



## **Memorandum**

### **AGENDA ITEM 3**

**DATE:** October 27, 2020

**TO:** Transportation Authority Board: Commissioners Peskin (Chair), Fewer, Haney, Mandelman, Mar, Preston, Ronen, Safai, Stefani, Walton, and Yee

**FROM:** Tilly Chang - Executive Director

**SUBJECT:** 10/27/2020 Board Meeting: Executive Director's Report –  
**INFORMATION**

### **REGIONAL, STATE AND FEDERAL ISSUES**

**Blue Ribbon Transit Recovery Task Force - Return-to-Transit Plan, Funding for Transit Operations, and Goals for Transit Transformation:** The Metropolitan Transportation Commission's (MTC's) Blue Ribbon Transit Recovery Task Force met yesterday to continue important conversations about the near-term recovery of the transit systems in the Bay Area and longer term improvements to the regional network. The group discussed three major topics: research about the impact of COVID-19 on current and future transit ridership; funding outlook now and through the COVID-19 recovery period; and goals for a Transformation Action Plan that will serve as a foundation for longer-term reforms to the region's transit network. At this meeting, many stakeholders including San Francisco's representatives commented on the importance of providing for the needs of essential workers, who are disproportionately low-income people of color, as near- and long-term transit recovery planning progresses. The biggest takeaway was that, barring Federal relief funds, the region needs significantly more funding to keep our transit systems running through this pandemic and post-pandemic recovery. Relatedly, the BART Board last week approved a cost-cutting plan to close a \$33 million deficit in the fourth quarter. The agency faces a \$177 million shortfall next fiscal year. The approved 7-step plan includes consolidating contracts, continuing the hiring freeze, offering a retirement incentive program and reassigning staff to capital projects. We will continue to monitor these topics along with Muni and Caltrain's budget situations.



**Regional Measure 3 Bridge Toll - Appeal to be heard by State Supreme**

**Court:** Earlier this month, the California Supreme Court announced that it will hear the Howard Jarvis Taxpayers Association challenge to the MTC's Regional Measure 3 (RM3) bridge toll. The RM3 ballot measure was approved by 55% of the region's voters in 2018 to raise \$4.5 billion to improve and increase bus, ferry, BART and commuter rail service. A \$1 toll increase went into effect on the region's 7 state-owned toll bridges in 2019, and additional \$1 increases are scheduled in 2022 and 2025. The Howard Jarvis Taxpayers Association argues that the bridge tolls should have been considered a local tax, requiring a two-thirds vote under state law. The RM3 case will be heard at the California Supreme Court after the Court has had a chance to consider a related dispute over garbage-collection fees in Oakland. We expect that the RM3 case won't be finally decided for at least another 12-18 months. Meanwhile, the RM3 toll revenues are being held in escrow.

**Downtown Rail Extension - Briefing for State Legislators:** This month I participated with Transbay Joint Powers Authority (TJPA) Executive Director Nila Gonzalez and project team members in a briefing to state legislators, as well as another for leaders at Caltrans District 4 and Headquarters Office of Mass Transit. The state legislative briefing included electees and staff from about twenty offices including the Senator Jerry Hill, a former Chair of the TJPA, and representatives from Sen. Wiener and Asm. Chiu's offices. We shared updates on the multi-agency partnership that we have set up following the establishment of the 6-party memorandum of understanding in May. Last week, we held the third monthly Executive Steering Committee of the group, which is busy finalizing detailed workplans and schedules, as well as initiating operational and phasing studies. A near term goal is to recommend an Initial Operating Segment to the TJPA next September.

**LOCAL ISSUES**

**SFMTA's Essential Trip Card Program - Proposed Benefit Increase:** We are happy to report that the MTC Commission is anticipated to approve Cycle 6 of the Lifeline Transportation Program tomorrow, including \$1.1 million for SFMTA to enhance its Essential Trip Card, a program to help older adults and people with disabilities pay for essential trips in taxis during the COVID-19 pandemic. The grant will allow the SFMTA's paratransit staff to explore expansion of the program. Based on enrollment ridership demographic information, the project team will work to further outreach to the Latinx community as the share of enrolled riders does not currently align with the citywide population. Additionally, SFMTA is considering an increase to the monthly benefit from \$60 to \$120 based on rider feedback. In July, the Board



allocated over \$10 million in Prop K sales tax funds towards SFMTA's paratransit program which includes the Essential Trip Card.

**Downtown Congestion Pricing Study - Outreach Round Gathers Input to Shape Program Alternatives:** We are wrapping up an extensive round of stakeholder engagement to gather input on how to design an equitable and effective congestion pricing program, focusing on historically underrepresented groups, including low-income communities, communities of color, non-English speakers, seniors, and people with disabilities. Over the past several months, we reached out to over 250 community groups and held more than 80 virtual/telephone public meetings, stakeholder group meetings, and workshops. We also gathered input through multilingual digital and SMS text surveys. Publicity was also multilingual and included posters, advertisements, earned media, and social media. We are now using the input we heard to develop several congestion pricing policy alternatives with input from the study's Policy Advisory Committee at its upcoming meeting on November 12. More information about the study is available at [sfcta.org/downtown](http://sfcta.org/downtown) and the project team can be reached at [congestion-pricing@sfcta.org](mailto:congestion-pricing@sfcta.org).

**District 4 Mobility Study - Outreach on Developing Solutions Begins in November:** We are beginning a second round of outreach for this Neighborhood Transportation Improvement Program study focused on identifying transportation solutions to improve options for walking, bicycling and transit in District 4. Earlier this year, we completed existing conditions analyses that identified high auto share travel markets, particularly within the District and to nearby neighborhoods. Sustainable travel concepts we will explore in this round of outreach include assessing designs for the Great Highway, neighbor-ways and transit and traffic calming enhancements, among other ideas. The upcoming outreach will include a Town Hall and other meetings. Sign up on our website to be notified of outreach events and study updates: [www.sfcta.org/d4mobility](http://www.sfcta.org/d4mobility).

**Cruise Receives Driverless Testing Permit from the DMV - Allows Testing in San Francisco:** Cruise received authorization from the California DMV to begin testing of driverless vehicles in San Francisco. To date, Cruise is one of several companies testing vehicles with a safety driver. This new permit allows for testing five autonomous vehicles without a driver behind the wheel on specified streets within San Francisco and only on streets with speeds under 30 MPH. The DMV has sole authority to issue this permit with no specific role provided to local jurisdictions. Cruise staff has expressed a willingness to work with us and the City on issues related to testing and deploying autonomous



vehicles in San Francisco and we look forward to participating in that conversation, with a focus on using the framework of the emerging mobility principles that we established for the City. At the request of Commissioner Yee, we are scheduling an information item on this topic at an upcoming Board meeting (anticipated at the November 17 meeting).

## **PROJECT DELIVERY**

### **Transportation Authority Celebrates 30 Years with 'Sales Tax Stories'**

**Microsite:** This year marks the 30th anniversary of San Francisco's half-cent sales tax for transportation and the creation of our agency. Voters approved a dedicated half-cent sales tax in 1989, and we collected the first dollar in 1990. Our first half-cent sales tax program, known as Prop B, helped pay for the new Embarcadero boulevard, the Muni Metro extension along the waterfront, the F-line historic trolley and Third Street Light Rail line, as well as a generation of Muni vehicles and neighborhood improvements across the city. Renewed by voters in 2003, Prop K has continued this work, resulting in the Transportation Authority's investment of \$1.3 billion in sales tax funds to date in projects large and small. And, thanks to our Policy and Programming Division led by Anna LaForte, on average, every dollar in half-cent sales tax funding leverages \$4-\$7 in federal, state or other funding. Our transportation program has touched every neighborhood, making a big difference in people's lives. Please visit [www.sfcta.org/stories](http://www.sfcta.org/stories) to learn more from real San Franciscans about the benefits of the half-cent transportation sales tax program.

### **19<sup>th</sup> Ave Combined City Project – Construction Scheduled to Begin in November:**

Starting next month, SF Public Works will lead a multi-agency effort to replace aging infrastructure and improve safety along 19th Avenue between Holloway Avenue and Lincoln Way. This project will include water main and sewer main replacement and/or rehabilitation, AWSS (Auxiliary Water Supply Service) upgrades, street base repairs, curb ramp and bulb-out installation, transit bus bulbs (wider sidewalks at bus stops) and concrete bus pad installation, and traffic signal work. This project will be followed by Caltrans repaving of 19th Avenue (Holloway to Lincoln Way). The first construction segment from Lincoln Way to Noriega Street on 19th Avenue is anticipated to begin in November with the overall project slated for completion in 2023. As part of this project, SFMTA will improve transit priority and pedestrian safety along the corridor. SFMTA's work will include optimizing bus stop locations which in some cases will include bus stop relocations and removals, increasing bus stop spacing. For more information, or to sign up for updates, visit the project page at <http://sfpublicworks.org/19th-Avenue>.



## **MANAGEMENT AND ADMINISTRATION**

### **COVID Impacts - FY20 Sales Tax Comes in Higher than Budgeted, FY21**

**Revenues Slow to Start as Expected:** Through the end of FY19/20, we have collected \$99.3 million which is 14% lower than FY18/19, but exceeded Final Budget Amendment revenue forecast of \$86.6 million. Sales tax revenues of \$6.3 million received for July 2020 and \$7.3 million for August 2020 came in higher than the \$2.9 million received in June 2020. Sales tax revenue received for July and August 2020 appears to be affected significantly by COVID-19 trends, and we continue to closely monitor revenue streams and coordinate with the City and sister agencies to assess short, medium, and long-term financial impacts.

**Congratulations to Maria Lombardo on 25 Years with the TA:** We would like to recognize our Chief Deputy Director, Maria Lombardo, on her silver anniversary with the Transportation Authority. Maria arrived as a Planner and worked on many studies including the Market Street Action Plan before quickly rising to managerial positions including leading our then-Programming Division and becoming our Chief Deputy. She brings a wealth of experience and deep knowledge of the transportation industry to our work. She has a particularly keen and strategic eye when it comes to funding and policy at the local and regional level, and beyond. We are all so fortunate to have her as a colleague and expert in our field, happy 25th anniversary and thank you Maria!