



## Memorandum

### AGENDA ITEM 3

**DATE:** September 28, 2021  
**TO:** Transportation Authority Board: Commissioners Mandelman (Chair), Chan, Haney, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani, and Walton  
**FROM:** Tilly Chang - Executive Director  
**SUBJECT:** 09/28/21 Board Meeting: Executive Director's Report – INFORMATION

### REGIONAL, STATE AND FEDERAL ISSUES

**State Delegate Visit - California Legislators Tour Bay Area Transit.** In August I participated on a tour of the Bay Area that Assemblymember Chiu arranged for Assembly Transportation Committee Chair Laura Friedman and Senate Transportation Committee Chair Lena Gonzalez. The San Francisco portion of the visit, included a welcome at the Metropolitan Transportation Commission (MTC) and tours of the Salesforce Transit Center, Central Subway, Van Ness Bus Rapid Transit and 2nd Street bike lanes. It was an opportunity to introduce these two Southern California leaders to the city's Transit First approach and discuss, among other topics, the importance of partnering on Vision Zero and improving intercity rail and local transit connections. The group also discussed the opportunity to leverage federal funds for these and other high-need transportation investments. Thank you again to Assemblymember Chiu for organizing and to Senator Wiener also for joining part of the tour.

**Proposition 22 - Alameda County Superior Court Judge Declares "unconstitutional in its entirety:"** Approved last November, Proposition 22 granted app-based transportation and delivery companies an exception to state law, allowing them to classify their drivers as independent contractors rather than employees. On August 20, an Alameda County Superior Court Judge declared that Prop 22 is "unconstitutional in its entirety" and therefore unenforceable. Ride hailing companies, which initially sponsored Prop 22, are appealing the decision. However, if the decision stands, it would require an amendment to the California Constitution to reinstate the exemption.

**State Transportation Budget Delayed, Pedestrian Safety on Fulton Approved -** As we reported at our September 14 Board meeting, the Governor and legislature did not reach agreement on the approval of Governor Newsom's proposed \$11 billion California Comeback Plan that had included \$4.2 billion in voter-approved High-Speed Rail bonds and \$500 million to augment the Active Transportation Program, among other funding programs. As a result, \$3.3 billion in proposed transportation funds went back to the state's General Fund and the administration and legislature will take up discussions on the package in the new year. One piece of good news is that several state budget trailer bills were approved including Assembly Bill 174 (Committee on Budget) that provides \$1.63 million to the San Francisco Municipal Transportation Agency (SFMTA) for its Fulton Street Safety and Transit



Project west of Arguello Street. We thank Assemblymember Ting for advocating for and working with Commissioner Chan on this important funding.

## **LOCAL ISSUES**

**Transit Month Rally and All Aboard Bay Area Transit Campaign:** On September 8, we joined San Francisco Transit Riders, Transportation Authority Board Members, Mayor London Breed, and transportation officials to celebrate Transit Month at City Hall. Many shared their experiences riding public transit, highlighted the progress made to transit service during the pandemic, and expressed the need to prioritize safety, reliability, and improvements to Muni. The rally coincided with the All Aboard Bay Area Transit Campaign, where Bay Area's transit agencies and the MTC are working together to provide information regarding transit services schedule updates and tips for passengers. All 27 Bay Area agencies are collaborating to deliver services that will restart our region and get people where they need to go. BART and Caltrain offered 50% discounts on Clipper fares while Muni has free service for Youth this fiscal year. We have the two largest transit operators SFMTA and BART, here today to make presentations on their transit recovery plans later on the agenda and are very appreciative of their taking the time for this. More information on the regional transit campaign is available at [Allaboardbayarea.com](http://Allaboardbayarea.com).

**Expenditure Plan Advisory Committee - Second meeting held on September 23:** Chair Mandelman welcomed the newly appointed Expenditure Plan Advisory Committee (EPAC) to their first meeting earlier this month, thanking Amandeep Jawa and Anni Chung for serving as Chair and Vice Chair, and the group held their second meeting on September 23. At that meeting, the EPAC discussed the importance of investing in the maintenance of our existing transportation infrastructure, recognizing the foundational importance of maintaining our transportation infrastructure in a state of good repair in supporting safe and reliable travel for all. The group also discussed paratransit funding, with many members expressing support for increasing the level of funding in the new plan to meet the anticipated increased need for this program over time. We will continue to host discussions of the various recommended programs for the new expenditure plan over the coming months, with the goal of finalizing a recommendation to the Transportation Authority Board in December. These meetings are public, and we encourage anyone interested to visit the project website (**see below**) to sign up for updates. Also on the website is our new survey, where we are asking people how important different transportation project types (such as transit maintenance, safe streets investments, and planning for future investments) are to themselves and their communities. For more information on the New Expenditure Plan effort and to take the survey to provide feedback, visit [www.sfcta.org/expenditureplan](http://www.sfcta.org/expenditureplan).

**Downtown Congestion Pricing Study - Work Paused:** The Transportation Authority is extending the timeline of the Downtown Congestion Pricing Study in light of the changing and fluid conditions surrounding traffic conditions and transit use. Prior to the pause, staff had completed a set of outreach meetings with Equity Priority Communities served by a variety of community-based organizations, including Self Help for the Elderly, Excelsior Strong, APA Family Support Services, Chinese Newcomers, Pilipino Bayanihan Resource Center, Central City SRO, El Centro, A. Philip Randolph Institute, MEDA, and Young Community Developers. . Since the study's timeline has been extended, congestion pricing policy recommendations will not be presented to the Transportation Authority Board by the



end of 2021 as originally anticipated. Instead, the policy recommendations will be completed following the resumption of public outreach activities at a future date to be assessed in 2022. Separately, New York City has resumed its toll policy and environmental review work, focusing on discounts and exemptions..

**Southeast Rail Stations Study (SERSS) and Pennsylvania Avenue Extension Project - Public Workshops This Fall:** The Transportation Authority, the Planning Department, and Caltrain are studying options for constructing a new rail tunnel for Caltrain and future High-Speed Rail under Pennsylvania Avenue connecting to the Downtown Rail Extension, improving the 22nd Street Caltrain Station, and building a new station in the Bayview. The agencies will hold a series of community meetings this fall to share information on these related efforts and to seek public feedback regarding station options for the Caltrain corridor. The first round of virtual public workshops will be held on Thursday, October 7 at 6 p.m. and Saturday, October 9 at 12 noon. Both workshops will cover the same information, and both will have Cantonese and Spanish interpretation available. The second round of workshops will be held on November 4 and November 6. More information on these events may be found at [sfplanning.org/SERSS](https://sfplanning.org/SERSS).

## **PROJECT DELIVERY**

**New BART Escalators - Measure RR is Enabling Safer, More Reliable and Energy Efficient Escalators:** On August 31, Chair Mandelman and myself joined BART Director Bevan Dufty and staff at the Powell Street Station to celebrate the largest investment BART has made in escalators in decades. The project is funded by voter-approved Measure RR and will bring 41 new escalators to BART's four downtown San Francisco stations. The new escalators feature safety enhancements, new LED skirt lighting, energy efficient operation, sustainable materials, and improved reliability. The new escalators were paired with construction of a new canopy as well, to protect riders from weather and enable the escalators to be secured. Measure RR, approved in November 2016 by voters in Alameda, Contra Costa and San Francisco counties, authorized BART to issue bonds for \$3.5 million to rebuild and enhance the aging BART system. A second set of escalators was opened at Powell Station this week and Civic Center will receive new escalators next.

**Williams Avenue Quick-Build Under Construction:** We were excited to hear that SFMTA has started construction on the Williams Avenue Quick-Build project in District 10. This project is part of a large suite of quick-build projects that the Transportation Authority has funded with the Half-Cent Sales Tax and the TNC Tax. The Williams Avenue project includes crosswalk upgrades, a bus stop upgrade, additional stop signs, and a travel lane reduction to calm traffic and make it easier for pedestrians to cross the street. SFMTA expects to complete paint and sign installation by the end of October, with additional traffic calming features to be constructed on a rolling basis as staff capacity is available.

## **MANAGEMENT AND ADMINISTRATION**

**COVID Impacts - Total Fiscal Year (FY) 2020/21 Sales Tax Revenues Higher than Budgeted, July 2021 Receipts are In:** As reported by Chair Mandelman earlier this month, through the end of FY 2020/21, we have collected \$86.5 million which is 13% lower than FY 2019/20 total revenues but exceeds the Budget Amendment revenue forecast of \$81 million by 6.7%. FY 2021/22 revenues have started off slow with July 2021 collections coming in at \$6.7 million,



6% higher than July 2020 but lower than prior month revenue of \$9.9 million. We continue to closely monitor revenue streams and see an overall increasing trend in sales tax revenues which we hope will continue to rise with the increasing vaccination rates and reopening of the economy.

**TNC Tax Revenues Continue to Increase as City Reopens - July and August 2021 Collections**

**Up:** Total collections for the voter approved TNC Tax (Prop D) for July 2021 came in at \$935,041 and August collections came in at \$993,765, numbers we had not seen since before the pandemic. Monthly total collections for July and August have increased significantly, averaging 86% more than average monthly collections in FY 2020/21. Half of the revenues come to the Transportation Authority for safety projects and half go to the SFMTA. Through the end of FY 2020/21, we received \$3.1 million, about 24% lower than our amended FY 2020/21 budget of \$4.1 million. We still have \$5 million remain-to-be-allocated of \$7.5 million in TNC Tax funds committed by the Board to SFMTA Quick Builds. If current revenue trends hold, we anticipate that the Board would be able to allocate the remaining \$5 million by the end of the calendar year.

**Commitment to Disadvantaged, Local and Small Business Enterprise Participation:** The Transportation Authority is committed to advancing equity by providing disadvantaged, local, and small businesses contracting opportunities. From January 1 through June 30 of this year, our agency made 15% of our total vendor payments to Disadvantaged Business Enterprise (DBE) firms, 16% to Local Business Enterprise (LBE firms), and 13% to Small Business Enterprise (SBE) firms. We continue to build on these levels of participation through outreach and engagement with the business community.