



# Memorandum

**Date:** 09.25.18

**RE:** Board  
September 25, 2018

**To:** Transportation Authority Board: Commissioners Peskin (Chair), Tang (Vice Chair), Brown, Cohen, Fewer, Kim, Mandelman, Ronen, Safai, Stefani and Yee

**From:** Tilly Chang – Executive Director 

**Subject:** Executive Director's Report – **INFORMATION**

## REGIONAL, STATE AND FEDERAL ISSUES

### **Federal Infrastructure Proposal - Shuster Releases Discussion Draft Calling for Increase in the Gas**

**Tax:** In late July, outgoing Chair of the House Transportation and Infrastructure Committee Bill Shuster (R) released an infrastructure proposal that he said was intended to further the national conversation about the state of transportation infrastructure and present possible ways to address funding roadblocks. Crafted based on feedback he received from both sides of the aisle, it contained some surprising elements, such as near-term increases in the federal gas tax and new fees on electric vehicles. Framing it as a discussion draft, he noted that he did not mean it to be introduced as a bill, and while it provided a thought-provoking read, we do not expect this Congress or administration to advance the recommendations. Congress has not raised the federal gas tax since 1993. In contrast, 38 states, including California (with passage of Senate Bill 1 (SB 1) in 2017), which have raised their own state gas tax. The 38 states, both “red” and “blue” are shown in the attached map produced by the Metropolitan Transportation Commission.

### **Federal Fuel Efficiency Standards - Administration Proposes to Freeze Standards at 2020 Levels:**

Under the Obama administration, the Environmental Protection Agency (EPA) called for fuel economy standards aimed toward getting the nation's cars and trucks to average more than 50 miles per gallon by 2025. At the beginning of August, the EPA reversed course and announced its plan to freeze fuel economy targets in 2020 for six years and to end California's ability to set its own, tougher greenhouse gas emission standards and to nullify the state's mandate that automakers sell a specified number of electric vehicles. This rulemaking will not take effect until later this year, and Governor Brown, along with the thirteen other states that have adopted California's emission standards, have vowed to fight these rollbacks and sustain California's waiver. In California, the transportation sector produces about 41% of greenhouse gases (GHG), making increased fuel efficiency standards a critical strategy to fight climate change.

**Clean Air Vehicle Decals - State to Begin Phasing Older Vehicles out of the Program:** The state's clean air vehicle decal program allows solo drivers to travel in carpool lanes and is one of the incentives to purchase electric vehicles, plug-in hybrids, or other vehicles that can run on alternative fuels such as compressed natural gas. Starting January 1, 2019, the state will stop re-issuing decals if the vehicle received stickers before 2017, which will impact more than 200,000 vehicles on the road today. New decals would only be valid for four years, and unless the Legislature extends the program, it will end altogether in 2025. Faced with increasing congestion in high occupancy vehicle lanes, the state has made these changes with the hopes of maintaining benefits for carpoolers and those taking transit. The Governor did, however, sign one modest expansion of the program into law this month: low income residents will now

be able to buy Clean Air Vehicle Decals for certain types of used clean air vehicles, rather than just new purchases.

**Assembly Bill (AB) 2865 (Chiu) - Governor Brown Signs Bill to Provide Flexibility in Delivering Managed Lanes in San Francisco:** Previously, if the Board voted to approve a managed lane or carpool/transit lane project on US-101 and I-280 in San Francisco, it would have only had the option to do so through the regional Bay Area Infrastructure Financing Authority, a Joint Powers Authority Created by MTC and the Bay Area Toll Authority,. AB 2865, which was approved by the Governor last week, gives the Board a second option of asking the Santa Clara Valley Transportation Authority to operate lanes on San Francisco's behalf with a mandate that revenues be spent according to a Board-approved expenditure plan. We are still evaluating managed lanes in San Francisco, but this bill provides greater flexibility and local control if the Board decides to move forward with the project. We are grateful to Assemblymember Chiu and his staff for sponsoring this bill on our behalf and helping us guide the bill through the legislative process.

**Proposition 6 - Ballot Measure Puts Transportation Projects and Funding at Risk:** This November, Californians will vote on Proposition 6, a measure that would cut more than \$5 billion per year in transportation funding statewide, including over \$390 million for the Bay Area. Proposition 6 also would subject any future tax on motor vehicle fuel, or vehicles themselves, to a vote of the people, limiting the State's ability to raise funding for critical infrastructure. For San Francisco, Proposition 6 puts at risk over \$60 million in annual funding that San Francisco uses to improve transit service and repair our streets, as well as over \$550 million in competitive funding that will be used to purchase new Bay Area Rapid Transit (BART) and Caltrain vehicles, among other projects benefiting San Francisco. We are working with our city and regional partners to update information on what projects are at risk through our website [www.sfcta.org/revenue/SB1](http://www.sfcta.org/revenue/SB1).

**Regional Measure 3 - Public Hearing on Toll Increase in November, Implementation Efforts Underway:** This past June Bay Area voters passed Regional Measure 3, the \$3 toll increase on the region's seven state-owned toll bridges to fund transportation projects to improve travel options in the bridge corridors. Senate Bill 595, the authorizing legislation, allows the Bay Area Toll Authority, also known as BATA (MTC's toll authority), to phase in the toll increase, with one dollar beginning January 1, 2019, the second in 2022, and the third in 2025. BATA will host a public hearing on the toll increase in November, and they intend to bring the final toll schedule to BATA for adoption in December. When the funds will be available for expenditure depends on the resolution of two pending lawsuits that BATA/MTC are working to address. Meanwhile staff is developing policies and procedures for both the capital program and the operating program and will be seeking additional project information from project sponsors as the first phase of implementation of those programs. We will be reaching out to project sponsors in San Francisco to ensure that funding is available for projects when it is needed.

## **LOCAL ISSUES**

**Global Climate Action Summit – Governor Brown, Mayor Breed Welcome Global Participants, Transportation Authority Hosts Clean Transportation Scavenger Hunt:** As an affiliate event, we hosted a social media-based Clean Transportation Scavenger Hunt during the conference. Participants submitted answers to a dozen “clues” about clean transportation options via social media – featuring public transit, walking, and biking. This campaign reached 400,000+ total Twitter and Instagram users, and over 1,500 people visited the event website during the week of the climate summit. We would like to thank our sponsors, local business partners, and fellow agencies who supported this event.

### **Transportation Authority to host Treasure Island Open House Events - September 27 and October 1:**

We are hosting two community events to update Treasure Island residents on the Treasure Island Transportation Plan and gather feedback about program features including proposed transit service, affordability plan and tolling rates. The open houses are happening on September 27 and October 1st at the ShipShape Community Center on Treasure Island from 5:30-7:30pm. Project staff will also distribute an electronic survey for residents who cannot make these events. Learn more at [sfcta.org/treasure-island](https://sfcta.org/treasure-island). The Treasure Island Mobility Management Agency Committee meeting to consider these topics will take place on October 4, 10:30 a.m. in Room 263, City Hall.

### **Transportation Authority to Host District 10 Transportation Design Lab - Saturday, September 29:**

District 10 community members came together this summer to develop ideas for improved transportation options—ideas like a shared community van, local carpool system, and other programs—as part of the NTIP-funded District 10 Mobility Study. We have turned these ideas into detailed proposals. On September 29, we are hosting an interactive community event to gather feedback from residents and work together to shape these ideas as they move toward implementation. The event is happening on Saturday, September 29 at the Southeast Community Facility from 12-3 p.m. Learn more at [sfcta.org/design-labs](https://sfcta.org/design-labs).

### **ConnectSF Long-Range Transportation Planning Program – Phase 2 Ramps Up with Procurement of Consultant Services:**

ConnectSF is the long-range transportation planning program for San Francisco that will inform the next San Francisco Transportation Plan (SFTP) and updates to the Transportation Element of the General Plan. We also released a RFP for planning and technical services for the Streets and Freeways Study. Proposals are due September 28, 2018 by 2 p.m. Lastly, the SFMTA will be releasing the RFP for consultant services for the Transit Corridors Study in the coming weeks. We are bringing requests for Prop K sales tax to help fund all three efforts to the Citizens Advisory Committee on September 26 and will present them to the Board for approval in October. We are excited to see the Streets and Freeways and Transit Corridors Studies moving forward, as both will help identify and prioritize the next generation of major capital projects, which will be incorporated into the next countywide transportation plan – the SFTP 2050 update, corresponding to Plan Bay Area 2050.

**Executive Director presentations at 3 venues in Europe and Boston** - I was pleased to travel to 3 cities including Madrid, Copenhagen and Boston last week, to share San Francisco's experience and practices in urban transportation at the Norman Foster Foundation Urban Mobility Workshop, ITS World Congress and MIT Transit Lab program, respectively. At these events, I discussed San Francisco's multi-pronged congestion management strategy to invest in transit, bicycling and walking; to manage demand with well-designed transit-oriented development and operational efficiency initiatives like BRT and TDM incentives; and to develop policy responses and research partnerships on new mobility.

### **MyStreetSF Website Re-Launch – Interactive Project Map Shows Projects Funded or Overseen by the Transportation Authority:**

I am pleased to announce the relaunch of the MyStreetSF website ([sfcta.org/mystreetsf](https://sfcta.org/mystreetsf)). Originally released in 2013, the MyStreetSF webpage was a cutting-edge interactive map which inspired many other agencies in San Francisco and beyond to emulate. With the passage of time, relevant software applications have exponentially improved in terms of functionality and ease of use. To incorporate these, we have updated the MyStreetSF webpage to provide access to up-to-date information on transportation projects funded by the Transportation Authority, as well as those for which our agency is responsible for some level of oversight acting as the Congestion Management Agency for San Francisco. We have a brief video which showcases the revised site that we would like to play. We encourage you and members of the public watching to go to [sfcta.org/mystreetsf](https://sfcta.org/mystreetsf) to find out about the Transportation Authority-funded projects near where you live or work in the city.

**Geary Corridor Bus Rapid Transit – First Phase Beginning Construction:** On August 21, the SFMTA Board approved the street changes needed to implement the first phase of the Geary Bus Rapid Transit project, known as the Geary Rapid project, between Market Street and Stanyan Street. This approval milestone allows construction on the project to begin on October 1, starting with upgrades that can be implemented most quickly, including bus-only lanes, stop changes, painted pedestrian safety treatments, and changes to parking and loading spaces. This initial work will be followed by utility upgrades and then the concrete, traffic signal, and other work needed to complete the planned transit and pedestrian safety improvements by 2021. SFMTA is conducting a major notification campaign to alert riders and other corridor stakeholders about the upcoming construction. Meanwhile, design work continues on the second phase of the project from Stanyan Street to 34th Avenue. For more information, visit the SFMTA's website at [www.sfmta.com](http://www.sfmta.com).

## **MANAGEMENT AND ADMINISTRATION**

**Transportation Authority's Finance and Administration Division – Recipient of the Certificate of Achievement for Excellence in Financial Reporting:** The Certificate of Achievement for Excellence in Financial Reporting has been awarded to us by the Government Finance Officers Association of the United States and Canada for our comprehensive annual financial report (the annual financial audit report). This is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management. Congratulations to Deputy Director Cynthia Fong and her staff!

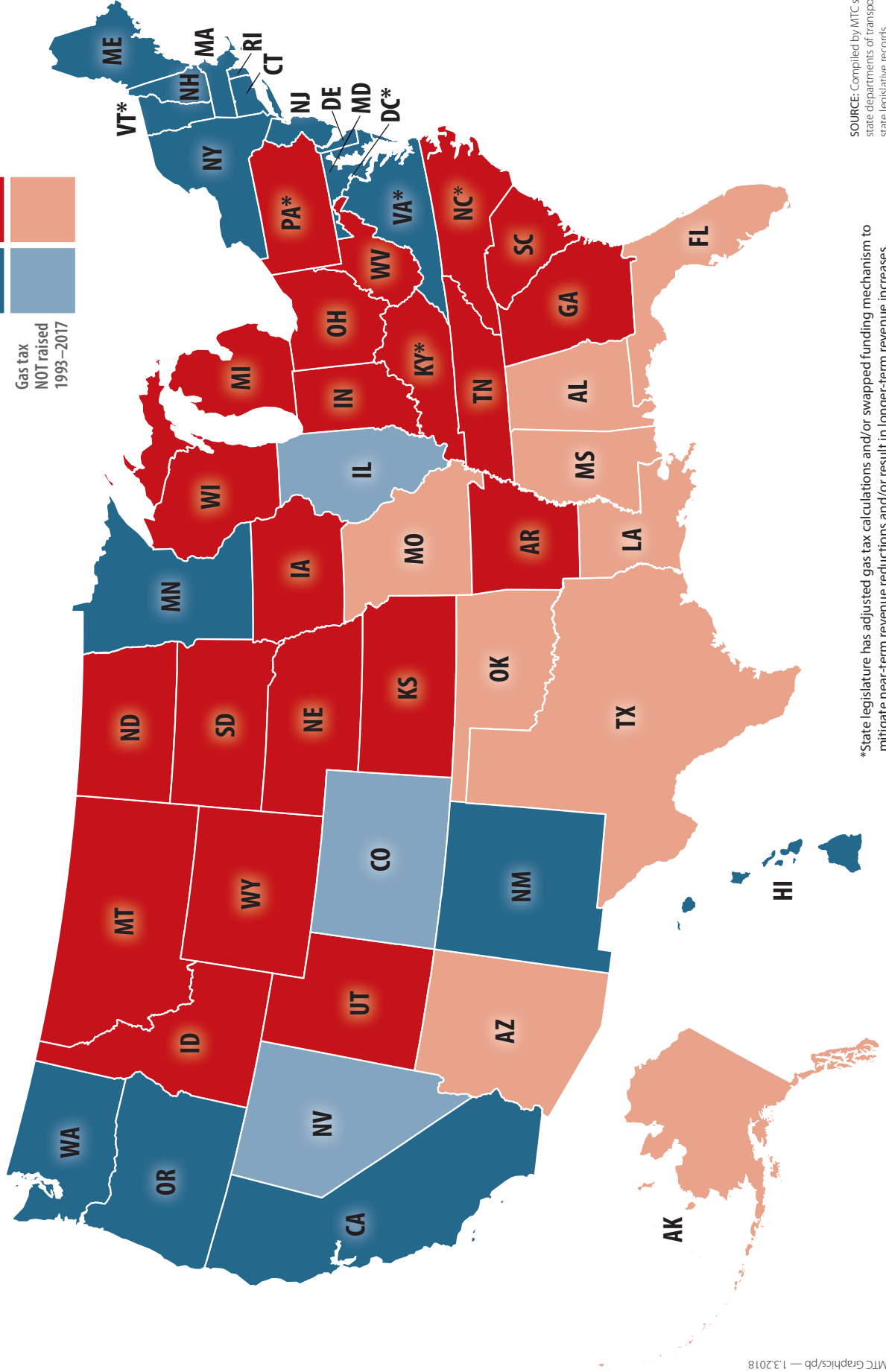
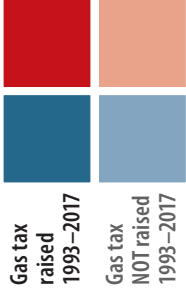
**Attachment:** MTC State Gas Tax Map



## State Gas Tax Increases Since 1993

Since Congress last increased the federal gas tax in 1993, 38 states — both red and blue — and the District of Columbia have passed legislation to raise their own state gas taxes.

**Democratic**  
(in 2016 presidential election)



\*State legislature has adjusted gas tax calculations and/or swapped funding mechanism to mitigate near-term revenue reductions and/or result in longer-term revenue increases.

SOURCE: Compiled by MTC staff from state departments of transportation and state legislative records