consult with any person having knowledge or interest concerning the project and shall meet all CEQA consultation requirements.
- (c) When the draft EIR has been prepared, the Transportation Authority shall file a Notice of Completion and shall provide public notice of the draft EIR, as required by CEQA. The comment period on draft EIRs shall meet the requirements of CEQA. The draft EIR shall be available to the general public upon filing of the Notice of Completion.
- (d) Public participation, both formal and informal, shall be encouraged at all stages of review, and written comments shall be accepted at any time up to the conclusion of the public comment period. The Transportation Authority may give public notice at any formal stage of the review process, beyond the notices required by CEQA, in any manner it may deem appropriate, and may maintain a public log as to the status of all projects under formal review. Members of the general public shall be encouraged to submit their comments in writing as early as possible.



**Section 5.4.9. Final Environmental Impact Reports.**

- (a) A final EIR shall be prepared in accordance with CEQA by, or at the direction of, the Transportation Authority, based upon the draft EIR, the consultations and comments received during the review process, and additional information that may become available.
- (b) In the judgment of the Board, if the final EIR is adequate, accurate and objective, and reflects the independent judgment and analysis of the Board, the Board shall certify its completion in compliance with CEQA. The certification of completion shall contain a finding as to whether the project as proposed will, or will not, have a significant effect on the environment.

**Section 5.4.10. Actions on Projects.**

- (a) Before making its decision whether to carry out or approve the project, the Board shall review and consider the information contained in the environmental document and shall make findings as required by CEQA.
- (b) After the Board has decided to carry out or approve a project, the Transportation Authority shall file a notice of determination with the county clerk of the county or counties in which the project is to be located and as required by CEQA. Such notice shall contain the information required by CEQA. If required by CEQA, the notice of determination shall also be filed with the California Governor's Office of Planning and Research.

**Section 5.4.11. Additional Environmental Review.**

If the Transportation Authority or the Board determine that additional environmental review is required by CEQA, or if modifications to a project require additional environmental review, such review will be conducted as provided by CEQA and in accordance with the applicable procedures set forth in this Section 5.4.

**Section 5.4.12. Evaluation of Modified Projects.**

- (a) After evaluation of a proposed project has been completed, a substantial modification of the project may require reevaluation of the proposed project.
- (b) Where such a modification occurs as to a project that has been determined to be excluded or categorically exempt, a new determination shall be made. If the project is again determined to be excluded or categorically exempt, no further evaluation shall be required. If the project is determined not to be excluded or



categorically exempt, an initial study shall be conducted as provided in Section 5.4.6.

- (c) Where such a modification occurs as to a project for which a negative declaration has been adopted or a final EIR has been certified, the Transportation Authority shall reevaluate the proposed project in relation to such modification. If, on the basis of such reevaluation, the Transportation Authority determines, based on the requirements of CEQA, that no additional environmental review is necessary, this determination and the reasons supporting the determination shall be noted in writing in the case record, and no further evaluation shall be required. If the Transportation Authority determines that additional environmental review is necessary, a new evaluation shall be completed prior to the decision by the Board as to whether to carry out or approve the project as modified. CEQA sets forth specific requirements for the determination of whether a supplemental or subsequent EIR is necessary, as well as the applicable process.

#### **Section 5.4.13. Multiple Actions on Projects.**

- (a) The concept of a project is broadly defined by CEQA so that multiple actions of the same or of different kinds may often constitute a single project. This concept of a project permits all the ramifications of a public action to be considered together and avoids duplication of review.
- (b) Early and timely evaluation of projects and preparation of EIRs shall be emphasized.
- (c) Only one initial study, negative declaration or EIR shall be required for each project.
- (d) Only one evaluation of a project or preparation of an EIR shall occur in cases in which both the Transportation Authority and one or more other public agencies are to carry out or approve a project. In such cases the evaluation or preparation is performed by the lead agency, which agency is selected by reference to criteria in CEQA.
- (e) CEQA provides that a single initial study, negative declaration or EIR may be employed for more than one project, if all such projects are essentially the same in terms of environmental effects. Furthermore, an initial study, negative declaration or EIR prepared for an earlier project may be applied to a later project, if the circumstances of the projects are essentially the same.



- (f) Reference is made in CEQA to simultaneous consideration of multiple and phased projects, related projects, cumulative effects of projects, projects elsewhere in the region, existing and planned projects.

**Section 5.4.14. Severability.**

- (a) If any article, section, subsection, paragraph, sentence, clause or phrase of this Section 5.4, or any part thereof, is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, or other competent agency, such decision shall not affect the validity or effectiveness of the remaining portions. The Board hereby declares that it would have passed each article, section, subsection, paragraph, sentence, clause, or phrase thereof, irrespective of the fact that any one or more articles, sections, subsections, paragraphs, sentences, clauses, or phrases be declared unconstitutional, invalid, or ineffective.
- (b) If the application of any provision or provisions of this Section 5.4 to any person, property or circumstances is found to be unconstitutional or invalid or ineffective in whole or in part by any court of competent jurisdiction, or other competent agency, the effect of such decision shall be limited to the person, property or circumstances immediately involved in the controversy, and the application of any such provision to other persons, properties and circumstances shall not be affected.
- (c) These severability provisions shall apply to this Section 5.4 as it now exists and as it may exist in the future, including all modifications thereof and additions and amendments thereto.

**SECTION 6. SEAL.**

The Transportation Authority may provide for and adopt an official seal. The use of the seal of the Transportation Authority shall be for purposes directly connected with the official business of the Transportation Authority.



**San Francisco  
County Transportation  
Authority**

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## **Debt Policy**

Resolution 23-XX

### **I. INTRODUCTION**

The purpose of this Policy is to organize and formalize debt issuance-related policies and procedures for the San Francisco County Transportation Authority (Transportation Authority) and to establish a systematic debt policy (Debt Policy). The Debt Policy is, in every case, subject to and limited by applicable provisions of state and federal law and to prudent debt management principles.

### **II. DEBT POLICY OBJECTIVE**

The primary objectives of the Transportation Authority's debt and financing related activities are to

- Maintain cost-effective access to the capital markets and other financing alternatives through prudent yet flexible policies;
- Moderate debt principal and debt service payments through effective planning and project cash management in coordination with Transportation Authority project sponsors; and
- Achieve the highest practical credit ratings that also allow the Transportation Authority to meet its objectives.

### **III. SCOPE AND DELEGATION OF AUTHORITY**

This Debt Policy shall govern, except as otherwise covered by the Transportation Authority's adopted Investment Policy and the Transportation Authority's adopted Fiscal Policy, the issuance and management of all debt funded through the capital markets, including the selection and management of related financial and advisory services and products.

This Policy shall be reviewed and updated at least annually and more frequently as required. Any changes to the policy are subject to approval by the Transportation Authority Board of Commissioners (Board) at a legally noticed and conducted public meeting. Overall policy direction of this Debt Policy shall be provided by the Board. Responsibility for implementation of the Debt Policy, and day-to-day responsibility and authority for structuring, implementing, and managing the Transportation Authority's debt and finance program shall lie with the Executive Director. The Board's adoption of the Annual Budget does not constitute authorization for debt issuance for any capital projects. This Debt Policy requires that the Board specifically authorize each debt financing. Each financing shall be presented to the Board in the context of and consistent with the Annual Budget.





While adherence to this Policy is required in applicable circumstances, the Transportation Authority recognizes that changes in the capital markets, agency programs and other unforeseen circumstances may from time to time produce situations that are not covered by the Policy and require modifications or exceptions to achieve the Transportation Authority's policy goals. In these cases, management flexibility is appropriate, provided specific authorization from the Board is obtained.

#### **IV. ETHICS AND CONFLICTS OF INTEREST**

Officers, employees, and agents of the Transportation Authority involved in the debt management program will not engage in any personal business activities or investments that would conflict with proper and lawful execution of the debt management program, or which could impair their ability to make impartial decisions.

#### **V. SOURCE OF SECURITY FOR DEBT FINANCING**

Beginning in April of 1990, the State of California Board of Equalization (now the California Department of Tax and Fee Administration) started collecting the sales tax revenues for the Transportation Authority as set forth in the San Francisco County Transportation Expenditure Plan (Prop B Expenditure Plan) for a period not to exceed twenty years. In November of 2003, San Francisco voters approved the Proposition K Sales Tax (Prop K) a ~~new~~ 30-year Expenditure Plan (Expenditure Plan) that superseded Prop B and continued the one-half of one percent sales tax. In November 2022, San Francisco voters approved the Proposition L Sales Tax (Prop L), a new 30-year Expenditure Plan that supersedes Prop K and continues the one-half of one percent sales tax. The Transportation Authority's current debt obligations are secured by the sales tax revenues generated from the Transportation Authority's one-half cent (0.5%) sales tax collections in the City and County of San Francisco. The sales tax is currently set to expire on March 31, ~~2034~~2053.

#### **VI. STRATEGIC PLAN INTEGRATION**

The Transportation Authority's multi-year Strategic Plan, which programs the Expenditure Plan, shall be used in combination with this Debt Policy and the Fiscal Policy to ensure proper allocation and financing of ~~Prop K~~ eligible projects. The Strategic Plan sets priorities and strategies for allocating ~~Prop K~~ funds under its guiding principles, while the Debt Policy provides policy direction and limitations for proposed financing and the Fiscal Policy provides guidance on decisions pertaining to internal fiscal management. Debt issuance for capital projects shall not be recommended for Board approval unless such issuance has been incorporated into the Strategic Plan.

#### **VII. STANDARDS FOR USE OF DEBT FINANCING**

The Transportation Authority's debt management program will promote debt issuance only in those cases where public policy, equity, and economic efficiency favor debt over cash (pay-as-you-go) financing.



#### **A. CREDIT QUALITY.**

Credit quality is an important consideration and will be balanced with the Transportation Authority's objectives and the associated size, structure, and frequency of issuances of debt. All Transportation Authority debt management activities for new debt issuances will be conducted in a manner conducive to receiving the highest credit ratings possible consistent with the Transportation Authority's debt management objectives, and to maintaining or improving the current credit ratings assigned to the Transportation Authority's outstanding debt by the major credit rating agencies.

#### **B. ~~LONG-TERM CAPITAL PROJECTS.~~**

The Transportation Authority will issue long-term debt only to finance and refinance ~~long-term~~ capital projects. When the Transportation Authority finances capital projects by issuing bonds, the average principal amortization should not exceed 120% of the weighted average useful life of the project being financed or refinanced if the bonds are intended to be federally tax-exempt and the debt repayment period should not exceed the earlier of the following: (1) the sunset date of the current Expenditure Plan or (2) forty (40) years from the date of issuance. Inherent in its long-term debt policies, the Transportation Authority recognizes that future taxpayers will benefit from the capital investment and that it is appropriate that they pay a share of the asset cost. Long-term debt financing shall not be used to fund operating costs unless such costs qualify as capital expenditures under federal tax ~~principles~~law.

#### **C. DEBT FINANCING MECHANISM.**

The Transportation Authority will evaluate the use of available financial alternatives including, but not limited to, tax-exempt and taxable debt, long-term debt (both fixed and variable rate), short-term debt; commercial paper, lines of credit, and sales tax revenue and grant anticipation notes; negotiated sale, competitive sale, and private placement and inter-fund borrowing. The Transportation Authority will utilize the most advantageous financing alternative or combination of alternatives, that effectively balances the cost of the financing with the risk of the financing structure to the Transportation Authority.

#### **D. ONGOING DEBT ADMINISTRATION AND INTERNAL CONTROLS.**

The Transportation Authority shall maintain all debt-related records for a period of not less than the term of the debt plus three years. At a minimum, this repository will include all official statements, bid documents, ordinances, indentures, trustee reports, continuing disclosure reports, material events notices, tax certificates, information regarding the investment of and project costs paid with bond proceeds, underwriter, and other agreements, etc., for all Transportation Authority debt. To the extent that official transcripts incorporate these documents, possession of a transcript will suffice (transcripts may be ~~hard copy or stored on CD-ROM~~in physical or electronic formats). The Transportation Authority developed a standard procedure for archiving transcripts for any new debt. The Transportation Authority developed procedures and controls that will be reviewed periodically. The Transportation Authority has established internal controls to ensure compliance with the Debt Policy, all debt covenants, and any applicable requirements of applicable law.



## **E. TAX LAW COMPLIANCE, REBATE POLICY, AND SYSTEM.**

The use of proceeds of debt issued by the Transportation Authority, the interest on which is intended to be federally tax-exempt, is subject to requirements, restrictions, and limitations in order for the debt to qualify for tax-exemption initially at issuance and to remain~~s~~ tax-exempt on an ongoing basis until such debt is fully repaid. Failure to comply with such requirements, restrictions and limitations could cause such issue of the Transportation Authority's debt ~~to be determined~~ to fail to qualify for tax-exemption, retroactive to the date of issuance. The Transportation Authority designates the Executive Director, and their designee, to periodically undertake procedures to confirm compliance with such requirements, restrictions, and limitations. In furtherance thereof, the Executive Director, and their designee, will consult with the Transportation Authority's bond counsel or others as deemed necessary regarding such periodic procedures or in the event that it is discovered that noncompliance has or may have occurred.

In addition, in furtherance of the above, the Transportation Authority will accurately account for all interest earnings in debt-related funds. These records will be designed to ensure that the Transportation Authority is in compliance with all debt covenants, including covenants related to the preservation of the tax-exempt status of debt issued on such basis, and with all applicable laws. The Transportation Authority will maximize the interest earnings on all funds within the investment parameters set forth in the respective indentures, consistent with consideration of applicable yield limits and arbitrage requirements and as permitted by the Investment Policy. The Transportation Authority will develop a system for reporting interest earnings that relates to and complies with any tax certificate(s) relating to its outstanding debt and Internal Revenue Code rebate, yield limit, and arbitrage rules, and for making any required filings with State and Federal agencies. The Transportation Authority will retain records as required by its tax certificate(s). The Transportation Authority shall have the authority to retain the services of an Arbitrage Rebate Consultant.

## **VIII. FINANCING CRITERIA**

### **A. PURPOSE OF DEBT.**

When the Transportation Authority determines the use of debt is appropriate, such debt may be new money debt or refunding debt. the following criteria will be utilized to evaluate the type of debt to be issued:

#### **1. New Money ~~Debt~~Financing.**

New money debt is debt issued to finance issues are financings that generate funding for capital projects. Eligible cCapital projects eligible for financing with debt issued by the for allocation of Transportation Authority funds include the acquisition, construction, or major rehabilitation of capital assets. In accordance with the philosophy of the Debt Policy, Long-term debt proceeds generally may not be used for operating expenses. Capital project funding requirements are outlined in the annual budget, the Strategic Plan, and the Expenditure Plan.



## **2. Refunding ~~Debt~~Financing.**

Refunding debt is issued to retire all or a portion of an outstanding bond issue or other debt. Refunding issuances can be used to achieve present-value savings on debt service, to modify interest rate risk, or to restructure the payment schedule, type of debt instrument used, or covenants of existing debt. The Transportation Authority must analyze each refunding issue on a present-value basis to identify economic effects before approval. Policies on the administration of refunding financings are detailed further in Section XI: Refinancing Outstanding Debt.

## **B. TYPES OF DEBT.**

When the Transportation Authority determines that the use of debt is appropriate, the following criteria will be utilized to evaluate the type of debt to be issued.

### **1. Long-Term Debt.**

The Transportation Authority may issue long-term debt (e.g., fixed or variable rate revenue bonds) ~~to finance capital projects when such projects when funding allocations cannot be financed from with~~ current revenues ~~or funds~~. The proceeds derived from long-term ~~debt borrowing~~ will not be used to finance current operations or normal maintenance. Long-term debt will be structured such that average principal amortization does not exceed 120% of the weighted average useful life of the project being financed or refinanced if the bonds are intended to be federally tax-exempt and the debt repayment period does not exceed the earlier of the following: (a) the sunset date of the current Expenditure Plan and (b) forty (40) years from the date of issuance.

### **Fixed Rate**

- a) **Current Coupon Bonds** are bonds that pay interest periodically and principal at maturity. They may be used for both new money and refunding transactions. Bond features may be ~~selected at the time of sale adjusted~~ to accommodate the market conditions at ~~such the time of sale, including changing~~ Bond features that may be selected include the dollar amounts for ~~different~~ principal maturities, ~~offering~~ discount and premium ~~bond~~ pricing for each maturity, modifying call provisions, ~~utilizing use of~~ bond insurance, ~~and determining how to fund funding of~~ the debt service reserve fund, if any, and funding of costs of issuance.
- b) **Zero Coupon and Capital Appreciation Bonds** pay interest that is compounded and paid only when principal matures. ~~Interest continues to accrue on the unpaid interest, and these~~ These types of bonds typically bear interest at rates that are higher than those on current-coupon bonds, therefore representing a more expensive funding option. In the case of zero-coupon bonds, principal paid at maturity is discounted back to the initial investment amount received at issuance. In the case of capital appreciation bonds (CABs), interest on the bond accretes until maturity. Often, CABs are structured so as not to be callable prior to maturity, even if economic conditions are such that substantial savings could be achieved through refunding ~~those the~~ CABs.



- c) **Special Government Obligations (both tax-exempt and taxable)**, such as the Build America Bond program authorized for calendar years 2009 and 2010, or any other type of existing or new municipal security, structure or tax credit authorized by the Federal Government to assist local governments in accessing the capital markets. So long as the program's requirements allow the Transportation Authority to adhere to its Debt Policy, the Transportation Authority will evaluate it along with traditional financing structures in order to determine which is the most appropriate for a particular issuance.
- d) **Transportation Infrastructure Finance Innovation Act (TIFIA) Loan** is a loan provided by the United States Department of Transportation for certain transportation projects of regional importance. The Transportation Authority may elect to apply for a TIFIA loan if it is determined that it is the most cost-effective debt financing option available.

#### **VARIABLE RATE**

- a) **Variable Rate Demand Bonds (VRDBs)** are long-term bonds with a fixed principal amortization, but the interest rate resets at certain established periods such as daily, weekly, monthly, or such other period as the Transportation Authority deems advisable, given current market conditions. VRDBs often require credit enhancement and third-party liquidity in the forms of Letters or Lines of Credit and/or bond insurance. VRDBs generally allow bondholders to "put" their bonds back to the Transportation Authority on any rate reset date, given certain notice. The Transportation Authority will need to retain an investment bank to remarket bonds that are "put."
- b) **Indexed Notes** are forms of variable rate debt that do not require Letters or Lines of Credit. These forms of variable rate debt have a fixed spread to a certain identified index such as the Securities Industry and Financial Markets Association. The rate will reset on a weekly, monthly, or other basis.

#### **2. Short-Term Debt.**

Short-term borrowing may be utilized for the temporary funding of operational cash flow deficits or anticipated revenues, where anticipated revenues are defined as an assured revenue source with the anticipated amount based on conservative estimates. In the case of the Transportation Authority's revolving credit facility or any future commercial paper program or replacement revolving credit facility, short-term borrowings may also be utilized for funding of the Transportation Authority's capital projects. The Transportation Authority will determine and utilize the least costly method for short-term borrowing. The Transportation Authority may issue short-term debt when there is a defined repayment source or amortization of principal, subject to the following policies:

- a) **Commercial Paper Notes** may be issued as an alternative to fixed rate debt, particularly when the timing of funding requirements is uncertain. The Transportation Authority may maintain an ongoing commercial paper program to ensure flexibility and immediate access to capital funding when needed.



- b) **Grant Anticipation Notes (GANs)** are short-term notes that are repaid with the proceeds of State or Federal grants of any type. The Transportation Authority shall generally issue GANs only when there is no other viable source of funding for the project.
- c) **Sales Tax and Revenue Anticipation Notes** shall be issued only to meet sales tax revenue cash flow needs consistent with a finding by bond counsel that the sizing of the issue fully conforms to Federal tax requirements and limitations for tax-exempt borrowings.
- d) **Letters or Lines of Credit** shall be considered as an alternative to or credit support for other short-term borrowing options. The Transportation Authority presently has a \$1~~2540~~ million revolving credit facility. Amounts can be repaid and reborrowed under the revolving credit facility or another letter or line of credit without further Board action. The average amortization of amounts drawn under the revolving credit facility, letter or line of credit may not exceed 120% of the weighted average useful life of the project being financed or refinanced if the borrowing is intended to be federally tax-exempt and the borrowing must be fully repaid by the earlier of the following: (a) the sunset date of the current Expenditure Plan and (b) forty (40) years from the date of issuance. The repayment of loans under a revolving credit facility or other letter or line of credit is often facilitated by the issuance of long-term bonds or the repaying of principal from cash on hand. If proceeds of long-term bonds are used to repay loans under the revolving credit facility or other letter or line of credit, the amortization and the repayment of the long-term bonds must satisfy the limits set forth above.
- e) **Grant Anticipation Revenue Vehicle Financing (GARVEE)** are bonds issued by the State and enable entities to fund transportation projects that are secured by certain federal grants. The Transportation Authority may consider the issuance of GARVEEs to meet cash flow shortfalls of grant revenues.

### 3. Variable Rate Debt.

To maintain a predictable debt service burden, the Transportation Authority may give preference to debt that carries a fixed interest rate. An alternative to the use of fixed rate debt is floating or variable rate debt. It may be appropriate to issue short-term or long-term variable rate debt to diversify the Transportation Authority's debt portfolio, reduce interest costs, provide interim funding for capital projects, and improve the match of assets to liabilities. Variable rate debt typically has a lower initial cost of borrowing than fixed rate financing and shorter maturities but carries both interest rate and liquidity risk. Under no circumstances will the Transportation Authority issue variable rate debt solely for the purpose of earning arbitrage. The Transportation Authority, however, may consider variable rate debt in certain instances.

- a) **Variable Rate Debt Capacity.** Except for the existing \$1~~2540~~ million revolving credit facility (to which the following requirements of variable rate debt do not apply) or any replacement facility, the Transportation Authority will maintain a



conservative level of outstanding variable rate debt in consideration of general rating agency guidelines recommending a maximum of a 20-30% variable rate exposure, in addition to maintaining adequate safeguards against risk and managing the variable revenue stream both as described below:

- 1) **Adequate Safeguards Against Risk.** Financing structure and budgetary safeguards are in place to prevent adverse impacts from interest rate shifts. ~~such~~ Such structures could include, without limitation, but are not limited to, interest rate swaps, interest rate caps and the matching of assets and liabilities.
- 2) **Variable Revenue Stream Repayment Amounts.** ~~The revenue stream for repayment is~~ The amount repaid over time will be variable, and is anticipated to move in the same direction as market-generated variable interest rates. ~~or the~~ The dedication of revenues allows capacity for variability.
- 3) **As a Component to Synthetic Fixed Rate Debt.** Variable rate bonds may be used in conjunction with a financial strategy, which results in synthetic fixed rate debt, subject to ~~other~~ the provisions of the Debt Policy regarding Financial Derivative Products.

#### **4. Financial Derivative Products.**

Financial Derivative Products such as interest rate swaps will be considered appropriate in the issuance or management of debt only in instances where it has been demonstrated that the derivative product will either provide a hedge that reduces the risk of fluctuations in expense or revenue, or alternatively where the derivative product will significantly reduce total project cost. Financial Derivative Products shall be considered only: (1) after a thorough evaluation of risks associated therewith, including counterparty credit risk, basis risk, tax risk, termination risk and liquidity risk, (2) after consideration of the potential impact on the Transportation Authority's ability to refinance bonds at a future date and (3) after the Board has adopted separate policy guidelines for the use of interest rate swaps and other Financial Derivative Products. Derivative products will only be utilized with prior approval from the Board.

## **IX. TERMS AND CONDITIONS OF BONDS**

The Transportation Authority shall establish all terms and conditions relating to the issuance of bonds, and will control, manage, and invest all bond proceeds. Unless otherwise authorized by the Transportation Authority, the following shall serve as bond requirements:

### **A. TERM.**

All capital improvements financed through the issuance of debt will be financed for a period such that average principal amortization of the debt does not exceed 120% of the weighted average useful life of the project being financed or refinanced, if the bonds are intended to be federally tax-exempt, and the debt repayment period does not exceed the earlier of the following: (a) the sunset date of the current Expenditure Plan and (b) forty (40) years from the date of issuance.





## **B. CAPITALIZED INTEREST.**

The nature of the Transportation Authority's revenue stream is such that funds are generally continuously available, and the use of capitalized interest should not normally be necessary. However, certain types of financings may require the use of capitalized interest from the issuance date until the project sponsor has constructive use of the financed project. Unless otherwise required, including as may be required by statute with respect to the deposit of original issue premium, the Transportation Authority will avoid the use of capitalized interest ~~to so as to not obviate~~ unnecessarily ~~increasing~~ increase the bond issuance size. Interest shall not be funded (capitalized) beyond three (3) years, unless required by statute with respect to the deposit of original issue premium, or a shorter period if further restricted by statute. The Transportation Authority may require that capitalized interest on the initial series of bonds be funded from the proceeds of the bonds. Interest earnings may, at the Transportation Authority's discretion and, if permitted under applicable federal tax law, be applied to extend the term of capitalized interest but in no event beyond the authorized term.

## **C. LIEN LEVELS.**

Senior, Parity, and Subordinate Liens have been established under the Transportation Authority's Indenture governing the Transportation Authority's sales tax revenue bonds. The Transportation Authority may utilize any of these lien levels in a manner that will maximize ~~the most critical constraint, typically either cost or capacity, allowing for~~ the ~~most~~ beneficial use of sales tax revenues securing the series of bonds, given the applicable critical constraint of such funds, such as cost or capacity.

## **D. ADDITIONAL BONDS TEST.**

Any new money senior lien sales tax debt issuance must not result in the sales tax revenues collected in a 12 month period specified by the Transportation Authority within the most recent 18 months immediately preceding the issuance of the senior lien sales tax debt to be ~~cause the Transportation Authority's debt service to be expected to exceed the level at which the incoming sales tax revenues are~~ less than one and three quarters times (1.75x) the maximum annual projected principal, interest, and debt service for the aggregate outstanding Senior Lien bonds including the debt service for the new issuance, calculated in accordance with the Indenture. This test shall not apply to refunding debt. The Transportation Authority may by Supplemental Indenture issue or incur Parity Debt and Subordinate Obligations, subject to the limitations set forth in the Indenture, the Act, the Ordinance, and other applicable law.

## **E. DEBT SERVICE STRUCTURE.**

Debt issuance shall be planned to achieve relatively rapid repayment of debt while still matching debt service to the useful life of facilities. The Transportation Authority will amortize its debt within each lien level to achieve overall level debt service (although principal may be deferred in the early years of a bond issue to maximize the availability of pay-as-you-go dollars during that time) or may utilize more accelerated repayment schedules after giving consideration to bonding capacity constraints. The Transportation Authority shall avoid the use of bullet or balloon maturities except in those instances where these maturities serve to level existing debt service.



**F. CALL PROVISIONS.**

In general, the Transportation Authority's securities will include a call feature, based on market conventions, which is typically at par no later than ten and one-half (10.5) years from the date of delivery of tax-exempt bonds. In 2018, tax law was amended such that tax-exempt bonds can only be refunded on a tax-exempt basis 90 days before the call date and cannot be advance refunded with tax-exempt bond proceeds. The Transportation Authority may determine that a shorter call or premium feature is appropriate based on market dynamics and/or the desire for increased future optionality.

**G. ORIGINAL ISSUE DISCOUNT AND ORIGINAL ISSUE PREMIUM.**

An original issue discount or original issue premium applicable to a particular maturity of any series of Transportation Authority bonds will be permitted only if the Transportation Authority determines that such discount or premium results in a lower true interest cost on such series of bonds and that the use of an original issue discount or original issue premium will not adversely affect the project identified by the bond documents.

**H. DEEP DISCOUNT BONDS.**

Deep discount bonds may provide a lower cost of borrowing in certain markets though they may also limit opportunities to refinance at lower rates in the future. The Transportation Authority will carefully consider their value and the effect on any future refinancings as a result of the lower-than-market coupon.

**I. DERIVATIVE PRODUCTS.**

The Transportation Authority will consider the use of derivative products only in instances where it has been demonstrated that the derivative product will either provide a hedge that reduces risk of fluctuations in expense or revenue, or alternatively, where the derivative product will reduce the total project cost. If interest rate swaps are considered, the Transportation Authority shall develop and maintain an Interest Rate Swap Policy governing the use and terms of these derivative products. For derivatives other than interest rate swaps, the Transportation Authority will undertake an analysis of early termination costs and other conditional terms given certain financing and marketing assumptions. Such analysis will document the risks and benefits associated with the use of a particular derivative product. Derivative products will only be utilized with prior approval from the Board.

**J. MULTIPLE SERIES.**

In instances where multiple series of bonds are to be issued, the Transportation Authority shall make a final determination as to which allocations are of the highest priority. Projects chosen for priority financing, based on funding availability and proposed timing, will generally be subject to the earliest or most senior of the bond series.



## **X. CREDIT ENHANCEMENTS**

The Transportation Authority will consider the use of credit enhancement on a case-by-case basis, evaluating the economic benefit versus cost for each case. Only when a clearly demonstrable savings or positive impact on overall debt capacity can be shown shall enhancement be considered. The Transportation Authority will consider each of the following enhancements as alternatives by evaluating the cost and benefit of such enhancement.

### **A. BOND INSURANCE.**

The Transportation Authority shall have the authority to purchase bond insurance when such purchase is deemed prudent and advantageous. The predominant determination shall be based on such insurance being less costly than the present value of the difference in the interest expense on insured bonds versus uninsured bonds.

### **B. DEBT SERVICE RESERVES.**

When required, a reserve fund equal to not more than the least of ten percent (10%) of the original principal amount of the bonds, maximum annual debt service or one-hundred-and-twenty-five (125%) percent of average annual debt service (Reserve Requirement) shall be funded from the proceeds of each series of bonds, subject to Federal tax regulations and in accordance with the requirements of credit enhancement providers, if any, and rating agencies, and with investors' requirements.

The Transportation Authority shall have the authority to purchase reserve equivalents (i.e., the use of a reserve fund surety) when such purchase is deemed prudent and advantageous. Such equivalents shall be evaluated in comparison to cash funding of reserves on a net present value basis.

### **C. LIQUIDITY FACILITIES AND LETTERS OF CREDIT.**

The Transportation Authority shall have the authority to enter liquidity ~~facilities~~ facility and letter-of-credit ~~agreements~~ arrangements when such ~~agreements~~ arrangements are deemed prudent and advantageous. The Transportation Authority may enter into such arrangements only with Only those financial institutions with that have short-term ratings of not less than VMIG 1/P1, A-1, and or F1, by Moody's Investor Service, Standard & Poor's Global Ratings, and or Fitch Ratings, respectively, and with have ratings from at least two of the three aforementioned ratings agencies, may participate in Transportation Authority liquidity facilities and letter of credit agreements.

## **XI. REFINANCING OUTSTANDING DEBT**

The Transportation Authority shall have the responsibility to analyze outstanding bond issues for refunding opportunities that may be presented by underwriting and/or financial advisory firms. The Transportation Authority will consider the following issues when analyzing possible refunding opportunities:



**A. DEBT SERVICE SAVINGS.**

The Transportation Authority has established a minimum present value savings threshold goal of three (3) percent of the principal amount of the refunded bond, unless there are other compelling reasons for undertaking the refunding. Additionally, the Transportation Authority has established a minimum present value savings threshold goal of five (5) percent of the principal amount of the refunded bond for refundings involving derivative products such as the issuance of synthetic fixed rate refunding debt service, unless there are other compelling reasons for undertaking the refunding. For this purpose, the present value savings will be net of all costs related to the refunding. The decision to take savings on an upfront or deferred basis must be explicitly approved by the Board.

**B. RESTRUCTURING.**

The Transportation Authority will refund debt when in its best interest to do so. Refunding purposes may include but are not limited to: restructuring to meet unanticipated revenue expectations, terminating swaps, achieving cost savings, mitigating irregular debt service payments, releasing reserve funds, removing unduly restrictive bond covenants, or any combination of purposes beneficial to the Transportation Authority.

**C. TERM OF REFUNDING ISSUES.**

Except for commercial paper and loans under a line of credit (including the current revolving credit facility), the Transportation Authority generally will refund bonds without extending the maturity beyond that of the originally issued debt. However, the Transportation Authority may consider maturity extension, when necessary to achieve a desired outcome, provided that such extension is legally permissible. The Transportation Authority may also consider shortening the term of the originally issued debt to realize greater savings. The remaining useful life of the financed facility and the concept of inter-generational equity should guide this decision.

**D. ESCROW STRUCTURING.**

The Transportation Authority shall utilize the least costly securities available in structuring refunding escrows. The Transportation Authority will examine the viability of an economic versus legal defeasance on a net present value basis. A certificate from a third-party agent, who is not a broker-dealer, is required stating that the securities were procured through an arms-length, competitive bid process (in the case of open market securities), that such securities were more cost effective than State and Local Government Securities (SLGS) (this is required only if SLGS are then available for purchase), and that the price paid for the securities was reasonable within Federal guidelines. Such certificate shall not be required in the case of SLGSs purchased directly from the U.S. Treasury. Under no circumstances shall an underwriter, agent or financial advisor sell escrow securities to the Transportation Authority from its own account.

**E. ARBITRAGE.**

The Transportation Authority shall take all necessary steps (permitted under Federal tax law when tax-exempt debt is involved) to optimize escrows and to avoid negative



arbitrage in its refunding. Any resulting positive arbitrage will be rebated as necessary according to Federal guidelines.

**F. COMMERCIAL PAPER PROGRAM, REVOLVING CREDIT FACILITY.**

The requirements of this Section XI and of Section VIII.A.2 shall not apply to or restrict the issuance of commercial paper notes for the purpose of refunding maturing commercial paper notes, or of borrowing under a revolving credit facility for the purpose of repaying prior loans under the facility or under a prior facility, nor shall this Section XI or Section VIII.A.2 apply to long-term refinancing of commercial paper or of loans under a revolving credit facility, subject to limitations otherwise contained in this policy.

**XII. METHODS OF ~~ISSUANCE~~ SALE**

The Transportation Authority will determine, on a case-by-case basis, whether to sell its bonds competitively or through negotiation, including a direct placement or similar transaction.

**A. COMPETITIVE SALE**

In a competitive bond sale, the Transportation Authority's bonds shall be awarded to the bidder providing the lowest true interest cost as long as the "winning" bid and the bidding process also adheres to the requirements set forth in the official notice of sale. Conditions under which a competitive sale would be preferred are as follows (not all conditions need be present/satisfied):

- a) Bond prices are stable and/or demand is strong
- b) Market timing and interest rate sensitivity are not critical to the pricing
- c) Participation from DBE firms is "best effort" and not required for winning bid;
- d) There are no complex explanations required during marketing regarding the Transportation Authority's projects, media coverage, political structure, political support, funding, or credit quality;
- e) The bond type and structure are conventional;
- f) Bond insurance is included or pre-qualified (available);
- g) The transaction size is manageable;
- h) The Transportation Authority has strong credit rating(s); and
- i) The Transportation Authority is well known to investors

**B. NEGOTIATED SALE.**

The Transportation Authority recognizes that some securities are best sold through negotiation. Conditions under which a negotiated sale would be preferred are as follows (not all conditions need be present/satisfied):

- a) Bond prices are volatile;



- b) Demand is weak, or supply of competing bonds is high;
- c) Market timing is important, such as for refunding's;
- d) The Transportation Authority has lower or weakening credit rating(s);
- e) The Transportation Authority is not well known to investors;
- f) Sale and marketing of the bonds will require complex explanations about the Transportation Authority projects, media coverage, political structure, political support, funding, or credit quality;
- g) The bond type and/or structural features are non-standard, such as for a forward delivery bond sale or the issuance of variable rate bonds, or where there is the use of derivative products;
- h) Bond insurance is not available or not offered;
- i) Early structuring and market participation by underwriters are desired;
- j) The par amount for the transaction is significantly larger than normal;
- k) Demand for the bonds by retail investors is expected to be high; and
- l) Participation from DBE firms is required

#### **C. PRIVATE PLACEMENT.**

From time to time, the Transportation Authority may elect to privately place its debt or borrow directly from a bank or other financial institution. Such placement or borrowing shall only be considered if this method is likely to result in a cost savings to the Transportation Authority relative to other methods of debt issuance on a net present value basis, using the Transportation Authority's investment rate as the appropriate measure of the discount rate. For the existing \$1~~2540~~ million revolving credit facility or any replacement facility that is bank purchased, such requirements do not apply.

#### **D. ISSUANCE METHOD ANALYSIS.**

The Transportation Authority shall evaluate each method of issuance based on the factors set forth above.

### **XIII. MARKET RELATIONSHIPS**

#### **A. RATING AGENCIES.**

The Executive Director shall be responsible for maintaining the Transportation Authority's relationships with Moody's Investors Service, Standard & Poor's, and Fitch Ratings. The Transportation Authority may, from time-to-time, choose to deal with only one or two of these agencies as circumstances dictate. In addition to general communication, the Executive Director shall: (1) meet with credit analysts prior to each sale (competitive or negotiated) to the extent it is advantageous to do so, and (2) prior to each competitive or negotiated sale, offer conference calls or meetings with agency analysts in connection with the planned sale.



## **B. INVESTOR OUTREACH.**

The Transportation Authority shall participate in informational meetings or conference calls with institutional investors in advance of bond or note sales to the extent such meetings are advantageous to the sale of such bonds or notes. Ad-hoc information requests and inquiries from investors that hold the Transportation Authority's bonds should be met to the extent the requested information is publicly available. The provision of any information to investors shall be discussed with the Deputy Director Finance and Administration prior to the release of any information.

## **C. TRANSPORTATION AUTHORITY COMMUNICATION.**

The Executive Director shall include in the annual report to the Board feedback from rating agencies and/or investors regarding the Transportation Authority's financial strengths and weaknesses and recommendations for addressing any weaknesses.

## **D. DISCLOSURE.**

The Transportation Authority shall comply with the terms of its continuing disclosure undertakings (CDUs). Material noncompliance with any CDU must be reported to the Municipal Securities Rulemaking Board's (MSRB's) Electronic Municipal Market Access system ("EMMA") and disclosed in bond offering documents, which could reflect negatively on the Transportation Authority. The Executive Director will take all reasonable steps to ensure that the Transportation Authority files timely annual reports and "listed event" notices with EMMA, and that all such filings are (i) complete and accurate under the law and (ii) clear, concise, and readable for the investing community. The Transportation Authority's existing CDUs contain 15 listed events, including the requirement that the Transportation Authority give, or cause to be given, in a timely manner, notice of a failure to provide the annual financial information on or before the date specified in its CDUs. Amendments to Rule 15c-12 effective (i.e., applicable to CDUs entered into by the Transportation Authority after) February 27, 2019, added two more "listed events" relating to a debt issuer's "material financial obligations" and to changes to primary documents relating to such obligations that could impact bond holders. The Transportation Authority may consider establishing guidelines for making the determination as to whether a financial obligation is material or whether a change to a document relating to a material financial obligation is, in itself, material. The Transportation Authority may also, from time to time, evaluate using the services of a dissemination agent, such as the Transportation Authority's Financial Adviser or Digital Assurance Certification, LLC, to assist with CDU compliance.

From time to time, the Transportation Authority prepares disclosure documents. Disclosure documents include offering documents for Transportation Authority bonds (e.g., preliminary and final Official Statements), (b) annual continuing disclosure reports filed with EMMA, (c) event notices and any other filings with EMMA, (d) the Transportation Authority's audited financial statements and (e) any other documents that are reasonably likely to reach investors or the securities markets, including but not limited to press releases, web site postings, and other communications required to be certified as representations of the City's financial condition to investors or the securities markets.



To help ensure that the Transportation Authority's disclosure documents comply with all applicable federal securities laws and promote best practices regarding the preparation and review of the disclosure documents, the Transportation Authority promotes communication among its departments so that disclosure documents/filings are being reviewed by the staff persons who have the knowledge and ability to assess the accuracy and completeness of the document. The Executive Director or the Deputy Director for Finance and Administration may develop additional disclosure procedures including record retention policies. The Transportation Authority may engage with an external disclosure counsel to provide additional guidance and training.

**E. REBATE REPORTING.**

The use of bond proceeds and their investments must be monitored to ensure compliance with arbitrage restrictions. Existing regulations require that issuers calculate annual rebates related to any bond issues, with rebate paid every five years and as otherwise required by applicable provisions of the Internal Revenue Code and regulations. Therefore, the Executive Director shall take all reasonable steps to ensure that proceeds and investments are tracked in a manner that facilitates accurate, complete calculation, and timely rebates, if necessary.

**F. OTHER JURISDICTIONS.**

From time to time, the Transportation Authority may issue bonds on behalf of other public entities. While the Transportation Authority will make every effort to facilitate the desires of these entities, the Executive Director will take all reasonable steps to ensure that only the highest quality financings are done and that the Transportation Authority is insulated from all risks. The Transportation Authority shall require that all conduit financings achieve a rating at least equal to the Transportation Authority's ratings (including, where necessary, through the use of credit enhancement).

**G. FEES.**

The Transportation Authority will charge recipients of debt issuance proceeds an administrative fee equal to the recipient's pro rata share of administrative costs incurred by the Transportation Authority in issuing debt.

**XIV. CONSULTANTS**

The Transportation Authority shall select its primary consultant(s) by competitive qualifications-based process through Request for Proposals.

**A. SELECTION OF FINANCING TEAM MEMBERS.**

The Executive Director will make recommendations for all financing team members, with the Board providing final approval.

**B. FINANCIAL ADVISOR.**

The Transportation Authority shall utilize a financial advisor to assist in its debt issuance and debt administration processes as prudent. Selection of the Transportation Authority's financial advisor(s) shall be based on, but not limited to, the following criteria:



- a) Experience in providing consulting services to complex issuers
- b) Knowledge and experience in structuring and analyzing complex issues
- c) Experience and reputation of assigned personnel
- d) Fees and expenses

Financial advisory services provided to the Transportation Authority shall include, but shall not be limited to:

- e) Evaluation of risks and opportunities associated with debt issuance;
- f) Monitoring marketing opportunities;
- g) Evaluation of proposals submitted to the Transportation Authority by investment banking firms;
- h) Structuring and pricing;
- i) Preparation of request for proposals for other financial services such as trustee and paying agent services, printing, credit facilities, remarketing agent services, etc.;
- j) Advice, assistance, and preparation for presentations with rating agencies and investors; and
- k) Assisting in preparation of official statements.

The Transportation Authority also expects that its financial advisor will provide the Transportation Authority with objective advice and analysis, maintain the confidentiality of Transportation Authority financial plans, and be free from any conflicts of interest.

### **C. BOND COUNSEL.**

Transportation Authority debt will include a written opinion by legal counsel affirming that the ~~debt is a valid and binding obligation, and stating Transportation Authority is authorized to issue the proposed debt, that the Transportation Authority has met all constitutional and statutory requirements necessary for issuance, and a determination of~~ the proposed debt's federal income tax status. The approving opinion and other documents relating to the issuance of debt will be prepared by nationally recognized counsel with extensive experience in public finance and tax issues. Counsel will be selected by the Transportation Authority through its request for proposal process.

The services of bond counsel may include, but are not limited to:

- a) Rendering a legal opinion with respect to authorization and valid issuance of debt obligations including whether the interest paid on the debt is tax exempt under federal and State of California law;
- b) Preparing all necessary legal documents in connection with authorization, sale, issuance and delivery of bonds and other obligations;





- c) Assisting in the preparation of the preliminary and final official statements and or commercial paper memorandum;
- d) Participating in discussions with potential investors, insurers, and credit rating agencies, if requested; and
- e) Providing continuing advice, as requested, on the proper use and administration of bond proceeds under applicable laws and the indenture, particularly arbitrage tracking and rebate requirements.

#### **D. DISCLOSURE COUNSEL**

For Transportation Authority debt issued and sold through the use of an official statement or offering memorandum, the Transportation Authority may retain disclosure counsel with experience in public finance and securities law issues. Disclosure counsel will be selected by the Transportation Authority through its Request for Proposal (RFP) process.

The services of disclosure counsel may include, but are not limited to:

- a) Assisting the internal due diligence process;
- b) Preparation and/or review of disclosure documents necessary for the sale and delivery of securities, including preliminary and final official statements (or offering memoranda) and continuing disclosure agreements;
- c) Delivery of a negative assurance letter regarding the disclosure document; and
- d) The Transportation Authority may also retain disclosure counsel with experience in public finance and securities law issues to provide advice and support between issuances of debt sold through the use of an official statement or offering memorandum, as determined by the Executive Director.

### **XV. UNDERWRITER SELECTION**

#### **A. SENIOR MANAGER SELECTION.**

The Transportation Authority may select a senior manager for a proposed negotiated sale. The criteria shall include but not be limited to:

- a) The firm's ability and experience in managing complex transactions;
- b) Demonstrated ability to structure debt issues efficiently and effectively;
- c) Prior knowledge and experience with the Transportation Authority;
- d) The firm's willingness to risk capital and demonstration of such risk;
- e) The firm's ability to sell bonds;
- f) Quality and experience of personnel assigned to the Transportation Authority's engagement and
- g) Financing plan presented.



**B. CO-MANAGER SELECTION.**

Co-managers, if any, will be selected on the same basis as the senior manager. In addition to their qualifications, co-managers appointed to specific transactions will be a function of transaction size and the necessity to ensure maximum distribution of the Transportation Authority's bonds.

**C. SELLING GROUPS.**

The Transportation Authority may establish selling groups in certain transactions. To the extent that selling groups are used, the Transportation Authority may make appointments to selling groups from within the pool of underwriters or from outside the pool, as the transaction dictates.

**D. UNDERWRITER'S COUNSEL.**

In any negotiated sale of Transportation Authority debt, in which legal counsel is required to represent the underwriter, the lead underwriter will make the appointment, subject to Transportation Authority consent.

**E. UNDERWRITER'S DISCOUNT.**

- a) The Transportation Authority will evaluate the proposed underwriter's discount against comparable issues in the market. If there are multiple underwriters in the transaction, the Transportation Authority will determine the allocation of fees with respect to the management fee. The determination will be based upon participation in the structuring phase of the transaction.
- b) All fees and allocation of the management fee will be determined prior to the sale date; a cap on management fees, expenses, and fees and expenses of underwriter's counsel will be established and communicated to all parties by the Transportation Authority. The senior manager shall submit an itemized list of expenses charged to members of the underwriting group. Any additional expenses must be substantiated.

**F. EVALUATION OF FINANCING TEAM PERFORMANCE.**

The Transportation Authority will evaluate each bond sale after its completion to assess the following: costs of issuance, including underwriters' compensation, pricing of the bonds in terms of the overall interest cost and on a maturity-by-maturity basis, and the distribution of bonds and sales credits.

Following each sale, the Transportation Authority shall provide a post-sale evaluation on the results of the sale to the Board.

**G. SYNDICATE POLICIES.**

For each negotiated transaction, the senior manager will prepare syndicate policies for approval by the Executive Director that will describe the designation policies governing the upcoming sale. The Executive Director shall ensure that the senior manager receives each member's acknowledgement of the syndicate policies for the upcoming sale prior to the sale date.



#### **H. DESIGNATION POLICIES.**

To encourage the pre-marketing efforts of each member of the underwriting team, orders for the Transportation Authority's bonds will be net designated, unless otherwise expressly stated. The Transportation Authority shall require the senior manager to:

- a) Equitably allocate bonds to other managers and the selling group;
- b) Comply with MSRB regulations governing the priority of orders and allocations; and
- c) Within 10 working days after the sale date, submit to the Executive Director a detail of orders, allocations and other relevant information pertaining to the Transportation Authority's sale.

#### **I. DISCLOSURE BY FINANCING TEAM MEMBERS.**

All financing team members will be required to provide full and complete disclosure, relative to agreements with other financing team members and outside parties. The extent of disclosure may vary depending on the nature of the transaction. However, under no circumstances will agreements be permitted which could compromise the firm's ability to provide independent advice which is solely in the Transportation Authority's best interests, or which could reasonably be perceived as a conflict of interest.



## GLOSSARY

**Arbitrage.** The difference between the interest paid on an issue of tax-exempt debt and the interest earned by investing the debt proceeds in higher-yielding taxable securities. IRS regulations govern arbitrage earned pursuant to the investment of the proceeds of tax-exempt municipal securities.

**Balloon Maturity.** A maturity within an issue of bonds that contains a disproportionately large percentage of the principal amount of the original issue.

**Bullet Maturity.** The maturity of an issue of bonds for which there are no principal payments prior to the final stated maturity date.

**Call Provisions.** The terms of the bond contract giving the issuer the right to redeem all or a portion of an outstanding issue of bonds prior to their stated dates of maturity at a specific price, usually at or above par.

**Capitalized Interest.** A portion of the proceeds of an issue that is set aside to pay interest on the securities for a specific period of time. Interest is sometimes capitalized for the construction period of the project.

**Commercial Paper.** Very short-term, unsecured promissory notes issued in either registered or bearer form, and usually backed by a line of credit with a bank that, upon the maturity thereof, successively rolls into other short term promissory notes until the principal thereof is paid by the Transportation Authority.

**Competitive Sale.** A sale of securities by an issuer in which underwriters or syndicates of underwriters submit sealed bids to purchase the securities in contrast to a negotiated sale.

**Continuing Disclosure.** The ongoing disclosure provided by an issuer to comply with a continuing disclosure undertaking. Generally, includes annual updates of operating and financial information, audited financial statements, and notice of events specifically identified in the undertaking.

**Credit Enhancement.** Credit support purchased by the issuer to raise the credit rating of the issue. The most common credit enhancements consist of bond insurance, direct or standby letters of credit, and lines of credit.

**DBE.** Disadvantaged Business Enterprises as defined by the Transportation Authority's current DBE policy.

**Debt Service Reserve Fund.** The fund in which moneys are placed which may be used to pay debt service if pledged revenues are insufficient to satisfy the debt service requirements.



**Deep Discount Bonds.** Bonds that are priced for sale at a substantial discount from their face or par value.

**Derivatives.** (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security asset (interest rates, foreign exchange rates, equities, or commodities).

**Designation Policies.** Outline as to how an investor's order is filled when a maturity in an underwriting syndicate is oversubscribed. The senior managing underwriter and issuer decide how the bonds will be allocated among the syndicate. There are three primary classifications of orders, which form the designation policy. The highest priority is given to Group Net orders; the next priority is given to Net Designated orders and Member orders are given the lowest priority.

**Escrow.** A fund established to hold moneys pledged and to be used to pay debt service on an outstanding issue one or more existing obligations.

**Expenses.** Compensates senior managers for out-of-pocket expenses including: underwriters counsel, DTC charges, travel, syndicate expenses, dealer fees, overtime expenses, communication expenses, computer time and postage.

**Grant Anticipation Notes (GANs).** Short-term notes issued by the government unit, usually for capital projects, which are paid from the proceeds of State or Federal grants of any type.

**Grant Anticipation Revenue Vehicle Financing (GARVEE).** Bonds issued by the State and enable entities to fund transportation projects that are secured by certain federal grants.

**Letters of Credit.** A bank credit facility supporting the payment of bonds wherein the bank agrees to lend a specified amount of funds for a limited term.

**Management Fee.** The fixed percentage of the gross spread which is paid to the managing underwriter for the structuring phase of a transaction.

**Members.** Underwriters in a syndicate other than the senior underwriter.

**Negotiated Sale.** A method of sale in which the issuer chooses one underwriter to negotiate terms pursuant to which such underwriter will purchase and market the bonds.

**Original Issue Discount.** The amount by which the original par amount of an issue exceeds its initial sale public offering price at the time a substantial amount of such issue it is sold to the public originally offered to an investor.



**Original Issue Premium.** The amount by the ~~public offering initial sale~~ price of an issue exceeds its original par amount at the time a substantial amount of such issue is sold to the public~~it is originally offered to an investor~~.

**Pay-As-You-Go.** An issuer elects to finance a project with existing cash flow as opposed to issuing debt obligations.

**Present Value.** The current value of a future cash flow.

**Private Placement.** The original placement of an issue with one or a limited number of investors as opposed to being publicly offered or sold.

**Rebate.** A requirement imposed by the Tax Reform Act of 1986 whereby the issuer of the bonds must pay the IRS an amount equal to the difference between the amount its profit earned from investment of bond proceeds at a yield above the bond yield and the amount that would have been earned at a yield equal to the bond yield, calculated pursuant to ~~the IRS code federal tax law~~ together with all income earned on the accumulated profit earnings pending payment, subject to certain exceptions.

**Sales Tax and Revenue Anticipation Notes (TRANs).** Short-term notes issued by a government unit, usually for operating purposes, which are paid from the proceeds of sales tax or other anticipated revenue sources.

**Selling Groups.** The group of securities dealers who participate in an offering not as underwriters but rather as those who receive securities less the selling concession from the managing underwriter for distribution at the public offering price.

**Syndicate Policies.** The contractual obligations placed on the underwriting group relating to distribution, price limitations and market transactions.

**Transportation Infrastructure Finance Innovation Act (TIFIA).** Loans and loan guaranty program provided by the United States Department of Transportation for transportation projects of regional importance.

**Underwriter.** A dealer that purchases new issues of municipal securities from the Issuer and resells them to investors.

**Underwriter's Discount.** The difference between the price at which the Underwriter buys bonds from the Issuer and the price at which they are reoffered to investors.

**Variable Rate Debt.** An interest rate on a security, which changes at intervals according to an index or a formula or other standard of measurement as, stated in the bond contract.



**San Francisco  
County Transportation  
Authority**

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## **Equal Benefits Policy**

Resolution 23-XX

### **SECTION 1. ALL CONTRACTS TO INCLUDE NONDISCRIMINATION PROVISIONS; DEFINITIONS.**

- (a) The San Francisco County Transportation Authority (Transportation Authority) shall include in all contracts hereinafter executed or amended in any manner or as to any portion thereof, a provision obligating the contractor not to discriminate on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome, HIV status (AIDS/HIV status), weight, height, association with members of classes protected under this policy or in retaliation for opposition to any practices forbidden under this policy against any employee of, any Transportation Authority employee working with, or applicant for employment with such contractor and shall require such contractor to include a similar provision in all subcontracts executed or amended thereunder.
- (b) The Transportation Authority shall not execute or amend any contract with any contractor that discriminates in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits as well as any benefits other than bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to State or local law authorizing such registration, subject to the following conditions. In the event that the contractor's actual cost of providing a certain benefit for the domestic partner of an employee exceeds that of providing it for the spouse of an employee, or the contractor's actual cost of providing a certain benefit for the spouse of an employee exceeds that of providing it for the domestic partner of an employee, the contractor shall not be deemed to discriminate in the provision of benefits if the contractor conditions providing such benefit upon the employee agreeing to pay the excess costs. In addition, in the event a contractor is unable to provide a certain benefit, despite taking reasonable measures to do so, the contractor shall not be deemed to discriminate in the provision of benefits if the contractor proves the employee with a cash equivalent.
- (c) Definitions. As used in this policy the following words and phrases shall have the meanings indicated herein:

"Age" shall mean the age of any employee or applicant for employment who has attained the age of 40 years ~~and has not attained the age of 65 years~~. For the purposes of this policy, discrimination because of age shall mean dismissal from employment of, or refusal to employ or rehire any person because of ~~his or her~~ their age, if such person has attained the age of 40 years ~~and has not attained the age of 65 years~~, if the person is physically able and mentally competent to perform the services required. Age limitations of



apprenticeship programs in which the State or its political subdivisions participate shall not be considered discriminatory within the meaning of this policy.

"Amend" shall mean to substantively change the terms of a pre-existing contract, and shall not include amendments to decrease the scope of work or the amount to be paid under a contract. Construction change orders shall not be construed as contract amendments for the purposes of this policy.

"Board" shall mean the Board of Commissioners of the San Francisco County Transportation Authority.

"Contract" shall mean an agreement for public works or improvements to be performed, or for goods or services to be purchased or grants to be provided, at the expense of the Transportation Authority or to be paid out of moneys deposited in the treasury or out of trust moneys under the control or collected by the Transportation Authority, and does not include agreements entered into after June 28, 2016 pursuant to settlement of legal proceedings, contracts for urgent litigation expenses, or contracts for a cumulative amount of \$5,000 or less per vendor in each fiscal year.

"Contractor" means any person or persons, firm, partnership, corporation, or combination thereof, who enters into a contract with the Executive Director or designee empowered by law to enter into contracts on the part of the Transportation Authority.

"Executive Director" shall mean the Executive Director of the Transportation Authority.

"Disability," with respect to an individual, shall mean a physical or mental impairment which substantially limits one or more major life activities, or a record of such an impairment, or being regarded as having such an impairment.

"Domestic partner" shall mean any person who has a currently registered domestic partnership with a governmental body pursuant to State or local law authorizing such registration.

"Gender identity" shall mean a person's various individual attributes as they are understood to be masculine and/or feminine.

"Qualified disabled employee" shall mean a person able to perform the essential functions of a job with or without reasonable accommodation.

"Sex" shall mean the character of being male or female, and includes, but is not limited to, pregnancy, childbirth, or related medical conditions; gender identity; transgender status; and sex stereotyping.

"Sexual orientation" shall mean the status of being lesbian, gay, bisexual, or heterosexual.





"Subcontract" shall mean an agreement to provide goods and/or services, including construction labor, materials, or equipment, to a contractor, if such goods or services are procured or used in the fulfillment of the contractor's obligations arising from a contract with the Transportation Authority.

"Subcontractor" means any person or persons, firm, partnership, corporation, or any combination thereof, who enters into a subcontract with a contractor. For contracts for or on behalf of the City and County of San Francisco, such term shall include any person or entity who enters into an agreement with any subcontractor for the performance of 10 percent or more of any subcontract.

"Transportation Authority" shall mean the San Francisco County Transportation Authority.

- (d) The requirements of this policy shall apply to any of a contractor's operations within San Francisco.

## **SECTION 2. NONDISCRIMINATION PROVISIONS.**

Every contract for or on behalf of the Transportation Authority shall incorporate by reference and require the contractor to comply with the provisions of Section 2. In addition, all contractors must incorporate by reference in all subcontracts and require subcontractors to comply with the requirements set forth in Sections 2(a) and 2(c) through 2(h), and failure to do so shall constitute a material breach of contract.

In the performance of a contract the contractor agrees as follows:

- (a) The contractor or subcontractor will not discriminate against any employee, Transportation Authority employee working with such contractor or subcontractor, or applicant for employment with such contractor or subcontractor on the basis of the fact or perception of that person's race, color, religion, ancestry, national origin, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability, weight, height, AIDS/HIV status, or association with members of classes protected under this policy or in retaliation for opposition to any practices forbidden under this policy. Discrimination on the basis of sex includes sexual harassment as defined in Section 16.9-25(b) of the San Francisco Administrative Code. The contractor or subcontractor will take action to ensure that applicants are employed, and that employees are treated equally during employment, without regard to the fact or perception of their race, color, creed, religion, ancestry, national origin, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability, or AIDS/HIV status. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training, including apprenticeship. Nothing in this policy shall require or prohibit the establishment of new classifications of employees in any given craft. The provisions of this Section with respect to age shall not apply to (1) termination of employment because of the terms or conditions of any bona fide retirement or pension plan, (2) operation of the terms or conditions of any bona fide



retirement or pension plan which has the effect of a minimum service requirement, and (3) operation of the terms or conditions of any bona fide group or insurance plan. The contractor or subcontractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in such form and content as shall be furnished or approved by the awarding authority setting forth the provisions of this Section.

- (b) The prime contractor shall state that the prime contractor does not, and will not during the term of the contract discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits as well as any benefits other than bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to State or local law authorizing such registration, subject to the following conditions. In the event that the contractor's actual cost of providing a certain benefit for the domestic partner of an employee exceeds that of providing it for the spouse of an employee, or the contractor's actual cost of providing a certain benefit for the spouse of an employee exceeds that of providing it for the domestic partner of an employee, the contractor shall not be deemed to discriminate in the provision of benefits if the contractor conditions providing such benefit upon the employee agreeing to pay the excess costs. In addition, in the event a contractor is unable to provide a certain benefit, despite taking reasonable measures to do so, the contractor shall not be deemed to discriminate in the provision of benefits if the contractor provides the employee with a cash equivalent. The Executive Director shall be the final arbiter of a contractor's compliance or substantial compliance with this policy and the Executive Director's determination shall not be appealable to the Board. Contractors shall treat as confidential to the maximum extent allowed by law or the requirements of contractor's insurance provider any request by an employee or applicant for employment for domestic partner or spousal benefits or any documentation of eligibility for domestic partner or spousal benefits submitted by an employee or applicant for employment.

In adopting this Section 2(b), the intent of the Board is to equalize to the maximum extent legally permitted the total compensation between similarly situated employees with spouses and employees with domestic partners.

In particular, consistent with the severability clause set forth in Section 5 below, the Board intends that if a court or agency of competent jurisdiction finds that a State or federal law, rule or regulation invalidates (1) the application of this Section to any business, person, type of compensation or benefit, or location; or (2) any other requirement of this Section, then the court or agency should sever the invalid clause and leave in effect the remainder of this Section.

- (c) The contractor or subcontractor shall provide reasonable accommodation for qualified disabled applicants for employment and for qualified disabled employees. Said contractor or subcontractor need not provide reasonable accommodation if such would



present an undue hardship. An undue hardship means significant difficulty or expense incurred by a contractor or subcontractor with respect to the resources and circumstances of the particular employer in relationship to the cost or difficulty of providing a specific accommodation. Undue hardship must be assessed on a case-by-case basis and refers not only to financial difficulty, but to reasonable accommodations that are unduly extensive, substantial, or disruptive, or those that would fundamentally alter the nature or operation of the business. may include but not be limited to more than a de minimis cost, violation of the seniority rights of other co-workers as established by a bona fide seniority system, or a health or safety risk to the employee or co-employees. The burden of establishing undue hardship rests on the employer.

- (d) The contractor or subcontractor will in all solicitations or advertisements for employees placed by or on his or her behalf, state that qualified applicants will receive consideration for employment without regard to the fact or perception of their race, creed, religion, color, ancestry, national origin, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability, weight, height or AIDS/HIV status.
- (e) The contractor or subcontractor will send to each labor union or representative of workers with which he or she has a collective bargaining agreement or other agreement or understanding, a notice advising the said labor union or workers' representative of the contractor's or subcontractor's commitments under this Section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (f) The contractor or subcontractor shall permit access to its records of employment, employment advertisements, application forms, and other pertinent data and records by the Transportation Authority, for the purposes of investigation to ascertain compliance with the nondiscrimination provisions of this policy, and upon request shall provide evidence that the contractor has complied or will comply with the nondiscrimination provisions of this policy.
- (g) When directed by the Transportation Authority, for contracts for or on behalf of the City and County of San Francisco, the contractor or subcontractor shall submit an Equal Pay Report if the contractor or subcontractor has at least 20 employees worldwide and, for a contract or subcontract, the agreement has a value equal to or in excess of the Threshold Amount set forth in the San Francisco Administrative Code Chapter 6 or the Minimum Competitive Amount set forth in San Francisco Administrative Code Chapter 21, as applicable, or, for a grant, the agreement has a value equal to or in excess of \$50,000.
  - (1) The Equal Pay Report shall provide summary information on compensation paid to employees identified by sex, race, sex and race, and data points the Human Rights Commission of the City and County of San Francisco has adopted by regulation.
  - (2) Each contractor or subcontractor shall file a complete and accurate Equal Pay Report with the Transportation Authority commencing on a date set by the Transportation Authority but no later than July 3, 2017. Thereafter, each contractor or subcontractor shall file an Equal Pay Report annually.
  - (3) The Equal Pay Report requirements of this Section 2(g) shall apply to all qualifying contracts, subcontracts and grants first advertised for bid, request for qualification or



proposal is issued or initiated on a date set by the City and County of San Francisco but no later than July 3, 2017.

(1)(4) If any information in the Equal Pay Report constitutes proprietary financial data, or confidential trade secret, or is protected by the right of privacy under the U.S. or California Constitution, the Transportation Authority shall not disclose such information unless required by law, including under the California Public Records Act and the San Francisco Sunshine Ordinance. The Equal Pay Report may be disclosed to the City and County of San Francisco.

(h) A contractor or subcontractor shall be deemed to have breached the nondiscrimination provisions of this policy upon a finding by the Executive Director or such other official who may be designated by the Board, that the contractor or subcontractor has willfully violated such nondiscrimination provisions.

(2)(1) A breach of the nondiscrimination provisions in the performance of a contract or subcontract shall be deemed by the Transportation Authority to be material breach of contract and the basis for determination by the Transportation Authority that the contractor or subcontractor is an irresponsible bidder as to all future contracts for which such contractor or subcontractor may submit bids. Such contractor or subcontractor shall not for a period of up to two years thereafter, or until it shall establish and carry out a program in conformity with the nondiscrimination provisions of this policy, be allowed to act as a contractor or subcontractor under any contract.

(2) If a finding of discrimination is made by the Executive Director, the Transportation Authority shall submit a report to the Board that provides details of what actions, if any, the Transportation Authority undertook under this policy.

(A) Upon such finding by the Executive Director or other official designated by the Board, the Transportation Authority shall notify the contractor or subcontractor that unless the contractor or subcontractor demonstrates to the satisfaction of the Executive Director or other official designated by the Board, within such reasonable period as the Board shall determine, that the violation has been corrected, action will be taken as set forth in Subparagraphs (h) and (i) hereof.

(B) The Transportation Authority shall, within 10 days of the date of issuance of any finding by the Executive Director or other official designated by the Board for the enforcement of this policy, mail to any person or persons affected by said finding, a copy of said finding, together with written notice of the right to appeal such finding. Notice of appeal must be filed in writing with the Chairperson of the Board within 20 days of the date of mailing said copy and notice.

(C) For purpose of appeal proceedings under this Section, a quorum shall consist of six members of the Board. The vote of the majority of the full Board shall be necessary to affirm, reverse or modify such decisions, order or other action rendered hereunder.

(D) The presiding officer of the Board shall have the power to administer oaths to witnesses in appeals before the Board under this Section. In the event that any person shall fail or refuse to appear as a witness in any such proceeding after being requested to do so, and if it shall appear to the Board that their testimony,



or books, records, documents or other things under their control are material and relevant as evidence in the matter under consideration by the Board in the proceeding, the presiding officer of the Board may subpoena such person, requiring their presence at the proceeding, and requiring them to bring such books, records, documents or other things under their control.

(E) All appeals to the Board shall be open to the public. Records and minutes shall be kept of such proceedings and shall be open to public inspection. Upon reaching a decision in any appeal, the Board shall give written notice thereof to the Executive Director or other official designated by the Board, and the appellant or appellants. The decision of the Board shall be final unless within 15 days of the filing and service of written notice thereof appropriate legal proceedings are filed in a court of competent jurisdiction by any party to the contract, property contract or subcontract.

(F) If any contractor or subcontractor shall fail to appear at an appeal proceeding of the Board after having been given written notice to appear, such failure to appear shall be grounds for termination of the contract, property contract or subcontract and such contractor or subcontractor shall be deemed to have forfeited all rights, benefits, and privileges thereunder.

(3) The Transportation Authority may deduct from the amount payable to the contractor or subcontractor by the Transportation Authority under any contract subject to this policy, or may impose upon the contractor or subcontractor, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this policy. In addition to any other penalties provided for the violation of the nondiscrimination provisions of this policy, the contract or subcontract may be terminated or suspended, in whole or in part, by the Transportation Authority upon the basis of a finding as set forth in Section 2(h) that the contractor has discriminated contrary to the provisions of this policy, and all moneys due or to become due hereunder may be forfeited to, and retained by, the Transportation Authority.

(4) Nothing contained in this policy shall be construed in any manner so as to prevent the Transportation Authority from pursuing any other remedies that may be available at law, equity or under any contract.

~~(F)(1)~~ The contractor or subcontractor will meet the following standards for compliance:

- (1) If the contractor or subcontractor has been held to be an irresponsible bidder under Section 2(hg) hereof, the contractor or subcontractor shall furnish evidence that it has established and is carrying out a program in conformity with the nondiscrimination provisions of this policy.
- (2) The contractor or subcontractor may be required to file with the Transportation Authority a basic compliance report, which may be a copy of the federal EEO-1, or a more detailed report as determined by the Transportation Authority. Willful false statements made in such reports shall be punishable as provided by law. No contractor or subcontractor shall be held in noncompliance for not filing such a report with the Transportation Authority unless it has been specifically required to do so in writing by the Transportation Authority.



- (3) Personally, or through its representatives, the contractor or subcontractor shall, through negotiations with the unions with whom it has collective bargaining or other agreements requiring the contractor or subcontractor to obtain or clear its employees through the union, or when the contractor or subcontractor otherwise uses a union as an employment resource, attempt to develop an agreement which will:
  - (A) Define and outline responsibilities for nondiscrimination in hiring, referral, upgrading and training;
  - (B) Otherwise implement a nondiscrimination program in terms of the unions' specific areas of skill and geography, such as an apprenticeship program, to the end that minority workers will be available and given an equal opportunity for employment.
- (4) The contractor or subcontractor shall notify the awarding authority of opposition to the nondiscrimination provisions of a contract by individuals, firms, or organizations during the term of the contract.

### **SECTION 3. POLICY APPLIES ONLY TO DISCRIMINATORY EMPLOYMENT PRACTICES.**

- (a) This policy shall not confer upon the Transportation Authority or Board thereof any power not otherwise provided by law to determine the legality of any existing collective bargaining agreement and shall have application only to discriminatory employment practices by contractors or subcontractors engaged in the performance of Transportation Authority contracts.

### **SECTION 4. NONAPPLICABILITY, EXCEPTIONS, AND WAIVERS.**

- (a) The Executive Director shall waive the requirements of this policy under the following circumstances:
  - (1) That there is only one prospective contractor willing to enter into a contract with the Transportation Authority, or that the needed goods, services, construction services for a public work or improvement, or interest in or right to use real property are available only from a sole source and the prospective contractor is not currently disqualified from doing business with the Transportation Authority, or from doing business with any governmental agency based on any contract compliance requirements;
  - (2) The contract is necessary to respond to an emergency which endangers the public health or safety and no entity which complies with the requirements of this policy capable of responding to the emergency is immediately available;
  - (3) Where the Transportation Authority's legal counsel certifies in writing to the Transportation Authority that the contract involves specialized litigation requirements such that it would be in the best interests of the Transportation Authority to waive the requirements of this policy.
- (b) This policy shall not apply where the prospective contractor is a public entity and the



Transportation Authority finds that goods, services, construction services for a public work or improvement or interest in or right to use real property of comparable quality or accessibility as are available under the proposed contract are not available from another source, or that the proposed contract is necessary to serve a substantial public interest.

- (c) This policy shall not apply where the Transportation Authority finds that the requirements of this policy will violate or are inconsistent with the terms or conditions of a grant, subvention or agreement with a public agency or the instructions of an authorized representative of any such agency with respect to any such grant, subvention or agreement, provided that the contracting officer has made a good faith attempt to change the terms or conditions of any such grant, subvention or agreement to authorize application of this policy.
- (d) Upon the request of a potential contractor or upon the Transportation Authority own initiative, after taking all reasonable measures to find an entity that complies with the law, the Transportation Authority may waive any or all of the requirements of this policy for any contract, property contract or bid package advertised and made available to the public, or any competitive or sealed bids received by the Transportation Authority as of the date of the enactment of this ordinance under the following circumstances:
  - (1) Where the Transportation Authority determines that there are no qualified responsive bidders or prospective contractors who could be certified by the Transportation Authority as being in compliance with the requirements of this policy and that the contract is for goods, a service or a project that is essential to the Transportation Authority; or
  - (2) Where the Transportation Authority determines that transactions entered into pursuant to bulk purchasing arrangements through federal, State or regional entities which actually reduce the Transportation Authority's purchasing costs would be in the best interests of the Transportation Authority; or
  - (3) Where the Transportation Authority determines that the requirements of this policy would result in the Transportation Authority's entering into a contract with an entity that was set up, or is being used, for the purpose of evading the intent of this policy, which is to prohibit the Transportation Authority from entering into contracts with entities that discriminate based on the criteria set forth in this policy;
  - (4) Nothing in this Section 4(d) shall limit the right of the Board to waive the provisions of this policy.
- (e) This policy shall not apply to (i) the investment of trust moneys or agreements relating to the management of trust assets, (ii) Transportation Authority moneys invested in U.S. government securities or under pre-existing investment agreements, or (iii) the investment of Transportation Authority moneys where the Executive Director finds that:
  - (1) No person, entity or financial institution doing business in the City and County of San Francisco which is in compliance with this policy is capable of performing the desired transactions(s); or
  - (2) The Transportation Authority will incur a financial loss which, in the opinion of the Executive Director, would violate ~~his or her~~their fiduciary duties.



This subparagraph (e) shall be subject to the requirement that Transportation Authority moneys shall be withdrawn or divested at the earliest possible maturity date if deposited or invested with a person, entity, or financial institution other than the U.S. government which does not comply with this policy.

- (f) Sections 1(b) and 2(b) shall not apply to any contracts executed or amended prior to June 28, 2016, or to bid packages advertised and made available to the public, or any competitive or sealed bids received by the Transportation Authority, prior to June 28, 2016, unless and until such contracts or property contracts are amended after Transportation Authority, and would otherwise be subject to this policy.

## **SECTION 5. SEVERABILITY.**

This policy shall be construed so as not to conflict with applicable federal or State laws, rules, or regulations. Nothing in this policy shall authorize the Transportation Authority to impose any duties or obligations in conflict with limitations on municipal authority established by federal law at the time such agency action is taken.

In the event that a court or agency of competent jurisdiction holds that the State or federal law, rule or regulation invalidates any clause, sentence, paragraph or section of this policy or the application thereof to any person or circumstances, it is the intent of the Board that the court or agency sever such clause, sentence, paragraph or section so that the remainder of this policy shall remain in effect.

5106156.1





**San Francisco  
County Transportation  
Authority**

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# Investment Policy

Resolution 23-XX

## I. INTRODUCTION

The purpose of this document is to set out policies and procedures that enhance opportunities for a prudent and systematic investment policy and to organize and formalize investment-related procedures.

The investment policies and procedures of the San Francisco County Transportation Authority (Transportation Authority) are, in every case, subject to and limited by applicable provisions of federal and state laws and executive orders and to prudent money management principles. All funds will be invested in accordance with the Transportation Authority's Investment Policy, and applicable provisions of Chapter 4 of Part 1 of Division 2 of Title 5 of the California Government Code (Section 53600 et seq.). The investment of bond proceeds (including proceeds of notes issued pursuant to bond documents) will be further restricted by the provisions of relevant bond documents.

## II. SCOPE

This policy covers all funds and investment activities under the jurisdiction of the Transportation Authority.

Bond proceeds (including proceeds of notes issued pursuant to bond documents) shall be invested in the securities permitted pursuant to the relevant bond documents, including any tax certificate. If the bond documents are silent as to the permitted investments, bond proceeds will be invested in the securities permitted by this policy. In addition to the securities listed in Section XI below, bond proceeds may also be invested in investment and forward delivery agreements. Notwithstanding the other provisions of this Investment Policy, the percentage or dollar portfolio limitations listed elsewhere in this Investment Policy do not apply to bond proceeds.

## III. PRUDENT INVESTOR STANDARD

In managing its investment program, the Transportation Authority will observe the "Prudent Investor" standard as stated in Government Code Section 53600.3, applied in the context of managing an overall portfolio. Investments will be made with care, skill, prudence, and diligence, taking into account the prevailing circumstances, including, but not limited to, the general economic conditions, the anticipated needs of the Transportation Authority, and other relevant factors that a prudent person acting in a fiduciary capacity and familiar with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the Transportation Authority. ~~stewardship of funds of a like character and purpose.~~



#### **IV. OBJECTIVES**

The primary objectives, in order of priority, for the Transportation Authority's investment activities are:

1. **Safety.** Safety of the principal is the foremost objective of the investment program. Investments of the Transportation Authority will be undertaken in a manner that seeks to ensure preservation of the principal of the funds under its control.
2. **Liquidity.** The Transportation Authority's investment portfolio will remain sufficiently liquid to enable the Transportation Authority to meet its reasonably anticipated cash flow requirements.
3. **Return on Investment.** The Transportation Authority's investment portfolio will be managed with the objective of attaining a market rate of return throughout budgetary and economic cycles commensurate with the Transportation Authority's investment risk parameters and the cash flow characteristics of the portfolio.

#### **V. INVESTMENTS SUBJECT TO FEDERAL AND STATE LAWS AND EXECUTIVE ORDERS**

Investments of the Transportation Authority shall be subject to all applicable federal and state laws and executive orders of the President of the United States and Governor of the State of California.

#### **V.VI. DELEGATION OF AUTHORITY**

Management's responsibility for the investment program is derived from the Transportation Authority Board of Commissioners (Board) and is hereby delegated to the Executive Director acting as Transportation Authority Treasurer. Pursuant to the requirements of the California Government Code, the Board may renew the delegation pursuant to this section each year. No person may engage in an investment transaction except as provided under the limits of this policy. The Transportation Authority may retain the services of an investment advisor to advise it with respect to investment decision-making and to execute investment transactions for the Transportation Authority. The advisor will follow the policy and such other written instructions as are provided by the Executive Director.

#### **VI.VII. SOCIAL RESPONSIBILITY**

Investment of funds should be guided by the following socially responsible investment goals when investing in corporate securities and depository institutions. Investments shall be made in compliance with the forgoing socially responsible investment goals to the extent that such investments achieve substantially equivalent safety, liquidity and yield compared to investments permitted by state law.



1. Investments are encouraged in entities that support community well-being through safe and environmentally sound practices and fair labor practices. Investments are encouraged in entities that support equality of rights regardless of sex, race, age, disability, or sexual orientation. Investments are discouraged in entities that manufacture tobacco products, firearms, or nuclear weapons. In addition, investments are encouraged in entities that offer banking products to serve all members of the local community, and investments are discouraged in entities that finance high-cost check-cashing, deferred deposit (payday lending) businesses and organizations involved in financing, either directly or indirectly, the Dakota Access Pipeline or, as determined by the Transportation Authority, similar pipeline projects. Prior to making investments, the Transportation Authority will verify an entity's support of the socially responsible goals listed above through direct contact or through the use of a third party such as the Investors Responsibility Research Center, or a similar ratings service. The entity will be evaluated at the time of purchase of the securities.
2. Investments are encouraged in entities that promote community economic development. Investments are encouraged in entities that have a demonstrated involvement in the development or rehabilitation of low income affordable housing and have a demonstrated commitment to reducing predatory mortgage lending and increasing the responsible servicing of mortgage loans. Securities investments are encouraged in financial institutions that have a Community Reinvestment Act (CRA) rating of either Satisfactory or Outstanding, as well as financial institutions that are designated as a Community Development Financial Institution (CDFI) by the United States Treasury Department, or otherwise demonstrate commitment to community economic development.

All depository institutions are to be advised of applicable Transportation Authority contracting ordinances, and shall certify their compliance therewith, if required.

## **VII.VIII. ETHICS AND CONFLICT OF INTEREST**

Officers, employees, and agents of the Transportation Authority involved in the investment process will not engage in any personal business activities that could conflict with proper and lawful execution of the investment program, or which could impair their ability to make impartial decisions.

## **VIII.IX. INTERNAL CONTROLS**

The Transportation Authority's internal controls ensure compliance with the Investment Policy and with the applicable requirements of the California Government Code. The Deputy Director for Finance and Administration is responsible for developing and managing internal control procedures. The monitoring of ongoing compliance shall be reviewed quarterly.

## **IX.X. AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS**

The Executive Director will establish and maintain a list of financial institutions and other financial services providers authorized to provide investment services. In addition, the



Transportation Authority will establish and maintain a list of approved security brokers/dealers, selected on the basis of credit worthiness, which are authorized to provide investment services in the State of California. These include primary dealers or regional dealers that meet the net capital and other requirements under Securities and Exchange Commission Rule 15c3-1. No public deposit will be made except in a qualified public depository as established by state law.

## **~~X~~.XI. PERMITTED INVESTMENT INSTRUMENTS**

California Government Code Section 53601 governs and limits the investments permitted for purchase by the Transportation Authority. Within those investment limitations, the Transportation Authority seeks to further restrict eligible investment to the investments listed below. The portfolio will be diversified by security type and institution, to avoid incurring unreasonable and avoidable concentration risks regarding specific security types or individual financial institutions.

Percentage limitations, where indicated, apply at the time of purchase. Rating requirements where indicated, apply at the time of purchase. In the event a security held by the Transportation Authority is subject to a rating change that brings it below the minimum specified rating requirement, the Executive Director will notify the Board of the change. The course of action to be followed will then be decided on a case-by-case basis, considering such factors as the reason for the rating reduction, prognosis for recovery or further rating reductions and the current market price of the security.

1. United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest. There is no limitation as to the percentage of the portfolio that may be invested in this category.
2. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There is no limitation as to the percentage of the portfolio that may be invested in this category.
3. Repurchase Agreements not to exceed one year duration. There is no limitation as to the percentage of the portfolio that may be invested in this category. The Repurchase Agreements must be secured by following collateral restrictions will be observed. Only U.S. Treasury securities or Federal Agency securities are acceptable collateral. All securities underlying repurchase agreements must be delivered to the Transportation Authority's custodian bank versus payment or be handled under a properly executed tri-party repurchase agreement. The market value of securities that underlie underlay a repurchase agreement will must be valued at 102 percent or greater of the funds borrowed against those securities and the value will be adjusted no less than quarterly. Since the market value of the underlying securities is subject to daily market fluctuations,



the investments in repurchase agreements will be in compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day.

4. Obligations of the State of California or any local agency within the state, including bonds payable solely out of revenues from a revenue-producing property owned, controlled, or operated by the state or any local agency; provided that the obligations are rated in one of the two highest categories by a nationally recognized statistical-rating organization (NRSRO). There is no limitation as to the percentage of the portfolio that may be invested in this category.
5. Registered treasury notes or bonds of any of the other 49 states of the United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states of the United States, in addition to California, provided that the obligations are rated in one of the two highest categories by a NRSRO. There is no limitation as to the percentage of the portfolio that may be invested in this category.
6. Bankers' Acceptances issued by domestic or domestic branches of foreign banks, which are eligible for purchase by the Federal Reserve System, the short-term paper of which is rated in the highest category by a NRSRO. ~~Such Purchases of~~ Banker's Acceptances may not exceed 180 days maturity or 40 percent of the Transportation Authority's portfolio. No more than 30 percent of the Transportation Authority's portfolio may be invested in the Banker's Acceptances of any one commercial bank.
7. Commercial paper of "prime" quality rated the highest ranking or of the highest letter or number rating as provided by a NRSRO. The entity that issues the commercial paper will meet all of the criteria in either (1) or (2) as follows: (1) the corporation will be organized and operating within the United States as a general corporation, will have assets in excess of five hundred million dollars (\$500,000,000), and will issue debt, other than commercial paper, if any, that is rated "A" or higher by a NRSRO; or (2) the entity corporation will be organized within the United States as a special purpose corporation, trust, or limited liability company, ~~have has~~ program-wide credit enhancements including, but not limited to, over collateralizations, letters of credit, or surety bond; ~~and have has~~ commercial paper that is rated "A-1" or higher, or equivalent by a NRSRO. Eligible commercial paper may not exceed 270 days' maturity nor represent more than 10% of the outstanding paper of an issuing corporation, or 25% of the Transportation Authority's portfolio.
8. Medium-term corporate notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the U.S. or any state and operating within the U.S. Medium-term corporate notes will be rated in a rating category "A" or better by a NRSRO. ~~Purchases of m~~Medium-term notes ~~may will~~ not exceed 30 percent of the Transportation Authority's portfolio.



9. FDIC insured or fully collateralized time certificates of deposit in financial institutions located in California. ~~Such Purchases of~~ time certificates of deposit may not exceed 1 year in maturity or 10 percent of the Transportation Authority's portfolio.
10. To be eligible to receive ~~the Transportation Authority's local agency~~ money, a bank, savings association, federal association, or federally insured industrial loan company ~~must shall~~ have received an overall rating of not less than "satisfactory" in its most recent evaluation by the appropriate federal financial supervisory agency of its record of meeting the credit needs of California's communities, including low- and moderate-income neighborhoods, pursuant to Section 2906 of Title 12 of the United States Code. ~~The FFIEC provides an overall assessment of the insured depositories' ability to meet the credit needs of their communities, consistent with safe and sound operations.~~
11. Negotiable certificates of deposit or deposit notes issued by a nationally or state-chartered bank, a savings association, or a federal association, a state or federal credit union or by a state-licensed branch of a foreign bank. ~~Purchases of n~~ Negotiable certificates of deposit may not exceed 30 percent of the Transportation Authority's portfolio.
12. State of California's Local Agency Investment Fund (LAIF). The LAIF portfolio should be reviewed periodically. There is no limitation as to the percentage of the portfolio that may be invested in this category. However, the amount invested may not exceed the maximum allowed by LAIF.
13. The California Asset Management Program, as authorized by Section 53601 (p) of the California Government Code. The Program constitutes shares in a California common law trust established pursuant to Section 6509.7 of Title 1, Division 7, Chapter 5 of the Government Code of the State of California which invests exclusively in investments permitted by subdivisions (a) to (qr) of Section 53601 of the Government Code of California, as it may be amended.
14. Insured savings account or money market account. To be eligible to receive local agency deposits, a financial institution must have received a minimum overall satisfactory rating for meeting the credit needs of California communities in its most recent evaluation. There is no limitation as to the percentage of the portfolio that may be invested in this category. Bank deposits are required to be collateralized as specified under Government Code Section 53630 et. seq. The collateralization requirements may be waived for any portion that is ~~insured covered~~ by the FDIC. The Transportation Authority shall have a signed agreement with any depository accepting Transportation Authority funds per Government Code Section 53649.
15. Placement Service Certificates of Deposit (CDs). Certificates of deposit placed with a private sector entity that assists in the placement of certificates of deposit with eligible financial institutions located in the United States (Government Code Section 53601.8). The full amount of the principal and the interest that may be accrued during the maximum term of each certificate of deposit shall at all times be insured by the FDIC. The combined maximum portfolio exposure to Placement Service CDs and Negotiable CDs is limited to 30%. The maximum investment maturity will be restricted to five years.



16. The San Francisco City and County Treasury Pool. There is no limitation as to the percentage of the portfolio that may be invested in this category. Unless otherwise noted, the maximum maturity from the trade settlement date can be no longer than five years. Any loans or investments of Transportation Authority funds invested in the San Francisco City and County Treasury Pool to agencies of the City and County of San Francisco will specifically require the approval of the Board prior to purchase or acceptance.
17. Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940. To be eligible for investment pursuant to this subdivision these companies shall meet either of the following criteria:
  - Attain the highest ranking or highest letter and numerical rating provided by not less than two NRSROs.
  - Have an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000).

The purchase price of shares of beneficial interest purchased will not include any commission that these companies may charge and will not exceed 20 percent of the Transportation Authority's portfolio.

## **~~XI.~~XII. INELIGIBLE INVESTMENTS**

The Transportation Authority will not invest any funds in inverse floaters, range notes, or interest-only strips that are derived from a pool of mortgages, or in any security that could result in zero interest accrual if held to maturity.

## **~~XII.~~XIII. MAXIMUM MATURITY**

Investment maturities will be based on a review of cash flow forecasts. Maturities will be scheduled so as to permit the Transportation Authority to meet all projected obligations.

Where this Policy does not specify a maximum remaining maturity at the time of the investment, no investment will be made in any security, other than a security underlying a repurchase agreement, that at the time of the investment has a term remaining to maturity in excess of five years, unless the Board has granted express authority to make that investment either specifically or as a part of an investment program approved by the Board no less than three months prior to the investment.



## **~~XIII.~~XIV. REPORTING REQUIREMENTS**

The Executive Director will submit a quarterly list of transactions to the Board. In addition, the Executive Director will submit to the Board an investment reports each quarter, which will include, at a minimum, the following information for each individual investment:

- Type of investment instrument
- Issuer name
- Purchase date
- Maturity date
- Purchase price
- Par value
- Amortized cost
- Current market value and the source of the valuation
- Credit rating
- Overall portfolio yield based on cost
- Sale Date of any investment sold prior to maturity

The quarterly report also will (i) state compliance of the portfolio to the statement of investment policy, or manner in which the portfolio is not in compliance, (ii) include a description of any of the Transportation Authority's funds, investments or programs that are under the management of contracted parties, and (iii) include a statement denoting the ability of the Transportation Authority to meet its expenditure requirements for the next six months, or provide an explanation as to why sufficient money may, or may, not be available. For all of the Transportation Authority's investments held in the City and County of San Francisco's Treasury Pool the Executive Director will provide the Board with the most recent investment report furnished by the Office of the Treasurer and Tax Collector.

## **~~XIV.~~XV. SAFEKEEPING AND CUSTODY**

All security transactions entered into by the Transportation Authority will be conducted on a delivery-versus-payment basis. Securities will be held by an independent third-party custodian selected by the Transportation Authority. The securities will be held directly in the name of the Transportation Authority as beneficiary.





**San Francisco  
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Investment Policy

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## **~~XV.XVI.~~ INVESTMENT POLICY REVIEW**

The Executive Director will annually render to the Board a statement of investment policy, which the Board will consider at a public meeting. Any changes to the policy will also be considered by the Board at a public meeting.



## GLOSSARY

**Agencies.** Federal agency securities and/or Government-sponsored enterprises.

**Asked.** The price at which securities are offered.

**Bankers' Acceptance (BA).** A draft or bill of exchange ~~issued~~ accepted by a bank or trust company that guaranteed payment at a later time. The accepting institution guarantees payment of the bill, as well as the issuer.

**Benchmark.** ~~A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.~~

**Bid.** The price offered by a buyer of securities. (when you are selling securities, you ask for a bid.) See offer.

**Broker.** A broker brings buyers and sellers together, for which the broker typically receives a commission for a successful sale ~~a commission.~~

**Certificate of Deposit (CD).** A time deposit with a specific maturity evidenced by a certificate. Large-denomination CDs are typically negotiable.

**Collateral.** Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**Coupon.** (a) the annual rate of interest that a bond issuer promises to pay the bondholder on the bond's face value. (b) a certificate attached to a bond evidencing interest due on a payment date.

**Dealer.** A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

**Debenture.** ~~A bond secured only by the general credit of the issuer.~~

**Delivery versus Payment.** There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

**Derivatives.** (1) financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an



underlying index or security (interest rates, foreign exchange rates, equities, or commodities).

**Discount.** The difference between ~~the principal amount of a security and its issue~~ the cost price where the issue price is lower than the principal amount of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

**Discount securities.** Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g., U.S. Treasury bills.

**Diversification.** Dividing investment funds among a variety of securities offering independent returns.

**Federal credit agencies.** Agencies of the federal government set up to supply credit to various classes of institutions and individuals, e.g., S&Ls, small business firms, students, farmers, farm cooperatives, and exporters.

**Federal Deposit Insurance Corporation (FDIC).** A federal agency that insures bank deposits, currently up to ~~\$250,000 per depositor per insured bank~~ \$100,000 per deposit.

**Federal funds rate.** The rate of interest at which fed funds are traded. This rate is currently pegged by the federal reserve through open-market operations:

**Federal Home Loan Banks (FHLB).** Government sponsored wholesale banks (currently 12 regional banks), which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBS is to ~~liquefy the housing related assets of its members who must purchase stock in their district bank.~~

**Federal National Mortgage Association (FNMA).** ~~FNMA, like GNMA was chartered under the federal national mortgage association act in 1938. FNMA is a federal corporation working under the auspices of the department of housing and urban development (HUD). It is the largest single provider of residential mortgage funds in the united states~~ United States. ~~Fannie mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.~~

**Federal Open Market Committee (FOMC).** Consists of seven members of the federal reserve board and five of the twelve federal reserve bank presidents. The president of the ~~New York~~ New York federal reserve bank is a permanent member, while the other presidents serve on a rotating basis. The committee periodically meets to set federal reserve guidelines regarding purchases and sales of government securities in the open market as a means of influencing the volume of bank credit and money.



**Federal reserve system.** The central bank of the united states created by congress and consisting of a seven member board of governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

~~Financial statements. Financial statements are an overview of the agency's finances and shall be prepared in accordance with generally accepted accounting principles and shall be accompanied by a report, certificate, or opinion of an independent certified public accountant or independent public accountant.~~

~~Government national mortgage association (gnma or ginnie mae). Securities influencing the volume of bank credit guaranteed by gnma and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the Government. Ginnie mae securities are backed by the fha, va or fmha mortgages. The term "pass-throughs" is often used to describe ginnie maes.~~

**Liquidity.** A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

**Market value.** The price at which a security is trading and could presumably be purchased or sold.

~~Master repurchase agreement. A written contract covering all future transactions between the parties to repurchase=reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower.~~

**Maturity.** The date upon which the principal or stated value of an investment becomes due and payable.

**Money market.** The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc. ~~a)~~ Are issued and traded.

**Nationally Recognized Statistical-Rating Organization (NRSRO).** A credit rating agency that issues credit ratings that the U.S. Securities and ~~E~~exchange ~~C~~ommission (~~SEC~~~~sec~~) permits other financial firms to use for certain regulatory purposes.

**Offer.** The price asked by a seller of securities. (when you are buying securities, you ask for an offer.) See asked and bid definitions.

~~Open market operations. Purchases and sales of government and certain other securities in the open market by the new york federal reserve bank as directed by the fomc in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open~~



~~market operations are the federal reserve's most important and most flexible monetary policy tool.~~

**Portfolio.** Collection of securities held by an investor.

**Primary dealer.** A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the federal reserve bank of New York and are subject to its informal oversight. Primary dealers include securities and exchange commission (sec)-registered securities broker-dealers, banks, and a few unregulated firms.

~~Prudent person rule. An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state= the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.~~

**Qualified public depository.** A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the public deposit protection commission to hold public deposits.

**Rate of return.** The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

**Repurchase Agreement (RP or REPO).** ~~A purchase of securities by an agency pursuant to an agreement by which the counterparty seller will repurchase the securities on or before a specified date and for a specified amount and the counterparty will deliver the underlying securities to the agency by book entry, physical delivery, or by third-party custodial agreement. A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use rp extensively to finance their positions. Exception: when the fed is said to be doing rp, it is lending money that is, increasing bank reserves.~~

~~Safekeeping. A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.~~

~~Secondary market. A market made for the purchase and sale of outstanding issues following the initial distribution.~~

**Securities and Exchange Commission (SEC).** Agency created by congress to protect investors in securities transactions by administering securities legislation.



**Sec Rule 15c3-1.** See uniform net capital rule [definition](#).

~~Structured notes. Notes issued by government sponsored enterprises (fhlb, fnma, slma, etc.) And corporations, which have imbedded options (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.~~

**Treasury bills.** A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

**Treasury bonds.** Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

**Treasury notes.** Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

**Uniform net capital rule.** Securities and exchange commission requirement that, [subject to certain exceptions, prohibits](#) member firms as well as nonmember broker-dealers in securities [from permitting their respective aggregate indebtedness to exceed 1500 percent of its net capital.](#) ~~Maintain a maximum ratio of indebtedness to liquid capital of 15 to 1;~~ also called net capital rule and net capital ratio. Indebtedness covers all money owed ~~to a firm,~~ including margin loans and commitments to purchase securities. ~~,-This is~~ one reason new public issues are spread among members of underwriting syndicates. ~~Net liquid~~ capital includes cash and assets easily converted into cash.

**Yield.** The rate of annual income returns on an investment, expressed as a percentage. (a) income yield is obtained by dividing the current dollar income by the current market price for the security. (b) net yield or yield to maturity is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.



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## **Rules of Order**

Resolution 23-XX

### **CHAPTER 1. DEFINITIONS**

- Rule 1.1** As used in these Rules, the following words and phrases shall have the meanings respectively ascribed to them by Rules 1.2 through 1.18.
- Rule 1.2** "Administrative Code" shall mean the San Francisco County Transportation Authority's Administrative Code.
- Rule 1.3** "Adopted" in connection with proposed resolutions or ordinances, shall mean and include adoption of such proposed resolutions or ordinances by the San Francisco County Transportation Authority.
- Rule 1.4** "Board" shall mean the Board of Commissioners of the San Francisco County Transportation Authority.
- Rule 1.5** "Chair" shall mean the Chair of the Board or in the absence of the Chair, the Vice-Chair acting as Chair.
- Rule 1.6** "Clerk" shall mean the Clerk of the San Francisco County Transportation Authority.
- Rule 1.7** "Code" shall mean the California Public Utilities Code.
- Rule 1.8** "Committee" shall mean a committee of the Board, including standing and select committees.
- Rule 1.9** "Committee Room" shall mean San Francisco City Hall Committee Room 263, or other location as designated with proper notice; and "Legislative Chamber" shall mean San Francisco City Hall Room 250.
- Rule 1.10** "Measure" shall mean and include a proposal, in whatsoever form presented, fulfillment of the purpose of which requires action of the San Francisco County Transportation Authority by amendment, ordinance, resolution, or motion, other than a motion designed to accomplish an action strictly parliamentary in character.
- Rule 1.11** "Member" shall mean a member of the Board.



- Rule 1.12** "Ordinances" shall mean procedures for establishing all rules of conduct affecting third parties under the jurisdiction of the San Francisco County Transportation Authority and of a permanent nature and shall include but not be limited to the Administrative Code and employment rules.
- Rule 1.13** "Précis" shall mean a summary of a measure prepared by staff and presented as a part of the Board or committee materials.
- Rule 1.14** "Presiding Officer" shall mean the Chair or acting chair.
- Rule 1.15** "Previous Question" shall be a call to end debate on a matter.
- Rule 1.16** "Resolution" shall mean the procedures for establishing all expressions of opinion of the Board which may or may not be of a permanent nature or affect third parties under the San Francisco County Transportation Authority's jurisdiction.
- Rule 1.17** "Rules" shall mean the Rules of Order of the San Francisco County Transportation Authority.
- Rule 1.18** "Transportation Authority" shall mean the San Francisco County Transportation Authority.





## **CHAPTER 2. ORGANIZATION AND MEETINGS**

**Rule 2.1 Adoption of Rules of Order.** The Rules of Order (Rules) shall be adopted by motion carried by an affirmative recorded vote of a majority of the members of the Board. When adopted, such Rules shall remain in effect unless suspended or amended as provided herein. The Chair may adopt temporary rules to address a specific situation or point of order in the Board meeting.

**Rule 2.2 Suspension of Rules.** Except this rule and rules which are restatements of other applicable laws and which are designated in these Rules by an asterisk, any rule may be suspended by the affirmative vote of eight (8) members unless there be less than eight (8) members present, in which case the unanimous consent of the members present, but not less than six (6) shall be required. A motion to suspend the rules is not debatable.

**Rule 2.3 Amendment to Rules.** All proposed amendments to the Rules shall be considered by the Board for adoption.

**Rule 2.4 Parliamentary Authority.** On any question or point of order not contained in these Rules, the Chair shall issue a ruling.

**Rule 2.5 \*Meetings and Rules of Procedures.** All proceedings of the Board shall be in conformance with the provisions of the Bay Area County Traffic and Transportation Funding Act (California Government Code § 131000 et seq.), the San Francisco County Transportation Authority Reauthorization Ordinance (San Francisco Business and Tax Regulations Code, Article 14, § 1401 et seq.), the 2022 Transportation Expenditure Plan approved by voters as Proposition L on November 8, 2022, and the Administrative Code.

Except as otherwise determined by the Chair, regular meetings of the Board shall be held on the second and fourth Tuesday of each month in the Legislative Chamber, or on a Tuesday within that month that does not fall on a federal holiday. Committee meetings shall be held in the Committee Room or other location as designated with proper notice by the Transportation Authority.

\*The acts of the Board shall be expressed by motion, resolution, or ordinance (California Government Code § 131263).

\*All meetings of the Board shall be conducted in the manner prescribed by the Ralph M. Brown Act (California Government Code § 54950) and the Transportation Authority's adopted Sunshine Policy.



- Rule 2.6 Temporary Meeting Place.** In the event the regular meeting place is unavailable, the Chair shall designate some other appropriate place as the Board's temporary meeting place.
- Rule 2.7 Special Meetings of the Board.** A special meeting of the Board may be called by the Chair.
- Rule 2.8 Attendance at Meetings.** All members of the Board shall be in their respective seats at the hour appointed for each regular, special, or recessed meeting of the Board or one of its committees. The Clerk shall keep a record of the attendance of the members and shall report such record in the minutes.
- Rule 2.9 \*Quorum.** A majority of the members of the Board shall constitute a quorum for the transaction of business, and all official acts of the Board shall require the affirmative vote of a majority of the members of the Board (California Government Code § 131262).
- Rule 2.10 Rights of the Members Less Than Quorum.** In the absence of a quorum, no official action shall be taken by the members present except to order a call of the Board or committee, to reschedule the same meeting, to recess, or to adjourn.
- Rule 2.11 Call of the Board or Committee.** Whether there be a quorum or not, upon a call of the Board or one of its committees, those absent members shall be sent for by the Board or committee chair and be brought to the Legislative Chamber or to the Committee Room for committee meetings.
- When the Board or one of its committees is under call, no member shall leave the Chamber or Committee Room without an announcement from the Chair that the member is excused.
- During a call of the Board or one of its committees, when there is a quorum present, business may be transacted as usual, except that no action shall be taken with respect to the matter in connection with which the call was made.
- Rule 2.12 Permission to Leave Meeting.** No member shall leave the Board or committee meeting while in session if the departure would cause the loss of a quorum.
- Rule 2.13 Permission to Remove Disruptive Persons.** The Board or committee Chair shall possess the power and duty to order removed from the meeting room any person who commits the following acts in respect to a regular or special meeting of the Board or a standing or select committee:



- Disorderly, contemptuous, or insolent behavior toward the Board or committee or any member thereof, tending to interrupt the due and orderly course of said meeting.
- A breach of the peace, boisterous conduct, or violent disturbance tending to interrupt the due and orderly course of said meeting;
- Disobedience of any lawful order of the presiding officer, which shall include an order to be seated or to refrain from addressing the Board or committee, and
- Any other unlawful interference with the due and orderly course of said meeting.

Any person so removed shall be excluded from further attendance at the meeting from which removed, unless permission to attend be granted upon a motion adopted by a majority vote of the Board or committee, and such exclusion shall be effected by attending law enforcement officer(s) upon being so requested by the presiding officer.

Any law enforcement officer(s) on duty and in attendance at the meeting or whose services are requested by the presiding officer shall carry out all orders and instructions given by the presiding officer for the purpose of maintaining order and decorum at the Board or committee meeting.

In addition to effecting removal of any person who, in the opinion of the presiding officer, has violated the order and decorum of any meeting, such presiding officer may request any law enforcement officer(s) to place such person under arrest for violation of Section 403 or Section 415 of the California Penal Code, or any other applicable law, and shall cause such person to be prosecuted therefore, the complaint to be signed by such presiding officer.



## **CHAPTER 3. BOARD RULES AND PROCEDURES**

**Rule 3.1 Call to Order and Roll Call.** The Chair shall preside at all Board meetings, and shall call each regular, adjourned, recessed, or special meeting to order at the appointed hour. Immediately after the call to order, the Clerk shall call the roll of the members of the Board and shall record and enter into the minutes those members present and absent, and note those members who arrive subsequent to the first roll call. In the absence of the Chair, the Vice-Chair shall preside and in the absence of both the Chair and the Vice-Chair, the members present after waiting fifteen (15) minutes from the start of the meeting, by an order entered in the minutes, shall elect one of the members to act as the presiding officer, Chair pro tempore. The Chair pro tempore shall have the authority of the Chair while in this role, and shall proceed with the Order of Business of the meeting.

**Rule 3.2 Order of Business.** The normal Order of Business for the Board shall be as follows:

1. Roll Call
2. Chair's Report
3. Executive Director's Report
4. Approval of Minutes
5. Consent Agenda (or Items Recommended from Committee)
6. End of Consent Agenda
7. Introduction of New Items
8. Public Comment
9. Adjournment

**Rule 3.3 Addressing the Board.** When a member desires to address the Board, the member shall address the presiding officer, and when recognized shall proceed to speak, confining discussion to the agenda item before the Board. Members shall not be recognized when away from their seats.

**Rule 3.4 Member Entitled to Floor.** When two (2) or more members arise at the same time to address the Board, the presiding officer shall designate the member who is entitled to the floor.

The committee chair, or in his or her absence or forbearance another member of the committee, shall be accorded priority in addressing the Board for the purpose of making a presentation concerning any matter submitted to the Board by the committee.



**Rule 3.5 Agenda.** Prior to preparation of the agenda, the Executive Director shall review and finalize with the Chair all matters to be considered at the meeting. All matters to be acted on by the Board, except for approval of the Minutes and election of Chair and/or the Vice Chair, shall be placed on the agenda as action items at two (2) Board meetings in order to be considered for final action on the second appearance. If a matter is considered urgent, as determined by the Chair with no objections from members of the Board, it may be placed on the agenda for final approval on the first appearance and shall be noted as such on the agenda.

Matters to be acted on by the Board shall not be placed on the Consent Agenda on the first appearance but may be placed on the Consent Agenda for final action on the second appearance. If an item is considered to be substantially changed after the first appearance, as determined by the Chair with no objections from members of the Board, it shall be considered as a new item subject to two (2) appearances.

Any member may request of the Chair in writing ten (10) business days prior to the scheduled Board or committee meeting that an item be included on the agenda. The Chair shall either cause the item to be placed on an agenda, or, if a matter is within the authority of a standing committee, refer the item to the committee within a reasonable time or advise the member why it will not be scheduled.

**Rule 3.6 Calling of Items.** The Chair shall decide whether items may be acted upon individually (or grouped) when the agenda item is called unless a member requests that they be considered separately.

**Rule 3.7 Reading Titles.** The Clerk may read abbreviated titles of measures on the agenda when the abbreviated wording will clearly express to the members and to the listening public the nature of the measure.

**Rule 3.8 Introduction of Measures.** Unless provided for by the Administrative Code, the Chair shall decide which items shall be referred to which committee or to the Board. The Executive Director shall prepare a précis of each item to be considered by the Board.

**Rule 3.9 \*Measures Not on the Agenda.** Before considering an item of business not on the agenda, the Board shall adopt a motion (i) by majority vote of the full membership of the Board that an emergency situation exists, as defined in California Government Code § 54956.5; or (ii) by a two-thirds vote of the full membership, or if less than two-thirds of the members are present, a unanimous



vote of those members present, determining that there is a need to take immediate action and that the need to take action came to the attention of the Transportation Authority after the agenda was posted (Code § 54954.2).

**Rule 3.10 Action by Motion.** All resolutions, ordinances, parliamentary actions, recommendations of the Board, actions on matters which concern only the internal functioning of the Board, directives to the staff of the Transportation Authority to perform some specific act in the line of official duty, adoption of the annual report, inquiries, actions of a ceremonial or commemorative nature, and such other actions as may be approved by the Transportation Authority's legal counsel, may be accomplished by motion.

Unless otherwise provided by these Rules, a motion of a parliamentary nature shall require for adoption the affirmative vote of at least a majority of the members of the Board present at the meeting at the time of the vote, not less than a quorum.

\*All other motions shall require for adoption the affirmative vote of a majority of all the members of the Board, except as otherwise provided by these Rules, the Administrative Code, or other applicable law.

**Rule 3.11 Motions to be Stated and Seconded.** The Clerk shall state all motions prior to debate. All motions are to be seconded unless provided for otherwise in these Rules. The Chair shall acknowledge members as they make motions and seconds.

**Rule 3.12 Motion Not Required.** The Board shall consider, without the necessity for a motion and a second, all measures recommended to the Board by a committee.

**Rule 3.13 Division of the Question.** On the demand of any member, the Chair shall order an agenda item divided if it includes multiple propositions with each distinct in substance that one being taken away, one of more substantive proposition shall remain for the decisions of the Board. When divided, each proposition shall then be considered and voted upon separately as if it had been offered alone.

**Rule 3.14 Seriatim Consideration.** When a measure under debate includes points which are ultimately connected, any member may have the matter considered by section or paragraphs. Each section or paragraph may be amended while being considered, and the proposition as a whole shall then be voted upon.

**Rule 3.15 The Previous Question.** The previous question shall only be admitted when called for by three (3) members, and if the motion carries, its effect shall be to



terminate all debate on the matter pending, except that the author or mover of the measure, motion, or amendment shall have the right to close and the question under discussion shall thereupon be immediately put to a vote.

It shall require a two-thirds vote of the members present to adopt a motion calling for the previous question.

The previous question shall be put in the following form: "Shall the previous question be now put?"

**Rule 3.16 Withdrawal of Motion.** After the motion has been stated, it shall be in the possession of the Board. Before it is acted upon, a motion may be withdrawn by the mover only with the consent of a majority of the members present.

**Rule 3.17 Reconsideration.** When a motion has been made and carried or lost, it shall be in order for any member voting with the prevailing side to move to reconsider the vote on that question.

To be recorded as having voted with the prevailing side, in order to move to reconsider the vote on any question, a member may change a vote before the result of the roll call has been announced.

**Rule 3.18 Rescind.** When a vote has been taken by the Board and carried or lost, it shall be in order at the same meeting for any member to move to rescind that vote unless something has been done as a result of the vote which is impossible to undo.

**Rule 3.19 \*Voting Requirements and Procedure.** Every member present when a measure is put forth shall vote for or against it unless prohibited from voting by applicable law because of a conflict of interest, which shall be disclosed (Code § 1090 et seq. and 87100 et seq., and all other relevant laws or regulations). A member with a conflict of interest pursuant to California Government Code § 87100 et. seq. shall follow the disqualification procedures set forth in the California Code of Regulations § 18707.

No member shall be permitted to vote until the roll is called or before a vote is announced.

\*A tie vote on any matter before the Board shall be deemed fail of a motion (Code § 131262).

**Rule 3.20 Minutes.** Minutes will be kept of each regular and special meeting by the Clerk.



**Rule 3.21 Vote to be Entered in the Minutes.** After the Board has voted upon any matter, the names of the members who voted for and those who voted against the agenda item, as well as the number of votes by ayes and noes shall be recorded in the minutes.

**Rule 3.22 Identification, Filing, and Indexing.** The Clerk shall assign to all measures appropriate identification. Thereafter, the Clerk shall maintain a legislative record and index of all measures.

**Rule 3.23 Disposition of Communications.** Written communications addressed to the Board regarding a matter to be considered or acted on shall be time-stamped and deemed received by the Clerk. Communications that were received prior to the posting of the agenda shall be distributed to the Board prior to the meeting by the Clerk. Communications received after the posting of the agenda shall either be summarized by the Clerk at the Board meeting or distributed within seventy-two (72) hours.

**Rule 3.24 \*Posting of the Agenda.** The Clerk shall post and distribute the agenda in an accessible manner to all persons known or presumed to be interested in items to be considered at an upcoming meeting, and such notice shall be posted or announced not later than seventy-two (72) hours before any regularly scheduled Board meeting and twenty-four (24) hours before any special meeting is scheduled (Code § 59454.2 and 54956).

In the case of a rescheduled or canceled meeting, notice of the rescheduled meeting shall be posted outside San Francisco City Hall Room 244.

**Rule 3.25 \*Meetings to Be Public.** Every Board meeting shall be open to the public except that the Chair may order a meeting to be held in closed session for consideration of matters permitted to be discussed in closed session (California Government Code § 54954.5 et seq.).

**Rule 3.26 \*Public Comment.** Any member of the public is entitled to comment on any matter on the agenda before it is acted on by the Board, unless a matter had previously been considered by a committee or the Board and was not substantially changed since it was heard, as determined by the Board. In addition, the last item prior to adjournment at each Board meeting shall provide an opportunity for members of the public to directly address the Board on items of interest to the public that are within the subject matter jurisdiction of the Transportation Authority, and which had not been discussed earlier in the meeting. Members of the public may address the Board for up to two (2) minutes





or for such number of minutes as set by the Chair. The Chair may limit the total testimony to thirty (30) minutes.

## **CHAPTER 4. COMMITTEE RULES AND PROCEDURES**

**Rule 4.1 Call to Order and Roll Call.** The committee chair shall preside at all committee meetings, and shall call each regular, adjourned, recessed, or special meeting to order at the appointed hour. Immediately after the call to order, the Clerk shall call the roll of the committee members and shall record and enter in the minutes the names of those members present and those absent during roll call. In the absence of the committee chair, the vice-chair shall preside. The presiding officer shall proceed with the Order of Business.

**Rule 4.2 Order of Business.** The normal Order of Business for committees shall be as follows:

1. Roll Call
2. Approval of Minutes
3. Items for Recommendation
4. Introduction of New Items
5. Public Comment
6. Adjournment

**Rule 4.3 Standing Committees, General Rules.** The standing committees of the Board and the matters to be referred to each are set forth in the Administrative Code. Select committees may be established as provided in Section 5.1 of the Administrative Code.

Any member of the Board who is not a member of an assigned committee may join with the members of the said committee in its deliberations provided such participation does not result in a quorum of the Board membership being present; however, only members of said committee shall be entitled to vote, except that the Chair may vote as provided in Section 5.1 (c) of the Administrative Code on such matters in committee. Except with respect to the Chair, the participation of a non-member of the committee shall not be counted for purposes of determining whether a quorum of the committee is present.

In the event that the scope of committee assignments may be conflicting, overlapping, ambiguous, or not stated, the Chair shall determine and designate which committee shall have jurisdiction over a particular matter.



- Rule 4.4 Committee Chair.** Appointments to committees, including committee chair and vice-chair, will be determined by the Board Chair at the beginning of each year (Administrative Code § 3(a)).
- Rule 4.5 Time of Meeting.** Every committee shall meet at the time set by the Board Chair, committee chair at the beginning of his or her appointment, or a majority of the committee, in that order of priority. Whenever a meeting falls on a holiday or a quorum does not result, the meeting shall be rescheduled at the discretion of the committee chair.
- Rule 4.6 Meeting Frequency.** The regular schedule of the standing committee meetings shall provide for meeting at least once a month for each of the committees, except for the Personnel Committee which shall meet only at the call of the Chair.
- Rule 4.7 Agenda.** Prior to preparation of an agenda, the Executive Director shall review and finalize with the committee chair all matters to be considered at the meeting.
- Rule 4.8 Calling of Items.** The committee chair shall decide whether items may be acted upon individually (or grouped) when the agenda item is called, unless a member requests that they be separate.
- Rule 4.9 Reading the Titles.** The Clerk may read abbreviated titles of measure on the agenda when the abbreviated wording will clearly express to the members and to the listening public the nature of the measure.
- Rule 4.10 Introduction of Measures.** The Executive Director shall prepare a précis of each item to be considered by the committee.
- Rule 4.11 \*Measures Not on the Agenda.** Before considering an item of business not on the agenda, the committee shall adopt a motion (i) by majority vote of the full membership of the committee that an emergency situation exists, as defined in California Government Code § 54956.5; or (ii) by the two-thirds vote of its members, or if less than two-thirds of the members are present, by a unanimous vote of those members present, determining that there is a need to take immediate action and that the need to take action came to the attention of the Transportation Authority after the agenda was posted (California Government Code(§ 54954.2).
- Rule 4.12 Action by Motion.** All resolutions, ordinances, parliamentary actions, recommendations of a committee, actions on matters which concern only the



internal functioning of a committee, directives to the staff of the Transportation Authority to perform some specific act in the line of official duty, inquiries, actions of ceremonial or commemorative nature, and such other actions as may be approved by the Transportation Authority's legal counsel, may be accomplished by motion.

Unless otherwise provided by these Rules, a motion of a parliamentary nature shall require for adoption the affirmative vote of at least a majority of the members of the committee present at the meeting at the time of the vote, not less than a quorum.

\*All other motions shall require for adoption the affirmative vote of a majority of all the members of the committee, except as otherwise provided by these Rules, the Administrative Code, or other applicable law.

**Rule 4.13 Motion to be Stated.** The Clerk shall state all motions prior to debate. No motion in the committee shall require a second. The committee chair shall acknowledge members as they make motions.

**Rule 4.14 Division of the Question.** On the demand of any member, the committee chair shall order a question (or agenda item) divided if it includes multiple propositions with each distinct in substance that one being taken away, one of more substantive proposition shall remain for the decisions of the committee. When divided, each proposition shall then be considered and voted upon separately as if it had been offered alone.

**Rule 4.15 Seriatim Consideration.** When a measure under debate includes points which are ultimately connected, any member may have the matter considered by sections or paragraphs. Each section or paragraph may be amended while being considered, and the proposition as a whole shall then be voted upon.

**Rule 4.16 Withdrawal of Motion.** After the motion has been stated, it shall be in the possession of the committee. Before it is acted upon, a motion may be withdrawn by the mover only with the consent of a majority of the members present.

**Rule 4.17 Reconsideration.** When a motion has been made and carried or lost, it shall be in order for any member voting with the prevailing side to move to reconsider the vote on that question.



To be recorded as having voted with the prevailing side, in order to move to reconsider the vote on any question, a member may change a vote before the result of the roll call has been announced.

**Rule 4.18 Rescind.** When a vote has been taken by a committee and carried or lost, it shall be in order at the same meeting for any member to move to rescind that vote unless something has been done as a result of the vote which is impossible to undo.

**Rule 4.19 \*Voting Requirements and Procedure.** Every member present when a motion is put forth shall vote for or against it unless prohibited from voting by applicable law because of a conflict of interest, which shall be disclosed (Code § 1090 et seq. and 87100 et seq., and all other relevant laws or regulations). A member with a conflict of interest pursuant to California Government Code § 87100 et. seq. shall follow the disqualification procedures set forth in the California Code of Regulations § 18707.

No member shall be permitted to vote until the roll is called or before a vote is announced.

A tie vote on any matter before the committee shall be deemed to be a disapproval except that the Chair may break a tie vote as provided in Administrative Code § 5.1(c).

**Rule 4.20 Minutes.** Minutes will be kept of each regular and special meeting by the Clerk.

**Rule 4.21 Vote to be Entered in the Minutes.** After the committee has voted upon any matter, the names of the members who voted for and those who voted against the question (or agenda item), as well as the number of votes by ayes and noes shall be recorded in the minutes.

**Rule 4.22 Identification, Filing, and Indexing.** The Clerk shall assign to all measures appropriate identification. Thereafter, the Clerk shall maintain a legislative record and index of all measure.

**Rule 4.23 \*Posting of the Agenda.** The Clerk shall post and distribute the agenda in an accessible manner to all persons known or presumed to be interested in items to be considered at an upcoming meeting, and such notice shall be posted or announced not later than seventy-two (72) hours before any regularly scheduled Board meeting and twenty-four (24) hours before any special meeting is scheduled (Code § 59454.2 and 54956).



**Rule 4.24 Public Comment.** Any member of the public is entitled to comment on any matter on the agenda before it is acted on by the committee, unless a matter had previously been considered by the committee and was not substantially changed since it was heard, as determined by the committee. In addition, the last item at each committee meeting prior to adjournment shall provide an opportunity for members of the public to directly address the committee on items of interest to the public that are within the subject matter jurisdiction of the Transportation Authority, and which had not been discussed earlier in the meeting. Members of the public may address the committee for up to two (2) minutes or for such number of minutes as set by the chair. The committee chair may limit the total testimony to thirty (30) minutes.



## CHAPTER 5. MISCELLANEOUS

**Rule 5.1 Conduct of Members.** No member in debate shall, directly or indirectly, by any form of words impute to another member or to other members any conduct or motive unworthy or unbecoming to a member.

**Rule 5.2 Honors Issued by the Board of Commissioners.** The Board may issue honors in the following categories for transportation-related activities:

1. Engrossed Resolutions. Such resolutions shall be prepared for members leaving office; Transportation Authority staff leaving the service after at least ten (10) years of service with the Transportation Authority; and Mayors, members of Congress, and members of the State Legislature upon leaving office.
2. Certificates of Honor and Letters of Commendation. Each member of the Board is authorized to be issued up to five (5) Certificates of Honor or Letters of Commendation a year on behalf of the Board without further Board action in accordance with the following procedure.
  - a) No certificates or letters shall be issued to a person or entity which has received a certificate or letter within the previous twelve (12) months.
  - b) Each member desiring to issue a Certificate of Honor or Letter of Commendation shall provide the name of the proposed recipient to the Clerk who will advise other members of the request.
  - c) During the two (2) business days following the provision of the name, other members may indicate their desire to join in on sponsoring the certificate or letter. The primary sponsor shall then permit the additional members to sign the certificate or letter.
3. The Executive Director shall, after consultation with the Chair, prescribe the form for each of these honors and shall facilitate the preparation of such certificates and letters by the staffs of individual members.
4. The Board shall be advised at its regularly scheduled meeting on any engrossed resolutions, certificates of honor, or letters of commendation awarded since the last Board meeting.



**San Francisco  
County Transportation  
Authority**

1455 Market Street, 22ND Floor, San Francisco, California 94103 415-522-4800 info@sfcta.org www.sfcta.org

## Sunshine Policy

Resolution 23-XX

### STATEMENT OF PURPOSE

It is the ~~duty of the San Francisco County Transportation Authority~~ Authority's (Transportation Authority) duty to serve the public, reaching its decisions in full view of the public.

Committees and the full Board of Commissioners exist to conduct the people's business.

This Policy will ~~assure~~ ensure that their deliberations are conducted before the people and that Transportation Authority operations are open to the people's review. Although access to the government decision making process is also the intent of California's Ralph M. Brown Act and Public Records Act, the Transportation Authority's Sunshine Policy was enacted to strengthen the requirements for open public decision making. The Transportation Authority adopts this Policy to assure that, in general intent as well as in administrative procedure, the people of the City remain in control of the government they created.

### A. DEFINITIONS

The terms as used herein shall be as defined in the Ralph M. Brown Act, California Government Code Sections 54950, et seq., and whenever in this Policy the following words or phrases are used, ~~they shall mean:~~

1. "Transportation Authority" shall mean the members of the Board of Commissioners of the San Francisco County Transportation Authority and staff.
2. "Meeting" shall mean any of the following:
  - a. a congregation of a majority of the members of a policy body at the same time and place;
  - b. a series of gatherings, each of which involves less than a majority of a policy body, to hear, discuss, or deliberate upon any item that is within the subject matter jurisdiction of the respective policy body, if the cumulative result is that a majority of members have become involved in such gatherings; or
  - c. any other use of personal intermediaries or communications media that could permit a majority of the members of a policy body to become aware of an item of business and of the views or positions of other members with respect thereto, and to negotiate consensus thereupon.
  - d. "Meeting" shall not include any of the following:
    - i. individual contacts or conversations between a member of a policy body and a public constituent or the staff or employees of the Transportation Authority, which do not convey to the member the views or positions of other members upon the subject matter of the contact or conversation and in which the



member does not solicit or encourage the restatement of the views of the other members.

- ii. the attendance of a majority of the members of a policy body at a regional, statewide, or national conference, or at a meeting organized to address a topic of local community concern and open to the public, provided that a majority of the members refrain from using the occasion to collectively discuss ~~the topic of the conference or meeting, or~~ any other business within the subject matter jurisdiction of the respective policy body; or
- iii. the attendance of a majority of the members of a policy body at a purely social, recreational, or ceremonial occasion other than one sponsored or organized by or for the policy body itself, provided that a majority of the members refrain from using the occasion to collectively discuss any business within the subject matter jurisdiction of the respective policy body. A meal gathering of a policy body before, during, or after a business meeting of the policy body is part of that meeting and shall be conducted only under circumstances that permit public access to hear and observe the discussion of members. Such meetings shall not be conducted in restaurants or other accommodations where public access is possible only in consideration of making a purchase or making some other payment of value.

3. "Policy Body" shall mean:

- a. the Board of Commissioners of the Transportation Authority;
- b. any advisory commission, committee, or body of the Transportation Authority; or
- c. any standing committee of a policy body irrespective of its composition.

A policy body shall not include a committee which consists solely of employees of the Transportation Authority or solely of employees of the Transportation Authority and/or employees of other local agencies.

**B. PUBLIC ACCESS TO MEETINGS**

1. Meetings to Be Open and Public; Application of the Ralph M. Brown Act. All meetings of any policy body shall be open and public, and governed by the provisions of the Ralph M. Brown Act and of this Policy. In case of inconsistent requirements under the Brown Act and this Policy, the requirement which would result in greater or more expedited public access shall apply.
2. Passive Meetings. Gatherings subject to this subsection, which shall be known as "passive meetings," are the following: advisory committees created in writing by ~~the initiative of~~ a member of the Transportation Authority ~~Board or~~; the Executive Director of the Transportation Authority at the request of a Transportation Authority Board member; and social, recreational, or ceremonial occasions sponsored or organized by or for a policy body to which a majority of such policy body members





have been invited. This subsection shall not apply to a committee which consists solely of employees of the Transportation Authority and/or employees of other local agencies.

- a. ~~Gatherings~~Passive meetings, as defined above, shall be accessible to individuals upon inquiry, and to the extent possible, consistent with the facilities in which such meetings occur.
  - b. Such ~~gatherings~~passive meetings need not be formally noticed, although the time, place, and nature of the gathering shall be disclosed upon inquiry by a constituent of the public, and any agenda actually prepared for the gathering shall be accessible to such public constituents as a public record.
  - c. Such ~~passive meetings~~gatherings need not be conducted in any particular space for the accommodation of spectators, although spectators shall be permitted to observe on a space available basis consistent with legal and practical restrictions on occupancy.
  - d. Such ~~passive meetings~~gatherings of a business nature need not provide opportunities for comment by spectators, although the person presiding may, in ~~his or her~~their discretion, entertain such questions or comments from spectators as may be relevant to the business of the gathering.
  - e. Passive meetings~~Gatherings~~ may hold closed sessions under ~~any~~ circumstances allowed by this Policy, ~~or but only to the extent also allowed by~~ the Ralph M. Brown Act. In addition, gatherings may hold closed sessions under circumstances allowed by the Ralph M. Brown Act.
3. Conduct of Business; Time and Place for Meetings.
- a. The Transportation Authority has established the time and place for holding its regular meetings in its Administrative Code.
  - b. If a regular scheduled meeting of a policy body would otherwise fall on a holiday, it shall instead be rescheduled in accordance with the Rules of Order, Rules 2.5 and 4.5. ~~held on the next business day.~~
  - c. If, because of fire, flood, earthquake, or other emergency, it would be unsafe to meet in the customary location, the meetings may be held for the duration of the emergency at some other place specified by the policy body. The change of meeting site shall be announced, by the most rapid means of communication available at the time, in a notice to the local media who have requested in writing notice of special meetings, ~~in writing~~, pursuant to Government Code Section 54956.
  - d. Meetings of advisory policy bodies shall be preceded by notice delivered ~~personally or by~~ electronic or physical mail at least 24 hours before the time of such meeting to each person who has requested; in writing; notice of such meeting. If the advisory policy body elects to hold regular meetings, it shall provide by bylaws, or whatever other rule is utilized by the ~~respective~~ advisory policy body, for the conduct of its business, ~~and~~ for the time and place for holding such regular meetings. In such case, no notice of regular meetings, other



than the posting of an agenda in the place used by the policy body or executive officer which it advises, is required.

- e. Special meetings of any policy body, including advisory policy bodies that choose to establish regular meeting times, may be called at any time by the presiding officer thereof or by a majority of the members thereof; ~~by delivering personally or by mail~~ written notice to each member of the policy body and to each local newspaper, radio, or television station that has requested notice of such meeting in writing. Such notice must be delivered ~~personally or by electronic or physical~~ mail ~~and received~~ at least 24 hours before the time of such special meeting as specified in the notice. The notice shall specify the time and place of the special meeting and the business to be transacted. No other business shall be considered at such meetings by the policy body. Such written notice may be dispensed with as to any member of the policy body who at or prior to the time the meeting convenes files with the secretary of the policy body a written waiver of notice. Such waiver may be given by ~~telegram~~ electronic mail. Such written notice may also be dispensed with as to any member who is actually present at the meeting at the time it convenes. Each special meeting shall be held at the regular meeting place of the policy body, except that the policy body may designate an alternate meeting place, provided that such alternate location is specified in the call and notice of the special meeting.

#### 4. Agenda Requirements; Regular Meetings.

- a. A policy body shall post an agenda in accordance with the Rules of Order, Rules 3.24 and 4.23. At least 72 hours before a regular meeting, a policy body shall post an agenda containing a meaningful description of each item of business to be transacted or discussed at the meeting.
- b. ~~A description is meaningful if it is sufficiently clear and specific to alert a person of average intelligence and education whose interests are affected by the item that he or she may have reason to attend the meeting or seek more information on the item. The description should be brief, concise, and non-technical. It may refer to explanatory documents, such as correspondence or reports, posted adjacent to the agenda or, if such documents are of more than one page in length, available for public inspection and copying at a stated location during normal office hours.~~
- c. ~~The agenda shall specify the time and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public, and on the policy body's website, if the policy body has one.~~
- d. ~~b.~~ No action or discussion shall be undertaken on any item not appearing on the posted agenda, except that members of a policy body or its staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights. In addition, on their own initiative, or in response to questions posed by the public, a member of a policy body or its staff may ask a question for clarification, make a brief announcement, may provide a reference to staff for other resources for factual information, request staff to report back to



the respective policy body at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda.

c. Notwithstanding subsection (~~b~~d) of this section, before considering an item of business not on the agenda, the policy body shall adopt a motion in accordance with the Rules of Order, Rules 3.9 and 4.11.

a. ~~may take action on items of business not appearing on the posted agenda under any of the following conditions:~~

~~ii. Upon a determination by a majority vote of the policy body that an accident, natural disaster or work force disruption an activity or situation that severely impairs public health, and safety, or both exists.~~

~~iii.i. Upon a good faith, reasonable determination by a two-thirds vote of the members of the policy body present at a meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that (A) the need to take immediate action on the item is so imperative as to threaten serious injury to the public interest if action were deferred to a subsequent special or regular meeting, or relates to a purely commendatory action, and (B) that the need for such action came to the attention of the policy body subsequent to the agenda being posted as specified in subsection (a) of this Section.~~

~~i. The item was posted pursuant to subsection (a) of this Section for a prior meeting of the policy body occurring not more than five calendar days prior to the date of the subsequent meeting at which action is to be taken on the item, and at the prior meeting the item was continued to the subsequent meeting at which action is being taken.~~

#### 6.5. Agenda Disclosures; Closed Sessions.

a. In addition to the brief general description of items to be discussed or acted upon in open and public session, the agenda posted pursuant to Government Code Section 54954.2, any ~~mailed~~ notice given pursuant to Government Code Section 54954.1, and any call and ~~notice delivered/or email~~ to the local media and posted pursuant to Government Code Section 54956 shall specify and disclose the nature of any closed sessions by providing all of the following information:

i. With respect to every item of business to be discussed in closed session pursuant to Government Code Section 54956.9, either:

CONFERENCE WITH LEGAL COUNSEL

Existing litigation:

Unspecified to protect service of process

Unspecified to protect settlement posture

-----or:

CONFERENCE WITH LEGAL COUNSEL

Anticipated litigation:



As defendant

As plaintiff

The space under "Existing litigation" shall be used to specifically identify a case under discussion pursuant to subdivision (a) of Government Code Section 54956.9, unless the identification would jeopardize the policy body's ability to effectuate service of process upon one or more unserved parties, in which instance the space in the next succeeding line shall be checked, or unless the identification would jeopardize the policy body's ability to conclude existing settlement negotiations to its advantage, in which instance the space in the next succeeding line shall be checked. If the closed session is called pursuant to subdivision ~~(d)(2) or (4)(b) or (e)~~ of Section 54956.9, the appropriate space shall be checked under "Anticipated litigation" ~~to~~ to indicate the policy body's anticipated position as defendant or plaintiff, respectively. If more than one instance of anticipated litigation is to be reviewed, space may be saved by entering the number of separate instances in the "As defendant" ~~or "As plaintiff"~~ spaces or both as appropriate.

- ii. With respect to every item of business to be discussed in closed session pursuant to Government Code Section 54957, either:

**THREAT TO PUBLIC SERVICES OR FACILITIES**

Name of law enforcement agency and title of officer or name, title, and agency of law enforcement officer(s) to be conferred with:

----- or:

**PUBLIC EMPLOYEE APPOINTMENT/HIRING**

Title/description of position(s) to be filled:

**PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

Position and, in the case of a routine evaluation, name of employee(s) being evaluated:

----- or:

**PUBLIC EMPLOYEE DISMISSAL/DISCIPLINE/RELEASE**

Number of employees affected:

**6. Agendas and Related Materials; Public Records.**

- a. Agendas of meetings and any other documents on file with the clerk of the policy body, when intended for distribution to all, or a majority of all, of the members of a policy body in connection with a matter anticipated for discussion or consideration at a public meeting shall be made available to the public. However, this disclosure need not include any material exempt from public disclosure under the California Public Records Act (Government Code Sections



6250, et seq.), including without limitation, Government Code Sections 6253.5, 6254, or 6254.7.

- b. Records which are subject to disclosure under subsection (a) and which are intended for distribution to the policy body prior to commencement of a public meeting shall be made available for public inspection and copying upon request prior to commencement of such meeting, whether or not actually distributed to, or received by the policy body, at the time of the request.

~~c. Records which are subject to disclosure under subsection (a) and which are distributed during a public meeting but prior to commencement of discussion on the records, shall be made available for public inspection prior to commencement of, and during, discussion of the records.~~

~~d.c.~~ Records which are subject to disclosure under subsection (a) of this Section; and which are distributed during their discussion at a public meeting shall be made available for public inspection immediately or as soon thereafter as is practicable.

~~e.d.~~ A policy body may charge a duplication fee of one cent per page for a copy of a public record prepared for consideration at a public meeting. Neither this section nor the California Public Records Act (~~Government Code sections 6250, et seq.~~) shall be construed to limit or delay the public's right to inspect any record required to be disclosed by that Act, whether or not distributed to a policy body.

## 7. Closed Sessions.

A policy body may hold closed sessions as follows:

- a. With the Attorney General, district attorney, sheriff, or chief of police, or their respective deputies, on matters posing a threat to the security of public buildings or a threat to the public's right of access to public services or public facilities.
- b. To consider the appointment, employment, evaluation of performance, or dismissal of policy body employee, if the policy body has the authority to appoint, employ, or dismiss the employee, or to hear complaints or charges brought against the employee by another person or employee unless the employee complained of requests a public hearing. As a condition to holding a closed session on specific complaints or charges brought against an employee by another person or employee, the employee shall be given written notice of ~~his or her~~ their right to have the complaints or charges heard in an open session rather than a closed session, which notice shall be delivered to the employee personally or by mail at least 24 hours before the time for holding the session. If notice is not given, any disciplinary or other action taken by the legislative body against the employee based on the specific complaints or charges in the closed session shall be null and void. The legislative policy body also may exclude from the public or closed meeting during examination of a witness, any or all other witnesses in the matter being investigated by the policy body. The term "employee" shall not include any elected official, member of a policy body ~~or~~



~~applicant for such a position~~, or person providing services to the policy body as an independent contractor or the employee thereof, other than an independent contractor or employee thereof who functions as an officer or employee of the policy body, including but not limited to independent attorneys or law firms providing legal services to the policy body for a fee rather than a salary.

- c. A policy body, based on advice of its legal counsel, ~~and on a motion and vote in open session to assert the attorney-client privilege~~, may hold a closed session to confer with or receive advice from its legal counsel regarding pending litigation when discussion in open session concerning those matters would prejudice the position of the policy body in the litigation. Litigation shall be considered pending when any of the following circumstances exist:
  - i. An adjudicatory proceeding before a court, an administrative body exercising its adjudicatory authority, a hearing officer, or an arbitrator, to which the policy body is a party, has been initiated formally.
  - ii. A point has been reached where, in the opinion of the policy body on the advice of its legal counsel, based on existing facts and circumstances, there is a significant exposure to litigation against the policy body, or the policy body is meeting only to decide whether a closed session is authorized pursuant to that advice or, based on those facts and circumstances, the policy body has decided to initiate or is deciding whether to initiate litigation.

A closed session may not be held under this section to consider the qualifications or engagement of an independent contract attorney or law firm, for litigation services or otherwise.

- d. ~~Prior to holding a closed session pursuant to this section, the policy body shall disclose the justification for its closure either by entries in the appropriate categories on the agenda or, in the case of an item added to the agenda based on a finding of necessity and urgency, by an oral announcement specifying the same information.~~ Prior to any closed session, a policy body shall state the general reason or reasons for the closed session, and may cite the statutory authority, including the specific ~~section and subdivision reference~~, or other legal authority under which the session is being held. In the closed session, the policy body may consider only those matters covered in its statement. In the case of regular and special meetings, the statement shall be made in the form of the agenda disclosures and specifications required by Section 5 of this Policy. In the case of adjourned and continued meetings, the statement shall be made with the same disclosures and specifications required by Section 5 of this Policy, as part of the notice provided for the original meeting. In the case of an item added to the agenda as a matter of urgent necessity, the statement shall be made prior to the determination of urgency and with the same disclosures and specifications as if the item had been included in the agenda pursuant to Section ~~5.4~~ of this Policy. Nothing in this section shall require or authorize a disclosure of information prohibited by state or federal law.

#### 8. Disclosure of Closed Session Discussions and Actions.



- a. After every closed session, a policy body may in its discretion and in the public interest, disclose to the public any portion of its discussion which is not confidential under federal or state law, or non-waivable privilege. The policy body shall, by motion and vote in open session, elect either to disclose only such information as may be required by statute or other law or to disclose the information which a majority deems to be in the public interest. The disclosure shall be made through the presiding officer of the policy body or such other person, present in the closed session, whom he or she designates to convey the information.
- b. A policy body shall publicly report any action taken in closed session and the vote or abstention of every member present thereon, as follows:
  - i. Litigation: Direction or approval given to the policy body's legal counsel to prosecute, defend or seek or refrain from seeking appellate review or relief, or to otherwise enter as a party, intervenor, or amicus curia in any form of litigation shall be reported in open session as soon as given, or at the first meeting after an adverse party has been served in the matter if immediate disclosure of the policy body's intentions would be contrary to the public interest. The report shall identify the adverse party or parties, any co-parties with the policy body, any existing claim or order to be defended against or any factual circumstances or contractual dispute giving rise to the policy body's complaint, petition, or other litigation initiative.
  - ii. Settlement. A policy body shall neither solicit nor agree to any term in a settlement which would preclude the release, upon request by the public, of the text of the settlement itself and any related documentation communicated to or received from the adverse party or parties. Where the disclosure of documents in a litigation matter that has been settled could be detrimental to the public body's interest in pending ~~litigation~~ on a ~~closely~~-related case, the documents required to be disclosed by subsection (b) of this Section need not be disclosed until the ~~closely~~-related case is settled or otherwise finally concluded.
  - iii. Employee Actions: Action taken to appoint, employ, dismiss, transfer or accept the resignation of a public employee in closed session shall be reported immediately in a manner that names the employee, the action taken, and position affected and, in the case of dismissal for a violation of law or of the policy of the policy body, the reason for dismissal. The foregoing notwithstanding, the report of a dismissal or nonrenewal of any employment contract shall be deferred until the first meeting following the exhaustion of administrative remedies. "Dismissal" within the meaning of this ordinance includes any termination of employment at the will of the employer rather than of the employee, however characterized. The proposed terms of any separation agreement shall be immediately disclosed as soon as presented to the policy body, and its final terms shall be immediately disclosed upon approval by the policy body.





- c. Reports required to be made immediately may be made orally or in writing, but shall be supported by copies of any contracts, settlement agreements, or other documents related to the transaction that were finally approved or adopted in the closed session and that embody the information required to be disclosed ~~by immediately report.~~ Copies of such documents shall be provided to any person who requested such copies in a written request submitted within 24 hours of the posting of the agenda, or who has made a standing request for all such documentation as part of a request for notice of meetings.
  - d. A written summary of the information required to be immediately reported pursuant to this section, or documents embodying that information, shall be posted by the close of business on the next business day following the meeting, in the place where the meeting agendas of the policy body are posted.
9. Barriers to Attendance Prohibited.
  - a. No policy body shall conduct any meeting, conference or other function in any facility that excludes persons on the basis of actual or presumed class identity or characteristics, or which is inaccessible to persons with physical disabilities, or where members of the public may not be present without making a payment or purchase. Whenever the policy body members anticipate that the number of persons attending the meeting will exceed the legal capacity of the meeting room, any public-address system used to amplify sound in the meeting room shall be extended by supplementary speakers to permit the overflow audience to listen to the proceedings in an adjacent room or passageway, unless such supplementary speakers would disrupt the operation of offices adjacent to the meeting site.
  - b. The policy body shall ensure that accessible seating for persons with disabilities, including those using wheelchairs, is made available for each regular and special meeting.
10. ~~Tape Audio or Video~~ Recording, ~~Filming~~, and Still Photography.
  - a. Any person attending an open and public meeting of a policy body shall have the right to record the proceedings with an audio or video ~~tape~~ recorder, ~~or~~ a still ~~or motion~~ picture camera, or ~~to~~ broadcast the proceedings, in the absence of a reasonable finding of the policy body that the recording or broadcast cannot continue without such noise, illumination, or obstruction of view as to constitute a persistent disruption of the proceedings.
  - b. The policy body shall ~~tape audio or video~~ record each regular and special meeting. Each such ~~audio or video tape~~ recording, ~~unless otherwise noted, is available for public inspection and download at the San Francisco Government TV website at <https://sfgovtv.org/sfgovtv-live-events> under Video on Demand > Commissions, Councils & Boards~~ and any audio or video recording of a meeting of any other policy body made at the direction of the policy body shall be a public record subject to inspection, pursuant to the California Public Records Act, and shall not be erased or destroyed for at least 30 days, provided that if during that 30-day period a written request for inspection or copying of that record is made, the recording shall not be destroyed or erased until the





~~requested inspection or copying has been accomplished. Inspection of any such video or tape recording shall be provided without charge on a device made available by the policy body. If a member of the public is unable to access the online recordings, they may make a written request within 30 days of a previous policy body meeting for a downloaded copy of the requested recording. Pursuant to the California Public Records Act, the record shall not be destroyed or erased until the requested inspection, copying, or receipt of copy has been accomplished, provided that the written request was made during the 30-day period.~~

#### 11. Public Testimony at Regular and Certain Special Meetings.

- ~~— Every agenda for regular and special meetings shall provide an opportunity for members of the public to directly address the policy body, in accordance with the Rules of Order, Rules 3.26 and 4.24. Every agenda for regular meetings shall provide an opportunity for members of the public to directly address a policy body on items of interest to the public that are within policy body's subject matter jurisdiction, provided that no action shall be taken on any item not appearing on the agenda unless the action is otherwise authorized by Section B.4.e. of this Policy.~~
- ~~— Every agenda for special meetings at which action is proposed to be taken on an item shall provide an opportunity for each member of the public to directly address the policy body concerning that item prior to action there upon.~~
- ~~a. A policy body may adopt reasonable regulations to ensure that the intent of subsections (a) and (b) of this Section 11 are carried out, including, but not limited to, regulations limiting the total amount of time allocated for public testimony on particular issues and for each individual speaker. Each policy body shall adopt a rule providing that each person wishing to speak on an item before the policy body at a regular or special meeting shall be permitted to be heard once for up to three minutes.~~
- ~~— A policy body shall not abridge or prohibit public criticism of the policy, procedures, programs, or services of the policy body, or of any other aspect of its proposals or activities, or of the acts or omissions of the policy body, on the basis that the performance of one or more public employees is implicated, or on any basis other than reasonable time constraints adopted in regulations pursuant to subsection (c) of this Section.~~

~~45:12. \_\_\_\_\_ Minutes. The minutes for each regular and special meeting shall be kept in accordance with Rules of Order Rule 3.20. A clerk of the policy body shall record the minutes for each regular and special meeting of the policy body. The minutes shall state the time the meeting was called to order, the names of the members attending the meeting, the roll call vote on each matter considered at the meeting, the time the policy body began and ended any closed session, a list of those members of the public who spoke on each matter if the speakers identified themselves, whether ~~such~~ public speakers supported or opposed the matter, and the time the meeting was adjourned. The draft minutes of each meeting shall be available for inspection and copying upon request no later than 72 hours before the next meeting of the policy~~



~~body. The officially adopted minutes shall be available for inspection and copying upon request no later than ten working days after the meeting at which the minutes are adopted. Adopted minutes of each previously conducted meeting will be posted on the policy body's website at least 72 hours before the next meeting. Physical copies can be made available for public inspection or receipt, including format into Braille or increased type size, by written request no earlier than 72 hours before the next policy body meeting. Upon request, minutes required to be produced by this Section shall be made available in Braille or increased type size.~~

### **C. PUBLIC INFORMATION**

1. "Public Information" shall mean the content of "public records" as defined in the California Public Records Act, whether provided in documentary form or in oral communication.
2. Release of Documentary Public Information.
  - a. Release of documentary public information, whether for inspection of the original or by providing a copy, shall be governed by the California Public Records Act, ~~which shall prevail in the event of conflict with this Policy in any particulars not addressed by this Policy.~~
  - b. Inspection and copying of documentary public information stored in electronic form shall be made available to the person requesting the information in any form requested which is available to the policy body, its members, or employees, including ~~portable drive, printout, or FTP data access disk, tape, printout or monitor~~ at a charge no greater than the cost of the media on which it is duplicated, plus the direct costs of equipment, supplies, and labor costs associated with duplicating the electronic file which is requested. Inspection of documentary public information on a computer monitor need not be allowed where the information sought is intertwined with information not subject to disclosure under the California Public Records Act and this Policy. Nothing in this section shall require the policy body to program or reprogram a computer to respond to a request for information or to release information where the release of that information would violate a licensing agreement or copyright law.

3. Release of Oral Public Information.

Release of oral public information shall be accomplished as follows:

- a. The Executive Director of the policy body, or a designee, shall provide information, including oral information, to the public about the policy body's operations, plans, policies, and positions.
- b. The role of the person or persons so designated shall be to provide information on as timely and responsive a basis as possible to those members of the public who are not requesting information from a specific person. This Section shall not be interpreted to curtail existing informal contacts between employees and members of the public when these contacts are occasional, acceptable to the employees of the policy body, and not disruptive of ~~his or her~~ their respective operational duties and confined to accurate information not confidential by law.



- c. No employee shall be required to respond to an inquiry or inquiries from an individual if it would take the employee more than fifteen minutes to obtain the information responsive to the inquiry or inquiries.
  - d. Public employees shall not be discouraged from or disciplined for the expression of their personal opinions on any matter of public concern while not on duty, so long as the opinion (1) is not represented as that of the policy body and does not misrepresent the policy body position; and (2) does not disrupt coworker relations, impair discipline or control by superiors, erode a close working relationship premised on personal loyalty and confidentiality, interfere with the employee's performance of ~~his or her~~their duties or obstruct the routine operation of the office in a manner that outweighs the employee's interests in expressing that opinion. In adopting this subsection, the policy body intends merely to restate and affirm court decisions recognizing the First Amendment rights enjoyed by public employees. Nothing in this section shall be construed to provide rights to policy body employees beyond those recognized by courts, now or in the future, under the First Amendment, or to create any new private cause of action or defense to disciplinary action.
4. Public Review File -- Policy Body Communications.
- a. A clerk of the policy body shall maintain a file, accessible to any person during normal office hours, containing a copy of any letter, memorandum or other communication which the clerk has distributed to or received from a quorum of the members of the policy body concerning a matter calendared by the policy body within the previous 30 days or likely to be calendared within the next 30 days, irrespective of subject matter, origin or recipient, except commercial solicitations, periodical publications or communications exempt from disclosure under the California Public Records Act and not deemed disclosable under this Policy.
  - b. Communications, as described in subsection (a), sent or received in the last three business days of the current date, shall be maintained in chronological order in the office of the policy body. After documents have been on file for two full days, they may be removed, ~~and, in at~~ the discretion of the Executive Director of the policy body, ~~placed in a monthly chronological file~~.
  - c. Multiple-page reports, studies or analyses which are accompanied by a letter or memorandum of transmittal need not be included in the file so long as the letter or memorandum of transmittal is included.
5. Non-Exempt Public Information. Notwithstanding the policy body's legal discretion to withhold certain information under the California Public Records Act, the following policies shall govern specific types of documents and information:
- a. Litigation Material.
    - i. No pre-litigation claims against the policy body, or any other record previously received or created in the ordinary course of business, shall be exempt from disclosure.



- ii. Unless otherwise privileged under California law, when litigation is finally adjudicated or otherwise settled, records of all communications between the policy body and the adverse party shall be subject to disclosure, including the text and terms of any settlement.
- b. Personnel Information. None of the following shall be exempt from disclosure:
  - i. The job pool characteristics and employment and education histories of all successful job applicants, including at a minimum the following information as to each successful job applicant:
    - 1. Sex, age, and ethnic group;
    - 2. Years of graduate and undergraduate study, degree(s) and major or discipline;
    - 3. Years of employment in the private and/or public sector;
    - 4. Whether currently employed in the same position for another public agency;
    - 5. Other non-identifying particulars as to experience, credentials, aptitudes, training, or education entered in or attached to a standard employment application form used for the position in question.
  - ii. The professional biography or curriculum vitae of any employee, provided that the home address, home telephone number, social security number, age, and marital status of the employee shall be redacted.
  - iii. The job description of every employment classification.
  - iv. The exact gross salary and policy body-paid benefits available to every employee.
- c. Contracts, Bids and Proposals. Contracts, contractors' bids, responses to requests for proposals and all other records of communication between the policy body and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit. All bidders and contractors shall be advised that information provided which is covered by this subsection will be made available to the public upon request.
- d. Budgets and Other Financial Information. Budgets, whether tentative, proposed or adopted, for the policy body programs, projects or other categories, and all bills, claims, invoices, vouchers or other records of payment obligations as well as records of actual disbursements showing the amount paid, the payee and the purpose for which payment is made, other than payments for social or other services whose records are confidential by law, shall not be exempt from disclosure under any circumstances.



6. **Withholding Information. Process and Justification.** No record shall be withheld from disclosure in its entirety unless all information contained in it is exempt from disclosure under express provisions of the California Public Records Act or of some other statute. Information that is exempt from disclosure shall be masked, deleted, or otherwise segregated in order that the nonexempt portion of a requested record may be released, and keyed by footnote or other clear reference to the appropriate justification for withholding required by this Policy. This work shall be done personally by the attorney or other staff member conducting the exemption review. If that employee's work in redaction and footnoting exceeds one hour, the requester may be required to pay that extra increment of time at the pro rata hourly salary rate of the employee. Staff time used to locate or collect records for review or copying shall not be included as chargeable. Any withholding of information shall be justified, in writing, as follows:
  - a. A withholding on the basis that disclosure is prohibited by law shall cite the statutory authority in the Public Records Act or elsewhere.
  - b. A withholding on the basis that disclosure would incur civil or criminal liability shall cite any statutory or case law, or any other public agency's litigation experience, supporting that position.
7. **Fees for Duplication.**
  - a. No fee shall be charged for making public records available for review.
  - b. For documents routinely produced in multiple copies for distribution, e.g., meeting agendas and related materials, unless a special fee has been established pursuant to subsection (c) thereof, a fee not to exceed one cent per page may be charged, plus any postage costs.
  - c. For documents assembled and copied to the order of the requester, a fee not to exceed 10 cents per page may be charged, plus any postage.
8. **Index to Records.** The policy body staff will maintain a master index to the types of records it maintains, including those it creates and those it receives in the ordinary course of business. The index shall be for the use of policy body officials, staff and the general public, and shall be organized to permit a general understanding of the types of information maintained, by which officials and departments, for which purposes and for what periods of retention, and under what manner of organization for accessing, e.g. by reference to a name, a date, a proceeding or project, or some other referencing system. The index need not be in such detail as to identify files or records concerning a specific person, transaction, or other event, but shall clearly indicate where and how records of that type are kept.

**ORDINANCE AMENDING THE ADMINISTRATIVE CODE**

WHEREAS, The Transportation Authority's Administrative Code prescribes the powers and duties of its commissioners, the method and appointment of employees, and the policies and systems of its operation and management; and

WHEREAS, The Administrative Code was last amended on June 22, 2021, through Ordinance O21-01 and Transportation Authority staff has proposed amendments to the Administrative Code, with assistance from legal counsel, to provide additional clarity and flexibility as well as to reflect administrative and organizational changes; and

WHEREAS, At its March 29, 2023, meeting, the Community Advisory Committee considered the proposed amendments to the Administrative Code and unanimously adopted a motion of support for the staff recommendation; now, therefore, be it

RESOLVED, That the Transportation Authority hereby amends the Administrative Code as shown in Attachment 1; and be it further

RESOLVED, That the Executive Director is hereby authorized to distribute the amended Administrative Code to all relevant parties.

Attachment:

1. Proposed Administrative Code



BD041123

RESOLUTION NO. 23-46

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RESOLUTION APPROVING THE REVISED DEBT; EQUAL BENEFITS; INVESTMENT; RULES OF ORDER; AND SUNSHINE POLICIES

WHEREAS, The Transportation Authority Board has directed review of all policies periodically to ensure compliance with current statutes and Transportation Authority objectives; and

WHEREAS, The Transportation Authority develops and implements policies and procedures to organize and formalize agency activities, and to ensure compliance with current statutes and the agency objectives; and

WHEREAS, The Transportation Authority reviews the Debt Policy annually to maintain prudent debt management principles and maximize its debt capacity; and

WHEREAS, The Transportation Authority also reviews the Investment Policy annually to ensure the policy language remains consistent with governing code and the primary investment objectives of safety of principal, liquidity, and a return on investment consistent with both the risk and cash flow characteristics of the portfolio are met; and

WHEREAS, The Transportation Authority while not required to annually review the Equal Benefits; Rules of Order; and Sunshine policies, will do so on a regular or as-needed basis; and

WHEREAS, The recommended action would not have an impact on the adopted Fiscal Year 2022/23 budget; and

WHEREAS, The CAC considered the proposed revisions to the Debt, Equal Benefits, Investment, Rules of Order, and Sunshine policies at its March 29, 2023 meeting and unanimously adopted a motion of support for the staff recommendation; now, therefore, be it

RESOLVED, That the Transportation Authority hereby approves the recommended revisions to the Debt; Equal Benefits; Investment; Rules of Order; and Sunshine policies to conform to applicable law, provide additional clarity and flexibility, and reflect administrative and organizational changes since the last update.



Attachments:

1. Proposed Debt Policy
2. Proposed Equal Benefits Policy
3. Proposed Investment Policy
4. Proposed Rules of Order
5. Proposed Sunshine Policy





# Active Communities Plan



## Plan Overview

SFCTA Board  
April 25, 2023





# What is the ACP?

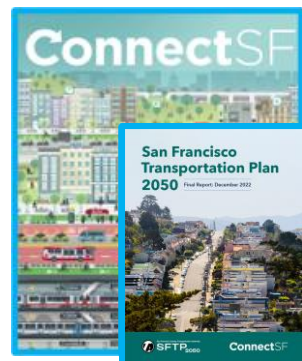
- The Active Communities Plan (ACP) will create a new plan for active mobility in SF for the first time since 2009, including:
  - 10-15 year investment plan for active transportation
  - A new Proposed Active Transportation Network
  - New supportive programs/policies
- Extensive outreach throughout 2023 will:
  - Be inclusive of all devices that can use the bike network
  - Center needs of priority communities & vulnerable users

**Plan will be adopted in 2024**

# How does the ACP fit in larger City goals?

## ConnectSF

A collaborative process for the future vision of SF's transportation system



Active Transportation Study

SFTP 2050

## Vision Zero

Achieve zero roadway fatalities and serious injuries



SFMTA Vision Zero Action Strategy

## Climate Action Plan

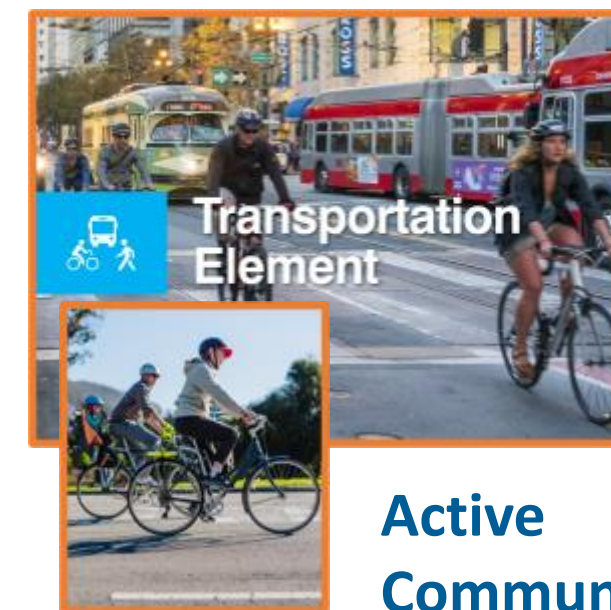
SF's plan to achieve net-zero greenhouse gas emissions with other community benefits



SFMTA Climate Roadmap

## Transportation Element

SF's Transportation Policy & Plan



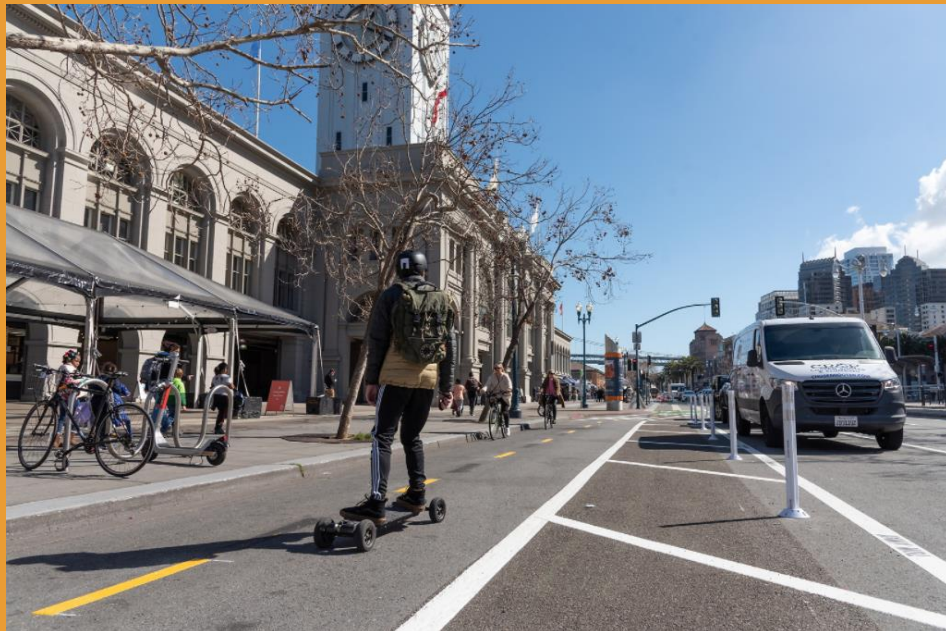
Active Communities Plan





## Plan Goals

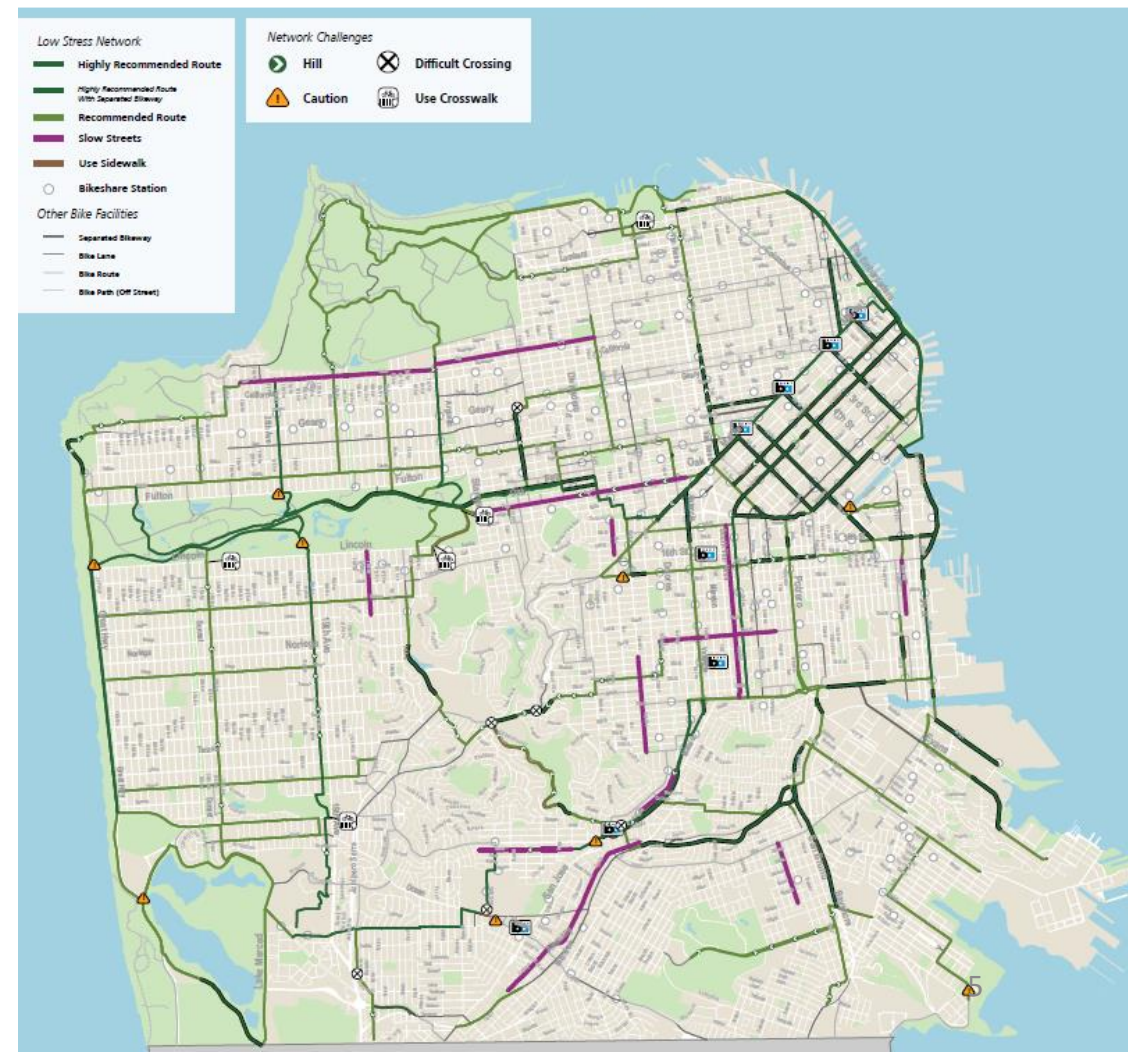
- Advance equity
- Support safety for all road users
- Support climate action
- Support access for all
- Deliver real results
- Develop new approaches



# The Active Transportation Network

## Today's Active Transportation Network

- “Active Transportation Network” is inclusive of people who use powerchairs, skateboards, scooters, and other electric-assisted devices
- ACP will expand the Active Transportation Network with:
  - More protected lanes
  - Slow Streets & Neighborways
  - Car-free streets
  - Support community-led placemaking
- Adding new supportive facilities, including:
  - Device parking
  - Bikeshare
  - Scootershare
  - Mobility Hubs





# Supportive Policies & Programs



- The ACP is not limited to infrastructure—this is a chance to consider programs, initiatives, and policies to support active mobility, like:
  - Vision Zero education
  - Safe Routes to School
  - Bike Month
  - Bike education classes
  - Micromobility
  - Bike Share 4 All
  - Adaptive bikeshare (BORP)

# What the ACP will produce:

## 10-15 year investment plan

### New Network

- Develop a new mobility network based on community needs, building on the existing bike network
- Prioritization & cost estimates for network recommendations

### Parking + facilities

- Device parking recommendations to accommodate a diversity of needs
- Support facilities, like Mobility Hubs, to link active mobility and transit

### Programmatic Recommendations

- Bike/mobility education classes
- Supportive, community-building events
- Partnerships with community institutions, like libraries

### Policy Recommendations

- Identify policies to encourage mode shift, like TDM or incentive programs
- Identify policies to improve project delivery
- Identify policies to improve & grow community relationships

# How we build the Active Communities Plan



Outreach +  
Engagement



Analysis

Active  
Communities  
Plan



## Next Steps

Funding  
Design  
Approval  
Implementation



# Outreach & Engagement

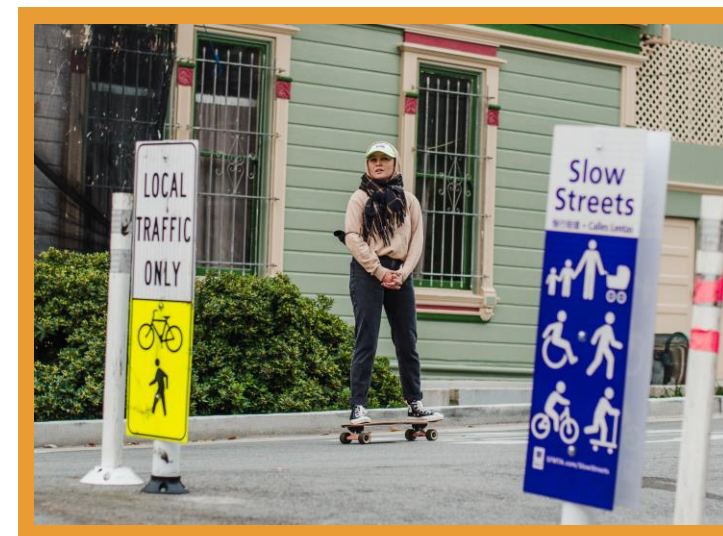
**Goal:** Align projects with community values & rebuild trust

## Year-long phased outreach process

- Broad reach into communities
- Increasing detail as plan develops
- Various ways to participate online and in person

## Focus on Equity and Inclusion

- Translated and inclusive materials
- Community-based outreach prioritizes under-served groups



# Focus on Equity Priority Communities

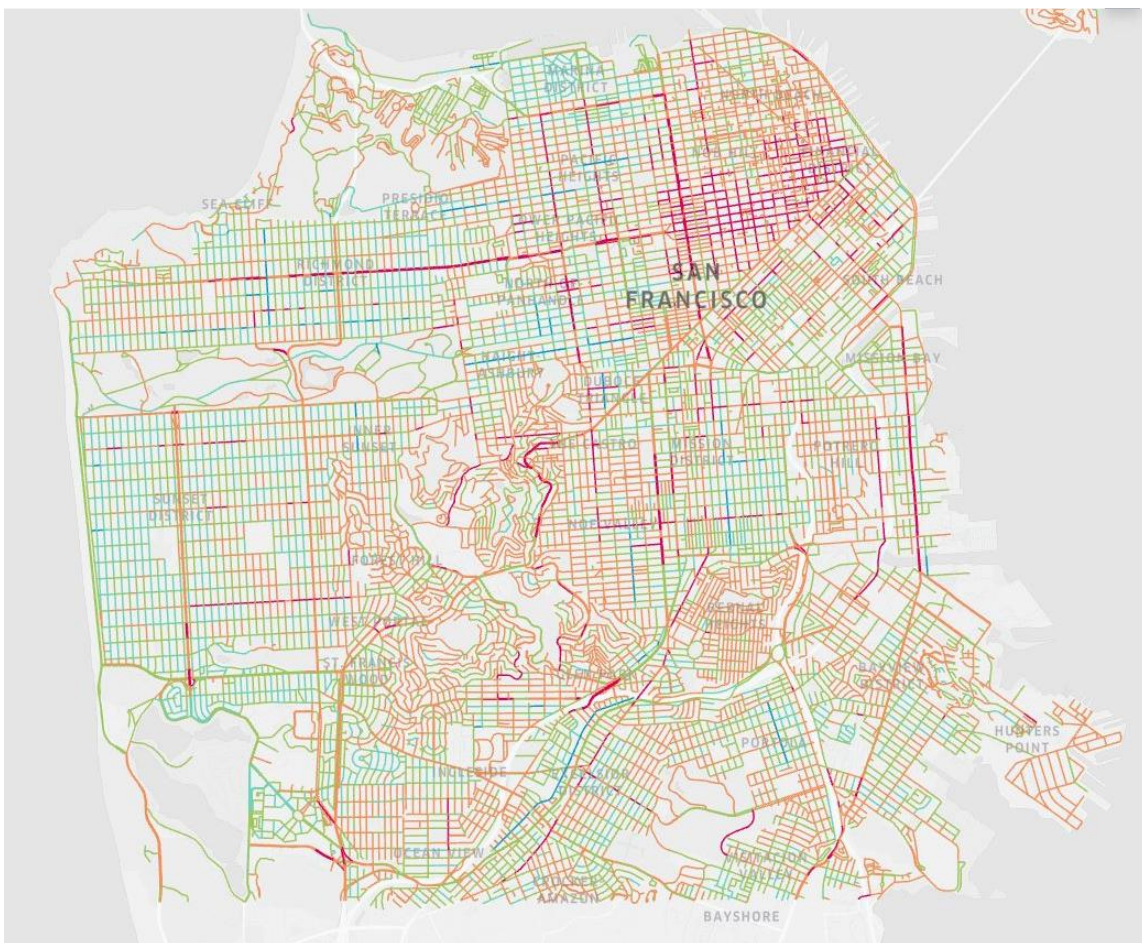


- The ACP focuses on engagement and projects in neighborhoods where past bike network projects have been particularly divisive
- Our goal is to rebuild trust and align future projects with community values.
- We are working with the following community partners:
  - **Bayview-Hunters Point:** Bayview Hunters Point Community Advocates
  - **Mission District & Outer Mission/Excelsior:** PODER Bicis del Pueblo
  - **Tenderloin:** Tenderloin Community Benefit District
  - **Western Addition & Fillmore:** New Community Leadership Foundation
  - **SoMa:** SoMa Pilipinas
  - **Interethnica:** Chinese-language communities



# Analysis

## Draft Bike Network Comfort Index



**Goal:** Identify areas for bike network improvements and inform potential new policies and programs

### Includes:

- Bicycle Network Comfort Index
- Resident Preference Survey
- Bike Network & Bike Count Analysis
- Equity Analysis
- Collision Analysis
- Network Connectivity Analysis

# What we've already done



- Contracted Consultant Team & Community Partners
- Plan Review & Peer City Review
- Existing Conditions Basemaps
- Community Interviews
- Public Outreach Plan
- Outreach Kickoff (January) – website, blog, emails
- 15+ public events (January – March)
- Technical Advisory Committee (6 meetings)
- Bicycle Network Comfort Index development & working group
- Resident Preference Survey Draft (April launch)
- Ongoing network & collision analysis



# Schedule



## Phase 1: Now

- *Understanding Community Concerns*
- Data Collection, Mapping Frameworks

## Phase 2: Spring- Summer

- *Community Discussions*
- Where are people going, what works/doesn't work
- Resident Preference Survey, Collision Analysis

## Phase 3: Summer-Fall

- *Draft recommendations*
- Public feedback on recommendations
- Equity Analysis, Connectivity Analysis

## Phase 4: Fall - Winter

- *Draft Plan*
- Refine Plan, including network, policies and programs

# Thank you!



**SFMTA**

[ActiveCommunities@SFMTA.com](mailto:ActiveCommunities@SFMTA.com)

[SFMTA.com/projects/active-communities-plan](https://www.sfmta.com/projects/active-communities-plan)



---

Through Vision Zero SF we commit to working together to prioritize street safety and eliminate traffic deaths in San Francisco.

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# VISION ZERO SPEED MANAGEMENT UPDATE

---

Uyen Ngo, SFMTA

April 25, 2023

SFCTA Board



## Awarded \$17M for Western Addition Community Safe Streets Project:

-



# 20 MPH CORRIDOR IMPLEMENTATION

## 28

Corridors  
Completed

## 19

Street  
Miles

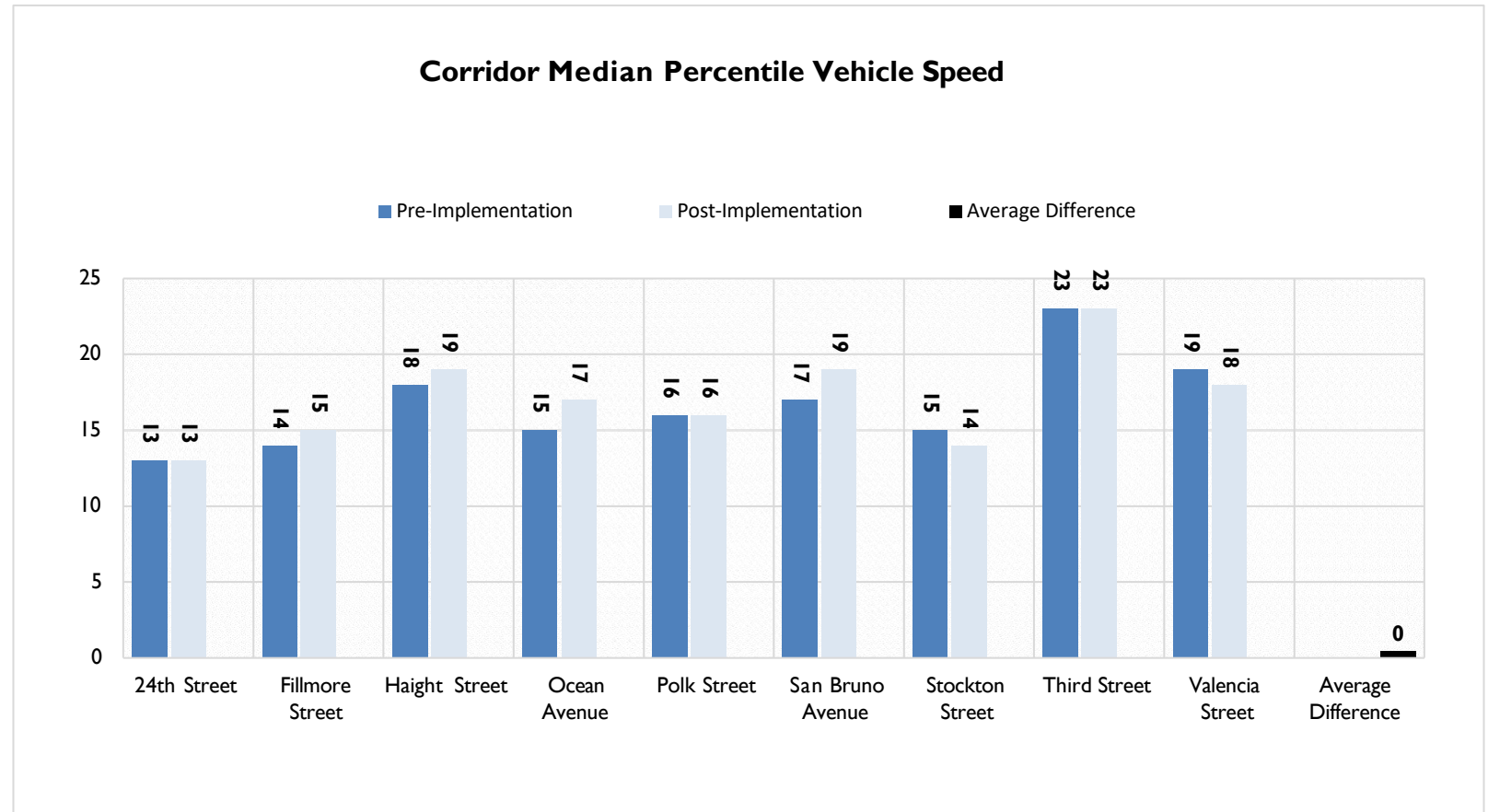
## 300+

Signs  
Installed



## 20 MPH CORRIDOR EVALUATION

- Most drivers are driving at or below posted speed limit
- Additional design changes needed for slower speeds





# SPEED MANAGEMENT PLAN

## Slower Speeds



## Safer Crossings



## Complementary Strategies





## WHERE WE'RE AT: EXISTING TOOLS

### Slower Speeds

- ~200 traffic calming tools each year
- 80 miles of road diets



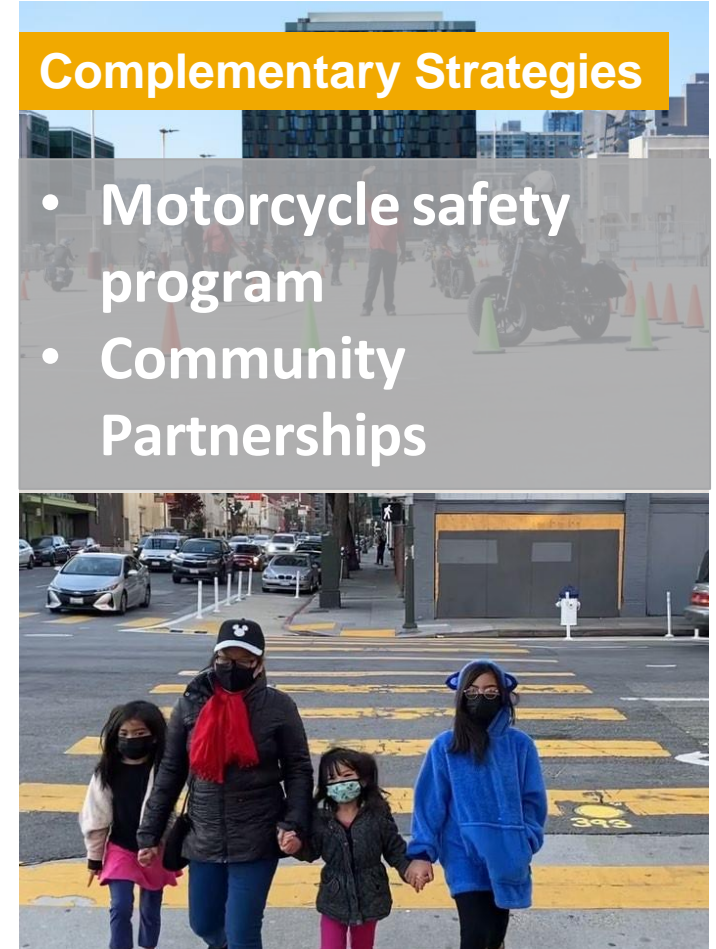
### Safer Crossings

- Daylighting
- Traffic signal timing



### Complementary Strategies

- Motorcycle safety program
- Community Partnerships





## WHERE WE'RE GOING: NEW/EXPANDED TOOLS

### Slower Speeds

- HIN Quick Builds
- Vis Valley & Portola TC
- 17 permanent Slow Streets



### Safer Crossings

- Western Addition Signal Upgrades
- Left Turn Safety Expansion



### Complementary Strategies

- Continued Community Partnerships



## WHAT'S STILL NEEDED: FUTURE TOOLS

### Slower Speeds

- Speed Safety Cameras
- Vehicle Weight/Size Restrictions
- Speed Governors



### 2023 State Legislative Cycle

**AB 645 (Friedman)** - would establish a speed safety pilot program

**AB 251 (Ward)** - requires the CTC to convene a task force to study the relationship between vehicle weight and traffic injuries



# VISION ZERO SAFE STREETS 2022 END OF YEAR SUMMARY

5

Quick Build Projects  
Installed



17

Miles of Improvements  
on the High Injury  
Network



28

Twenty Miles per  
Hour Corridors



200

Traffic Calming  
Devices



9

Miles of Protected  
Bikeways



17

Legislated  
Slow Streets



407

High-Visibility  
Crosswalks



337

Daylighting Installed



40

Intersections with  
No Turn On Red  
Signs



8

Intersections with  
Turn Calming



48

Walk Speed 3.0  
on the High Injury  
Network



39

Leading Pedestrian  
Intervals on the High  
Injury Network



58

Accessible Pedestrian  
Signals on the High  
Injury Network



0

Pedestrian Countdown  
Signals on the High  
Injury Network



0

Red Light Cameras  
Installed



# THANK YOU

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Through Vision Zero SF we commit to  
working together to prioritize street safety and  
eliminate traffic deaths in San Francisco.

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# VISION ZERO SF: 2022 TRAFFIC FATALITY REPORT



**POPULATION HEALTH DIVISION**  
SAN FRANCISCO DEPARTMENT OF PUBLIC HEALTH

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April 25, 2023

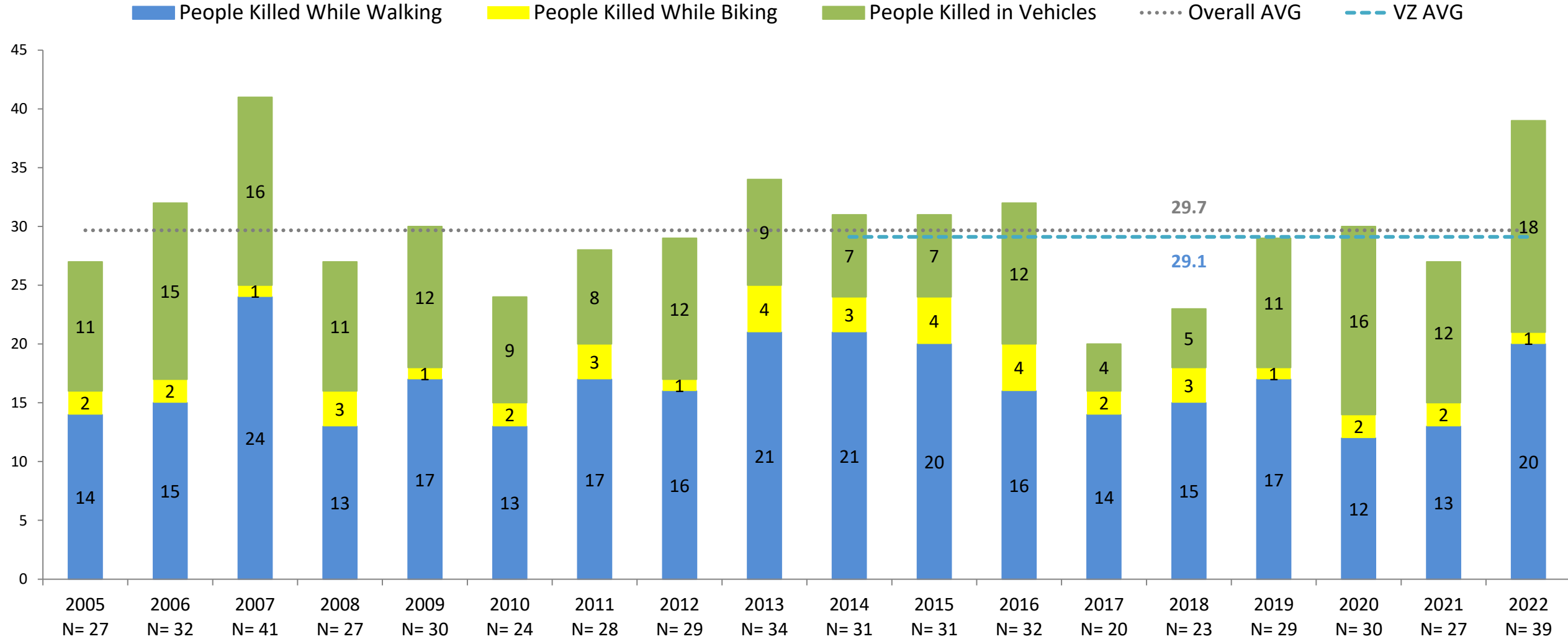
San Francisco County Transportation Authority

Iris Tsui, MPH, San Francisco Dept. of Public Health

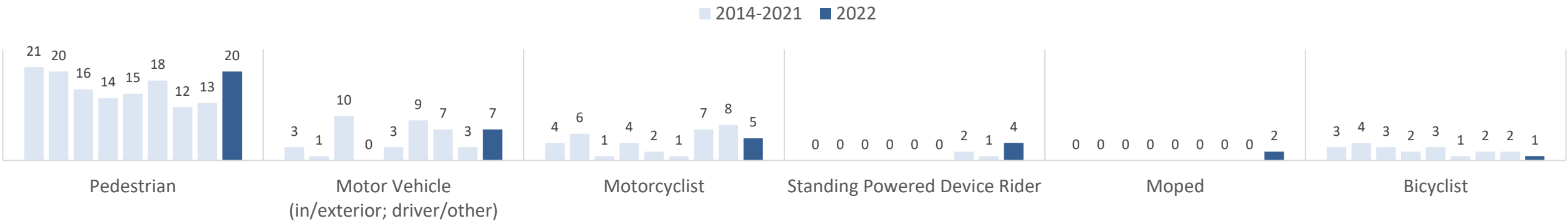


Produced by the San Francisco Department of Public Health,  
in collaboration with the San Francisco Municipal Transportation Agency  
and the San Francisco Police Department

# 39 TRAFFIC-RELATED DEATHS IN 2022



# FATALITIES BY TRAVEL MODE



Pedestrians remain most vulnerable

51% of total fatalities

Highest since 2015



Five drivers and two passengers

18%

Four more than last year



Five people killed while riding a motorcycle

13%

Lower than the past three years



Includes e-scooters and e-unicycles

10%

More than doubles the total



Lowered powered sit-down vehicles

5%

Newly separated from motorcycles



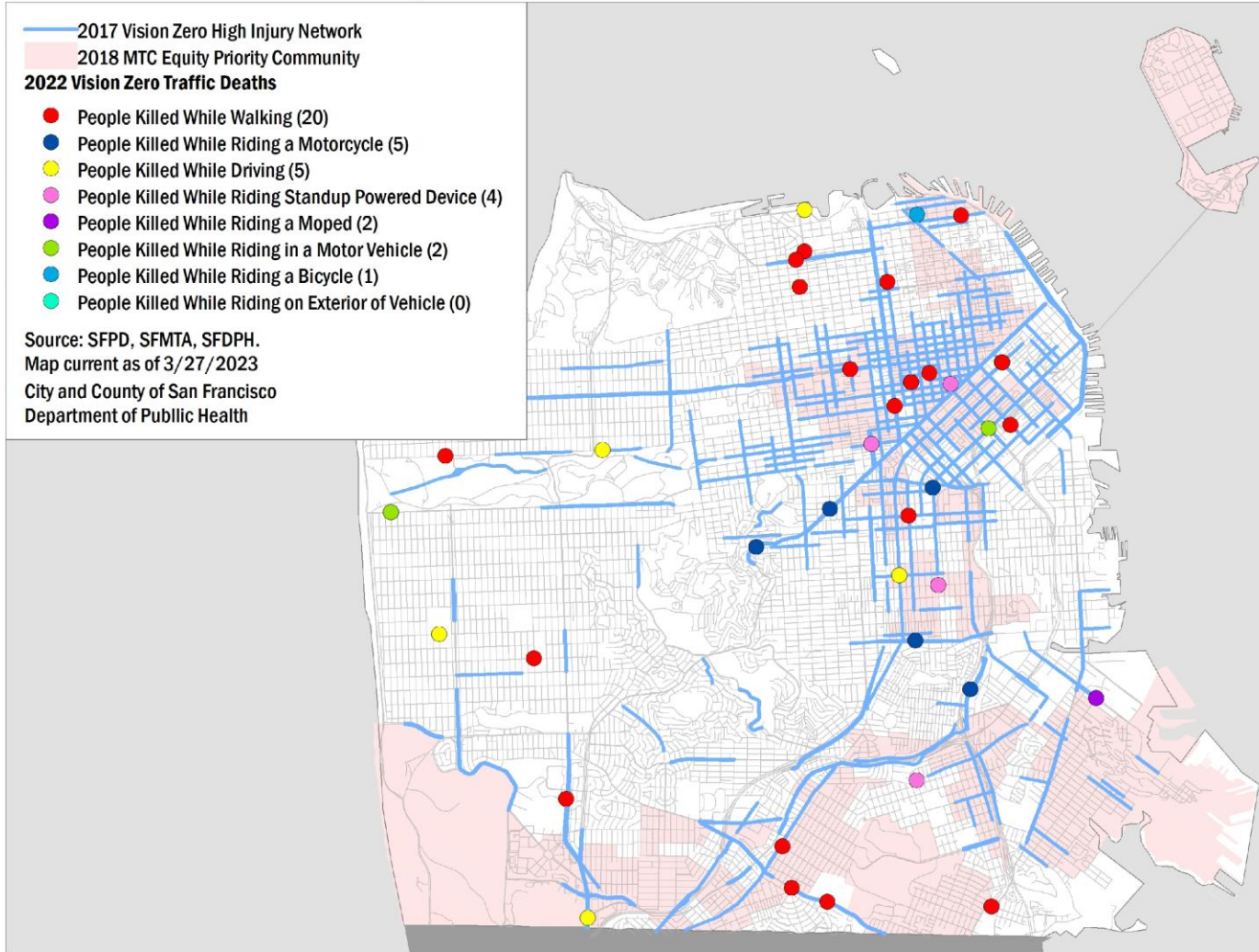
One person killed while biking

3%

One fewer than last year

# VISION ZERO HIGH INJURY NETWORK

## 2022 Vision Zero Traffic Fatalities by Travel Mode: San Francisco, CA



In 2022, 59% (n=23) of traffic fatalities occurred on the Vision Zero High Injury Network (VZHIN)

Almost half of fatalities (44%; n=17) occurred in an Equity Priority Community

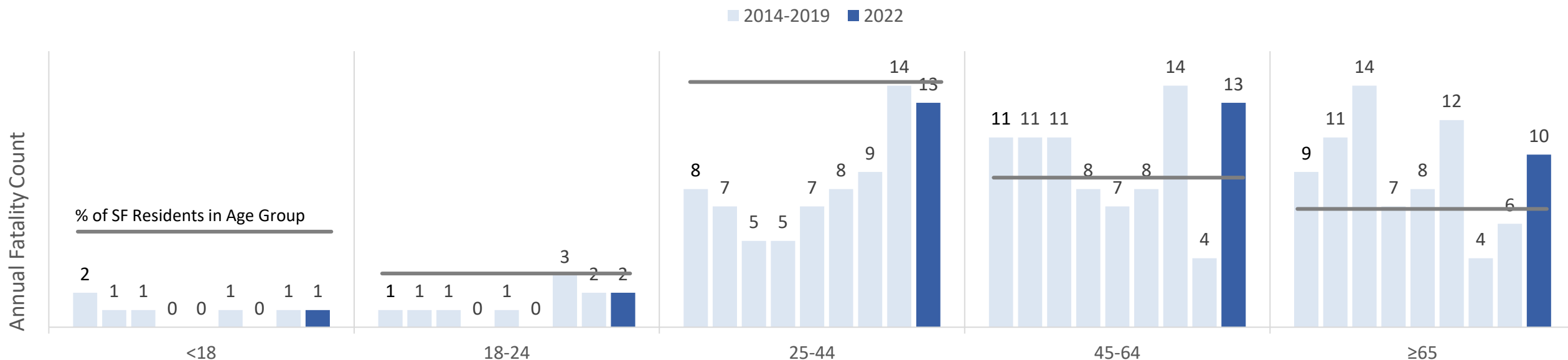
11 of which were also on the VZHIN

## FATALITIES BY AGE

Number of seniors 65+ killed in traffic increased in 2022; a return to pre-pandemic levels, on avg.

Among pedestrian fatalities: 26% were age 65+ and 49% were age 50+

Percent of total fatalities in the 45-64 age group increased from 15% (2021) to 33% (2022)

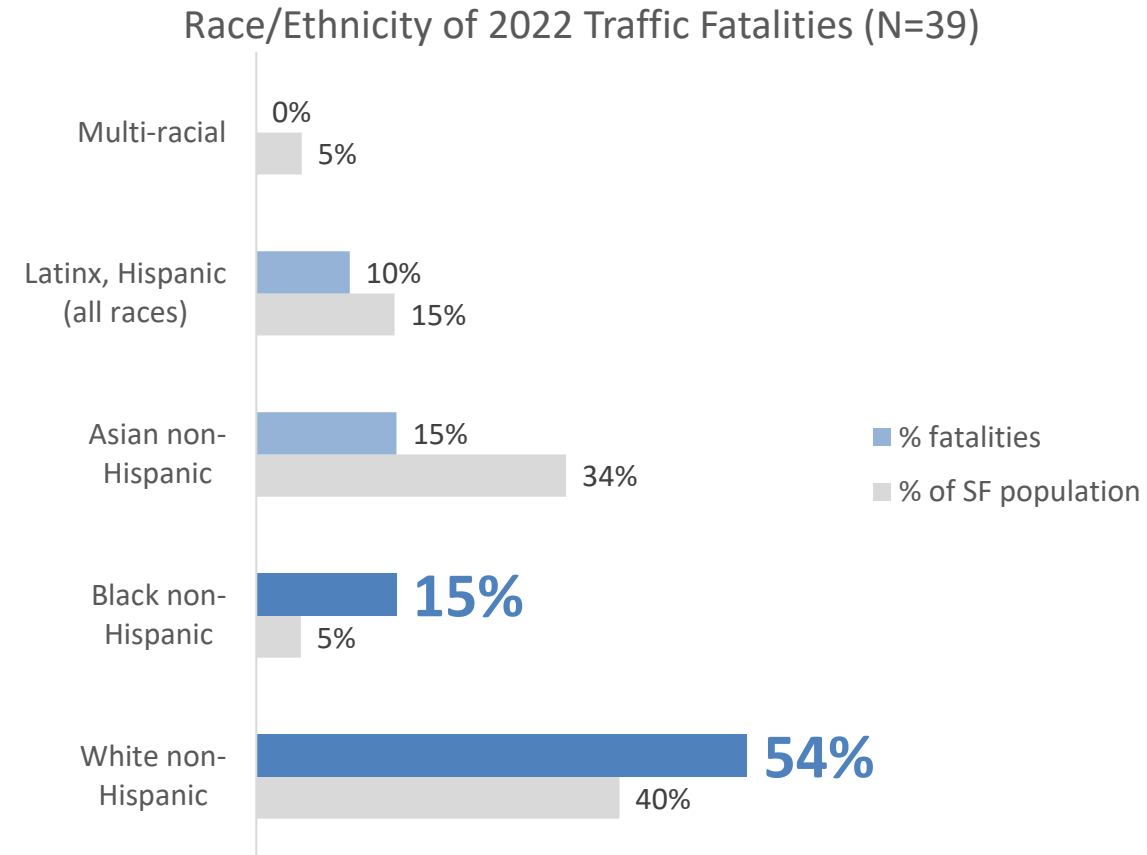


## FATALITIES BY RACE/ETHNICITY\*

Asian and Latinx persons are under-represented in fatality data relative to SF population estimates.

Black and White individuals are over-represented in fatality data relative to their representation in the SF population

8 (21%) of victims were not SF residents  
All White



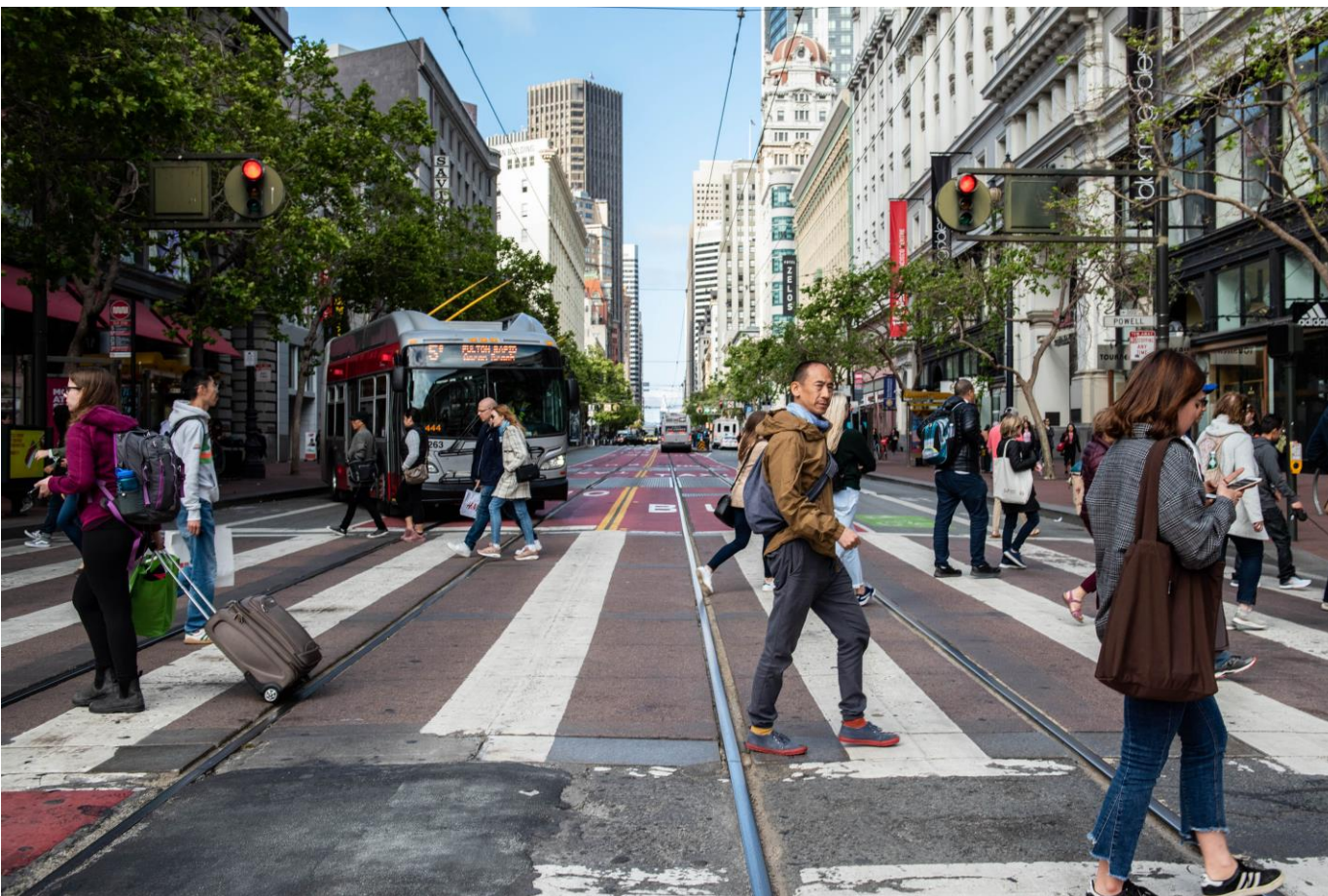
\*Race and ethnicity for SF fatalities are per Office of the Chief Medical Examiner.

\*There were two fatalities where race/ethnicity could not be determined.

SF Population estimates for race and ethnicity are from the US Census Bureau, 2020 American Community Survey 5-year estimates



## CRASH CHARACTERISTICS



**Sharing Technology Involvement:** For the third consecutive year, riders of a standing powered device figured in the fatality count ( $n=4$  in 2022;  $n=7$  since 2014). In addition, one Uber passenger died.

**Solo Crashes:** Single party vehicle crashes totaled 21% ( $n=8$ ) of fatalities. This represents one fewer death than in 2021 (33%,  $n=9$ ).

**Time of Day:** Fatal collisions occurred more frequently between 6p and 10p



# SF TRAFFIC FATALITIES IN CONTEXT

|  | 2019   | 2022   | Percent change<br>from pre-pandemic |
|--|--------|--------|-------------------------------------|
| <b>OAKLAND</b>                         | 26     | 36     | +38%                                |
| <b>SAN FRANCISCO</b>                   | 29     | 39     | +34%                                |
| <b>LOS ANGELES</b>                     | 244    | 312    | +29%                                |
| <b>NATIONAL</b><br>Jan 1 – Sep 30 only | 24,827 | 31,785 | +28%                                |
| <b>LONG BEACH</b>                      | 36     | 45     | +25%                                |
| <b>SAN DIEGO</b>                       | 51     | 59     | +16%                                |
| <b>SAN JOSE</b>                        | 60     | 65     | +8%                                 |

<https://www.oaklandca.gov/topics/traffic-fatality-tracking>

<https://www.latimes.com/california/story/2023-01-14/traffic-deaths-rise-again-in-2022-with-marked-increase-in-pedestrian-fatalities>

<https://www.nhtsa.gov/press-releases/nhtsa-estimates-traffic-deaths-2022-third-quarter>

<https://lbpost.com/news/traffic-deaths-have-spiked-in-recent-years-with-45-in-2021>

<https://data.sandiego.gov/datasets/police-collisions-details/>

<https://www.sanjoseca.gov/your-government/departments-offices/transportation/safety/vision-zero/maps-data>

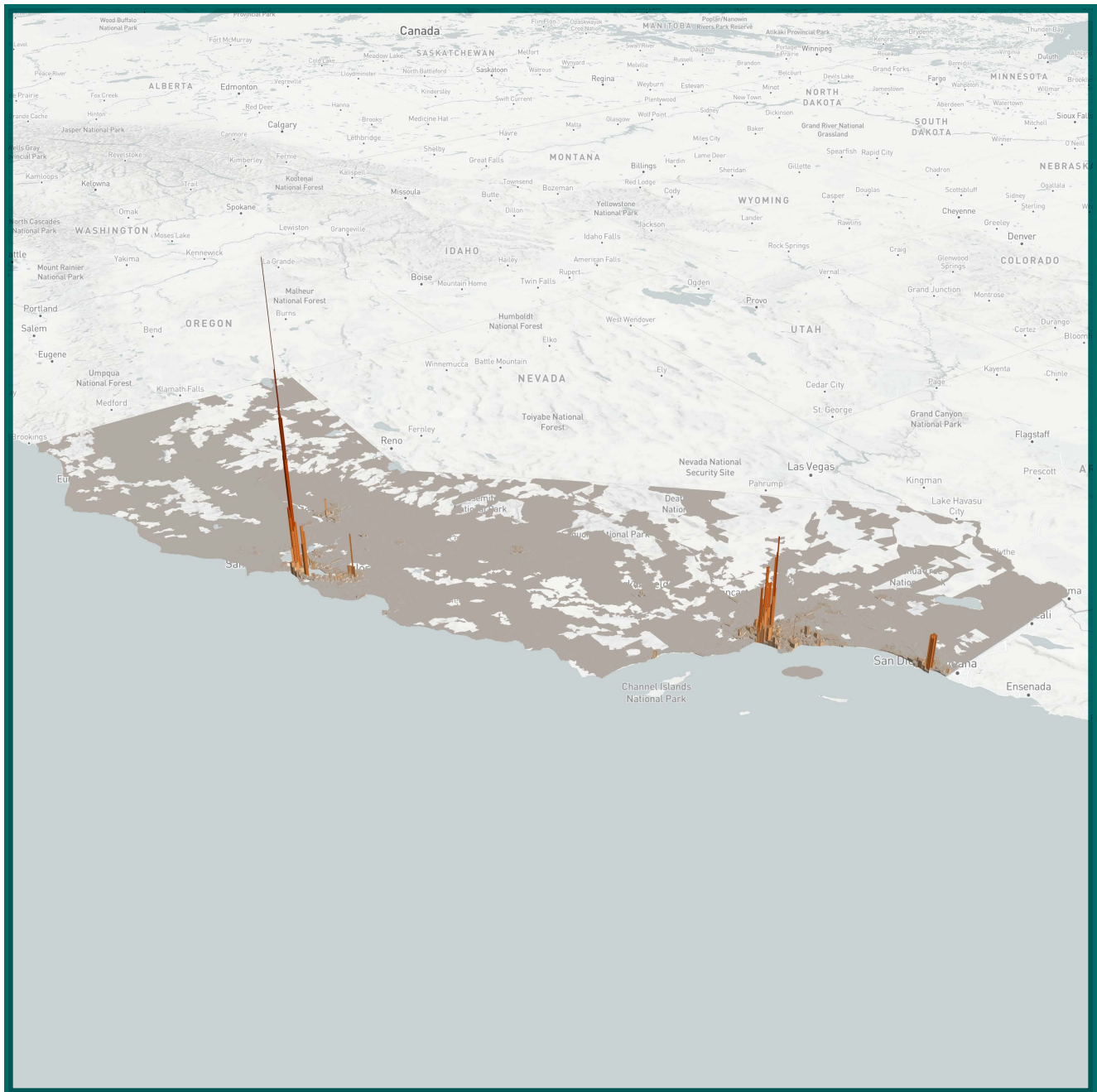


# Thank you!

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# TNCs 2020: A Profile of Ride-Hailing in California



**San Francisco  
County Transportation  
Authority**

**Draft Report: April 2023**

## Acknowledgments

We wish to thank the following individuals who contributed to this report:

### PROJECT TEAM

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TNCS 2020:  
A PROFILE OF RIDE-HAILING IN CALIFORNIA

# Executive Summary

Transportation Network Companies (TNCs) such as Uber and Lyft began providing on-demand, app-based transportation ride-hail services in California in 2009, and have been required to submit annual reports to the California Public Utilities Commission (CPUC) since 2014. These TNC Annual Reports contain information about a wide range of topics, including, but not limited to, trip requests and completions, collisions, and incidents, assaults and harassment, and miles and hours driven. The CPUC has designated the TNC Annual Reports from 2020 onward as public, and a proposed decision would make all past reports public. The 2020 reports are the first reports made public by the CPUC.

This information is of great interest to cities like San Francisco where TNCs operate. In February 2022, the San Francisco County Transportation Authority (Transportation Authority) requested the 2020 public TNC Annual Reports for Uber and Lyft from the CPUC, which provided the reports later that month. These reports cover the period from September 2019 to August 2020 and have been highly redacted by the CPUC.

---



The CPUC also regulates the nascent autonomous vehicle (AV) passenger service industry and is developing AV regulations in the very same proceedings as TNC regulations. AV passenger services are like TNCs in many ways, but with the important distinction that they plan to, and in some cases already do, use self-driving cars without any human safety driver. AV passenger service companies submit quarterly reports which, by contrast, are routinely published by the CPUC, but similar to the public TNC Annual Reports, are heavily redacted.

This report analyzes and summarizes the 2020 public TNC Annual Reports, and is intended to inform the Transportation Authority Board, as well as state and local policy-makers, and the public, on general characteristics of the TNC market, and on the performance of TNCs in terms of public safety, labor, the environment, and accessibility. Unredacted TNC public Annual Reports could also be used to validate San Francisco's Prop D Traffic Congestion Mitigation Tax receipts, which have been irregular.

The following findings summarize the Transportation Authority's analysis of the 2020 TNC Annual Reports, which cover the six months before the COVID pandemic and the first six months of the pandemic. Transportation patterns changed during the pandemic and continue to evolve. When the 2021 and 2022 Annual Reports are disclosed consistent with the CPUC's data confidentiality rulings, the Transportation Authority will prepare summaries for these reporting years as well.

## Key Findings

### REPORTING COMPLIANCE & INTEGRITY

**The public Annual Reports are incomplete by the standards set by the CPUC.** In the 2020 public Annual Reports, Lyft reported 36% of the required data as measured by the percent of required public fields and records that are present and unredacted. Uber reported 99.99% of the required data.

**Uber's and Lyft's data is internally inconsistent. For example,** Lyft's Annual Reports include two different totals for the number of completed trips in the state, differing by 49.7 million trips, or 81%. Uber's Annual Reports also include two different totals for the number of completed trips, differing by 9.3 million trips, or 6%. As a result, it is not possible to identify basic facts such as the number of completed TNC trips that occurred in California in the 2020 reporting year.

**Many reporting requirements are not clearly defined, preventing effective regulatory oversight.** For some types of data – such as collisions, DUI complaints, law enforcement citations, and accessibility data, the CPUC provides examples but not requirements

about how to report the data. As a result, the companies report this data differently, preventing effective regulatory oversight.

**Due to more extensive redactions in the 2021 Annual Reports, a less extensive evaluation of consistency is possible.** However, where consistency can be evaluated, inconsistencies are reduced in some instances. For example, Uber's number of completed trips in the Requests Accepted and Aggregated Requests Accepted in their 2021 Annual Reports are perfectly consistent, and Lyft's number of completed trips in these reports are nearly perfect, differing by 0.004%.

## GENERAL CHARACTERISTICS

**TNC trips are highly concentrated in a few urban areas.** TNCs and ride-hail trips are an urban, not a statewide, transportation issue, as shown in Figure 1.

**Nearly two-thirds of TNC trips are in San Francisco, Los Angeles, and San Diego counties.**

Within these counties, trips are most highly concentrated in just a few areas: San Francisco's downtown core, Los Angeles' Westside, and at the San Diego airport, respectively.

**San Francisco has 500 times more TNC trips per square mile than the rest of California.**

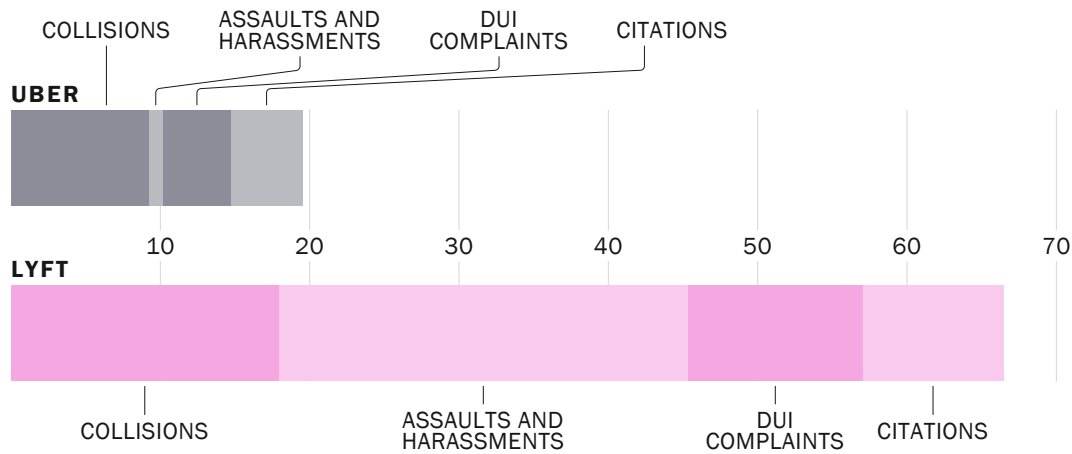
**Figure 1.** Trip Density by Zip Code from September 2019 to August 2020



## PUBLIC SAFETY

Lyft reports 3 times more total public safety incidents per trip than Uber, and 30 times more assaults and harassments per trip. Figure 2 shows the incident rate per hundred thousand trips and suggests that the companies may be reporting public safety incidents differently, pointing to the need for increased review by regulators.

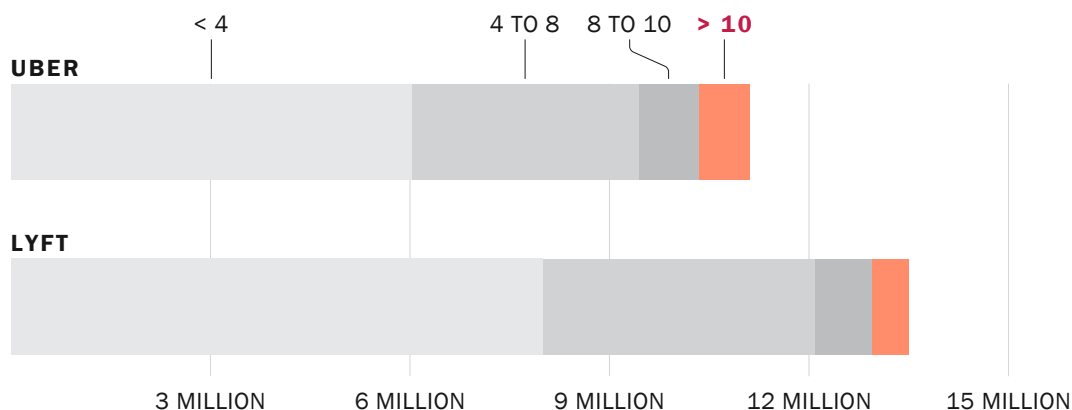
Figure 2. Incidents per 100,000 trips from September 2019 to August 2020



## LABOR

Uber and Lyft drivers may violate legal drive-time limits. California law limits drivers providing passenger transportation to "10 hours in any 24-hour period unless 8 consecutive hours off duty have elapsed." The Annual Reports include 1.3 million days during which drivers drove more than 10 hours. While this report alone cannot confirm that a drive-time violation has occurred, the reports do not account for additional factors like drivers who may be in violation due to driving for both services, or whose shifts straddle 2 or more calendar days. No public enforcement actions have been taken regarding possible violations of legal drive-time limits.

Figure 3. Driver Days by Hours Worked from September 2019 to August 2020



ENVIRONMENT

**Lyft’s redacted reports prevent environmental oversight.** Lyft’s annual report withholds key data items necessary to estimate emissions: vehicle miles traveled (VMT), geographic trip origin and destination data, and vehicle make, model, and year.

**Uber produced 494,000 metrics tons of CO2 in reporting year 2020, based on a Transportation Authority estimate. Almost 30% of those emissions occurred with no passengers in the vehicle.** This is comparable to the CO2 emitted by the 2020 Caldwell Fire in northern California, which burned 81,000 acres.

ACCESSIBILITY

**Less than half of all Wheelchair Access Vehicle (wav) trip requests are served.** Under the TNC Access for All Act (Senate Bill No. 1376), the CPUC established a program where TNCs collect a fee from riders for every TNC each trip, which is then used to subsidize on-demand transportation for persons with disabilities, including wheelchair users who need a wav. But even with this additional financial support, less than half of WAV trip requests are fulfilled.

**Uber provides nearly all TNC wav trips in California.** Uber provided 16 times as many WAV trips as Lyft.

|                     | UBER    | LYFT   | TOTAL   |
|---------------------|---------|--------|---------|
| WAV Requests        | 217,935 | 11,605 | 229,540 |
| Completed WAV Trips | 101,594 | 6,158  | 107,752 |
| Completion Rate     | 47%     | 53%    | 47%     |

Conclusions

The 2020 public TNC Annual Reports reveal numerous issues related to basic compliance with data reporting requirements, and the integrity of the data itself. At the most basic level, Lyft’s 2020 Public Annual Reports are incomplete according to the rules adopted by the CPUC: 8 of their 19 public reports are missing required data fields, and 64% of all Lyft’s required public data items are missing. By contrast, Uber’s 2020 Public Annual Reports contain all but one of the required public fields. This suggests that reporting rules are applied or enforced inconsistently.

The data contained within the 2020 TNC Public Annual Reports is often self-contradictory and internally inconsistent. For example, Uber’s total number of trips differs by more than 9 million from one report to the next, while Lyft’s differs by nearly 50 million trips. In some cases, the data submitted is erroneous or unreasonable: Lyft’s

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reports indicate that it accepted 100% of trip requests received across vast swaths of California. These issues are exacerbated by, if not directly caused by, data reporting requirements that are, at times, unclear; lack of quality assurance or enforcement of quality standards; and application of confidentiality standards that are not consistent with the CPUC's orders.

The lack of accurate, timely and transparent data has left localities without necessary information to support a basic understanding of TNC operations in their jurisdictions or their potential impacts. Timely and accurate data is fundamental to developing sensible public policy and to identify where it is appropriate to seek improved oversight. The pervasive data quality issues suggest the need for quality control, greater adherence to CPUC direction regarding disclosure of data, and enforcement of reporting requirements.

TNCs operate almost exclusively in dense urban areas and during the busiest times of day, where they have been shown to exacerbate congestion and reduce transit ridership. As the reports show, there may be public safety risks, environmental harm, and issues of equitable access to TNC services. California cities, which have no regulatory authority over TNCs, rely on the CPUC to manage impacts, enforce regulations, and provide relevant, timely, thorough, and quality data to support the effective development of informed public policy. Cities face similar regulatory reliance on CPUC regarding AV passenger services. CPUC's public AV reports are following a similar pattern to the public TNC reports of redacted data. Timely, thorough, quality data reporting is essential to effective research and policy-making for both TNC and AV ride-hail passenger services, and effective regulation is critical as these new services become more widely available.

## CHAPTER 1

# Introduction and purpose

Transportation Network Companies (TNCs) such as Uber and Lyft began providing on-demand, app-based transportation ride-hail services in California in 2009. In 2012, the California Public Utilities Commission (CPUC) began formally regulating TNCs in the state. The CPUC develops regulations through public rulemaking proceedings, and implements regulations through its Consumer Protection and Enforcement Division (CPED).

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Since 2014, TNCs operating in California have been required to submit annual reports to the CPUC. These TNC Annual Reports contain information about a wide range of topics, including, but not limited to, trip requests and completions, collisions and incidents, assaults and harassment, and miles and hours driven.

This information is of great interest to cities like San Francisco where TNCs operate. While TNCs can argue for confidential treatment of specific data required to be submitted in their Annual Reports, the CPUC has designated the TNC Annual Reports from 2020 onward as presumptively public, and a proposed decision would make all past reports public.

In February 2022, the San Francisco County Transportation Authority (“Transportation Authority”) requested the 2020 public TNC Annual Reports for Uber and Lyft from the CPUC.<sup>1</sup> The CPUC treated the request as a Public Records Act (PRA) request, and provided the reports later that month. These reports cover the period from September 2019 to August 2020 and are highly redacted. Subsequently, in October 2022, the CPUC published substantially redacted versions of the 2021 public TNC Annual Reports.<sup>2</sup> Of these reports, only Uber’s 2020 public TNC Annual Reports satisfy the CPUC’s reporting requirements, while the others were redacted to remove public data. When the CPUC releases the 2021 public TNC Annual Reports consistent with its confidentiality determinations, the Transportation Authority will produce a follow-up report documenting findings.

The CPUC also regulates the nascent autonomous vehicle (AV) passenger service industry. The CPUC develops AV regulations in the very same proceedings as TNC regulations, and likewise implements them through the CPED. AV passenger services are like TNCs in more ways than not, but with the important distinction that they plan

Following the rapid rise of ride-hailing and other private mobility services, San Francisco transportation agencies adopted 10 Guiding Principles to serve as a framework for evaluating emerging mobility services and technologies and promote their deployment toward the achievement of city goals, including San Francisco’s Transit-First and Vision Zero policies, and climate and equity objectives. Key among these is the principle of Accountability:

“Emerging Mobility Services and Technologies providers must share relevant data so that the City and the public can effectively evaluate the services’ benefits to and impacts on the transportation system and determine whether the services reflect the goals of San Francisco.”

<sup>1</sup> As detailed below in Chapter 1, Section V, the CPUC has granted confidential treatment over limited data required to be submitted in the TNC’s Annual Reports. Use of the term “public TNC Annual Report” is meant to refer to the portions of the full TNC Annual Reports that the CPUC has deemed to be public and not subject to confidentiality redactions.

<sup>2</sup> CPUC. <https://www.cpuc.ca.gov/regulatory-services/licensing/transportation-licensing-and-analysis-branch/transportation-network-companies/tnc-data-portal>

to, and in some cases already do, use self-driving cars without any human safety driver. AV passenger service companies submit quarterly reports which, by contrast, are routinely published by the CPUC, but similar to the public TNC Annual Reports, are heavily redacted.

The purpose of this document is to provide information on TNC activity in San Francisco and throughout California as summarized from the CPUC's 2020 public TNC Annual Reports. The report is intended to inform the Transportation Authority Board, as well as state and local policy-makers in other arenas, and the general public, on general characteristics of the TNC market (how many, when, and where are trips happening?), and on performance of TNCs in terms of public safety, labor, environment, and accessibility.

This document examines the 2020 public TNC Annual Reports to present findings organized into topic areas:

- Reporting Compliance and Integrity
- General Characteristics
- Public Safety
- Labor
- Environment
- Accessibility

Each section describes the public interest in TNC activities in that area, the CPUC's role in providing oversight, and what the 2020 public TNC Annual Reports tell us about TNCs. Note that Lyft's 2020 public Annual Reports are substantially incomplete, which is discussed in detail in Section 2.

In 2019, San Francisco voters approved Proposition D, which imposes a tax on all ride-hail trips originating in San Francisco, revenue from which started to be collected in 2020. The Prop D revenue trends have been highly variable prompting the Transportation Authority to explore ways to validate Prop D revenues, including by analyzing the CPUC's public TNC Annual Reports.



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## 1.1. What are TNCs?

TNCs are companies that provide on-demand passenger service through a web-enabled platform. Uber and Lyft are the most well-known TNCs and collectively provide almost all TNC service in California. These services provide taxi-like point-to-point transportation, which is primarily provided in TNC drivers' personal vehicles. TNCs rapidly grew into a popular transportation option likely due to the conveniences that TNCs initially provided including point-to-point service, ease of booking and paying for rides, shorter wait times, generally lower fares (relative to taxis), and real-time communication with drivers. However, due to their widespread adoption in urban areas, TNCs have been shown to increase congestion and emissions by shifting trips from walking, biking, and transit to private vehicles, by adding zero-occupancy "deadheading" mileage in between passenger trips, and by blocking travel lanes for pickups and drop-offs.<sup>1</sup> They have also been shown to decrease transit ridership in these areas.<sup>2</sup>

## 1.2. Who regulates TNCs in California?

In California, TNCs are generally regulated by the CPUC, pursuant to the Passenger Charter-party Carriers' Act, PU Code § 5351. TNCs operate under different regulatory constraints, oversight, and enforcement than taxis, which are regulated at the local level and are often subject to limits on fleet size and pricing, safety requirements, and are required to serve all types of passengers. TNCs are required to comply with insurance requirements, regulations on the transportation of minors, and to conduct criminal background checks on drivers. TNCs are required to have a driver training program, an accessibility plan, a zero-tolerance policy, and a plan for avoiding a divide between able and disabled communities. TNCs are required to submit annual reports to the CPUC, and the CPUC may require additional reports or plans to be filed at its discretion. Reporting requirements are discussed in detail in the following section.

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1 Erhardt. Do TNCs Decrease or Increase Congestion? Science Advances. Vol 5, Issue 5. May 8, 2019. <https://doi.org/10.1126/sciadv.aau2670>

2 Graehler. Understanding the Recent Transit Ridership Decline in Major US Cities: Service Cuts or Emerging Modes? 2019. 98th Annual Meeting of the Transportation Research Board. <https://trid.trb.org/view/1572517>; Erhardt. Transportation Network Companies Increase or Decrease Transit Ridership? Empirical evidence from San Francisco. 2021. <https://doi.org/10.1007/s11116-021-10178-4>

### 1.3. What are the 2020 TNC reporting requirements?

The 2020 TNC Annual Reports are a collection of individual reports submitted to the CPUC by each TNC operating in California. The 2020 public TNC Annual Reports are the portions of the full 2020 TNC Annual Reports that the CPUC designates public. Table 1 lists the required 2020 TNC Annual Reports and identifies whether they are confidential, public, or partly public. There are 20 individual reports, of which the CPUC has designated 19 either completely or partially public (some items within the reports are confidential and may be redacted). Two reports include “Confidential” in their name for legacy reasons but are, in fact, public. The document *Driver Names & IDs* is the sole report designated entirely confidential as it contains personal information of drivers.

Table 1. Confidentiality Determination of the 2020 TNC Annual Reports

| REPORT NAME                             | CONFIDENTIALITY DETERMINATION |
|---|-------------------------------|
| Driver Names & IDs                      | Confidential                  |
| Accessibility Report (Confidential)     | Public                        |
| Accessibility Report (Public)           | Public                        |
| Accessibility Complaints (Confidential) | Partially public              |
| Accessibility Complaints (Pub)          | Public                        |
| Accidents & Incidents                   | Partially public              |
| Assaults & Harassments                  | Partially public              |
| 50,000+ Miles                           | Partially public              |
| Number of Hours                         | Partially public              |
| Number of Miles                         | Partially public              |
| Driver Training                         | Public                        |
| Law Enforcement Citations               | Partially public              |
| Off-platform Solicitation               | Partially public              |
| Aggregated Requests Accepted            | Public                        |
| Requests Accepted                       | Partially public              |
| Aggregated Requests Not Accepted        | Public                        |
| Requests Not Accepted                   | Partially public              |
| Suspended Drivers                       | Partially public              |
| Total Violations & Incidents            | Public                        |
| Zero Tolerance                          | Partially public              |

## 1.4. How did the CPUC arrive at these reporting requirements?

The CPUC develops TNC regulations through a quasi-legislative public rulemaking proceeding. The CPUC's Rulemaking R12-12-011 is the primary TNC proceeding and is charged with developing regulations in the areas of safety, ride sharing between multiple passengers, transportation access (including access to public highways and to transportation services using public highways), and insurance.<sup>1</sup> Major decisions related to data reporting, confidential treatment of data, and public sharing of data are summarized in Appendix A. Annual reporting requirements were first established by Decision 13-09-045 (D. 13-09-045) in 2013, which include:

- Detailed trip data
- Public safety incidents
- Driver mileage
- Driver hours

D. 13-09-045 also required TNCs to submit plans to ensure accessible TNC service to disabled communities.

Decision 16-04-041, issued in 2016, expanded the annual data reporting to include:

- a report on vehicles that were driven over 50,000 miles in a year
- a report on incidents arising from fare-splitting (or "pooling")<sup>2</sup> services
- a report on how fare-splitting operations have impacted the environment
- a report on the effect of fare-splitting operations on traffic-related injuries
- a report documenting drivers suspended for public safety reasons, including violation of zero-tolerance policy, assaulting a passenger or member of the public, harassing a passenger or member of the public, or soliciting business without the TNC app platform

The annual report templates include a report for vehicles driven over 50,000 miles in a year, and reports on public safety incidents and related driver suspensions, but do not include any reports on the effects of fare-splitting on public safety, traffic injuries, or the environment.

<sup>1</sup> Order Instituting Rulemaking on Regulations Relating to Passenger Carriers, Ridesharing, and New Online-Enabled Transportation Services, R.12-12-011, issued December 27, 2012.

<sup>2</sup> "Fare-splitting" and "pooling" are synonyms which refer to passengers that agree to share all or part of their trip with another paying customer who has also agreed to the same, regardless of whether the separate paying passengers are ultimately matched together resulting in a shared ride.

The 2016 decision also imposed several one-time reporting requirements that TNCs must submit:

- waybills to document the calculation of fares for fare-splitting services
- a plan for studying the impacts of fare-splitting services on traffic safety
- a plan for studying the impacts of fare-splitting services on the environment
- a plan for studying the impacts of TNC vehicles on traffic congestion and VMT

The CPUC has not shared the annual reports required by D. 13-09-045 and D. 16-04-041 publicly to date, with the exception of the incomplete and heavily redacted 2020 public TNC Annual Reports released to the Transportation Authority in response to our request, and the even further redacted 2021 public TNC Annual Reports. The record indicates Uber submitted documentation of their fare-splitting calculations, but not any other one-time requirements, pursuant to D. 16-04-041. The record does not indicate that other companies submitted any of the D. 16-04-041 one-time requirements.

While the rulemaking track identifies the categories of data required of TNC Annual Reports, CPUC CPED staff develop report templates and reporting guidance. CPED staff have revised report templates and guidance over time both with and without general public noticing.

## 1.5. How did the CPUC determine what is confidential vs public data?

The CPUC rulemaking R12-12-011 also establishes what data is confidential and what data is public. D. 13-09-045 established a presumption of confidentiality, which was reversed by D. 20-03-014. Reports filed before 2020 were presumed confidential, while reports filed in 2020 and after are presumed public. Under D. 20-03-014, a TNC must request confidential treatment of certain data items in their annual reports, and substantiate their requests with “granular specificity”.

Both Uber and Lyft submitted motions with sweeping requests for confidential treatment of their 2020 TNC Annual Reports. The CPUC’s Administrative Law Judge has ruled in favor of public disclosure of the reports, while respecting the need to prevent the disclosure of potentially personally identifiable information.<sup>1,2</sup> The 2020

<sup>1</sup> Motion of Uber Technologies, Inc. for Leave to File Confidential Information Under Seal; [Proposed] Order. CPUC Rulemaking R12-12-011. Filed 6/22/2020.

<sup>2</sup> Motion of Lyft, Inc. for Confidential Treatment of Certain Information in Its 2020 Annual Report. CPUC Rulemaking R12-12-011. Filed 6/22/2020.

Confidentiality Ruling granted confidential treatment to data items relating to driver information, precise latitude and longitude, certain information about assaults and harassments, and information that is sealed under a court order or protected through a confidentiality agreement, but rejected confidential treatment of the majority of data items, finding no merit in the claims of disclosure of personal information or of trade secrets.<sup>1</sup> The Commission also found “significant difficulties and delays in obtaining TNCs’ annual report data based upon broad-brush-style or rushed confidentiality claims,” and that “TNCs’ failures to timely comply with the annual reporting requirements have delayed the expeditious review of TNC data and the production of nonconfidential data to the public.”<sup>2</sup>

The CPUC has twice upheld its 2020 Confidentiality Ruling directing the public release of the 2020 public TNC Annual Reports in response to repeated appeals by Lyft.<sup>3,4</sup> However, the CPUC has yet to release any TNC Public Annual Reports that fully comply with the Administrative Law Judge’s confidentiality rulings (i.e. reports which fully provide the data categories deemed public by the Commission and which only redact categories of data deemed confidential). The Commission’s latest decision denying Lyft’s appeal of the 2020 Confidentiality Ruling directed Lyft to submit to the CPUC a full public version of their 2020 Annual Report before the end of March 2023. The Transportation Authority has not yet received the re-submitted version of the Lyft’s 2020 Public TNC Annual Report. It’s possible that data missing or redacted from Lyft’s 2020 Public TNC Report was removed pending final dispensation of Lyft’s confidentiality challenges.

1 “2020 Confidentiality Ruling”. Assigned Administrative Law Judge’s Ruling on Uber Technologies, Inc.’s and Lyft’s Motion for Confidential Treatment of Certain Information in Their 2020 Annual Reports. CPUC Rulemaking R12-12-011. 12/21/2020.

2 Decision 21-06-023, page 26. CPUC Rulemaking R12-12-011. 6/3/2021.

3 Decision 22-05-003. CPUC Rulemaking R12-12-011. 5/5/2022.

4 Decision 23-02-041. CPUC Rulemaking R12-12-011. 2/23/2023.

## CHAPTER 2

# Reporting Compliance & Integrity

Data reporting compliance and integrity is a prerequisite for effective analysis to guide the development of public policy and enforce regulations. This section examines the 2020 public TNC Annual Reports for compliance with reporting requirements and data integrity (meaning that the data is logical and internally consistent).

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## 2.1. Are TNCs submitting the required reports?

Both companies filed the required 2020 TNC Annual Reports. In February 2022, the Transportation Authority requested 2020 public TNC Annual Reports for Uber and Lyft from the CPUC. The CPUC treated the request as a Public Records Act (PRA) request and provided the reports later that month.

## 2.2. Are the reports complete?

CPUC Staff prepared the 2020 public TNC Annual Reports, including its redactions.<sup>1</sup> A report is considered complete if all of the fields designated as public are present and not redacted.<sup>2</sup> Table 2 shows the percent completeness of each report by each company, as measured by the percent of required public fields and records that are present and unredacted. Uber's 2020 public TNC Annual Reports are complete, with the exception of one redacted field in the *Accidents & Incidents* report. Lyft's 2020 Annual Reports are not complete.

**Table 2.** 2020 Public TNC Annual Report Completeness of Required Public Fields

| REPORT NAME                             | UBER            | LYFT            |
|---|-----------------|-----------------|
| Driver Names & IDs                      | <b>Withheld</b> | <b>Withheld</b> |
| Accessibility Report (Confidential)     | <b>100%</b>     | <b>100%</b>     |
| Accessibility Report (Public)           | <b>100%</b>     | <b>100%</b>     |
| Accessibility Complaints (Confidential) | <b>100%</b>     | <b>100%</b>     |
| Accessibility Complaints (Pub)          | <b>100%</b>     | <b>100%</b>     |
| Accidents & Incidents                   | <b>95%</b>      | <b>87%</b>      |
| Assaults & Harassments                  | <b>100%</b>     | <b>79%</b>      |
| 50,000+ Miles                           | <b>100%</b>     | <b>57%</b>      |
| Number of Hours                         | <b>100%</b>     | <b>100%</b>     |
| Number of Miles                         | <b>100%</b>     | <b>100%</b>     |
| Driver Training                         | <b>100%</b>     | <b>100%</b>     |
| Law Enforcement Citations               | <b>100%</b>     | <b>81%</b>      |
| Off-platform Solicitation               | <b>100%</b>     | <b>80%</b>      |
| Aggregated Requests Accepted            | <b>100%</b>     | <b>100%</b>     |
| Requests Accepted                       | <b>100%</b>     | <b>26%</b>      |
| Aggregated Requests Not Accepted        | <b>100%</b>     | <b>100%</b>     |
| Requests Not Accepted                   | <b>100%</b>     | <b>38%</b>      |
| Suspended Drivers                       | <b>100%</b>     | <b>100%</b>     |
| Total Violations & Incidents            | <b>100%</b>     | <b>100%</b>     |
| Zero Tolerance                          | <b>100%</b>     | <b>82%</b>      |

**Note:** The percentages denote the share of required public fields that are present and unredacted in the public annual reports.

<sup>1</sup> Confirmed by email from CPUC staff dated 3/29/2023.

<sup>2</sup> CPUC staff redacted data from the 2020 TNC Public Annual Reports by deleting entire columns of data. The following year's reports were redacted by replacing the contents with "REDACTED".

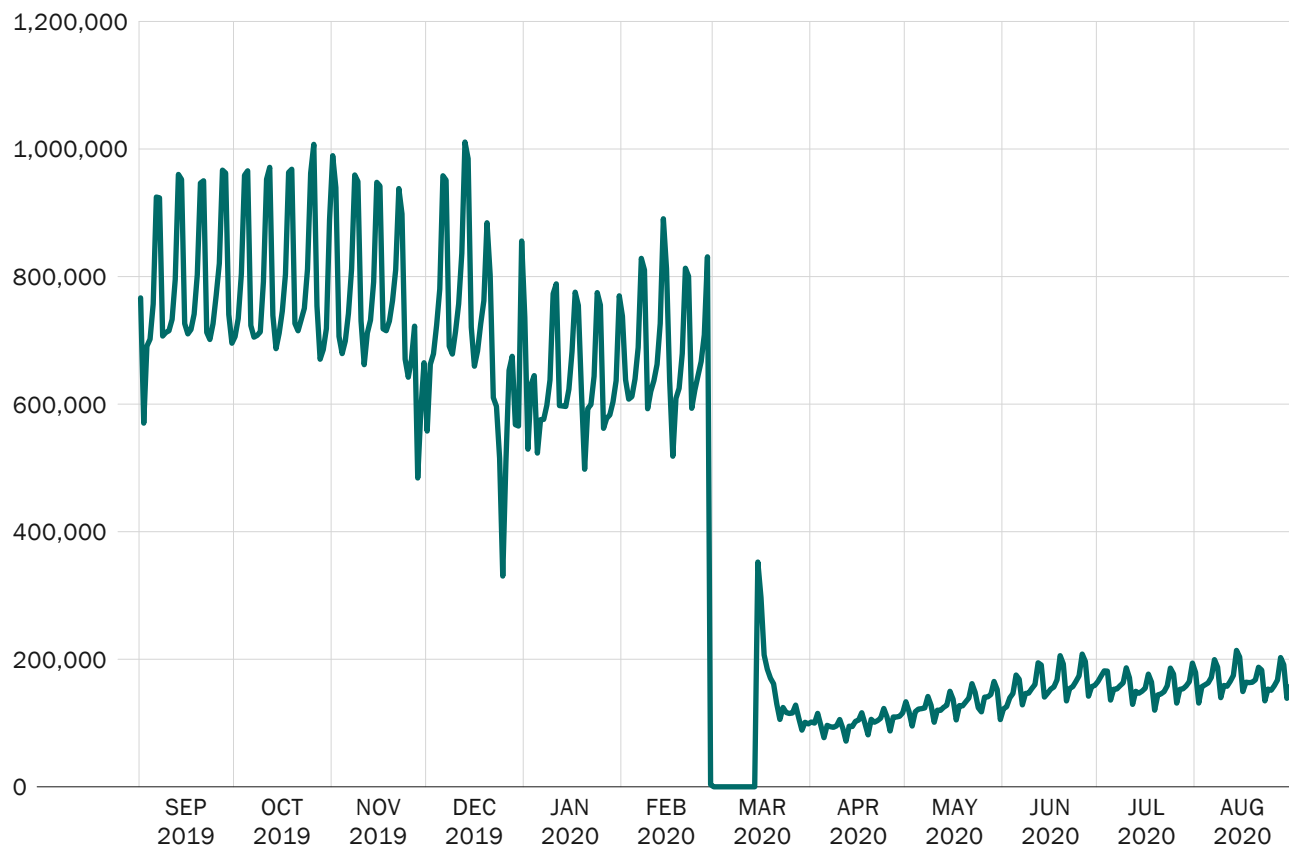
CPUC staff prepared the 2020 public TNC Annual Reports from the original reports provided by the companies. It is not clear whether Lyft's original reports, like the public versions, are substantially incomplete. Among the redacted data are trip date, time and location, VMT data, fares, and vehicle make, model and year. Both Uber and Lyft's reports, in some cases, include required data fields but the data itself is blank, including trip occupancy.

Complete data is important to summarize and support evaluation of the industry's activities:

- Date and time information can be used to evaluate whether trips are taking place during the most congested times of day or whether they are providing late night or weekend service when transit runs less frequently.
- Location information can be used to evaluate whether TNCs are driving in the busiest parts of cities or near regional transit hubs.
- VMT information, combined with time and location can be used to analyze how TNCs may be contributing to congestion.
- VMT information when paired with vehicle make, model, and year can be used to evaluate emissions.
- Trip occupancy can be used to evaluate the number of passengers transported per vehicle (a measure of efficiency) and TNC's compliance with the CO<sub>2</sub> per-passenger-mile requirements of the Clean Miles Standard.
- The missing data from Lyft's reports prevents these analyses for Lyft and for the industry as a whole. See Appendix B: Report Completeness Inventory for detailed accounting of each report's completeness.

A closer look at the data can reveal other issues. For example, Figure 4 shows the daily total number of completed trips from Uber's *Requests Accepted* report, revealing that the first two weeks of March 2020 are missing. This two-week period does not correspond with local COVID Shelter-in-Place (SIP) orders, which went into effect the week following the missing data. It is unclear whether any other Uber reports are also missing data from these two weeks. The redactions and omissions in Lyft's incomplete *Requests Accepted* report hides these kinds of gaps and irregularities, hampering analysis and hindering regulatory oversight.



**Figure 4. Uber Trips by Date from September 2019 to August 2020**

The 2021 public TNC Annual Reports, available on the CPUC website since October 2022, are even more heavily redacted. Table 3 compares the overall completeness of Uber's and Lyft's 2020 and 2021 public TNC Annual Reports, as measured by the percent of required public fields and records that are present and unredacted. Lyft's 2020 and 2021 reports were both heavily redacted, but while Uber's 2020 reports were nearly complete, their 2021 reports were redacted similarly to Lyft's. When the CPUC releases the 2021 public TNC Annual Reports with only properly reacted data, the Transportation Authority will produce a follow-up report documenting findings.

**Table 3. Comparison of Completeness of the 2020 and 2021 Public TNC Annual Reports**

|      | 2020     | 2021 |
|------|----------|------|
| Uber | > 99.99% | 28%  |
| Lyft | 36%      | 30%  |

### 2.3. Is the data reported internally consistent?

Internal consistency means that the data in one part of a company’s reports does not contradict data in another part. Contradictory or internally inconsistent data prevents monitoring and evaluation, informed policy-making, and effective regulatory oversight. For a subset of metrics, the TNC Annual Reports contain multiple sources of information from different reports, and each company’s reports should produce consistent metrics across all the sources. This section evaluates the internal consistency of the following metrics reported or derived from the 2020 public TNC Annual Reports. These are the most basic descriptors of TNC activity.

- Trip requests
- Completed trips
- Incomplete trip requests
- Vehicle miles traveled (VMT)
- Driver days
- Driver hours

#### TOTAL TRIP REQUESTS

The total number of trip requests is a measure of TNC demand. It can be calculated 3 ways using data found in 5 reports:

1. By adding the counts of the number of records in the *Requests Accepted* and *Requests Not Accepted* reports,
2. By adding the number of requests in the *Aggregated Requests Accepted* and *Aggregated Requests Not Accepted* report, and
3. By adding the total trip requests in the *Accessibility Report (Confidential)*.<sup>1</sup>

Table 4 and Table 5 show total trip requests by source. In the 2020 public TNC Annual Reports, Uber’s reported trip requests are internally inconsistent, differing by nearly 20 million trips, or 12%. Lyft’s reported trip requests are also internally inconsistent, differing by almost 50 million, or 75%. Lyft’s internal inconsistencies are up to 13 times greater than Uber’s internal inconsistencies.

<sup>1</sup> Despite the term “Confidential” in the name of this report, it is designated as public per the 2020 Confidentiality Ruling.

**Table 4.** Total Uber Trip Requests in the 2020 Public TNC Annual Reports

| SOURCE  | TRIP REQUESTS | DIFFERENCE | PERCENT DIFFERENCE |
|---|---------------|------------|--------------------|
| <b>Disaggregate trip list</b><br>(from <i>Requests Accepted</i> , <i>Requests Not Accepted</i> )                      | 160,849,005   | -          | -                  |
| <b>Aggregate by zip code</b><br>(from <i>Aggregated Requests Accepted</i> , <i>Aggregated Requests Not Accepted</i> ) | 170,145,612   | 9,296,607  | 6%                 |
| <b>Aggregate by month</b><br>(from <i>Accessibility Report</i> )  | 180,483,335   | 19,634,330 | 12%                |

**Table 5.** Total Lyft Trip Requests in the 2020 Public TNC Annual Reports

| SOURCE  | TRIP REQUESTS | DIFFERENCE | PERCENT DIFFERENCE |
|---|---------------|------------|--------------------|
| <b>Disaggregate trip list</b><br>(from <i>Requests Accepted</i> )           | 66,292,592    | -          | -                  |
| <b>Aggregate by zip code</b><br>(from <i>Aggregated Requests Accepted</i> ) | 116,006,968   | 49,714,376 | 75%                |
| <b>Aggregate by month</b><br>(from <i>Accessibility Report</i> )            | 90,937,292    | 24,644,700 | 37%                |

## COMPLETED TRIPS

Completed trips are a measure of total travel and can be used to evaluate a company's share of the TNC market and the TNC share of the total travel market. It is the most basic statistic describing TNC services provided. Completed trips are reported in the *Requests Accepted* report as a list where each record represents a completed trip, and in the *Aggregated Requests Accepted* report which contains annual completed trip totals for the reporting period by zip code.<sup>1</sup>

Table 6 and Table 7 show the number of completed trips reported by Uber and Lyft in each report. Uber's reported completed trips are internally inconsistent, differing by 9.3 million, or 6%. Lyft's reported completed trips are also

<sup>1</sup> It is not clear whether the number of trips ("TotalAcceptedTrips") in *Aggregated Requests Accepted* refers to person-trips or requests. Because the report name implies requests, we treat them as such. By contrast, each record in *Requests Accepted* is clearly a request, and the party size is designated by ("VehicleOccupancy").

The Traffic Congestion Mitigation Tax is a tax on all ride-hail trips originating in San Francisco, which began collections in 2020. San Francisco's revenues from the tax have been highly irregular. Redactions of fare data in the TNC Annual Reports prevent independent validation of tax revenues, and the inconsistencies in the 2020 Annual Reports documented in this report raise questions about whether the 2020 TNC Annual Report data would be sufficient for independent validation even if fare data weren't redacted. However, consistent, unredacted data from the TNC Annual Reports would support independent validation of tax revenues.

internally inconsistent, differing by 49.7 million, or 81%. Lyft's internal inconsistencies are 14 times greater than Uber's internal inconsistencies.

**Table 6.** Uber Completed Trips in the 2020 Public TNC Annual Reports

| SOURCE   | COMPLETED TRIPS | DIFFERENCE | PERCENT DIFFERENCE |
|--|-----------------|------------|--------------------|
| <b>Disaggregate trip list</b><br>(from <i>Requests Accepted</i> )            | 157,167,691     | -          | -                  |
| <b>Aggregated by zip code</b><br>(from <i>Aggregated Requests Accepted</i> ) | 166,464,298     | 9,296,607  | 6%                 |

**Table 7.** Lyft Completed Trips in the 2020 Public TNC Annual Reports

| SOURCE   | COMPLETED TRIPS | DIFFERENCE | PERCENT DIFFERENCE |
|--|-----------------|------------|--------------------|
| <b>Disaggregate trip list</b><br>(from <i>Requests Accepted</i> )            | 61,072,046      | -          | -                  |
| <b>Aggregated by zip code</b><br>(from <i>Aggregated Requests Accepted</i> ) | 110,786,422     | 49,714,376 | 81%                |

## INCOMPLETE TRIP REQUESTS

Incomplete trip requests are a measure of unserved demand and can be used to calculate completion rates. Incomplete trip requests are reported in *Requests Not Accepted* as a list and in *Aggregated Requests Not Accepted* as annual totals aggregated by zip code.

Table 8 and Table 9 show the total requests that were not accepted reported by Uber and Lyft in each report. Uber's incomplete trip requests are internally consistent (numbers match exactly) in each report. Lyft's incomplete trip requests are internally consistent in each report.

**Table 8.** Uber Total Incomplete Trip Requests in the 2020 Public TNC Annual Reports

| SOURCE  | INCOMPLETE TRIP REQUESTS | DIFFERENCE | PERCENT DIFFERENCE |
|---|--------------------------|------------|--------------------|
| <b>Disaggregate trip list</b><br>(from <i>Requests Not Accepted</i> )           | 3,681,314                | -          | -                  |
| <b>Aggregate by zip code</b><br>(from <i>Aggregated Requests Not Accepted</i> ) | 3,681,314                | 0          | 0%                 |

**Table 9.** Lyft Total Incomplete Trip Requests in the 2020 Public TNC Annual Reports

| SOURCE  | INCOMPLETE TRIP REQUESTS | DIFFERENCE | PERCENT DIFFERENCE |
|---|--------------------------|------------|--------------------|
| <b>Disaggregate trip list</b><br>(from Requests Not Accepted)           | 5,220,546                | -          | -                  |
| <b>Aggregate by zip code</b><br>(from Aggregated Requests Not Accepted) | 5,220,546                | 0          | 0%                 |

## VEHICLE MILES TRAVELED (VMT)

VMT is a measure of the total amount of travel. It is used in many system performance metrics, including in environmental analysis to calculate emissions, and is a key indicator of demand and congestion. It is reported by trip in *Requests Accepted* and aggregated by driver-day in *Number of Miles*.<sup>1</sup>

Table 10 and Table 11 show VMT reported by Uber and Lyft in each report. Uber's reported VMT is internally inconsistent, differing by nearly 1 billion VMT, or 59%. Lyft's *Requests Accepted* report is incomplete and cannot be assessed for consistency of reported VMT.

**Table 10.** Uber VMT in the 2020 Public TNC Annual Reports

| SOURCE  | VMT           | DIFFERENCE   | PERCENT DIFFERENCE |
|---|---------------|--------------|--------------------|
| <b>Disaggregate trip list</b><br>(from <i>Requests Accepted</i> ) | 1,624,860,871 | -            | -                  |
| <b>Aggregate by driver day</b><br>(from <i>Number of Miles</i> )  | 662,247,794   | -962,613,077 | -59%               |

**Table 11.** Lyft VMT in the 2020 Public TNC Annual Reports

| SOURCE  | VMT           | DIFFERENCE | PERCENT DIFFERENCE |
|---|---------------|------------|--------------------|
| <b>Disaggregate trip list</b><br>(from <i>Requests Accepted</i> ) | Missing       | -          | -                  |
| <b>Aggregate by driver day</b><br>(from <i>Number of Miles</i> )  | 1,082,681,881 | Unknown    | Unknown            |

## DRIVER DAYS

Driver days are used to measure labor conditions and can be used to evaluate compliance with labor laws. Each record in the *Number of Miles* and the *Number of Hours* reports represents a driver day.

<sup>1</sup> TNC service is defined in three phases: phase 1 is when a driver has not accepted a ride, phase 2 is when a driver has accepted a ride, and is en-route to pickup the passenger(s), and phase 3 is when the passenger is in the vehicle (i.e., the trip).

Table 12 and Table 13 show the total driver days reported by Uber and Lyft in each report. Uber's reported driver days are internally inconsistent, differing by 1.4 million, or 15%. Lyft's reported driver days are also internally inconsistent, differing by 100,000, or 1%. Uber's internal inconsistency is 22 times higher than Lyft's.

**Table 12.** Uber Driver Days in the 2020 Public TNC Annual Reports

| SOURCE  | DRIVER DAYS | DIFFERENCE | PERCENT DIFFERENCE |
|---|-------------|------------|--------------------|
| Aggregate by driver day<br>(from <i>Number of Miles</i> ) | 9,666,788   | -          | -                  |
| Aggregate by driver day<br>(from <i>Number of Hours</i> ) | 11,112,666  | 1,445,878  | 15%                |

**Table 13.** Lyft Driver Days in the 2020 Public TNC Annual Reports

| SOURCE  | DRIVER DAYS | DIFFERENCE | PERCENT DIFFERENCE |
|---|-------------|------------|--------------------|
| Aggregate by driver day<br>(from <i>Number of Miles</i> ) | 13,602,436  | -          | -                  |
| Aggregate by driver day<br>(from <i>Number of Hours</i> ) | 13,509,188  | -93,248    | 1%                 |

## DRIVER HOURS

Driver hours are also used to measure labor conditions and can support evaluation of compliance with labor laws. *Number of Miles* reports total driver hours by driver day. Driver hours by trip for Period 2 (when a driver is en-route to pick up a passenger) and Period 3 (when the passenger is in the vehicle) can be derived from the *Requests Accepted* reports, but Period 1 (when a driver is waiting for a ride request) cannot be derived. Therefore, the total of Period 2 and Period 3 hours in *Requests Accepted* should be strictly less than the total hours in *Number of Hours*.

Table 14 and Table 15 show driver hours reported by Uber and Lyft in each report. Uber's *Requests Accepted*, which only includes hours for Periods 2 and 3, reports 59 million driver hours, **higher** than the 47 million driver hours reported in *Number of Miles* which includes hours for Periods 1, 2 and 3. Lyft's driver hours cannot be evaluated for consistency due to redactions of date and time information from Lyft's *Requests Accepted* report.

**Table 14.** Uber Driver Hours in the 2020 Public TNC Annual Reports

| SOURCE  | DRIVER HOURS | DIFFERENCE  | PERCENT DIFFERENCE |
|---|--------------|-------------|--------------------|
| <b>Disaggregate trip list, P2+P3 only</b><br>(from <i>Requests Accepted</i> ) | 58,897,421   | -           | -                  |
| <b>Aggregate by driver day, P1+P2+P3</b><br>(from <i>Number of Hours</i> )    | 46,885,564   | -12,011,857 | -20%               |

**Table 15.** Lyft Driver Hours in the 2020 Public TNC Annual Reports

| SOURCE  | DRIVER HOURS | DIFFERENCE | PERCENT DIFFERENCE |
|---|--------------|------------|--------------------|
| <b>Disaggregate trip list, P2+P3 only</b><br>(from <i>Requests Accepted</i> ) | Missing      | -          | -                  |
| <b>Aggregate by driver day, P1+P2+P3</b><br>(from <i>Number of Hours</i> )    | 52,351,454   | Unknown    | Unknown            |

## SUMMARY OF INTERNAL CONSISTENCY

Table 16 summarizes the internal consistency findings for the 6 metrics for which consistency was evaluated for each company. The only metric Uber and Lyft reported in an internally consistent manner was incomplete requests. Uber's reports were internally inconsistent for the remaining 5 metrics. Of the remaining metrics, Lyft's reports were internally inconsistent for 3 and could not be evaluated for 2 because the required data is missing.

**Table 16.** Summary of Internal Consistency of the 2020 Public TNC Annual Reports

| METRIC              | UBER         | LYFT         |
|---------------------|--------------|--------------|
| Total Requests      | Inconsistent | Inconsistent |
| Completed Trips     | Inconsistent | Inconsistent |
| Incomplete Requests | Consistent   | Consistent   |
| VMT                 | Inconsistent | Incomplete   |
| Driver Days         | Inconsistent | Inconsistent |
| Driver Hours        | Inconsistent | Incomplete   |

The 2020 public TNC Annual Reports for both Uber and Lyft are internally inconsistent for many of the most basic metrics. In two of the cases evaluated, Lyft's reports are incomplete and their internal consistency cannot be evaluated.

The extent and scale of these inconsistencies prevent a sound understating of the state of the industry, and hinders the development of informed policy-making and effective regulatory oversight of TNCs. For example, whether Lyft completed 61 million trips, or 110 million trips, is critical to understanding the overall TNC market size. The discrepancy of one billion VMT in Uber’s Annual Reports is highly relevant for understanding California’s progress in meeting emission reduction goals.

Table 17 summarizes the consistency of the 2021 public TNC Annual Reports. Due to more extensive redactions in the 2021 public Annual Reports, a less extensive evaluation of consistency is possible. However, where consistency can be evaluated, inconsistencies are reduced in some instances. For example, Uber’s number of completed trips in the *Requests Accepted* and *Aggregated Requests Accepted* in their 2021 Annual Reports are perfectly consistent, and Lyft’s number of completed trips in these reports are nearly perfect, differing by 0.004%. But in many cases it is not possible to assess consistency because of the increased level of redaction in the 2021 Public Annual Reports.

**Table 17.** Summary of Consistency of the 2021 Public TNC Annual Reports

| METRIC              | UBER         | LYFT         |
|---------------------|--------------|--------------|
| Total Requests      | Inconsistent | Inconsistent |
| Completed Trips     | Consistent   | Inconsistent |
| Unaccepted Requests | Consistent   | Consistent   |
| VMT                 | Incomplete   | Incomplete   |
| Driver Days         | Consistent   | Inconsistent |
| Driver Hours        | Incomplete   | Incomplete   |



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## CHAPTER 3

# General Characteristics

The previous section evaluated the completeness and integrity of the 2020 public TNC Annual Reports, revealing extensive data quality issues. This section explores the reports, in order to identify general characteristics of TNC activity, where possible, and acknowledge limitations and uncertainty otherwise. In some places, this section reveals additional data quality issues. The 2020 public TNC Annual Reports, and the figures presented in this section, cover the period of September 2019 through August 2020.

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### 3.1. How many TNC trips were taken?

Due to internal inconsistencies in the reports noted in the prior section, the number of TNC trips taken vary from 218 million and 277 million trips, a range of 59 million trips (27%). Table 18 shows the reported trip totals by company. Uber's reported trips range from 157 million to 166 million and Lyft's range from 61 million to 111 million; the total ranges from 218 to 277 million.

**Table 18.** TNC Trips from September 2019 to August 2020

| REPORT  | UBER        | LYFT        | TOTAL       |
|---|-------------|-------------|-------------|
| <b>Completed Trips</b><br>(from <i>Requests Accepted</i> )            | 157,167,691 | 61,072,046  | 218,239,737 |
| <b>Completed Trips</b><br>(from <i>Aggregated Requests Accepted</i> ) | 166,464,298 | 110,786,422 | 277,250,720 |
| <b>Difference</b>   | 9,296,607   | 49,714,376  | 59,010,983  |
| <b>Percent Difference</b>   | 6%          | 81%         | 27%         |

### 3.2. Where were TNC trips taken?

TNC trips were highly concentrated in urban areas.<sup>1</sup> Figure 5 shows total trips and trips per square mile by county for the 10 counties with the most TNC trips. Nearly two-thirds (64%) of all TNC trips in California occurred in just 3 counties: Los Angeles, San Francisco, and San Diego, which collectively contain only 5% of its land area. While Los Angeles has the most trips of any county, San Francisco has by far the greatest concentration of TNC trips, with nearly 500 times more TNCs per square mile than the rest of the state.

<sup>1</sup> The total number of trips by zip code is based on the Aggregated Requests Accepted reports because Lyft's Requests Accepted report is incomplete and does not include zip codes. As noted previously, the total number of trips is not consistent across reports.

**Figure 5.** Total Trips and Trip Density by County for the Top 10 Counties by Number of Trips from September 2019 to August 2020

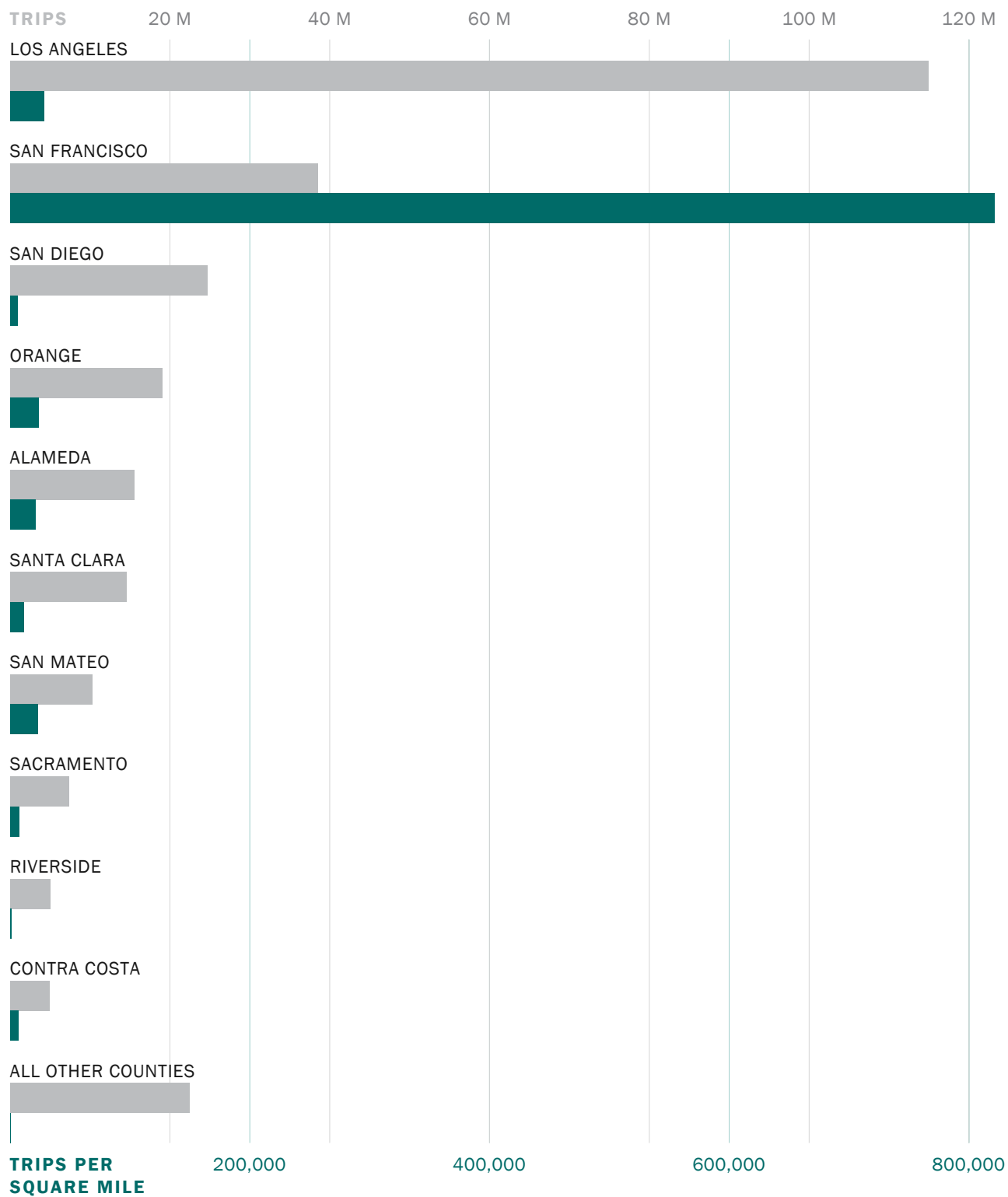


Figure 6 shows trip density by zip code tabulation area (“zip code”). It illustrates the extreme concentration of trips within a few small areas, most prominently San Francisco. Within San Francisco, trips are further concentrated within the downtown core on the city’s most congested streets where the city prioritizes sustainable, space-efficient modes of travel, such as transit, bicycling and walking.

**Figure 6.** TNC Trip Density by Zip Code from September 2019 to August 2020



### 3.3. When were TNC trips taken?

This section is limited to Uber because Lyft’s 2020 TNC Public Annual Reports are missing required data and time information necessary for temporal analysis.

Figure 7 shows the average Uber trips by day of week for the 6 months prior to the pandemic and the first 6 months during the pandemic. The figure shows that Uber trips steadily increased from Monday to Friday, are at their highest on Friday and Saturday, and their lowest on Sunday. It further shows that trips declined by 80% during the first 6 months of the pandemic.

**Figure 7. Average Trips by Day of Week, Before and During the Pandemic, from September 2019 to August 2020**

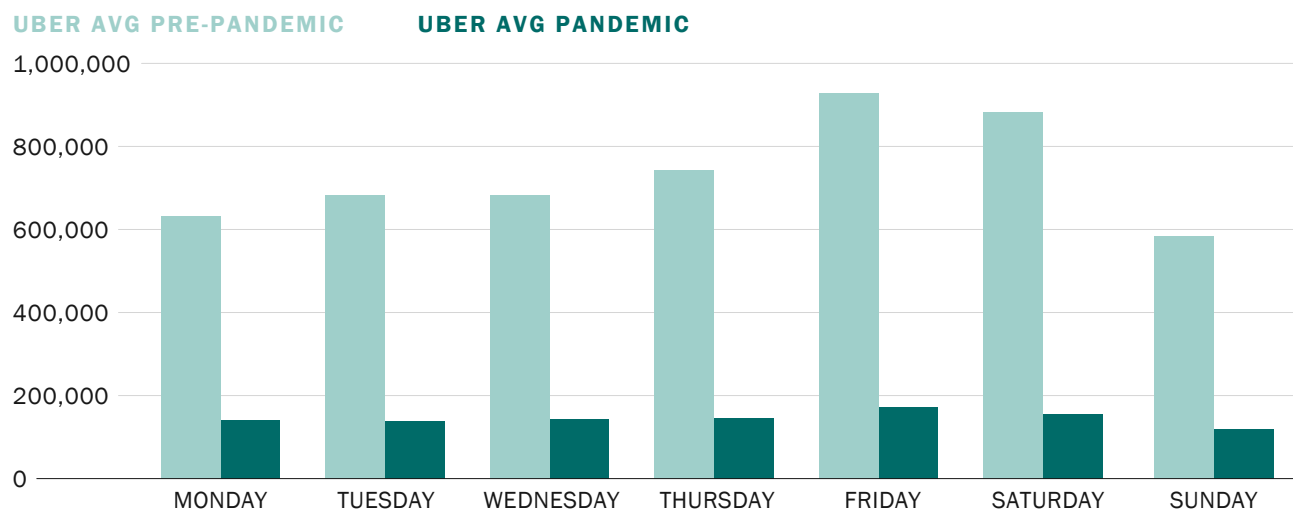
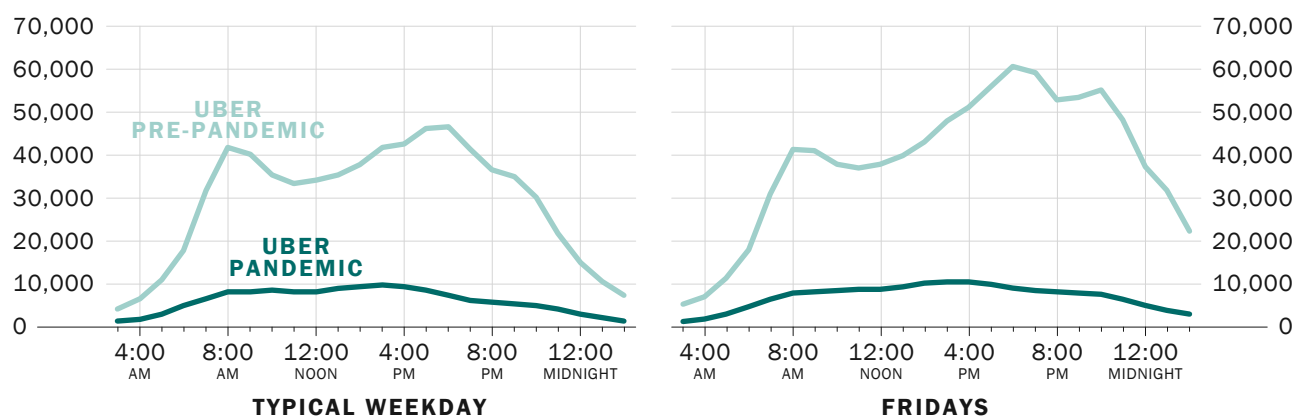


Figure 8 shows Uber trips by time of day for a typical weekday and average Friday before and during the pandemic.<sup>1</sup> Prior to the COVID pandemic, trips had a diurnal distribution during typical weekdays: low trip volumes during late night, peaks of activity in the morning and early evening when roadway congestion is most severe, and sustained but lower volumes throughout the midday. Fridays had a similar morning peak, but higher trips throughout the midday, a much larger evening peak, and a third late-evening peak. During the pandemic, Uber trips decreased substantially and time-of-day profiles were flatter, and peaked earlier, in the mid-afternoon.

**Figure 8. Trip by Time of Day on an Average Typical Weekday and Friday, Before and During the Pandemic, from September 2019 to August 2020**



<sup>1</sup> A typical weekday is an average of non-holiday Tuesdays, Wednesdays, and Thursdays.

Uber trips take place on all days of the week and at all times of day, with a trend towards increased usage as the work week progresses. Uber usage is greatest during traditional AM peak and PM peak hours, extending into the evening. Due to Lyft's incomplete 2020 public TNC Annual Reports, Lyft's trips by day of week and by time of day are not known.

### 3.4. How many miles did TNCs drive?

VMT is a measure of the total amount of travel. It is used in environmental analysis to calculate emissions and is a key indicator of driving demand.

Table 19 shows the VMT reported by each company. Uber's reported VMT ranges from 662 million to 1.6 billion, a difference of 960 million. The CPUC redacted VMT data from *Requests Accepted* and reported 1.1 billion VMT in *Number of Miles*. Fleetwide VMT is unknown due to internal inconsistencies and data redacted from Lyft's reports. Fleetwide VMT could range between 1.7 billion and 2.7 billion, or even exceed these figures.

**Table 19.** Total VMT from September 2019 to August 2020

| COMPANY  | UBER          | LYFT          | TOTAL         |
|--|---------------|---------------|---------------|
| <b>VMT</b><br>(from <i>Requests Accepted</i> ) | 1,624,860,871 | Missing       | Unknown       |
| <b>VMT</b><br>(from <i>Number of Miles</i> )   | 662,247,794   | 1,082,681,881 | 1,744,929,675 |
| <b>Difference</b>                              | -962,613,077  | Unknown       | Unknown       |
| <b>Percent Difference</b>                      | -59%          | Unknown       | Unknown       |
| <b>Minimum VMT</b>                             | 662,247,794   | 1,082,681,881 | 1,744,929,675 |
| <b>Maximum VMT</b>                             | 1,624,860,871 | 1,082,681,881 | 2,707,542,752 |

### 3.5. How many total hours of service does each TNC provide?

Total hours of service is a measure of the service provided, and when compared with completed trips or VMT can give insights into service efficiency. The number of hours worked are reported for each driver on each day worked by that driver in the *Number of Hours* report.

Table 20 shows the total and share of driver hours reported by each company. Uber reports 46.9 million hours and Lyft reports 52.4 million hours. Uber reported 47% of the total hours, which is much lower than their share of trips presented in Chapter 3 where, depending on the report, Uber's share of trips could be as low as 60% or as high as 72%. This could either mean that Lyft drivers log many more hours for each trip they provided, effectively parked or driving empty more of the time than Uber, or Uber and Lyft are not reporting trips or hours the same way.

**Table 20.** Total Driver Hours from September 2019 to August 2020

|                      | UBER       | LYFT       | TOTAL      |
|----------------------|------------|------------|------------|
| Total Hours          | 46,885,564 | 52,351,454 | 99,237,018 |
| Share of Total Hours | 47%        | 53%        | 100%       |

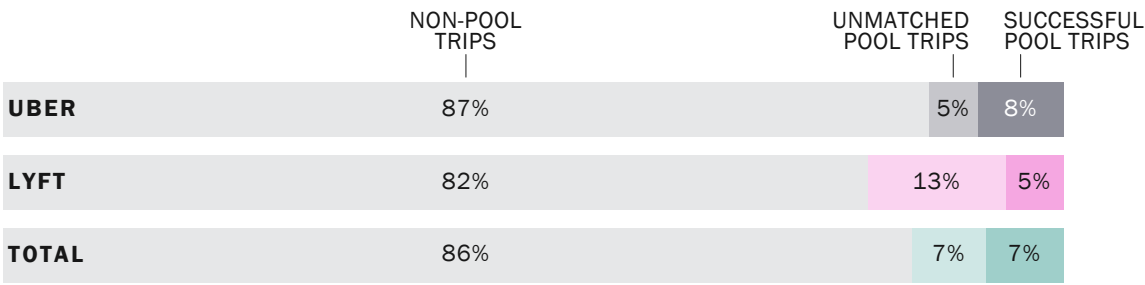
### 3.6. How many TNC trips are “pooled”?

A “pooled” TNC trip is a trip when a passenger indicates they are willing to share a ride with another passenger in exchange for a reduced cost. A pooled trip is “matched” when two or more passenger requests are put into a single driver itinerary that results in the passengers sharing some portion of their trip. In theory, if pooling led to sufficiently high vehicle occupancy rates, it could reduce VMT enough to compensate for the increased VMT due to TNC deadheading and due to shifts to TNCs from lower VMT modes such as transit, biking, and walking.

Figure 9 compares shares of pooled trips out of all completed trips, based on the *Requests Accepted* and *Requests Not Accepted* reports. About 31 million (14%) of all completed TNC trips were requests to be pooled. Only 16 million were successfully matched with another passenger. In other words, more than half of pool-requested trips are functionally solo TNC trips.

About 31 million (14%) of all completed TNC trips were requests to be pooled. Only 16 million were successfully matched with another passenger. In other words, more than half of pool-requested trips were functionally solo TNC trips.

Figure 9. Pooling of Completed Trips from September 2019 to August 2020



Pooling services were suspended starting in March 2020 due to the COVID-19 pandemic. Lyft’s reports withheld trip dates and times, so the effect of the pandemic on Lyft’s overall pooling rates cannot be evaluated. Uber’s data indicates that 85% of all their trips during the reporting period of September 2019 to August 2020 occurred before shelter-in-place orders went into effect on March 17, 2020. Figure 10 shows that 15% of Uber’s pre-pandemic trips were requested to be pooled, and 10% were successfully matched.

Figure 10. Pre-pandemic Uber Pooling of Completed Trips

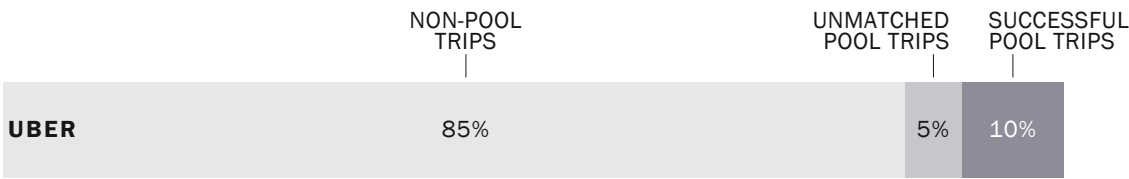
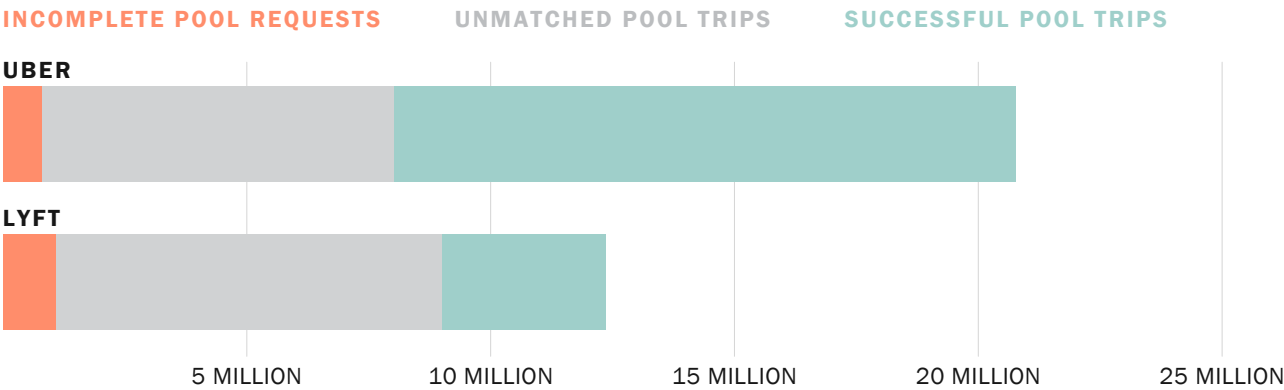


Figure 11 shows the pooled requests received by each company. Uber receives more total pooled requests, accepts more, and matches more of them than Lyft does. Uber received 20.7 million requests for pooled trips, of which 20.0 million (96%) were accepted, and 12.7 million (61%) were matched. Lyft received 12.4 million requests for pooled trips, of which 11.3 million (91%) were accepted, and 3.4 million (27%) were matched.

Figure 11. Requests for Pooled Trips from September 2019 to August 2020



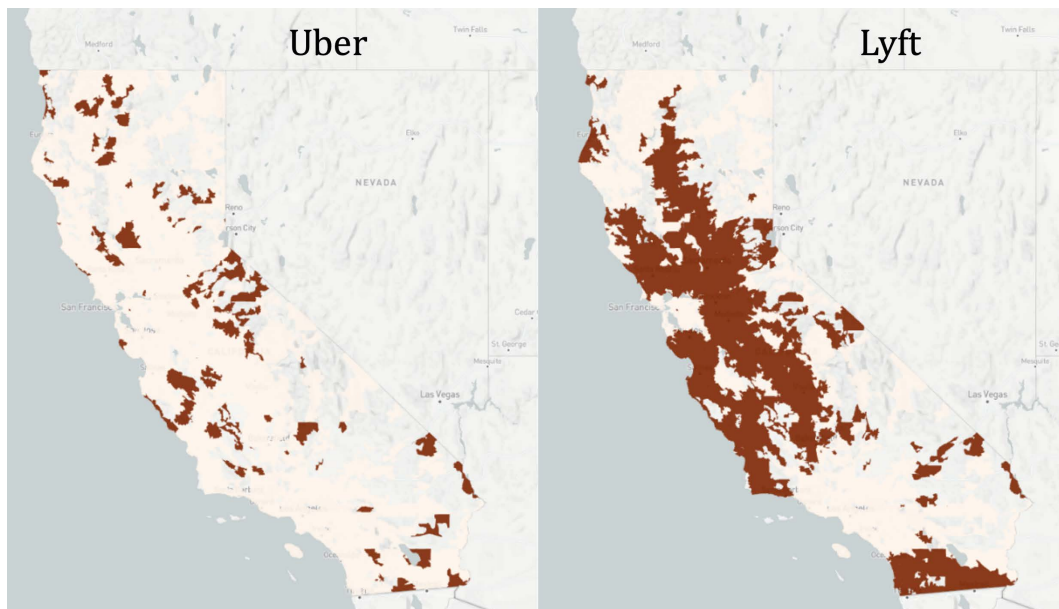


### 3.7. Where are requests not completed?

Requests for TNC trips may not result in completed trips for a number of reasons. For example, a request may not be successfully matched with an available driver, or may be accepted by a driver and then cancelled, or a passenger may cancel their request after some time has passed. The TNC company, the driver, and the prospective passenger each play a role in whether a request results in a completed TNC trip. The trip acceptance rate is the number of trip acceptances divided by the number of trip requests, expressed as a percentage. Trip acceptance rates may reveal implicit or explicit biases if, for example, drivers are less likely to accept trip requests from some areas compared to others.

Extensive discrepancies in Lyft's aggregated request data make it impossible to perform meaningful analysis of trip acceptance rates. Figure 12 shows areas where Uber and Lyft have reported completing 100% of trip requests. Uber has perfect trip completion rates in only a handful of zip codes, within which it received fewer than 400 total trip requests. Lyft reports perfect trip acceptance rates in half of the zip codes where it provided trips, including all of Sacramento County, and most of San Diego and Santa Clara counties. This implies, for example, that of the 4.2 million trip requests received in Sacramento County alone, not a single one was ever cancelled by a passenger, or not accepted by a driver, or not matched with an available driver. Across all of these zip codes Lyft received more than 26 million trip requests. It's extremely unlikely that Lyft's reported trip completion rates in these zip codes are accurate.

**Figure 12.** Zip Codes with Perfect 100% Trip Acceptance Rates from September 2019 to August 2020 for Uber (left) and Lyft (right)



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CHAPTER 4

# Public Safety

The Passenger Charter-party Carriers' Act, enacted in 1961, authorizes the CPUC to regulate "[t]he use of public highways for the transportation of passengers for compensation ... and to promote carrier and public safety through its safety enforcement regulations."<sup>1</sup> The CPUC requires TNCs submit a number of annual reports relevant to passenger and public safety:

- *Accidents & Incidents* documents vehicle collisions
- *Assaults & Harassments* documents reports of assault and harassment
- *Law Enforcement Citations* documents citations issued by law enforcement officers
- *Zero Tolerance* documents reports of driving under the influence

This section presents an analysis of public safety incidents from September 2019 to August 2020 from the 2020 public TNC Annual Reports. It includes incident totals, rates per square mile, and rates per 100,000 trips. Areal (per square mile) rates are useful for understanding incidents that may impact the general public. Trip-based rates are useful for understanding risks to TNC users. VMT-based rates (which are preferable over trip-based rates) are useful in assessing risks to passengers and to the general public relative to the total amount of driving, but cannot be included because Lyft's reports are redacted to remove VMT information.

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<sup>1</sup> California Public Utilities Code § 5352(a). [https://leginfo.ca.gov/faces/codes\\_displayText.xhtml?lawCode=PUC&division=2.&title=&part=&chapter=8.&article=1](https://leginfo.ca.gov/faces/codes_displayText.xhtml?lawCode=PUC&division=2.&title=&part=&chapter=8.&article=1).

## 4.1. How many TNC public safety incidents were reported?

Figure 13 shows the number of incidents reported by each company within the categories of collisions, assaults and harassments, DUI complaints, and citations. Uber reported 30,000 public safety incidents, while Lyft reported almost 45,000 public safety incidents. There were nearly 27,000 collisions, approximately 14,800 reported by Uber and 11,200 reported by Lyft. In addition, over 20,000 assaults and harassments (almost all of them reported by Lyft), 15,000 DUI complaints, and 14,000 citations were also reported.

**Figure 13.** Public Safety Issues by Category

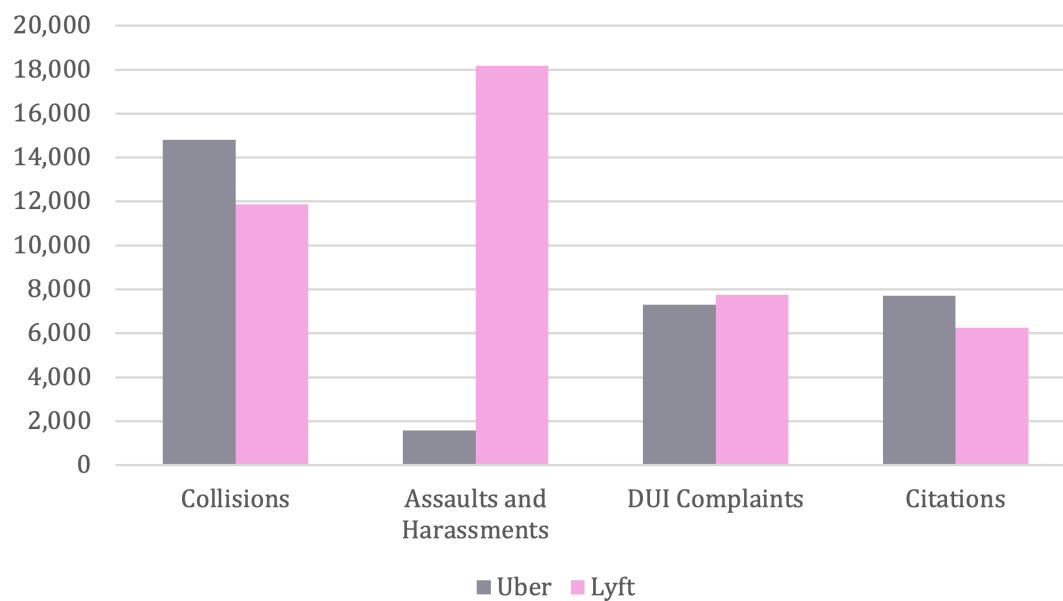
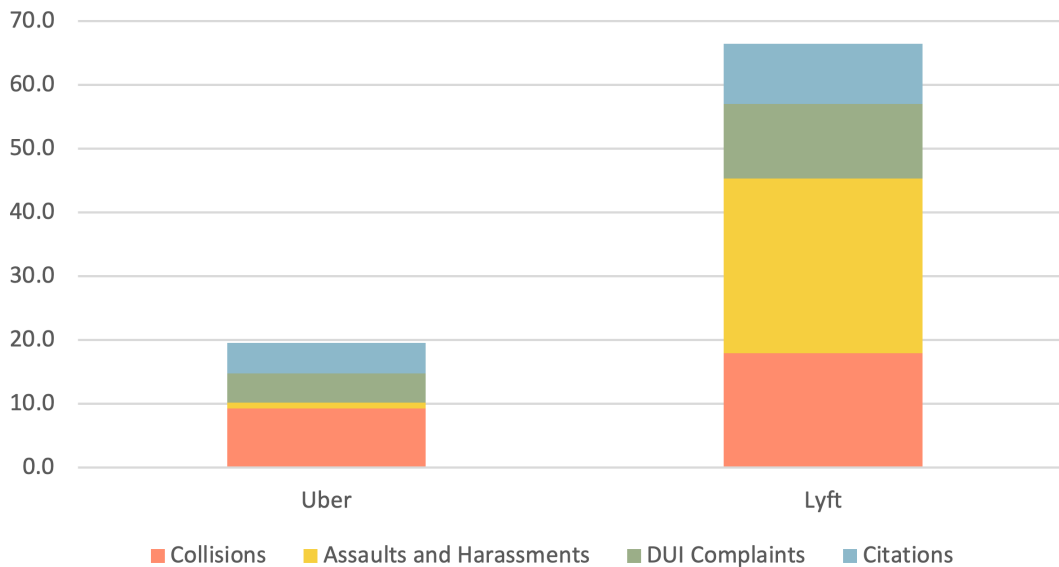


Figure 14 shows the rates of incidents per 100,000 trips. Lyft reported total public safety incidents rates that were more than 3 times higher than Uber. Lyft's collisions rates were twice Uber's. Lyft's assaults and harassment rates were more than 30 times Uber's, Lyft's DUI complaints were over 2.5 times Uber's, and Lyft's citations were twice Uber's. These figures suggest that the companies may be reporting public safety incidents differently, pointing to the need for increased review by regulators.

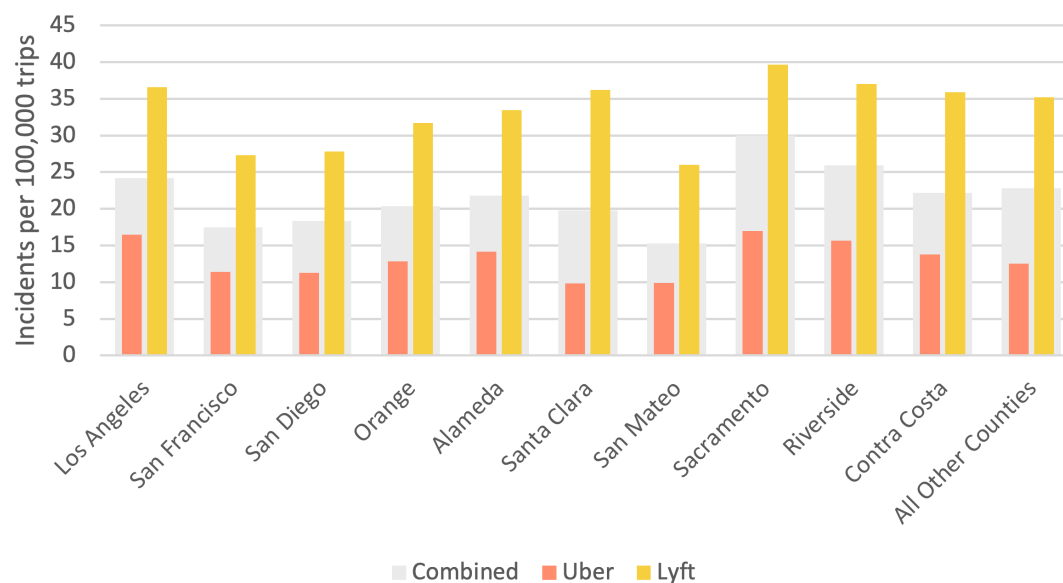
**Figure 14.** Incidents per 100,000 trips from September 2019 to August 2020

## 4.2. Where did public safety incidents occur?

Assaults and harassments, collisions, and DUI complaints happened everywhere that TNC trips happened. Figure 15 shows incident totals and rates per 100,000 trips by category for the top 10 counties by number of trips. Incident rates vary by county and by company. San Francisco, which has the highest density of trips, has among the lowest public safety incident rates. By contrast, Sacramento, which has a low trip density, has the highest rate of public safety incidents. This may be partly explained by trip lengths, as denser counties with shorter average trip lengths may be less likely to be involved in a public safety incident on any particular trip. However, Lyft's incomplete reports prevent an analysis of the relationship between public safety events and trip lengths.

Lyft's public safety incident rates were much higher than Uber's in each of the top 10 counties with the most TNC trips. The percent difference in incident rates between the companies was closest in Los Angeles County, where Lyft's rate is 122% higher than Uber's, and furthest in Santa Clara County, where Lyft's rate is 268% higher than Uber's.

**Figure 15.** Rates of Public Safety Incidents per 100,000 trips by Company and County from September 2019 to August 2020



Assaults and harassments, collisions, and DUI complaints, like trip requests were reported by zip code. Citations, per the *Law Enforcement Citations* template were reported with a citation location. However, the CPUC did not provide explicit requirements for how the location should be reported and as a consequence each company reported it differently.

Table 21 shows the total number of citations by location. It is not clear why nearly all the reported citations were at airports. Uber reported 7,711 citations, all at airports. Lyft reported 6,259 citations, 6,038 (96%) of which were at airports, while 214 were in cities, and the remaining 7 were in other locations like an unincorporated neighborhood.

**Table 21.** Number of Citations by Company and Location from September 2019 to August 2020

| LOCATION                     | UBER  | LYFT  | TOTAL  |
|------------------------------|-------|-------|--------|
| Citations at Airports        | 7,711 | 6,038 | 13,749 |
| Citations in Cities          | 0     | 214   | 214    |
| Citations at Other Locations | 0     | 7     | 7      |
| Citations                    | 7,711 | 6,259 | 13,970 |

CPUC has not provided guidance to report citations solely at airports. The almost complete absence of TNC citations in locations other than airports suggests inconsistent or incomplete reporting and prevents the CPUC from assessing a key indicator of public safety and compliance with laws and regulations.

### 4.3. What types of public safety incidents occurred?

It is difficult to provide a clear depiction of the types of public safety incidents because the CPUC has not standardized reporting requirements for collisions, assaults and harassments, DUI complaints, or law enforcement citations. The lone exception, Decision 22-06-029, issued on June 24, 2022, adopted taxonomies for sexual assault and sexual harassment. These taxonomies only apply to a subset of the events reported in the Assaults and Harassments reports and had not been adopted when the 2020 Annual Reports were filed. In any event, the type of assault and/or harassment has been removed from the 2020 Public Annual Reports entirely.

In the absence of clear and consistent requirements, **each company decides themselves** how they report public safety data. As a result, this report is limited to only summarizing the overall number of incidents and cannot provide a more detailed analysis of types of public safety incidents. Similarly, it is difficult to develop public policy or exercise any meaningful or consistent regulatory oversight with respect to these public safety concerns.

Table 22 shows how each company reports the types of public safety incident for collisions, DUI complaints, and citations. Note that the public version of *Assaults & Harassments* does not contain any incident descriptions or categorizations. The table that each company uses reflects a different taxonomy to categorize the type of collision. Uber uses 7 response codes briefly describing the collision type. Lyft uses 5 response codes that describe, not the type of collision, but a qualitative description of the extent of damage. For DUI complaints, Uber uses 8 response codes, all describing allegations against the driver. Lyft used 4 response codes, 2 for describing allegations against the driver and 2 describing allegations against the passenger. One of the response codes is qualified as a first occurrence, “alleged\_marijuana\_smell\_\_first\_instance”, but no other response codes for further occurrences. The other codes Lyft uses are not qualified in this way. For citations, Uber used 657 unique response codes and Lyft used 347 unique response codes.

**Table 22. Public Safety Incident Taxonomies in the 2020 Public Annual Reports**

| CATEGORY   | FIELD                | UBER   | LYFT   |
|------------|----------------------|--|--|
| Collisions | IncidentAccidentType | <ul style="list-style-type: none"> <li>• Multiple Vehicle Collision</li> <li>• Open Door Into Vehicle</li> <li>• Pedestrian</li> <li>• Single Vehicle Collision</li> <li>• Struck Animal</li> <li>• Struck Debris</li> <li>• Struck Road Debris/Animal</li> </ul>  | <ul style="list-style-type: none"> <li>• No Damage</li> <li>• Not driveable</li> <li>• major damage</li> <li>• minor damage</li> <li>• not reported</li> </ul>   |
|            |                      |  |  |
| DUI        | ZeroToleranceDescr   | <ul style="list-style-type: none"> <li>• Rider alleged the driver had the appearance of impairment</li> <li>• Rider alleged alcohol or containers present in vehicle</li> <li>• Rider alleged drugs or paraphernalia were present in the vehicle</li> <li>• Rider alleged the driver had the appearance of impairment</li> <li>• Rider alleged the driver sounded impaired</li> <li>• Rider alleged the smell of alcohol was present in the vehicle</li> <li>• Rider alleged the smell of marijuana was present in the vehicle</li> <li>• Rider alleged unsafe driving behavior</li> </ul> | <ul style="list-style-type: none"> <li>• alleged_marijuana_smell__first_instance</li> <li>• alleged_zero_tolerance</li> <li>• passenger_alleged_drug_possession</li> <li>• pax_allegedly_had_open_container</li> </ul> |
|            |                      |  |  |
| Citations  | CitationReason       | Unique incident description  | Unique incident description  |

Table 23 shows the consequences to the driver resulting from public safety incidents. As with incident classifications, the CPUC has in most cases not provided clear guidance for how to report consequences to the driver, leaving companies to determine themselves how to report driver consequences.<sup>1</sup> Some classification of consequences to the driver is reported for assaults and harassments, DUI complaints, and citations, but not for collisions. Additionally, a binary indicator of whether the involved driver is currently authorized to drive is available for assaults and harassments and DUI complaints.

<sup>1</sup> To describe the driver consequences of assaults and harassments, Uber uses 2 response codes and Lyft uses 3 response codes. For DUI complaints, a description of the resolution and a driver consequence are reported. Uber uses 4 response codes to describe the DUI complaint, and the same 4 response codes to classify the driver consequence. Lyft used 3 response codes to describe the DUI complaint resolution and 3 different response codes to describe the driver consequences. The only consequence reported for citations is the payoff of the citation. Lyft's responses include both "LYFT" and "DRIVER", while Uber's only include "Uber".

**Table 23. Driver Consequences and Status in the 2020 Public Annual Reports**

| CATEGORY               | FIELD                       | UBER   | LYFT  |
|------------------------|-----------------------------|--|---|
| Assaults & Harassments | DriverConsequence           | <ul style="list-style-type: none"> <li>• Deactivated</li> <li>• Waitlisted</li> </ul>  | <ul style="list-style-type: none"> <li>• Driver provided with warning and/or education</li> <li>• Driver was permanently deactivated</li> <li>• Driver was temporarily suspended</li> </ul>                     |
| Assaults & Harassments | DriverCurrentAuth           | <ul style="list-style-type: none"> <li>• N</li> <li>• Y</li> </ul>   | <ul style="list-style-type: none"> <li>• N</li> <li>• Y</li> </ul>  |
| Collisions             | IncidentAccidentGuiltyParty | not reported   | not reported  |
| Collisions             | Liability                   | not reported   | not reported  |
| Collisions             | PrimaryCollisionFactor      | <ul style="list-style-type: none"> <li>• Claimant Primarily</li> <li>• Driver Primarily</li> <li>• Undetermined</li> </ul>   | not reported  |
| DUI                    | ComplaintResolveDescr       | <ul style="list-style-type: none"> <li>• Driver Deactivated — Confirmed Allegation</li> <li>• Driver Deactivated — Third Unconfirmed Allegation</li> <li>• Driver Previously Deactivated</li> <li>• Driver Reactivated — Unconfirmed Allegation</li> </ul> | <ul style="list-style-type: none"> <li>• Deactivation not warranted after investigation</li> <li>• Driver reactivated after investigation</li> <li>• Driver remained deactivated after investigation</li> </ul> |
| DUI                    | DriverConsequence           | <ul style="list-style-type: none"> <li>• Driver Deactivated — Confirmed Allegation</li> <li>• Driver Deactivated — Third Unconfirmed Allegation</li> <li>• Driver Previously Deactivated</li> <li>• Driver Reactivated — Unconfirmed Allegation</li> </ul> | <ul style="list-style-type: none"> <li>• Driver provided with warning and/or education</li> <li>• Driver was permanently deactivated</li> <li>• Driver was temporarily suspended</li> </ul>                     |
| DUI                    | DriverCurrentAuth           | <ul style="list-style-type: none"> <li>• N</li> <li>• Y</li> </ul>   | <ul style="list-style-type: none"> <li>• N</li> <li>• Y</li> </ul>  |

## 4.4. How many drivers were suspended or deactivated?

While suspending a driver can adversely affect drivers' livelihood by cutting off an income stream, suspending a driver is one of the actions a TNC company can take to protect its customers. Though each company used their own taxonomy for reporting driver consequences, both identified whether a driver was temporarily suspended or



permanently deactivated. Table 24 shows the consequences to drivers resulting from assaults and harassments.

For this analysis, temporary suspensions are those that Uber classified as “Waitlisted” and Lyft classified as “Driver was temporarily suspended”, and permanent deactivations are those that Uber classified as “Deactivated” and Lyft classified as “Driver was permanently deactivated”. The table shows that 76% of Uber’s reported assaults and harassment resulted in a temporary suspension, and 24% resulted in a permanent deactivation, while 3% of Lyft’s reported assaults and incidents of harassment resulted in a temporary suspension, 2% resulted in a permanent deactivation, and 95% were neither temporarily suspended nor deactivated. The data suggests that Uber more aggressively suspends or deactivated drivers than Lyft does. It also suggests that the companies use different standards for reporting assaults and harassments.

**Table 24. Driver Consequences of Assaults & Harassments from September 2019 to August 2020**

|  | UBER       | LYFT       | TOTAL      |
|--|------------|------------|------------|
| Total Incidents  | 1,573      | 18,178     | 19,751     |
| Temporary Suspensions  | 1,200      | 582        | 1,782      |
| Permanent Deactivations                                      | 373        | 297        | 670        |
| Not temporarily suspended or permanently deactivated         | 0          | 17,299     | 17,299     |
| <b>Percent temporarily suspended</b>                         | <b>76%</b> | <b>3%</b>  | <b>9%</b>  |
| <b>Percent permanently deactivated</b>                       | <b>24%</b> | <b>2%</b>  | <b>3%</b>  |
| <b>Percent neither temporarily suspended nor deactivated</b> | <b>0%</b>  | <b>95%</b> | <b>88%</b> |

The CPUC requires that “[p]romptly after a zero-tolerance complaint is filed, the TNC shall suspend the driver for further investigation.”<sup>1</sup> As with assaults and harassments, driver consequences of DUI complaints are reported with different taxonomies by each company, but each identifies temporary suspensions and permanent deactivations. Table 25 shows the driver consequences resulting from DUI complaints for each company. In this analysis, permanent deactivations are those Uber classified as “Driver Deactivated – Confirmed Allegation”, “Driver Deactivated – Third Unconfirmed Allegation”, and “Driver Previously Deactivated”, and Lyft classified as “Driver was permanently deactivated”. Temporary suspensions are those Uber classified as “Driver Reactivated – Unconfirmed Allegation” and Lyft classified as “Driver was temporarily suspended”. The remaining record records are those which Lyft classified as “Driver

<sup>1</sup> D. 13-09-045, p. 27. CPUC Rulemaking R12-12-011. 9/19/2013.

provided with warning and/or education,” which implies neither a temporary suspension nor permanent deactivation. The table suggests that Lyft frequently fails to comply with the CPUC’s requirement to suspend drivers following DUI complaints, only suspending or deactivating drivers in 6% of cases. By contrast, 94% of DUI complaints against Uber drivers resulted in a temporary suspension, and 6% resulted in a permanent deactivation.

**Table 25.** Driver Consequences of DUI Complaints from September 2019 to August 2020

|  | UBER       | LYFT           | TOTAL      |
|--|------------|----------------|------------|
| Total Incidents  | 7,358      | 7,745          | 15,103     |
| Temporary Suspensions  | 6,911      | 468            | 7,379      |
| Permanent Deactivations                                      | 447        | 37             | 484        |
| Not temporarily suspended or permanently deactivated         | 0          | 7,240          | 7,240      |
| <b>Percent temporarily suspended</b>                         | <b>94%</b> | <b>6%</b>      | <b>49%</b> |
| <b>Percent permanently deactivated</b>                       | <b>6%</b>  | <b>&lt; 1%</b> | <b>3%</b>  |
| <b>Percent neither temporarily suspended nor deactivated</b> | <b>0%</b>  | <b>93%</b>     | <b>48%</b> |

Driver suspensions are also reported in the *Suspended Drivers* report. These suspensions, unlike the ones reported above, are not linked to a specific type of incident. Figure 16 shows the total driver suspensions for each company. Lyft suspended nearly 5 times the number of drivers as Uber. Lyft also permanently suspended 50% more drivers than Uber.

**Figure 16.** Driver Suspensions from September 2019 to August 2020

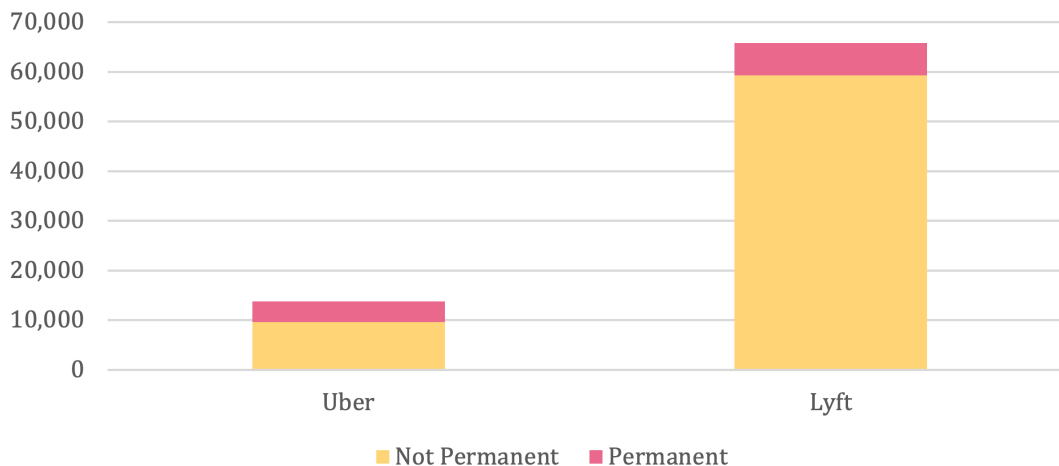
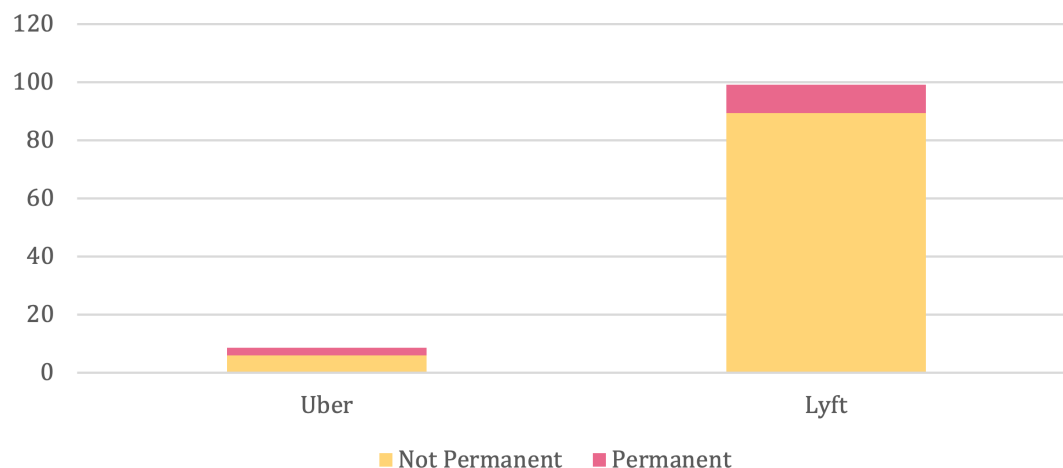


Figure 17 shows driver suspension rates by company. Lyft suspended drivers at more than 11 times the rate of Uber and permanently suspended drivers at 15 times the rate of Uber.

**Figure 17.** Driver Suspensions per 100,000 Trips from September 2019 to August 2020



These two figures reveal either that each company has significantly different approaches to driver suspensions or that they report driver suspensions differently.

For each driver suspension, the companies report whether drivers were permanently deactivated, and whether they have been reactivated. Driver suspensions by suspension type and reactivation status for Uber are shown in Table 26 and for Lyft in Table 27. Presumably, a driver that is permanently deactivated cannot be reactivated. As expected, none of Lyft's permanently suspended drivers are reported to be reactivated. But Uber data shows that 1,250 (30%) of the 4,162 drivers classified as permanently suspended are also classified as reactivated. It is unclear whether these drivers are permanently deactivated or not. If they were reactivated, it is not clear why their permanent suspension was overturned, or the potential impacts to the safety of passengers and the general public.

**Table 26.** Uber Driver Suspension Type by Driver Reactivation Status from September 2019 to August 2020

|                           | NOT<br>REACTIVATED | REACTIVATED   | TOTAL         |
|---------------------------|--------------------|---------------|---------------|
| Not Permanently Suspended | 110                | 9,505         | 9,615         |
| Permanently Suspended     | 2,912              | 1,250         | 4,162         |
| <b>Total</b>              | <b>3,022</b>       | <b>10,755</b> | <b>13,777</b> |

**Table 27.** Lyft Driver Suspension Type by Driver Reactivation Status from September 2019 to August 2020

|                           | NOT<br>REACTIVATED | REACTIVATED | TOTAL  |
|---------------------------|--------------------|-------------|--------|
| Not Permanently Suspended | 9,974              | 49,322      | 59,296 |
| Permanently Suspended     | 6,492              |             | 6,492  |
| Grand Total               | 16,466             | 49,322      | 65,788 |

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## CHAPTER 5

# Labor

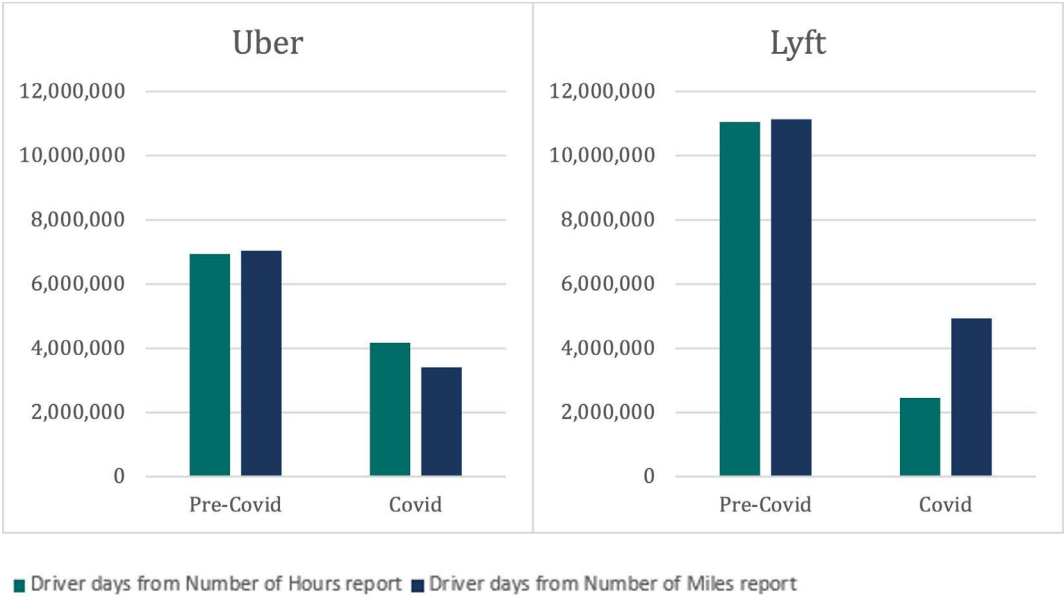
This section examines hours worked, miles driven, and driver suspensions from September 2019 to August 2020 as reporting the 2020 Public Annual Reports.

Each record in the *Number of Hours* and *Number of Miles* reports is a driver day. Driver IDs are withheld from the public TNC Annual Reports, even though Driver IDs can be anonymized to not contain personal information. The absence of Driver IDs limits analysis of driver patterns such as the number of drivers that exceed drive-time limits, how often drive time limits are exceeded, or distributions of annual driver mileage.

### 5.1. How many days did drivers work?

Figure 18 shows the number of driver days each company reported in the *Number of Hours* and *Number of Miles* reports. As discussed in Chapter 2, these reports are internally inconsistent. This figure reveals further inconsistencies. Both companies’ pre-COVID, during-COVID, and total driver days are inconsistent, but the differences are much greater during COVID. Uber’s driver days differ by 96,000 (1.4%) pre-COVID and differ by 768,000 (18%) during COVID. Lyft’s driver days differ by 80,000 (0.7%) pre-COVID and differ by 2.4 million (101%) during COVID. Lyft reports more driver days than Uber, which seems contradictory to the higher total number of Uber trips reported in Chapter 3.

Figure 18. Driver Days Before and During COVID from September 2019 to August 2020



The lack of consistency within each company’s reports and a comparison of the companies to each other suggests that reporting requirements are not adequately defined.

### 5.2. How many hours a day do drivers drive?

The daily number of hours worked can give insights into labor conditions, serve as an indicator of driver fatigue that can lead to unsafe driving, and identify when legal drive time limits are violated.

Table 28 shows the average number of hours worked by drivers for each company before and during COVID. The table shows that Uber drivers worked more hours per day

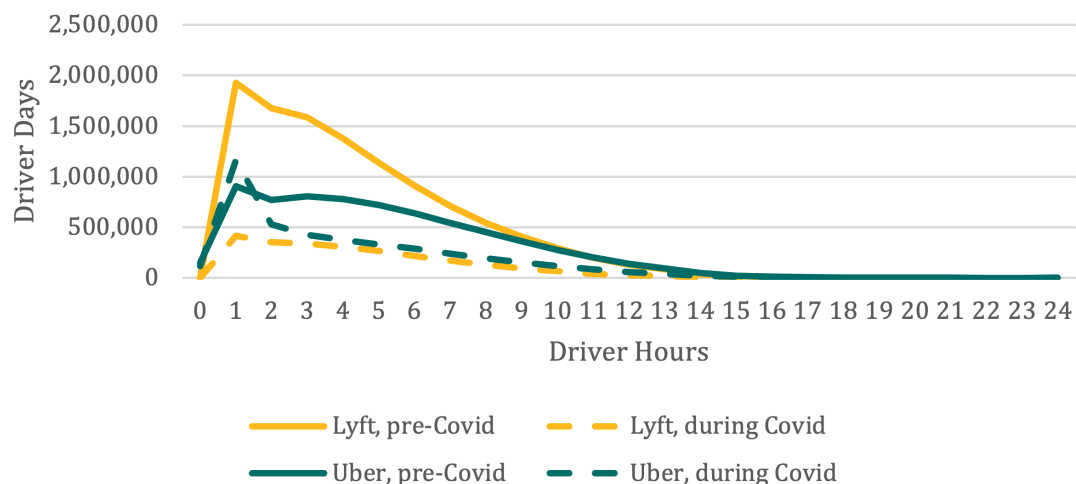
than Lyft drivers, both before and during COVID. Uber drivers increased their average daily driving hours during COVID by 14%, from 4.6 to 5.3, while Lyft's average daily driver hours remained almost flat.

**Table 28.** Average Hours per Driver Day by Company, Before and During covid, from September 2019 to August 2020

|              | UBER       | LYFT       | TOTAL      |
|--------------|------------|------------|------------|
| Pre-COVID    | 4.6        | 3.8        | 4.2        |
| COVID        | 5.3        | 3.9        | 4.7        |
| <b>Total</b> | <b>4.9</b> | <b>3.8</b> | <b>4.3</b> |

Figure 19 shows the distribution of driver days by the number of hours worked by each company's driver, before and during COVID. As with the table above, it shows that Lyft reported more driver days and driver hours than Uber before COVID, and fewer driver days and driver hours during COVID. Drivers for both companies most frequently drove 1 hour per day, both before and during COVID, with longer days steadily less frequent. Uber's driver hours during COVID dropped off steeply, unlike Uber's pre-COVID hours or Lyft's hours before or during COVID. Lyft's report included 123,000 driver days with 0 hours, while Uber's included no driver days with 0 hours. It is not clear what a driver day with 0 hours means. Both companies reported driver days with 10 or more hours, which will be discussed in more detail in the next section.

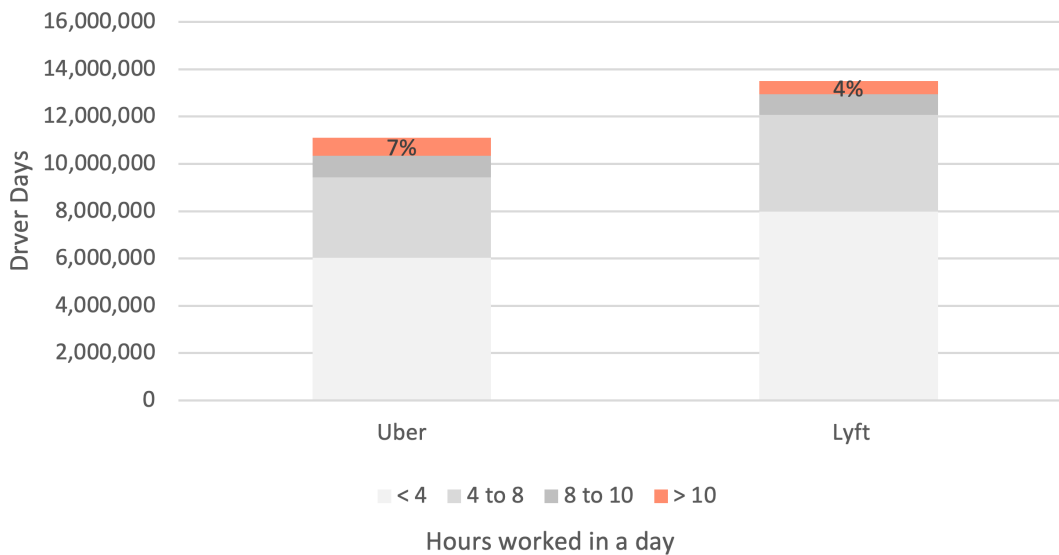
**Figure 19.** Distribution of Driver Days by Number of Hours Worked from September 2019 to August 2020



### 5.3. How often are legal drive-time limits exceeded?

California law limits drivers providing passenger transportation to “10 hours in any 24-hour period unless 8 consecutive hours off duty have elapsed.”<sup>1</sup> Figure 20 shows the share of driver days by number of hours driven for each company. The data may indicate that drivers are exceeding legal drive time limits. Before COVID, 8% of Uber’s driver days exceeded 10 hours and during COVID 6% exceeded 10 hours. Before and during the COVID 4% of Lyft’s driver days exceeded 10 hours. While this report alone cannot confirm that a violation has occurred due to the 8 hours off duty provision, the reports do not account for additional factors like drivers who may be in violation due to driving for both services, or whose shifts straddle 2 or more calendar days. No public enforcement actions have been taken regarding possible violations of California labor laws.

**Figure 20.** Driver Days by Hours Worked from September 2019 to August 2020



<sup>1</sup> California Vehicle Code §21702(a). [https://leginfo.ca.gov/faces/codes\\_displayText.xhtml?lawCode=VEH&division=11.&title=&part=&chapter=3.&article=2](https://leginfo.ca.gov/faces/codes_displayText.xhtml?lawCode=VEH&division=11.&title=&part=&chapter=3.&article=2).



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## CHAPTER 6

# Environment

This section examines emissions from September 2019 to August 2020 in the 2020 Public Annual Reports. It estimates carbon dioxide (CO<sub>2</sub>), a greenhouse gas that contributes to global climate change, and particulate matter of less than 2.5 microns (PM<sub>2.5</sub>) which contributes to respiratory health issues.

The Clean Miles Standard and Incentives Program (Senate Bill No. 1014) directed the CPUC to implement “annual targets and goals, beginning in 2023, for the reduction [...] of emissions of greenhouse gases per passenger-mile driven on behalf of a transportation network company”. The CPUC has issued an Order Instituting Rulemaking to determine how the Clean Miles Standard and Incentives Program will be implemented. The CPUC’s rulemaking follows work led by the California Air Resources Board (CARB), which developed a baseline inventory of TNC emissions and proposed initial annual targets and goals.

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## 6.1. How much GHG did TNCs emit?

Greenhouse gases produced by TNCs will be regulated by the CPUC starting in 2023. Greenhouse gases are a key contributor to global climate change. Only Uber’s 2020 public TNC Annual Reports contain the data necessary to evaluate emissions (VMT and vehicle make, model, and year). Table 29 shows the estimated CO2 emissions produced by Uber per period.

TNC service is classified into 3 periods: Period 1 when a driver is available and ready to accept a trip, Period 2 when a driver has accepted a trip and is on the way to pick up the passenger, and Period 3, when a driver is transporting a passenger from origin to destination. CARB’s 2018 Base Year Inventory found that TNCs emit 48% more greenhouse gases on a per-passenger mile basis than trips taken in private vehicles, due in large part to driving without a passenger in Periods 1 and 2. The Transportation Authority estimated that Uber emitted 494,000 metric tons of CO2 from September 2019 to August 2020, about 30% of which was produced in periods 1 and 2, when the vehicle is not transporting a passenger. Uber’s total CO2 emissions were similar to the CO2 emitted by the 2020 Caldwell Fire in northern California which burned 81,000 acres.<sup>1,2</sup> Lyft emissions cannot be estimated because they did not report mileage, vehicle make, model, or year.

Table 29. Estimated CO2 Emitted by Uber by Period from September 2019 to August 2020

|              | PERIOD 1<br>WAITING FOR RIDE<br>REQUEST | PERIOD 2<br>ON THE WAY TO<br>PICKUP PASSENGER | PERIOD 3<br>TRANSPORTING<br>PASSENGER | TOTAL   |
|--------------|---|---|---------------------------------------|---------|
| Total CO2    | 85,408                                  | 61,523  | 346,790                               | 493,722 |
| Share of CO2 | 17%                                     | 12%   | 70%                                   | 100%    |

## 6.2. How much particulate matter (PM 2.5) did TNCs emit? Where?

PM2.5 contributes to respiratory health issues. Only Uber reported the data necessary to evaluate PM2.5 emissions. Table 30 shows estimated PM2.5 emissions produced by Uber. Uber produced 2.65 metric tons of PM2.5, about 30% of which was produced in Periods 1 and 2 when the vehicle is not transportation a passenger. Lyft’s PM2.5

1 Emissions were estimated individually for each trip, using the vehicle make, model, and year, mileage by period, and emissions rates from fueleconomy.gov

2 California Air Resources Board, Wildfire Emission Estimates for 2020. [https://ww2.arb.ca.gov/sites/default/files/2021-07/Wildfire%20Emission%20Estimates%20for%202020%20\\_Final.pdf](https://ww2.arb.ca.gov/sites/default/files/2021-07/Wildfire%20Emission%20Estimates%20for%202020%20_Final.pdf)

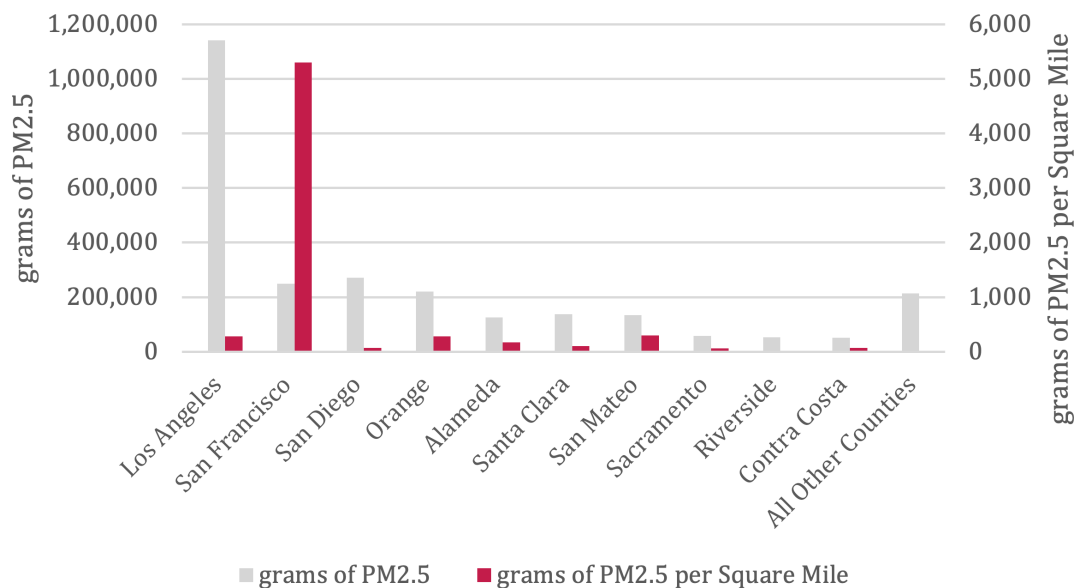
emissions cannot be estimated because they did not report mileage, vehicle make, model, or year.

**Table 30.** Estimated PM<sub>2.5</sub> Emitted by Uber by Period from September 2019 to August 2020

|                            | PERIOD 1<br>NO PASSENGER,<br>WAITING FOR RIDE<br>REQUEST | PERIOD 2<br>ON THE WAY TO<br>PICKUP PASSENGER | PERIOD 3<br>TRANSPORTING<br>PASSENGER | TOTAL |
|----------------------------|--|---|---------------------------------------|-------|
| Total PM <sub>2.5</sub>    | 0.46   | 0.32  | 1.87                                  | 2.65  |
| Share of PM <sub>2.5</sub> | 17%  | 12%   | 71%                                   | 100%  |

Figure 21 shows where Uber emitted PM<sub>2.5</sub> by county for the 10 counties with the most TNC trips. PM<sub>2.5</sub> emissions were highly concentrated in San Francisco with over 5,000 grams of PM<sub>2.5</sub> per square mile, approximated 340 times the concentration of PM<sub>2.5</sub> emissions in the rest of the state. Uber's estimated PM<sub>2.5</sub> emissions in San Francisco are approximately 5% of the total PM<sub>2.5</sub> emissions produced by all passenger vehicles and light duty trucks in San Francisco in 2019.<sup>1</sup>

**Figure 21.** Estimated PM<sub>2.5</sub> Emitted by Uber by County from September 2019 to August 2020



<sup>1</sup> CARB EMFAC2021 v1.0.2, PM<sub>2.5</sub>\_TOTEX for LDA, LDT1, and LDT2 in San Francisco in 2019. <https://arb.ca.gov/emfac/emissions-inventory/1563da8e39cf549e9626c01386cf5ebabe087ff9>

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## CHAPTER 7

# Accessibility

The TNC Access for All Act (Senate Bill No. 1376) directs the CPUC to “establish a program relating to accessibility for persons with disabilities, including wheelchair users who need a wheelchair-accessible vehicle (wav)”. Under the program, TNCs collect a fee on each trip which is remitted to an Access Fund to be used to pay for “on-demand transportation [...] to meet the needs of persons with disabilities, including wheelchair users who need a wav”. TNCs may request an offset, or be exempted from remitting the fee, if they demonstrate that they meet standards established by the CPUC.

The CPUC is authorized by the TNC Access for All Act to collect data to manage the program. Accessibility data is regularly reported by TNCs to the CPUC in two ways: in the form of “Advice Letters” filed by a company when they seek an offset or exemption for a specific county and quarter, and in the Annual Reports. Additional accessibility data is also filed on an ad-hoc basis at the direction of the CPUC. The Annual Reports include the number of requests for WAVs, the statewide number of fulfilled requests, and the percent of fulfilled requests by month in the Accessibility Report. This section compares 2020 Public Annual Reports data from September 2019 to August 2020 with Advice Letter data that was reported for the same period.

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## 7.1. How many requests for WAVs were received? How many were accepted?

Table 31 shows the number of TNC WAV requests and completed WAV trips by each company. Uber provided nearly all TNC WAV service in the state, receiving 95% of the nearly 230,000 WAV requests and providing 94% of the nearly 108,000 completed WAV trips. Uber completed 47% of the trip requests it received and Lyft completed 53%. As noted in Chapter 3, there were between 218 million and 277 million total TNC trips, so the 108,000 completed WAV trips account for less than 0.05% of all trips.

**Table 31. WAV Requests and Completed Trips from September 2019 to August 2020**

|                     | UBER    | LYFT   | TOTAL   |
|---------------------|---------|--------|---------|
| WAV Requests        | 217,935 | 11,605 | 229,540 |
| Completed WAV Trips | 101,594 | 6,158  | 107,752 |
| Completion Rate     | 47%     | 53%    | 47%     |

## 7.2. How much WAV service is being provided?

Table 32 shows the amount of WAV service measured by average monthly hours of WAV service and number of WAV vehicles, compared to the WAV trips provided. The service reported by each company is dramatically different from each other and suggests that the companies are not reporting data consistently. For example, Uber reports nearly 20,000 times the hours of WAV service than Lyft. The data also suggests highly improbable service. Lyft's data suggests that each vehicle provides approximately 19 seconds of service each month, compared to Uber's much more logical 73 hours per vehicle. On the other hand, Uber's data suggests they are providing 924 hours (nearly 38 days) of WAV vehicle hours for each trip they provide. Both companies report deploying far more WAVs than the actual number of WAV trips completed. Uber reports an average of 108,000 WAVs each month, about 13 vehicles for every WAV trip. Lyft reports an average of 79,000 WAVs each month, about 155 vehicles for every WAV trip. The lack of adequately defined or enforced data reporting requirements prevents a clear understanding of WAV service and undermines confidence that it is being regulated properly.

**Table 32.** Average Monthly wav Service from September 2019 to August 2020

| COMPANY                                 | UBER         | LYFT         |
|---|--------------|--------------|
| Hours of WAV Service                    | 7,818,750    | 419          |
| Number of WAV Vehicles                  | 107,542      | 79,471       |
| WAV Trips                               | 8,466        | 513          |
| <b>Hours of WAV Service per Vehicle</b> | <b>72.7</b>  | <b>0.005</b> |
| <b>Hours of WAV Service per Trip</b>    | <b>923.5</b> | <b>0.8</b>   |
| <b>WAV Vehicle per Trip</b>             | <b>12.7</b>  | <b>154.9</b> |

### 7.3. Is the Annual Report WAV data consistent with data reported under the Access for All Act?

Both the Annual Reports and Advice Letters filed under the Access for All program contain data on the number of WAV requests. The Annual Reports include the total statewide WAV requests received by month, while the Advice Letters only contain data for selected counties and quarters in which a TNC is seeking an offset or exemption. While the data contained in the Annual Reports and the Advice letters will not match due to their different reporting parameters, they should be consistent and non-contradictory with each other.

Table 33 shows the amounts requested in offsets for the costs incurred in providing WAV service from October 2019 to June 2020, the period that the Advice Letters align with the TNC Annual Reports. Lyft was granted \$3 million in offsets, an average of \$772 for each completed WAV trip. Uber was granted \$6.2 million in offsets, an average of \$369 per trip. Lyft was awarded about twice the amount of offsets per completed WAV trip than was Uber.

**Table 33.** Offsets Requested and Approved, Compared to Completed wav Trips from October 2019 to June 2020 in the Access for All Advice Letters

|             | ORIGINAL REQUESTED | FINAL REQUESTED | TOTAL APPROVED | COMPLETED TRIPS | OFFSETS / TRIP |
|-------------|--------------------|-----------------|----------------|-----------------|----------------|
| <b>Uber</b> | \$6,706,249.37     | \$6,150,320.55  | \$6,150,320.55 | 16,689          | \$368.53       |
| <b>Lyft</b> | \$3,272,905.77     | \$2,261,560.70  | \$2,261,560.71 | 2,930           | \$771.86       |

Tables 34 through 37 compare wav data in the Annual Reports and Advice Letters. Because the Advice Letters are not filed for every county and quarter, the Advice Letter

totals should always be less than the Accessibility Report totals. These tables show that Uber's Annual Reports are consistent with and do not contradict their Advice Letters, but that Lyft's Annual Reports are inconsistent with the Advice Letters.

Table 34 compares Uber's WAV requests in the Annual Report and Advice Letters. Uber's Advice Letters contained 44% – 45% of the total WAV requests reported in the Annual Report.

**Table 34.** Comparison of Uber wav Requests in the Annual Reports and Advice Letters from October 2019 to June 2020

| QUARTER | ACCESSIBILITY REPORT | ADVICE LETTERS | SHARE OF ANNUAL REPORT TOTALS REPORTED IN ADVICE LETTERS |
|---------|----------------------|----------------|--|
| 2019 Q4 | 82,089               | 35,902         | 44%  |
| 2020 Q1 | 65,053               | 28,952         | 45%  |
| 2020 Q2 | 23,047               | 10,386         | 45%  |

Table 35 compares Lyft's WAV requests in the Annual Report and Advice Letters. The WAV requests in Lyft's Advice Letters, submitted only for San Francisco and Los Angeles counties, exceeded the statewide totals of Lyft's Annual Report for 2 of 3 quarters, which should not be possible. Lyft's Annual Reports and Advice Letters reporting of WAV requests are inconsistent. This suggests the possibility that the Advice Letter data used as the basis for awarding Lyft \$3 million in offsets may not comply with the requirements of the Access for All Program.<sup>1</sup>

**Table 35.** Comparison of Lyft wav Requests in the Annual Reports and Advice Letters from October 2019 to June 2020

| QUARTER | ACCESSIBILITY REPORT | ADVICE LETTERS | SHARE OF ANNUAL REPORT TOTALS REPORTED IN ADVICE LETTERS |
|---------|----------------------|----------------|--|
| 2019 Q4 | 4,252                | 392            | 9%   |
| 2020 Q1 | 3,344                | 3,853          | 115%   |
| 2020 Q2 | 1,307                | 1,572          | 120%   |

<sup>1</sup> "We find that Lyft's Advice Letter submittals that included pre-scheduled WAV trip data failed to comply with the requirements of the Access for All Program. Lyft unilaterally devised its own interpretation and calculation of 'response time' to apply to pre-scheduled WAV trips. More significantly, by including negative response times in its Advice Letter submittals, Lyft likely lowered its total aggregate response time amounts for all WAV trips in a given quarter and geographic area. This calls into question Lyft's eligibility for offsets or exemptions after removal of the pre-scheduled WAV trips and the negative response time values." Ruling on Data Submission for Pre-Scheduled Trips, p. 16 – 17.

Table 36 compares Uber's completed wav trips in the Annual Report and Advice Letters. Uber's Advice Letters contained 16% – 32% of the total completed wav trips in the Annual Report.

**Table 36.** Comparison of Uber Completed wav Trips in the Annual Reports and Advice Letters from October 2019 to June 2020

| QUARTER | ACCESSIBILITY REPORT | ADVICE LETTERS | SHARE OF ANNUAL REPORT TOTALS REPORTED IN ADVICE LETTERS |
|---------|----------------------|----------------|--|
| 2019 Q4 | 38,119               | 6,189          | 16%  |
| 2020 Q1 | 32,706               | 6,044          | 18%  |
| 2020 Q2 | 14,032               | 4,456          | 32%  |

Table 37 compares Lyft's completed wav trips in the Annual Report and Advice Letters. Lyft's Advice Letters contained 17% – 100% of the total completed wav trips in the Annual Report.

**Table 37.** Comparison of Lyft Completed wav Trips in the Annual Reports and Advice Letters from October 2019 to June 2020

| QUARTER | ACCESSIBILITY REPORT | ADVICE LETTERS | SHARE OF ANNUAL REPORT TOTALS REPORTED IN ADVICE LETTERS |
|---------|----------------------|----------------|--|
| 2019 Q4 | 1,923                | 318            | 17%  |
| 2020 Q1 | 1,679                | 1,679          | 100%   |
| 2020 Q2 | 933                  | 933            | 100%   |

## 7.4. How many accessibility complaints were received?

The CPUC has not standardized reporting requirements for accessibility complaints. In the absence of clear and consistent requirements, **each company decides for themselves** how they report accessibility complaints.

Table 38 compares the taxonomies Uber and Lyft use to report accessibility complaints and resolutions. Uber uses 4 codes to describe accessibility complaints, each describing a type of service denial. Lyft uses 6 codes to describe accessibility complaints. One of these codes is a combination of an alleged violation and a driver consequence, two are a combination of an alleged violation with a determination of the validity of the allegation,



two are simple categories of service denial allegations, and the final code is, ambiguously, “wheelchair\_accessibility\_policy”. Uber uses 5 codes to describe the resolution, each of which describes a determination of the validity of the alleged violation, but does not describe corrective actions taken against the driver. Lyft uses 3 codes to describe the resolution, each of which describes a corrective action taken against the driver.

**Table 38. Comparison of Accessibility Complaint and Resolution Taxonomies used by Uber and Lyft in the 2020 Public TNC Annual Reports**

| TYPE       | UBER  | LYFT  |
|------------|---|---|
| Complaint  | <ul style="list-style-type: none"> <li>• Assistive Device Denial</li> <li>• Emotional Support/Therapy Animal Denial</li> <li>• Protected Trait Denial</li> <li>• Service Animal Denial</li> </ul>   | <ul style="list-style-type: none"> <li>• alleged_service_animal__driver_offboarded</li> <li>• alleged_service_animal_confirmed</li> <li>• alleged_service_animal_false_positive</li> <li>• refused_service_animal</li> <li>• wheelchair_refusal</li> <li>• wheelchair_accessibility_policy</li> </ul> |
|            |   |   |
| Resolution | <ul style="list-style-type: none"> <li>• Unresponsive driver, waitlisted pending determination</li> <li>• Determined plausible service denial</li> <li>• Determined knowing service denial</li> <li>• Determined neither knowing, nor plausible service denial</li> <li>• Determined one plausible service denial, and one knowing or plausible service denial</li> </ul> | <ul style="list-style-type: none"> <li>• Driver was permanently deactivated</li> <li>• Driver was temporarily suspended</li> <li>• provided with warning and/or education</li> </ul>  |
|            |   |   |

While Uber and Lyft report complaints using different taxonomies, each identifies complaints that involve users of wheelchairs or other assistive devices and complaints that involve service animals. Table 39 shows the total complaints in these categories by company. Uber and Lyft collectively received 1,957 accessibility complaints, of which 1,743 (89%) were reported by Uber and 213 (11%) were reported by Lyft. Service denials to users of wheelchairs or other assistive devices totaled 191 complaints, service denials to people with service animals totaled 1,161, and other service denials totaled 604.

**Table 39. Accessibility Complaints by Category and Company from September 2019 to August 2020**

|                                | UBER         | LYFT       | TOTAL        |
|--------------------------------|--------------|------------|--------------|
| Wheelchair or assistive device | 183          | 8          | 191          |
| Service animal                 | 956          | 205        | 1,161        |
| Other                          | 604          |            | 604          |
| <b>Total</b>                   | <b>1,743</b> | <b>213</b> | <b>1,956</b> |

The CPUC’s lack of standardized reporting requirements for the various types of accessibility complaints prevents a clear understanding of accessibility issues and hinders analysis and oversight.

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## CHAPTER 8

# Conclusions

The 2020 public TNC Annual Reports reveal numerous issues related to basic compliance with data reporting requirements, and the integrity of the data itself. At the most basic level, Lyft's 2020 Public Annual Reports are incomplete according to the rules adopted by the CPUC: 8 of their 19 public reports are missing required data fields, and 64% of all Lyft's required public data items are missing. By contrast, Uber's 2020 Public Annual Reports contain all but one of the required public fields. This suggests that reporting rules are applied or enforced inconsistently.

The data contained within the 2020 TNC Public Annual Reports is often self-contradictory and internally inconsistent. For example, Uber's total number of trips differs by more than 9 million from one report to the next, while Lyft's differs by nearly 50 million trips. In some cases, the data submitted is erroneous or unreasonable: Lyft's reports indicate that it accepted 100% of trip requests received across vast swaths of California. While there is improvement in the consistency of some 2021 reports, the 2021 reports are more highly redacted, and their consistencies cannot be fully evaluated. These issues are exacerbated by, if not directly caused by, data reporting requirements that are, at times, unclear; lack of quality assurance or enforcement of quality standards; and application of confidentiality standards that are not consistent with the CPUC's orders.

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The lack of accurate, timely and transparent data has left localities without sufficient information to support a basic understanding of TNC operations in their jurisdictions or their potential impacts. Timely and accurate data is fundamental to developing sensible public policy and to identify where it is appropriate to seek improved oversight. The pervasive data quality issues suggests the need for quality control, greater adherence to Commission direction regarding disclosure of data, and enforcement of reporting requirements.

TNCs operate almost exclusively in dense urban areas and during the busiest times of day, where they have been shown to exacerbate congestion and reduce transit ridership. As the reports show, there may be public safety risks, environmental harm, and issues of equitable access to TNC services. California cities, which have limited regulatory authority over TNCs, rely on the CPUC to manage impacts, enforce regulations, and provide relevant, timely, thorough, and quality data to support the effective development of informed public policy. Cities face similar regulatory reliance on CPUC regarding AV passenger services. CPUC's public AV reports are following a similar pattern to the public TNC reports of redacted data. Timely, thorough, quality data reporting is essential to effective research and policy-making for both TNC and AV ride-hail passenger services, and effective regulation is critical as these new services become more widely available.

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