



# MINUTES

## San Francisco County Transportation Authority

Tuesday, January 26, 2021

### 1. Roll Call

Chair Mandelman called the meeting to order at 10:02 a.m.

**Present at Roll Call:** Commissioners, Chan, Haney, Mar, Mandelman, Melgar, Peskin, Preston, Safai, and Walton (9)

**Absent at Roll Call:** Commissioner(s) Ronen (entered during item 2), Stefani (entered during Item 6) (2)

### 2. Chair's Report - INFORMATION

Chair Mandelman reported he was excited to see that among President Biden's many actions on his first day in office, he issued an executive order to rejoin the Paris Climate Accord. He added that the ability to meet the climate goals will depend greatly on shifting the transportation system away from fossil fuels.

He also noted that the President's \$1.9 trillion COVID relief proposal included an additional \$20 billion for transit following \$25 billion provided under the CARES Act and \$14 billion passed in December, of which \$982 million in transit relief funds would come to the Bay Area. He said so far Muni has received \$374 million in CARES funds and tomorrow, the Metropolitan Transportation Commission (MTC) is recommending that the San Francisco Transportation Municipal Agency (SFTMA) receive a first installment of \$44 million and BART \$104 million from the December tranche. He added that he was pleased to hear Secretary-designate Buttigieg mention in his confirmation hearing last week the importance of investing in repairs and enhancements of our transportation infrastructure, including new rail lines, and a commitment to complete streets and traffic safety. He said that he is working with Transportation Authority staff to invite Secretary-designate Buttigieg to San Francisco as soon as possible so they can highlight the many critical investments the City is ready to move forward with, including Vision Zero and Muni quick builds, the Downtown Rail Extension, a second Transbay rail crossing, and many others.

Chair Mandelman also highlighted the Governor's announcement regarding a \$1.5 billion budget proposal to accelerate electric vehicle adoption in California by building a statewide charging network and refocusing subsidy programs to support low-income consumers in going electric. He said that he hopes the State will also identify funding to support local transit operators in their transition to electric bus fleets. He added that the Board will be voting at this meeting to allocate funds to the SFMTA to purchase 30 new hybrid buses and he hopes they can look forward to future procurements being all electric.

Chair Mandelman continued by saying that as the new year starts, the Board must also take a hard look at the progress on Vision Zero, noting that last year 29 people lost their lives in traffic collisions in the city. Chair Mandelman expressed that this was



tragic and unacceptable, and with the lower traffic volumes seen due to the pandemic, the numbers show that speeding and reckless driving are playing a role and are challenging efforts to ensure pedestrian safety. Chair Mandelman said that he looks forward to working with the new transportation leadership in the State Legislature on Vision Zero, as well as his colleagues on the Board, and that he will hold regular hearings on this topic at the Transportation Authority Board throughout the year.

Chair Mandelman shared that the Transportation Authority staff and several Board members have been working over the past couple of weeks finalizing Plan Bay Area 2050, as well as adopting the Regional Housing Needs Allocation for the next 8-year cycle. After more than two years of outreach and regional collaboration on these interrelated items, he shared that MTC staff abruptly announced a major reallocation of regional growth in the Plan Bay Area Final Blueprint in mid-December that would increase San Francisco's housing growth by more than 50%, on top of what was already a roughly two-fold increase in housing allocations under the previous draft plan. He said that this last-minute change simultaneously reduced the housing forecast for some suburban communities with high concentrations of jobs and economic opportunities, and strong regional transit connections, particularly in the Peninsula and northwest Santa Clara County. MTC staff indicated that these changes were the only way to meet state mandated greenhouse gas reduction targets, but San Francisco's Association of Bay Area Governments (ABAG) and MTC representatives, including himself, and Supervisors Mar and Ronen, along with regional equity advocates argued that the MTC staff proposal simply let historically exclusionary communities off the hook, exacerbating fair housing disparities in the region and displacement pressures in San Francisco without any proposed increase in resources for the transit investments that are the basis for shifting growth to San Francisco in the first place. He shared that MTC's models appear to assume that the additional 70,000 units of housing growth over 30 years would mainly go into the southeast part of the city and would rely on replacing existing multifamily housing, making the proposed changes unacceptable and frankly, offensive.

Chair Mandelman reported that San Francisco's ABAG delegation, including Mayor Breed, worked closely with Transportation Authority and Planning Department staff, as well as with President Walton's support, to successfully include an equity alternative for the Plan Bay Area draft plan Environmental Impact Report (EIR) that was approved at the ABAG Executive Board meeting last week, and that will go to the MTC Commission for approval on January 27. He shared that ultimately, ABAG and MTC will still have to approve the final plan and EIR at the end of the year, but for now they will have at least obtained ABAG's support for staff to provide an alternative plan that would seek to reduce the amount of growth being targeted to communities of concern and increase the level of housing being located in jobs-rich, high-opportunity cities with transit access, like the Caltrain and VTA bus corridors in Silicon Valley, in particular. He said that he believed that this kind of long-range planning exercise is an opportunity to actually change the long-unchallenged development patterns in the region in a way that promotes equity and expands opportunities for historically marginalized communities, while still reducing our reliance on long-distance carbon-intensive commutes. He urged MTC to echo this direction and said they will be working closely with ABAG and MTC staff over the coming months to make sure they are following up diligently on their commitments.



Commissioner Walton thanked his colleagues who were a part of this effort. He said that he met with and expressed his concerns to the Executive Director of ABAG, about the proposed Plan Bay Area growth strategy that would contribute to gentrification in the southeast sector of San Francisco, which he added was a harmful and racist strategy. Commissioner Walton said he and his office will do everything they can do to fight against the proposal and push for more affordable housing.

Commissioner Melgar echoed Commissioner Walton's comments and said that the assumptions that are being made are harmful to vulnerable communities who need protection from displacement and gentrification. She thanked Commissioners Mandelman, Mar, and Ronen for being on top of these issues and doing what they can in a structure where they are outnumbered. She said that they have to constantly remind others about equity and race and the development patterns that have led to the current situations they are facing. Commissioner Melgar said that as a representative of the southwest sector, she believes they have opportunities to develop housing. She said several projects including the Balboa Reservoir, Stonestown, and Park Merced are coming their way and will add thousands of units. She added that unless they create the infrastructure to get people out of their cars to get to work and school, it will reinforce the patterns of racial residential segregation that they currently see along with the displacement of vulnerable communities. She said that she is looking forward to seeing what MTC and ABAG staff come up with as an alternative and she looks forward to the next report.

Commissioner Ronen thanked all her colleagues who have been working on the matter. She said that she intends to make a motion at the MTC meeting to accept and direct staff to study the equity alternative as well as to get the colleagues who benefit from the changes, to vote in favor of the motion. She said the entire MTC delegation from San Francisco is united and will continue to work together on this issue.

Chair Mandelman acknowledged Commissioner Ronen's Legislative Aide, Amy Beinart, Daisy Quan with Commissioner Mar's office, and his aide, Jacob Blintoff on their diligent efforts in this matter.

During public comment Francisco Da Costa said that the city has quality of life issues which include contamination, transportation, and since the pandemic has begun crimes have increased. He added that the leaders do not care enough about addressing the current housing issues.

**3. Executive Director's Report - INFORMATION**

Tilly Chang, Executive Director, presented the Executive Director's Report.

Commissioner Walton thanked the Transportation Authority for their work with the 15 Bus Study. He said the work done for the community was well received.

There was no public comment.

**Consent Agenda**

**4. Approve the Minutes of the January 12, 2021 Meeting - ACTION**

**5. [Final Approval] Allocate \$16,546,728 in Prop K Sales Tax Funds, with Conditions, for Two Requests - INFORMATION**

During public comment Hayden Miller requested the minutes from the January 12



meeting be corrected to fix the misspelling of his name (Item #4, Prop K allocation).

David Pilpel suggested an edit to page 4 of the minutes to fix the spelling of Cat Carter's name. He also asked why the Board was not taking public comment on Item 5.

At the request of the Chair, Amber Maltbie, counsel for the Transportation Authority, explained that per Section 3.26 of the agency's Rules of Order public comment was not required on items that have previously taken public comment, provided that the item has not changed substantively since public comment was taken.

Commissioner Peskin moved to approve the consent agenda along with the following changes: correct misspelling of Hayden Miller and Cat Carter's names in the minutes, seconded by Commissioner Walton.

The Consent Agenda was approved without objection by the following vote:

Ayes: Commissioners Chan, Haney, Mar, Mandelman, Melgar, Preston, Peskin, Ronen, Safai, and Walton (10)

Absent: Commissioner Stefani (1)

### **End of Consent Agenda**

#### **6. [Final Approval on First Appearance] Adopt the 2020 Annual Report - ACTION**

Tilly Chang, Executive Director, presented the item.

During public comment David Pilpel said that the Draft Annual Report was fair and comprehensive. He suggested that the Chair's letter should come from Chair Peskin who chaired the Board in 2020 versus Chair Mandelman. He also asked for the Draft Annual Report presentation to be posted to the site.

Britney Milton, Clerk of the Transportation Authority shared that the presentation was added to the website.

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

The item was approved without objection by the following vote:

Ayes: Commissioners Chan, Haney, Mar, Mandelman, Melgar, Preston, Peskin, Ronen, Safai, Stefani, and Walton (11)

Absent: (0)

Nays: (0)

#### **7. Sales Tax Reauthorization - INFORMATION**

Michelle Beaulieu, Principal Transportation Planner - Government Affairs, Policy and Programming, presented the item.

Chair Mandelman asked how the sales tax renewal fits into overall plans for generating local revenue, particularly for SFMTA's significant operational and capital needs. He noted studies conducted through the 2030 and 2045 transportation working groups, which had identified \$20 billion of needs. More recently, he said that while the Muni Reliability Working Group did not explicitly study the need for



additional revenue, it clear there would be an increasing need for capital and operational investment over time. Chair Mandelman asked for staff to elaborate on how the sales tax renewal might fit into a larger program of revenue generation for SFMTA's and other agencies' transportation priorities in San Francisco.

Ms. Beaulieu replied that the current sales tax program funds a lot of ongoing programs in the City, and that there are many other fund sources that are also being considered to fund programs that have been underfunded, as well as additional major capital projects. Ms. Beaulieu added that Prop K is only part of the funding puzzle and agreed that multiple revenue sources must be considered together so that they fit together in a coordinated fashion. Ms. Beaulieu also noted that Transportation Authority staff are working with the SFMTA to discuss this issue and explore how various funding sources, working in combination, can help address a significant budget deficit and fund larger regional capital investments.

Chair Mandelman acknowledged the difficulty of passing a sales tax and other transportation revenue measures and noted that at the same time the City's funding needs are significant. He encouraged staff to explore what the voters may be willing to bear. Chair Mandelman stated that the City could use more locally generated funding to advance equity, improve service, and pursue longer term capital projects. He asked staff to consider the ½ cent sales tax renewal as well as a larger sales tax increase and other funding mechanisms that are not sales taxes, noting that there are other jurisdictions with larger transportation sales taxes.

Commissioner Melgar commented that the issue is similar to Chair Mandelman's earlier discussion about the distribution of housing development and transportation infrastructure and their impact on gentrification and racial exclusion. Commissioner Melgar noted the regressivity of sales taxes and volatility of development fees. She suggested attaching this conversation to the discussion had under the Chair's Report, earlier during this meeting. Commissioner Melgar also agreed with Ms. Beaulieu's observation that there is no one single revenue source that will meet the transportation needs. Commissioner Melgar stated that budgets are a reflection of priorities and that it was important to plan to stem displacement and racial segregation as part of this effort. Commissioner Melgar noted that she would like her statement that sales taxes are regressive to be on the record and urged the agency to consider the larger need and move to a sustainable system that meets equity goals.

Chair Mandelman added that other places utilize a mix of progressive and regressive revenue sources to deliver services that are more excellent and equitable than what they currently do in San Francisco.

Director Chang expressed her appreciation for the comments from Chair Mandelman and Commissioner Melgar and stated that the big picture is that there is a lot of need for funding. Director Chang added that these ideas can be prioritized, and that this topic will also be going before the SFMTA Board for their guidance in the next two weeks. Director Chang stated that operations are critical right now and noted that only 8.5% of the funding from the current sales tax program goes to operations to support SFMTA's paratransit service. She added that the sales tax renewal could take a different direction and Transportation Authority staff are working with SFMTA to consider passing another revenue measure, possibly a community facilities district (CFD), that could be flexibly expended on operations and capital. Thereafter, they expect to prioritize state of good repair for Muni and all the regional systems that



operate in San Francisco and then enhancements, addressing growth and crowding, and supporting development. Director Chang explained that those are the types of frameworks they will put together for the next countywide transportation plan update also known as the San Francisco Transportation Plan. She added that all of the City's ConnectSF work will culminate in adoption of the San Francisco Transportation Plan update, which is similar to Plan Bay Area, just at the local scale. Director Chang expressed her appreciation for Chair Mandelman's guidance for strategizing investments based on fiscal constraint as well as higher-level visioning for investment that will support equity, reliability, and economic development.

During public comment David Pilpel reiterated his previous statement that it would be nice for members of the 1989 and 2003 Expenditure Plan Advisory Committees (EPAC) and past/present Citizens Advisory Committee members to celebrate the 30th anniversary of the Transportation Authority. Mr. Pilpel recommended that staff expand slide 6 of the presentation to include other plans and programs that do not always seem connected. He added that on slide 8, capacity to bond to fund long-term projects is important, and that capacity is either exhausted or nearly exhausted. Mr. Pilpel stated his interest in providing input and applying to serve on the EPAC.

Roland Lebrun asked what happens to the existing \$250 million in sales tax revenue bonds. He requested that staff speak to whether they simply carry over debt after reauthorization and if there is any potential impact on the agency's rating, which is currently AAA. Mr. Lebrun also stated that he is from Santa Clara County, which has five sales taxes for transportation, three are ½ cent, two are ⅙ cent, one for BART and one for Caltrain. Mr. Lebrun added that the Santa Clara Valley Transportation Authority is not as well governed as the San Francisco County Transportation Authority and said they are operating the BART extension with a \$300 subsidy per passenger.

Director Chang replied that as mentioned in her Executive Director's Report, the Transportation Authority is almost done expending proceeds from the current bond, and their financial commitments to pay down the bond debt will remain through 2030. She said that debt and obligation would be subsumed by any future sales tax. Director Chang added that the agency would be able to bond above and beyond that with reauthorization, and that the agency is considering bonding again under the current measure.

## **8. Major Capital Update - Downtown Rail Extension - INFORMATION**

Tilly Chang, Executive Director, presented the item and introduced Stephen Polechronis, Interim Program Director at the Transbay Joint Powers Authority.

Chair Mandelman reiterated that the project's accelerated schedule would aim for a federal New Starts funding submission in 2023 rather than 2024. He noted that the earlier date would permit the project to take advantage of a unique window of opportunity during the current Federal administration.

Director Chang noted that the current Bay Area delegation to Congress is very interested in the project. She said that it is incredibly important that the Downtown Rail Extension position itself for a Full Funding Grant Agreement. She added that the project team would also be engaging with funding partners at a regional and state level, as well as taking advantage of new leadership in Washington, D.C.

Chair Mandelman asked whether phasing the Downtown Rail Extension could



produce limitations on the performance of the project, for example by making changes that are more affordable but that permanently limit usefulness.

Director Chang responded that the phasing analysis is aiming to balance the need for capacity with the potential for a future expansion of rail connections across the Bay, which could develop a through-running station at Salesforce Transit Center with increased capacity. Mr. Polechronis added that the Phasing Study is considering the advantages and tradeoffs of the deferral concepts, in order to examine any impacts of potential phasing approaches and guide decision-making in terms of savings and costs.

During public comment Roland Lebrun said that he had sent correspondence to the Board and that he would like to see rail extended to the East Bay and he noted the issue of existing tracks in the 16<sup>th</sup> Street area. Mr. Lebrun suggested that the scope of the Pennsylvania Avenue Extension study be augmented to address connectivity issues with existing tracks.

Jim Patrick said that the project should consider building a station at the Recology site that Amazon recently purchased. He said there could be a storage site under the warehouse for trains. Mr. Patrick added that trains are currently stored at 4<sup>th</sup> and King streets and that options for storage should be evaluated.

Chair Mandelman acknowledged receipt of Mr. Lebrun's correspondence.

Mr. Polechronis said that the project team is working with regional partner agencies to ensure that the project's design at the Salesforce Transit Center will allow a future second rail crossing connecting to the East Bay. He added that the project team had considered multiple alignments and that the environmental document identified the approved alignment.

**9. Racial Equity Action Plan - Phase 1 Internal Programs & Policies - INFORMATION**

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

Chair Mandelman thanked staff for their work on the action plan and said that the notion of changing the name of the Citizens Advisory Committee to Community Advisory Committee is one he would support. He also said it's clear from the demographic data that there is work to do with diversifying the ranks with Transportation Authority staff, although the gender balance is good.

There was no public comment.

**Other Items**

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

There were no new items introduced.

**11. Public Comment**

During public comment David Pilpel revisited his public comment inquiry and said that he has not found a policy or rule that limits public comment. With respect to Item 5, he said he likes the condition that SFMTA must commit to maintain the new motor coaches in a state of good repair. He suggested that the Transportation Authority should consider requiring a mid-life overhaul program for all SFMTA Muni transit vehicles, including those that were previously purchased, so that their lives are



maintained and extended. He also added that when SFMTA does restore all Muni community routes, the Transportation Authority can make that a condition of approval or achieve the commitment in some other way. He said that the Muni services changes that were effected over the weekend helped, but a citywide service restoration is what he has been seeking for months. With respect to the allocation request forms included in item 5, Mr. Pilpel asked if staff could include the date and case number under the environmental clearance so that it is easier to find the environmental documents for proposed projects.

Roland Lebrun addressed comments made earlier by Mr. Polechronis and recalled a prior conversation he had with Transportation Authority consultant, Luis Zurinaga, stating that he agreed there was no one had considered the alignment Mr. Lebrun was proposing. He said that the reason he came up with the alignment was to restore the capacity of the transit center and that it was based off of an example from London. Mr. Lebrun also asked staff to present on the progress of the Pennsylvania Avenue Extension Study at a future meeting.

**12. Adjournment**

The meeting was adjourned at 11:57 a.m.