



# AGENDA

## San Francisco County Transportation Authority Meeting Notice

**Date:** Tuesday, September 14, 2021; 10:00 a.m.

**Location:** Watch SF Cable Channel 26

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

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**Commissioners:** Mandelman (Chair), Peskin (Vice Chair), Chan, Haney, Mar, Melgar, Preston, Ronen, Safai, Stefani, and Walton

**Clerk:** Britney Milton

### Remote Access to Information and Participation:

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1.	Roll Call	
2.	Community Advisory Committee Report - <b>INFORMATION*</b>	5
3.	Approve the Minutes of the July 27, 2021 Meeting - <b>ACTION*</b>	21



**Consent Agenda**

4. [Final Approval] Adopt the District 4 Mobility Study Report - **ACTION\*** 43

**End of Consent Agenda**

5. State and Federal Legislation Update - **INFORMATION\*** 49
6. Allocate \$885,777 in Prop K Funds and \$410,000 in Prop AA Funds, with Conditions, for Four Requests - **ACTION\*** 51  
Projects: Prop K: (SFMTA) New Signal Contract 66 (\$300,000), Application-Based Traffic Calming Program-FY20/21 Cycle (\$175,777), and Active Communities Plan (\$410,000). Prop AA: (SFPW) Joice Alley Lighting Improvements (\$410,000)
7. Authorize the Executive Director and Other Authorized Representatives to Enter Into a Revolving Credit Agreement for \$125 Million with U.S. Bank National Association; to Execute and Deliver Legal Documents Relating Thereto; and To Take All Necessary or Appropriate Related Actions in Connection Therewith - **ACTION\*** 63
8. Accept the Downtown Rail Extension (DTX) Phasing Study Final Report, Support the DTX Phasing Strategy of the Transbay Joint Powers Authority, and Release \$2,644,557 in Previously Allocated Prop K Sales Tax Funds, with Conditions, for DTX Project Development - **ACTION\*** 89
9. Authorize Examination of Transaction and Use Tax Records - **ACTION\*** 115
10. Plan Bay Area 2050 Update - **INFORMATION\*** 121
11. Update on the Expenditure Plan Advisory Committee and Outreach Efforts for Development of a New Expenditure Plan- **INFORMATION\*** 141

**Other Items**

12. 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.
13. Public Comment
14. Adjournment

\*Additional Materials

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

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San Francisco  
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# DRAFT MINUTES

## Community Advisory Committee

Wednesday, July 28, 2021

### 1. Call to Order

Vice Chair Klein called the meeting to order at 6:26 p.m.

**Present at Roll:** Robert Gower, David Klein, Jerry Levine, Kevin Ortiz, Stephanie Liu, Peter Tannen, and Danielle Thoe (7)

**Absent at Roll:** Nancy Buffum (entered during item 10), Rosa Chen, John Larson, Sophia Tupuola (4)

### 2. Chair's Report - INFORMATION

Vice Chair Klein shared that Community Advisory Committee (CAC) members were provided a link to the agency's website with the Executive Director's Report given at the July 27 Transportation Authority Board meeting. He reported that the outreach round for the Streets and Freeways Strategy was coming to a close, and that the Streets and Freeways Strategy was part of ConnectSF, the multi-agency collaborative process to build an effective, equitable, and sustainable transportation system for San Francisco's future. Vice Chair Klein noted that feedback could be shared at [connectsf.org](https://connectsf.org), where there is also information to learn more about ConnectSF. He also shared a link to the survey on the Transportation Authority's home page at [www.sfcta.org](https://www.sfcta.org).

With regard to the San Francisco Municipal Transportation Agency (SFMTA) and BART transit recovery plans, Vice Chair Klein encouraged everyone to look through the presentations for information on upcoming service changes for both agencies. He said the Transportation Authority Board heard from SFMTA at its meeting a day prior and added that the BART presentation was deferred to the September 28 meeting due to the length of the agenda. He shared that the recordings of the presentations would be available at [SFgovTV.org](https://sfgovTV.org).

Lastly, Vice Chair Klein reminded CAC members that they would not be meeting in August, and their next meeting would take place on September 1, where they will weigh in on items headed to the Transportation Authority Board for approval later that month.

There was no public comment.

### Consent Agenda

3. Approve the Minutes of the June 23 Meeting - ACTION
4. Adopt a Motion of Support to Authorize Examination of Transaction and Use Tax Records- ACTION
5. Investment Report and Debt Expenditure Report for the Quarter Ended June 30, 2021 - INFORMATION



- 6. **State and Federal Legislation Update - INFORMATION**
- 7. **Capital Project Delivery Review and Best Practices Study - INFORMATION**
- 8. **BART Transit Recovery Plan - INFORMATION**
- 9. **SFMTA Transit Recovery Plans - INFORMATION**

With respect to item 7, Danielle Thoe requested an interim update on the work being done as she thinks capital project delivery is something they've had hiccups on and said it would be great to have a discussion on it.

Maria Lombardo, Chief Deputy Director acknowledged the request and said staff would be happy to do so.

During public comment, Edward Mason recommended in the future that there be more granularity regarding the transit service personnel inventory at the pre, mid and post pandemic levels. He said there should be a visual on the budgeted headcount by classification, available personnel and personnel vacancies, average of employee age for the classification and any anticipated retirement eligibility data to provide a better picture of SFMTA's 6000 employees, and what is needed in order to fully staff the organization.

Vice Chair Klein thanked Mr. Mason for his comment.

Peter Tannen motioned to approve the consent agenda, seconded by Jerry Levine.

The consent agenda was approved by the following vote:

Ayes: Gower, Klein, Levine, Liu, Ortiz, Tannen, Thoe (7)

Absent: Buffum, Chen, Larson, Tupuola (4)

#### **End of Consent Agenda**

- 10. **Adopt a Motion of Support to Adopt the District 4 Mobility Study Final Report - ACTION**

Camille Guiriba, Transportation Planner, presented the item per the staff memorandum.

Vice Chair Klein thanked staff for the presentation and asked if there were thoughts around resolving bus capacity issues in specific corridors and how to enable people to use them, including in situations where people need to transport large items such as groceries.

Ms. Guiriba replied, pointing to some of the solutions presented such as increasing the frequency of busses as part of the 5-minute city wide network and the companion services, and the community shuttle as opportunities to reduce crowding on transit and provide more space.

Ms. Thoe inquired if solutions like adding bus priority lanes and removing some private car storage on street would help speed up the existing transit before adding more shuttle services. She also asked if there was any education component to existing transit options and if so, could it be added to the report.

Ms. Guiriba answered that for the transit component, the report recommends providing transit priority lanes for the 28 and the 29 busses.

Hugh Louch, Deputy Director for Planning, added that the report had deferred to the



city-wide transit planning underway at the time, so this study focused on the local trips that might be less captured with such improvements. He added that the timeline sequencing of the study makes it seem like the neighborhood-level planning was an afterthought, but a lot of planning had already happened in the past recent months.

During public comment, Edward Mason asked how San Francisco Chained Activity Model (SF CHAMP) was used to determine travel in the district; for instance, if it were based on cellphone technology that would show here the cell phones were moving from and to District 4.

Mr. Louch explained that the SF CHAMP model uses survey data that it is not based on cellphone sensors, but relies on other data that are commonly used. He added that SF CHAMP is a tool used to predict people's travels patterns.

Robert Gower motioned to approve the item, seconded by Peter Tannen.

The motion was approved by the following vote:

Ayes: Buffum, Gower, Klein, Levine, Liu, Ortiz, Tannen, Thoe (8)

Absent: Chen, Larson, Tupuola (3)

#### **11. Streets and Freeways Strategy and Outreach Update - INFORMATION**

Hugh Louch, Deputy Director for Planning presented the item.

Peter Tannen asked for clarification of the map shown on page 154 of the packet. He said the map on the left showed recent and upcoming bicycle improvements, where the map on the right showed future connections, and he asked what were the differences between the two.

Mr. Louch replied that the lighter lines on the left map were meant to indicate places where there were existing routes, and the darker green lines showed the major improvements within the last year through slow streets and various quick-build projects. He continued by stating that though they don't know where the final locations of the future bike facilities may be, they know what work needs to be done. He added that some of the work is upgrading existing network segments, which are currently being built out by SFMTA, and there are other places where they know the general corridor, but there is work yet to be done to identify the proper street and what the specific bike improvements may look like, which is presented in the map on the right.

With regard to the grade separated pedestrian crossings, Mr. Tannen said he was surprised to see it listed as a suggestion. He said in the past during the urban renewal era on Geary Street and upper Market Street, there were grade separated pedestrian crossings, but these eventually grew out of favor as people did not use them as much. He asked Mr. Louch to speak more on what was envisioned and if there were any potential locations.

Mr. Louch said they see the things that have been done including creating the situation on Geary Street that may have encouraged a separated pedestrian crossing to be something that could potentially be remedied, and there is an interest in potentially filling in that part of Geary as a transformative project. With respect to the pedestrian crossings recommendation, he said they are more focused on the freeway system, and places where there are few places to safely cross. He said an example would be around 3<sup>rd</sup> street where there is a former undercrossing and people didn't feel safe. He said there was a lot of grade change to do it, but they could conceivably design a crossing that would more or less connect Visitacion Valley and the Bayview over the freeway in a



way that felt comfortable. Mr. Louch added that there are quite a few examples of crossings over Caltrans facilities in the Bay Area. He said the project team is looking at a handful of potential locations and are working out which appear to be feasible and can be explored further. He added that they are not talking about city streets grade separations, which tend to destroy the character of the streets.

Kevin Ortiz said he's heard through groups with concerns on freeway removals and said he wanted to learn more about the outreach strategy and what would happen during step three in terms of how it would influence the San Francisco transportation plan, as well as freeway removal. He said if that was the case, what funds would be used.

Mr. Louch said the way they have been approaching it and the way the outreach is designed, they see there is strong interest from both the community and at a federal level in removals or major transformations. He continued by saying that it was not necessarily something that would require a formal removal of a freeway and there were different ways such as undergrounding that could be done, and those opportunities did exist. He said the study was starting to identify where they see those opportunities, and what was critical for them was that a robust process was needed, because they know it is a process that has to be done very carefully with the communities. He added that it's not only about transportation, but also land use so the questions in their outreach are meant to make sure they are hearing from a wide range of folks and are taking the right approach. Mr. Louch said they see an identification of possible opportunities and a further process to then workshop the opportunities citywide and specifically in the communities. He continued by stating that this will not happen overnight, but they see it as an opportunity to leverage federal funding that may come to help move some of the ideas forward. He said they want to be in a position where if they have a transformative idea and there is a strong reception, it could potentially be advanced.

Mr. Ortiz noted that the study would potentially be looking at sites that could be potentially removed for freeways, while identifying the sites moving forward. He asked if the study will be public when available and said he would like to get frequent updates as the study becomes complete. He added that he lives by the Octavia freeway entrance, so he is not only interested as a CAC member, but as a neighbor as well.

Mr. Louch thanked Mr. Ortiz for his comments and said that they welcome any thoughts on how they can best do outreach.

There was no public comment.

## **12. Vision Zero SF Action Strategy - INFORMATION**

Michael Jacobson, Vision Zero Planner, SFMTA, presented the item.

Ms. Thoe said she appreciated SFMTA meeting with the Tenderloin Traffic Safety Task Force and that she would like the Task Force to continue being involved. She referenced presentation slides 22 and 23, which included photos of no turn on red and speed limit 20 signage and said there was a sign on the back of a bus stop where it was not visible to motorists. She said it was frustrating to see signage without other compliance strategies and that, in addition to the quick builds proposed to be built by 2024, she would like to see comprehensive compliance strategies that invest in community advocates and design elements. She said that outside of the funding needed to make capital improvements, this proposed interim piece would help save





lives and hoped it was something SFMTA invested in with this Action Strategy.

Mr. Jacobson responded that SFMTA looked forward to continuing the relationship with the Tenderloin Traffic Safety Task Force. Regarding alternatives to traditional enforcement, he said SFMTA would look forward to the recommendations from the San Francisco Bicycle Coalition (SFBC) work with the community and how they could be incorporated into the program.

Nancy Buffum asked about 20 miles per hour (mph) zones and the level of effort needed to expand that speed limit, with the understanding that it ran into state law.

Mr. Jacobson said it was possible to lower speed limits to 20 mph. He said that fortunately, in the Tenderloin, SFMTA had previously conducted speed surveys and had a neighborhood wide approach to lowering the speeds from 25 mph to 20 mph. He expressed that SFMTA looked forward to Assembly Bill (AB) 43, which, if passed, would provide more of an opportunity for the city to lower speed limits in areas like the Tenderloin that were multimodal and had mixed-use land uses. He said SFMTA was working to maximize lowering speed limits in areas across the city but did not have data for other locations to lower speed limits at the scale seen in the Tenderloin.

During public comment, Edward Mason asked if Vision Zero planned to collect data on the vehicle type involved in a collision. He said fewer trucks were mounted on a higher frame that would restrict the visibility of pedestrians. Additionally, he asked if the city tracked who was at fault for collisions.

Mr. Jacobson said that when the police responded to a crash, they completed a form including the vehicle types involved. He said that the party at fault for a collision was included in the annual fatality report from the San Francisco Department of Public Health. However, he said, while fault is important, SFMTA was making safety improvements to streets regardless of fault. He said that central to Vision Zero was that people made mistakes on our roadways, but the mistakes should not result in serious injuries or death.

### **13. Major Capital Project Update: Caltrain Modernization Program - INFORMATION**

John Funghi, Caltrain Modernization Program Director presented the item per the staff memorandum.

With regard to funding, Jerry Levine asked about the \$280 million gap in the budget in the four-party agreement that says that each is committed to helping seek and secure up to an additional \$50 million a piece for a collective \$200 million. He noted that those numbers are iffy, and he wonders with the big budget gap, what are they going to do if the funds are not available. Mr. Levine also asked if the project was able to proceed at a reduced basis, and how would they deal with a significant short fall in the budget.

Mr. Funghi replied that currently the program is not contemplating a reduced version of infrastructure, and the funding slide that was presented, creates a priority of how they anticipate filling the funding gap. He said they currently believe based on the American Rescue Plan Act (ARPA) funds and the issuance of tax-exempt bonds, they will be covering the current funding shortfall with those two funding vehicles. He said that is what will be submitted to the Federal Transit Administration (FTA) as part of the project completion plan. With regard to the backstop, in terms of the four-party agreement, it is a funding vehicle that exists in the program, and was established above the \$1.98 billion program as a condition of receiving the Full Funding Grant



Agreement from the FTA. He said during the FFGA process it was contemplated that the project would need additional funding at some point in the future, and the four-party agreement was required of them in order to receive the FFGA. He continues saying in terms of the priority in getting additional funding, it will be primarily the ARPA, then the sale of tax exempt bonds.

Mr. Levine said great, adding that's what he wanted to hear.

Mr. Tannen asked for clarification as it pertains to the warning system for at-grade crossings.

Mr. Funghi said the grade crossings currently operate with a constant warning time even though their trains travel at various speeds. He said currently on the alignment they operate at a maximum authorized speed of 79 mph, but they also have a reduced restricted speed. Mr. Funghi said Union Pacific operates freight on their system as well on a different speed, so the challenge is to develop a grade crossing system that supports the various speeds of operation while not extending total gate-down times at the crossings for pedestrians or vehicular cross traffic.

Vice Chair Klein asked for clarification on the carbon credits listed in the financing plan.

Brent Tietjen, Government and Communication Relations Officer with Caltrain said the low carbon fuel credits that are going to be used to pay for electrification financing costs in the future are credits that are paid by the businesses to offset carbon emissions from them. He continued that the businesses would have to pay the money to the state, and then Caltrain would receive that money in the future when Caltrain is electrified. He added they are receiving that money because they are reducing greenhouse gas emissions through the electrification project.

Vice Chair Klein asked if any of the purchases of the trains were adjusted to the ridership. He notes that ridership may be going down since some companies have been relocating their business to other cities, and asked if commuting would go back to the way it was before the pandemic.

Mr. Funghi said the agency is going through a schedule change in order to be responsive to the riding public and in order to attract that ridership back before people change their travel patterns. He said as they return back to the office, Caltrain wants to be the attractive choice. He added that one of the attractive benefits of their trains is that they're comfortable and have all of the various amenities a commuter needs, and will get them to their destination faster than a congested freeway. He said they anticipate that ridership will go back up and the electrification project will provide a very attractive mode choice for people as they begin to make that choice when going back to work.

Vice Chair Klein replied that it sounds like they are not adjusting frequency or purchases, because they are not expecting to have dramatic shifts in ridership.

Mr. Tietjen said that their Board adopted the 2040 business plan in 2019, and they are looking forward to that goal. He said the electrification project is a long-term project and they are hopeful that things will rebound shortly but, even if not, they are trying to diversify their ridership in terms of not just getting commute riders but making it more accessible to riders throughout the day with more service off-peak. He said this will allow the commuters to use Caltrain for other commute modes and not just for going to work. He closed by stating that the benefit of the project is to have more frequency and more service.



Stephani Liu shared that she is really excited about the project and is appreciative for the presentation.

During public comment, with regard to warning times, Roland Lebrun said the time between the lights flashing and the time actually arriving should be consistent regardless of the train approach speed. He said they've known about the problem for over 10 years and noted that testing in San Jose shows that the slow-moving freight trains are giving warning times of 3 minutes instead of 30 seconds. Mr. Lebrun also touched base on the smoothness of the train rides and suggested, per an email he forwarded to the Board, that the new trains operate in diesel until all of the issues are resolved. Mr. Lebrun also requested that any further Prop K allocations are compliant with Caltrain Director Heminger's request that all meetings be held in public instead of behind closed doors.

Edward Mason asked if there were any plans in the Caltrain future for increased ridership to encourage South Bay businesses to utilize Caltrain so they can eliminate the current commuter buses from the neighborhoods. He said they are starting to reappear, and they don't want to go back to the 100 commuter buses at 24<sup>th</sup> and Church in a four-hour window in the future. He said with the ridership increase, they assume people are going to turn to faster mode of transportation. Mr. Mason shared that he always allocates 40 -50 minutes on MUNI just to get to the Caltrain station, and asked what provisions would be in place for not only ridership but for the first and last mile.

Vice Chair Klein agreed with Mr. Mason in terms of the first and last mile and invited the speakers to respond.

Mr. Funghi said with the first and last mile issue, they worked closely with the SFMTA in coordinating their schedules. He said they also do it with BART at the interconnection facility at Millbrae, and their facilities in San Jose are working with their regional transit partners.

Mr. Tietjen added that they coordinate with their partners in all three counties to ensure that their first and last mile connections are good. He said they have a strong focus on allowing bike commuters to use their trains but also improving their facilities to improve access. With regard to upcoming service changes, he said that their Board received a presentation on restoring service for Caltrain coming out of the pandemic, He said that hopefully means having more ridership by including the return of the baby bullet express, return of local trains making sure people can make connections to more stations, and more express trains throughout the day and not just during the peak. He added he is excited to get this portion of service restoration which will commence on August 30.

#### **14. Major Capital Project Update: Better Market Street - INFORMATION**

Cristina Calderón Olea, Project Manager, presented the item per the staff memorandum.

Mr. Tannen asked what the likelihood would be that the 800 feet to be dug up and the utilities replaced would be representative of the entire 2 mile project corridor. He asked if the shifting of transit between side and center lanes for 800 feet would cause confusion.

Ms. Olea replied those 800 feet will be representative of a block over a BART/MUNI station but it will not be representative of the entire 2 miles. She said the utilities



between the stations are older, going back to the 1880's. She said they are trying to chip away at the project and there is a lot that they can learn but it will not be representative of the whole 2 miles.

Britt Tanner with SFMTA responded that moving transit to the center for 800 will not create confusion because they can consolidate transit stops at 7th and 8th streets to one stop at United Nations Plaza. She said it is just transitioning out of the center lane after 7th Street.

Ms. Thoe asked about the enforcement and compliance effort. She asked if there was a debrief on lessons learned on compliance efforts and what worked and didn't work. She said that it's an opportunity for them to learn a lot on compliance on streetscape and for people to exhibit safer behavior and asked if they could get best practices out of it.

Ms. Tanner responded that they have been coordinating monthly with Parking Control Officers (PCO) and San Francisco Police Department (SFPD) and there have been lessons learned. She said that they made a point to have PCO's and the SFPD out on the street the same day so that they can reinforce each other, but they found out that SFPD had less to do because there were less violations, and as a result they staggered their presence.

Vice Chair Klein asked where the quantitative data for the tradeoff was and how were they objectively were making a decision.

Ms. Olea responded that a lot of it was based on their construction management sequencing and the estimate for duration. She said it was broken into different pieces: the construction schedule, the cost, as well as scope of work.

During public comment, Edward Mason said he realized all of the construction would be done on the surface, yet the subway is beneath it. He said he assumed there would be no adverse effect with construction on the surface, and said he is apprehensive of things that will and can go wrong. He said he would like confirmation that the surface level construction will not impact the subway, such as leaking walls from moisture penetration.

Ms. Olea responded that Mr. Mason was correct, and that there is no work that goes down that deep for both of the proposed alternatives and work will be well above the subway with no plan to interrupt the subway below Market Street.

### **Other Items**

#### **15. Introduction of New Business - INFORMATION**

Jerry Levine requested a presentation from Muni staff on the Van Ness Corridor. He said he would like to hear the responses to the Grand Jury Report, as well as the concerns on the businesses impacted along the corridor. He said over the course of construction, small businesses along the corridor have not been able to get their questions answered.

Vice Chair Klein revisited his request on receiving a Prop K allocation summary per supervisorial district and asked if there was an estimated date on when it will be available.

Ms. La Forte, said staff had sent out the summary to members via email. She offered to resend it.



Vice Chair Klein said he didn't realize that the summary would be sent in an email format and was looking forward to a presentation. He said he will follow up and reply to the email if he has any further questions.

There was no public comment.

**16. Public Comment**

During public comment, Roland Lebrun thanked the Transportation Authority for implementing closed captioning into the meetings and suggested that the archived meeting videos be uploaded on a more user friendly platform such as YouTube.

**17. Adjournment**

The meeting was adjourned at 8:46 p.m.



# ***DRAFT MINUTES***

## **Community Advisory Committee**

**Wednesday, September 1, 2021**

### **1. Call to Order**

Chair Larson called the meeting to order at 6:00 p.m.

Present at Roll: Nancy Buffum, Rosa Chen, Robert Gower, David Klein, John Larson, Jerry Levine, Peter Tannen (7)

Absent at Roll: Stephanie Liu (entered during item 3), Kevin Ortiz, Danielle Thoe, Sophia Tupuola (4)

### **2. Chair's Report - INFORMATION**

Chair Larson shared information regarding the Back to Work and School Transit Guide, that Transportation Authority staff put together and featured in a blog (<https://www.allaboardbayarea.com/info/>). He said that this coincided with the All Aboard Bay Area Transit Campaign wherein the region's 27 transit agencies are working together with the Metropolitan Transportation Commission (MTC) to support transit recovery and bring it back better than before in terms of seamlessness and customer friendly features, in particular. He said there are a lot of service changes, discounts and even free transit being offered. He shared several examples such as Free Muni for Youth 18 and under from August 15, 2021 to August 14, 2022, Muni service will be restored and expanded on some lines, and BART is half off if you pay with Clipper in September and has significantly expanded hours and service. He said, relatedly, staff confirmed that San Francisco Transportation Municipal Agency (SFMTA) Director Jeffrey Tumlin and staff will be joining the September 22 CAC meeting to discuss their transit recovery plan and service changes.

With regard to the Treasure Island Mobility Management Agency, Chair Larson reported that this summer they held outreach events to focus on the toll policies for Treasure Island businesses and workers. Since then, he said, the proposals have been revised based on feedback and will be presented at the upcoming Treasure Island Outreach for Businesses and Workers outreach event on Tuesday, September 14 at 6 p.m. He said that this event will be held virtually on zoom with the link available at [sfcta.org/events](https://sfcta.org/events), and for those unable to attend, the recording will be posted on the Transportation Authority's website following the meeting at [www.sfcta.org](https://www.sfcta.org).

Chair Larson invited member Rosa Chen to provide an update on the Expenditure Plan Advisory Committee (EPAC) for reauthorization of the half-cent sales tax. Ms. Chen gave a brief update on what was discussed at the optional orientation meeting and said that she will give monthly updates to the CAC through December. She noted that the first official EPAC meeting is September 9 at 6 p.m. and said that the public is welcome at all EPAC meetings. She concluded by stating that more information is available online at [sfcta.org/expenditureplan](https://sfcta.org/expenditureplan).



Lastly, Chair Larson shared an update on the Downtown Congestion Pricing Study delay. He said in light of the changing and fluid conditions surrounding traffic conditions and transit use, and uncertainties about longer term remote work trends, the Transportation Authority is extending the timeline of the study to next year. He said the project team will wrap up a series of co-creation workshops with community-based organizations. Additional general public outreach will be paused temporarily. He added that outreach will resume when the agency has a more reliable understanding of traffic patterns, transit use, office occupancy, and the trajectory of the city's overall economic rebound. He said the timeline to resume outreach activities is to be determined but is expected to resume in 2022.

During public comment, Ed Mason commented on the EPAC meetings and his request to provide a local San Francisco or toll free number for the virtual meetings. He said he had contacted Transportation Authority staff who are working to get this in place by the next meeting.

Roland Lebrun thanked staff for implementing closed captioning into their meetings. He said however, they should use Zoom live to encourage more public participation.

### **Consent Agenda**

3. **Approve the Minutes of the July 28, 2021 Meeting - ACTION**
4. **Adopt a Motion of Support to Adopt a Resolution of Local Support Authorizing the Executive Director to File an Application for Regional Discretionary Funding with the Metropolitan Transportation Commission, Committing Any Necessary Matching Funds, and Stating Assurance to Complete the Yerba Buena Island West Side Bridges Project (Project); and Authorize the Executive Director to Execute Funding Agreements with Caltrans for Receipt of Federal Funds for the Project in the Amount of \$5,000,000 from a Safe and Seamless Mobility Quick-Strike Program Grant - ACTION**

During public comment, Edward Mason requested the following change on page 5 fourth paragraph down, second sentence changing "fewer trucks" to "newer trucks". He said that he's seen the new trucks and is interested to see how the new trucks will affect the Vision Zero program.

Peter Tannen motioned to approve the consent agenda with the following changes to the minutes as requested by Mr. Mason: on page 5, fourth paragraph down, second sentence changing "fewer trucks" to "newer trucks", seconded by David Klein.

The consent agenda was approved by the following vote:

Ayes: Buffum, Chen, Gower, Klein, Larson, Levine, Liu, Tannen (8)

Absent: Ortiz, Thoe and Tupuola (3)

### **End of Consent Agenda**

5. **Adopt a Motion of Support to Allocate \$885,777 in Prop K Funds and \$410,000 in Prop AA Funds, with Conditions, for Four Requests - ACTION**

Rosa Chen asked that Joice Alley Lighting Improvements be severed from the item so that she could recuse herself from consideration of that request due to a conflict of interest given her involvement in the project. Chair Larson severed the request from the rest of the item.



Anna LaForte, Deputy Director for Policy and Programming, presented the three remaining requests per the staff memorandum.

Chair Larson asked what kinds of bicycles or other mobility devices (e.g. Segways, electric bicycles) would not be allowed to use bike lanes identified in the Active Communities Plan.

Bryant Woo, with SFMTA, said Segways were allowed to ride in bikeways and devices such as scooters and e-bikes were allowed by statute to use bike lanes, as long as the Department of Motor Vehicles does not require that they be licensed.

Chris Kidd, with SFMTA, elaborated that the California Vehicle Code divides electric bikes into three classes, based on top speed and whether they feature pedal assisted motive power. He said there were current statewide discussions on whether scooters were bikes. Mr. Kidd anticipated that there would be new kinds of electric bikes and other devices in the future and said the Active Communities Plan would be designed to be relevant in the face of future technological change.

Peter Tannen commented that as a former manager of SFMTA's bike program, he was impressed by the level of community input proposed for the Active Communities Plan, as well as the level of effort to ensure that the plan led to equitable outcomes. He expressed support for the proposal and the funding request.

Addressing Mr. Tannen, Chair Larson asked if he generally saw more public engagement in current planning efforts than in the past. Mr. Tannen answered that the City's modal shift and attitudinal toward biking had been notable. He said in the past removal of even a few parking spaces to enable bike facilities to be installed was typically very controversial, whereas recent plans have demonstrated public approval of many blocks of parking conversion.

During public comment Edward Mason asked for clarification on whether a traffic calming device was planned for 22<sup>nd</sup> Street between Dolores and Chattanooga, and if so, why. He pointed out that block of 22<sup>nd</sup> Street was short and already had a speed hump. Mr. Mason also asked about an inconsistency in the enclosure about the name of SFMTA's CAC.

Daniel Carr with SFMTA said with respect to 22<sup>nd</sup> Street, he said the caller was correct that there was already one speed hump on that block. He said a new application for the street came through citing continued concerns of the speeding of motorists on the street even with the existing speed hump. Mr. Carr continued by stating that they collected data from the block and it revealed that 85<sup>th</sup> percentile speeds were still in excess of the 15 mph posted speed limit for the school zone on that street. He said in light of that, SFMTA was recommending that the installation of a second speed hump be pursued on that block.

Chair Larson thanked Mr. Carr for the information response.

With respect to the SFMTA changing the name of their CAC, Mr. Kidd said it was a typo in the scope of work that they submitted to Caltrans and said he would correct that.

Peter Tannen motioned to approve the New Signal Contract 66, Application-Based Traffic Calming Program FY20-21 and Active Communities Plan funding requests, seconded by Robert Gower.

The motion was approved by the following vote:

Ayes: Buffum, Chen, Gower, Klein, Larson, Levine, Liu, Tannen (8)





Absent: Ortiz, Thoe and Tupuola (3)

Anna LaForte presented Public Works' request for Joice Alley Lighting Improvements per the staff memorandum.

There was no public comment.

Robert Gower motioned to approve the request, seconded by Jerry Levine

The motion was approved by the following vote:

Ayes: Buffum, Gower, Klein, Larson, Levine, Liu, Tannen (7)

Recused: Chen (1)

Absent: Ortiz, Thoe and Tupuola (3)

**6. Adopt a Motion of Support to Authorize the Executive Director and Other Authorized Representatives to Enter Into a Revolving Credit Agreement for \$125 Million with U.S. Bank National Association; to Execute and Deliver Legal Documents Relating Thereto; and To Take All Necessary or Appropriate Related Actions in Connection Therewith - ACTION**

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

Mr. Levine noted that the agency had a prior relationship with US bank and asked how that went and how comfortable staff felt about working with them again.

Ms. Fong, noted that in the last revolving credit agreement, US Bank and State Street Bank partnered up and offered them \$70 million dollars each. This time around they separated and competed against each other, and US Bank came in with much lower rates. Ms. Fong said staff does feel comfortable with the anticipated working relationship with US Bank. She noted that State Street was the prime on the prior revolving credit agreement, but that US Bank was timely and responsive when they needed to work with them. Ms Fong added the agency currently holds an account with US bank for their Prop AA vehicle registration fee funds, and that relationship has been great on a local scale.

Mr. Tannen asked with respect to the proposals, whether they at a fixed interest or variable.

Ms. Fong replied that for this type of financing instrument, they are typically variable, and all the proposals received had rates that varied on a scale both when they agency borrowed funds and when they weren't drawing down funds.

During public comment Roland Lebrun commented that he never ceases to be amazed on how much funding the agency can leverage with so little local funding.

Jerry Levine motioned to approve the item, seconded by Nancy Buffum.

The motion was approved by the following vote:

Ayes: Buffum, Chen, Gower, Klein, Larson, Levine, Liu, Tannen (8)

Absent: Ortiz, Thoe and Tupuola (3)



**7. Adopt a Motion of Support to Accept the Downtown Rail Extension (DTX) Phasing Study Final Report, Support the Phasing Recommendations of the Peninsula Rail Program Executive Steering Committee, and Release \$2,644,557 in Previously Allocated Prop K Sales Tax Funds, with Conditions, for DTX Project Development - ACTION**

Jesse Koehler, Rail Program Manager for Capital Projects, presented the item per the staff memorandum.

Peter Tannen requested clarification regarding the DTX intercity bus facility (IBF) and the distinction between the option to reduce the IBF and the option to defer the IBF.

Mr. Koehler answered that the two options are distinct from one another, and he noted that the DTX Phasing Study recommends deferring the IBF.

Mr. Tannen asked for further clarification regarding future delivery of the IBF.

Mr. Koehler clarified that the IBF could theoretically be developed in full at a later date, but that doing so would be costly, as it would require significant property acquisition. He noted that the Phasing Study's recommendation for a reduced train box extension means that the necessary right-of-way for the full IBF would not be acquired for the first phase of DTX construction. He added that the reduced IBF could be constructed in the future without acquiring additional right-of-way.

Chair Larson asked if the reduced train box extension would impact the potential future Link21 new Transbay rail crossing project.

Mr. Koehler answered that the DTX project will be designed for compatibility with a future direct connection to the Link21 project, regardless of the extent of the DTX Train Box Extension.

Robert Gower asked about the rationale for deferring the underground pedestrian connector. He expressed disappointment that a multi-modal element would be deferred. Mr. Gower asked what steps would be taken to provide pedestrians with an enhanced connection in the meantime. He also asked about the potential impact on ridership from deferring that pedestrian connector.

Mr. Koehler replied that there were not straightforward options for deferring elements of the project. He said that, from the perspective of project construction, the pedestrian connector could be de-coupled from the rest of the project, with delivery as an independent project at a later date. He noted that an underground connection would be preferable but said that the first phase of DTX construction would include street-level improvements to improve pedestrian connectivity. Mr. Koehler added that the DTX ridership analysis is considering the impacts of deferring the pedestrian connector.

During public comment, Bob Planthold expressed support for the item. Mr. Planthold noted that he is a senior resident of San Francisco and that he had served on the Caltrain Access Advisory Committee. He said that the DTX project will greatly improve access to Caltrain in San Francisco, noting the higher level of connecting transit service at the Transit Center as compared to the current Caltrain terminus. Mr. Planthold noted that an underground pedestrian connection may not be preferred to a surface connection by certain transit users and that the DTX connection should be well designed.



Roland Lebrun said he had sent an email with an attachment to the CAC. Mr. Lebrun expressed concern that the TJPA Board would consider the Phasing Study in September and that the DTX operations analysis would be brought forward in October. He said the DTX train box was sub-optimally designed with respect to future extension to the east. Mr. Lebrun noted that he expects the third track to not be required and that the Seventh Street alignment could be considered. He said that the resulting cost savings could provide for a connection to Muni and BART. Mr. Lebrun added that the Pennsylvania Avenue Extension study report would also come forward this fall.

Robert Gower motioned to approve the item, seconded by David Klein.

The motion was approved by the following vote:

Ayes: Buffum, Chen, Gower, Klein, Larson, Levine, Liu, Tannen (8)

Absent: Ortiz, Thoe and Tupuola (3)

#### **8. Community Advisory Committee Ethics Training - INFORMATION\***

Amber Maltbie, Nossaman presented the item per the staff memorandum.

Robert Gower thanked Ms. Maltbie stating that the presentation was comprehensive.

Mr. Levine also expressed appreciation for the training.

During public comment Edward Mason asked for clarification on who constitutes membership of the Expenditure Plan Advisory Committee (EPAC) and asked if there is a direct correlation with the amount of money being allocated, and the entity benefitting through future contracts.

Chair Larson said he believes the EPAC backgrounds would be available and as they noted in some ways it is incumbent upon those members to be guided by the rules similar to those reviewed during the current training.

Maria Lombardo said everyone's affiliation as they disclosed it, is posted on a presentation on the Transportation Authority website, that they can share with the CAC members. She added that as in the case of the Prop K sales tax, only public agencies would likely be direct grant recipients in a new expenditure plan, but that those public agencies could contract with other parties to carry out the work.

Roland Lebrun praised the presentation and suggested that it be recorded and posted on a social platform such as YouTube. He referenced slide 16, stating that the Brown act is unclear about Ad Hoc Committees. He said that he believed that any committee that is appointed by a legal entity is subject to the Brown Act regardless of if the Ad Hoc Committee consists of a quorum.

#### **Other Items**

#### **9. Introduction of New Business - INFORMATION**

Nancy Buffum stated her dismay of the closure of the Great Walkway on August 16, stating that it ran counter to prevailing recommendations. She said it set back what would have been a win situation for the long-term goals which included preserving the walkway for the public, improving local street safety, and prioritizing and concentrating on ways to improve the flow of traffic. She said she would like to see how they measure the difference in public access to the use of recreation because of the increased traffic, as well as speeding traffic volumes and any other information on impacts on local streets in the Richmond and Sunset. She said these are decisions that affect everyone



and not just the people that want to drive.

Chair Larson said he agrees and that it seemed like the opening ran counter to what he understood the process of making a decision and said it would be good to agendize an item that covers this.

Jerry Levine said he appreciated the discussion about eligibility to use the bike lanes. He said he has a motorcycle and would love to use it but it's not eligible. He said it would be great to get a comprehensive look at the status of the electric bike program whether it is an agendized item or a separate follow up. He added that he would like it to include timelines, who the contracts are with, who are using the bikes, etc.

There was no public comment.

**10. Public Comment**

During public comment Roland Lebrun commended the Chair for the way he conducted the meeting.

**11. Adjournment**

The meeting was adjourned at 8:00 p.m.

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San Francisco  
County Transportation  
Authority



# DRAFT MINUTES

## San Francisco County Transportation Authority

Tuesday, July 27, 2021

### 1. Roll Call

Chair Mandelman called the meeting to order at 9:42 a.m. and noted that Commissioner Melgar was excused from items where she would be absent during the meeting.

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

**Absent at Roll Call:** Commissioners Melgar (entered during item 7) and Safai (2)

### 2. Chair's Report - INFORMATION

Chair Mandelman reported that the city's re-opening had a positive effect on the agency's revenues. He shared that sales tax collections in May were \$8.3 million, 24% higher than in April, and only about 15% lower than the May 2020 year on year figure. He added that the Prop D TNC tax revenue was also improving, with May collections – shared by the San Francisco Municipal Transportation Agency (SFMTA) and San Francisco County Transportation Authority (Transportation Authority), totaling \$800,000 rising 23% above April's figures. These revenue figures he said, and the rising traffic and transit ridership figures are telling a story of recovery that is welcomed by all.

Chair Mandelman also reported that he is looking forward to SFMTA's update on their Transportation Recovery efforts and apologized to BART for needing to shift their Transportation Recovery presentation to one of the September meetings, due to a busy agenda today. He said they appreciate the extraordinary efforts of BART to add service and bring back riders starting August 2, including adding midday and weekend frequencies, the return of late night service past 9 p.m., and reducing Clipper fares by 50% for the month of September. For more information on BART's "Welcome Back Plan", he suggested visiting [BART.gov/news](https://www.bart.gov/news).

Chair Mandelman congratulated the Transportation Authority team on the reaffirmation of their long-term sales tax Bond Rating of AAA by ratings agency Fitch. He said that this was the highest possible rating and reflects their staff's excellent financial management of the sales tax program, as well as the stable outlook and resilience of the sales tax base. He continued, saying as the agency goes forward to secure their next credit facility, this will help the agency to minimize the cost of borrowing and maximize proceeds for the benefit of taxpayers and the public. He thanked Chief Financial Officer Cynthia Fong and Deputy Director for Policy and Programming Anna LaForte on this terrific achievement.

Chair Mandelman said as they conclude their work for the first part of the year, he wanted to thank the Board along with their staff, and the Transportation Authority



team, for their hard work and involvement. He said they have accomplished a lot, from advocating for policies and new infrastructure funding programs to advancing citywide and neighborhood plans, to funding street safety projects in every District. He wished everyone a well-deserved rest and relaxation in the upcoming August Board recess.

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

Tilly Chang, Executive Director presented the item.

There was no public comment.

**4. Approve the Minutes of the July 13, 2021 Meeting - ACTION**

There was no public comment.

Vice Chair Peskin moved to approve the minutes, seconded by Commissioner Stefani.

The minutes were approved without objection by the following vote:

Ayes: Commissioners Chan, Haney, Mandelman, Mar, Peskin, Preston, Ronen, Stefani, and Walton (9)

Absent: Commissioners Melgar and Safai (2)

**Consent Agenda**

**5. [Final Approval] Allocate \$14,892,610 and Appropriate \$200,000 in Prop K Funds, with Conditions, for Eight Requests - ACTION**

**6. [Final Approval] Award a 15-Month Professional Services Contract, with an Option to Extend for an Additional 6 Months, to EMC Research, Inc. in an Amount Not to Exceed \$100,000 for Voter Opinion Survey and Public Messaging Services for Transportation Sales Tax Reauthorization - ACTION**

Commissioner Ronen moved to approve the consent agenda, seconded by Commissioner Mar.

The consent agenda was approved without objection by the following vote:

Ayes: Commissioners Chan, Haney, Mandelman, Mar, Peskin, Preston, Ronen, Stefani, and Walton (9)

Absent: Commissioners Melgar and Safai (2)

**End of Consent Agenda**

**7. [Final Approval on First Appearance] Appropriate \$180,000 in Prop K Funds for Capital Project Delivery Review and Best Practices Study - ACTION**

Chair Mandelman introduced the item noting that it is an item that stems from their recent discussions at the Board regarding the city's ongoing challenges on delivering large transportation capital projects such as Van Ness BRT and Central Subway, being on time and on budget. He said in April, this body held a hearing on the recent audit of SFMTA's capital project delivery which found a variety of systemic issues in a way they deliver large projects, such as the Twin Peaks tunnel track repair that was delayed by over a year and came in \$35 million over budget. Chair Mandelman shared that at their last meeting they received an update on the Better Market Street



project, which after ten years of planning is set to break ground early next year in a phase 1 scope that has been significantly scaled back due to lingering uncertainty of the duration and possible impacts of construction. He shared that he and Vice Chair Peskin requested that the Transportation Authority staff lead a review of current city experiences, lessons learned, and industry best practices for the industry management of large capital transportation projects so that they can improve their performance in delivering the transportation system that San Franciscans deserve. He thanked Director Chang and Eric Cordoba, Deputy Director for Capital Projects for working with them to develop the proposal. He continued by saying he is glad to see it on the agenda so that the important work can get underway.

Eric Cordoba, Deputy Director for Capital Projects presented the item per the staff memorandum.

There was no public comment.

Commissioner Ronen moved to approve the item, seconded by Vice Chair Peskin.

The item was approved without objection by the following vote:

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

Absent: Commissioner Safai (1)

#### **8. Adopt the District 4 Mobility Study Report - ACTION**

Camille Guiriba, Senior Transportation Planner, presented the item per the staff memorandum.

Commissioner Mar expressed support for the District 4 Mobility Study Report and said since District 4 is car dependent he would like to provide residents with more mode choices. He specifically supported the neighborway network, decorative crosswalks, Lincoln Way traffic calming, and community shuttle. He said that he would like the neighborway project to include greening in order to increase biodiversity in the district. He acknowledged that people sent in emails about the District 4 Mobility Study Report stating that the neighborway has not received input from the public. He said that the public will be able to provide input in the design phase where street selection and number of streets will be finalized. He noted that double parking and small business loading zone access are common problems in the district.

Commissioner Mar and Commissioner Melgar said that they want BART to be expanded to the westside of San Francisco.

Commissioner Melgar expressed that the westside districts share many of the same challenges. She pointed out that many of the intersections with high injury rates are located at the borders of districts. She also noted that there are a lot of trips made between the western districts and so there needs to be a focus on increasing connectivity between those districts. Commissioner Melgar asked questions about the areas represented in the travel market analysis and what the connector routes represented on the 5-minute network map.

Ms. Guiriba responded that Figure B in the report represents the map of the travel market analysis areas within San Francisco. She also responded that the connector routes represent less frequent bus routes that are not among the 5-minute and





frequent networks of the ConnectSF Transit Strategy.

During public comment, a caller said that they opposed the adoption of the District 4 Mobility Study Report because the study survey respondents were not diverse, both in regard to race and income, and so the survey did not accurately capture the district.

Stephen Gorski opposed the adoption of the report and said that there needs to be more focus on making the roads safer for drivers. They said that they do like the idea of a community shuttle. They said that the time of board meetings are not convenient for the public and so many people are not able to provide public comment.

Two callers called to oppose the report adoption and asked for clarification regarding whether cars would be banned from the streets that become a part of the neighborway. Both callers opposed cars being banned from accessing the streets.

Luke Bornheimer said that he supports the adoption of the report because he wants more sustainable modes of transit and safer streets.

Dave Alexander, a parent from District 1, called in support of the adoption of the report and said that the neighborways were highly needed.

Another caller opposed the adoption of the report and asked for the streets to remain open to cars. They also said that the crosswalks in the district need to be safer and that they need more lighting.

At the request of Chair Mandelman, Ms. Guiriba responded to public comments regarding whether the neighborways would close streets to traffic. She stated that the study presented different potential street treatments, such as traffic diverters, but did not identify specific treatments for the recommended network. She added that specific treatments would be determined through the follow-on outreach and design phase led by SFMTA.

Commissioner Mar moved to approve the item, seconded by Commissioner Melgar.

The item was approved without objection by the following vote:

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

Absent: Commissioner Safai (1)

## **9. San Francisco Municipal Transportation Agency Transit Recovery Plan Update - INFORMATION**

Jeffrey Tumlin, SFMTA Director and Julie Kirschbaum, Director of Transit presented the item.

With respect to the financial policy, Vice Chair Peskin commented that he took issue with the notion that Director Tumlin stated that SFMTA couldn't borrow, yet they borrow all the time.

Director Tumlin replied that Vice Chair Peskin was correct, and that the SFMTA can borrow for capital, but it is challenging for them to borrow for operations. He clarified that he oversimplified, because in some ways which they work to operationalize the capital money in order to save money. He offered as an example of a way they use



capital money in order to help with operations is making investments in speed and reliability for transit that improves their operating efficiency.

Vice Chair Peskin noted that SFMTA uses general obligation bonds to pay for staff whom are involved in capital projects, which is considered operating money.

Director Tumlin said that is operating money, but associated with capital projects, and not Muni service operations.

Vice Chair Peskin observed that when they are using general obligation bonds to build things and or to install new overhead wiring, the staff time would be chargeable to that bond.

Director Tumlin replied in the affirmative and explained that the focus of the presentation was on Muni service operations.

Commissioner Chan asked if they could define structural deficit, and said she thinks that is what a general obligation bond is for, so she would like to understand the structural deficit that they are referencing on top of the capital maintenance and improvements.

Director Tumlin said the structural deficit is a result of their operating expenses rising more quickly than their revenues. He said as they have strived to maintain a consistent rate of service, in order to do so, they have had to cut investments such as maintenance. He added that in some of their core functionality like their Human Resources division which experienced significant cuts a couple of years prior, that has now become an obstacle in their pace of hiring. He said that one of the factors that Muni Performance Working Group found was one of Muni's reliability problems stemmed from disinvestment in maintenance on both the capital and operating sides. He shared an example of not investing enough in the maintenance on their transit vehicles, which resulted in the vehicles not lasting as long, and becoming more unreliable. He added that disinvestments in maintenance on the capital side of their budget, such as the antiquated train control system, impacted their reliability. With regard to their fleet, Director Tumlin noted that previously they had the oldest fleet in the nation, and as a result suffered from unreliability.

Commissioner Chan observed that their structural deficit consists of fleet, management, capital improvements, and day to day maintenance. She said this sounds like their structural deficit is still tied to capital improvements.

Director Tumlin said the structural deficit and maintenance problems are on both the operating and capital side of their budget. On the operating side, he said are all of the crews that do day to day maintenance of their infrastructure such as their overhead lines division. He said they have a 50% vacancy rate there, and 30% vacancy rates, which is typical, in many of their other day to day maintenance divisions. With regard to the capital side of their budget, Director Tumlin shared that they have suffered disinvestment in maintenance. He said where they have focused their limited resources in service, rather than in investing in rebuilding core infrastructure, and he turned to Ms. Kirschbaum to share more examples.

Ms. Kirschbaum said they have worked closely with the Board of Supervisors over the last decade to bring the fleet up to a state of good repair. She said one of things that the Board charged them with was maintaining it to the highest standard, so that they were getting the full value of their capital investment. She said that same program



hasn't happened on the infrastructure side which is why they are seeing the challenges and the reliability problems in the subway and on other parts of the track system. She added they are very committed to making sure their workforce is paid according to the rising cost of living in the Bay Area, and a big part of the structural deficit is the disconnect between the cost of living that is rising and their revenue sources which are not.

Commissioner Chan said through a briefing she learned that their personnel budget was around 60% and asked for the dollar amount of their overall operation budget for their structural deficit when it comes to their day to day operations.

Director Tumlin said that number is related to their state of good repair problem. He said they have been papering over their structural deficit by disinvestment in maintenance, therefore their structural deficit is creating a debt on their capital side with regard to maintenance, which is unsustainable.

Commissioner Chan thanked Director Tumlin for his response and said the point she is trying to make is that when they talk about structural deficit it is critical for her to understand the dollar amount and exactly what they are talking about. She said that as the Vice Chair mentioned earlier, there are other ways they can borrow, and they have been to fix a piece of their structural deficit. At the same time, she said, they were exploring other sources to fix the deficit and it would be helpful for them to understand what the other side is and what they are fixing.

Director Tumlin noted that they recently held an 8 hour budget workshop for the SFMTA Board that went into their budget in tremendous detail and he would be happy to deliver any portion of it to the Board to help them understand the limitations on their budget and the reality that they face, as well as their projections moving forward.

Commissioner Preston thanked the SFMTA staff, and his fellow colleagues Chair Mandelman and Commissioner Chan for their participation during the Board of Supervisors hearing on Friday. He commented on the collapse in fare revenue mentioned by Director Tumlin and noted that it was really important to view them in the context of the overall funding from the federal government. He said they have received a massive amount of money from the federal government and are now by every metric in a far superior economic position right now, then they were immediately before the pandemic. He added that they can discuss and debate how best to spend the funds, and there will be some differences of view on how much to save for a future rainy day versus using them today with so many lines suspended. With regard to the gross amount of the all the funds mentioned by Director Tumlin he said they are talking about over \$700 million in unanticipated federal funding. He continued saying savings to the agency of an estimated \$150 million during the pandemic from reduced operations, and a \$120 million reserve, adding that not one penny of the reserve money had been touched throughout the pandemic, even why they are suspending lines. Commissioner Preston said he believes there is a choice being made behind having the lines suspended on whether to restore service now. He said there remains no plan for restoring all the lines that have been suspended, some of which have not been running for 16 months. He asked for clarification from Director Kirschbaum when she refers to getting back to 100% service, that this was not a commitment that all lines will come back.



Ms. Kirschbaum disagreed and said they committed to a process where they bring stakeholders, community members and other's choices. She said one choice would restore routes, another would restore some routes but invest in other choices that would grow ridership and build on some of their other goals. She said it is misleading to say that they haven't committed to a plan. Ms. Kirschbaum noted that they have said within the next 3 to 4 weeks they will be bringing 3 service options, and they are taking this time to ask questions because that is their job to ask questions and to give the people choices while looking at different paths they can go down, and then they will begin to implement. She mentioned that when they implement the winter service restoration, they're going to choose 1 of 3 paths based on public input, one of which is to restore lines. She added that another path is to invest in their frequent network to give people quicker access to more connections, with the third path being a hybrid of the two. She said the point is that they will have choices based on data and a plan, and they will be bringing this in the next several weeks up to stakeholders.

Commissioner Preston asked for clarity regarding the restoration to 100% being there are 3 different types of scenarios they will be rolling out and getting input on. He said that under two of the scenarios, not every line comes back, which put them at a place where they are trying to achieve 100% restoration while not returning some lines.

Ms. Kirschbaum confirmed that in 2 of 3 of the scenarios not every line comes back. She said however, the assertions that SFMTA already has a plan set makes her uncomfortable as they are looking at investing transit resources based on public feedback. She reiterated that one of the options would restore all of the lines that were active before the pandemic, but they also believe that the city has changed and there are new connections to consider and that it was worth having the discussion about investing in more frequency in key corridors. She said they are looking at a 85%, 100%, and 110% service level based on 3 different service investment strategies.

Director Tumlin emphasized that this process will happen in a public and transparent way. He said they have not made any decisions about how they are allocating their service, as they want to make sure they are taking advantage of these unprecedented time to accommodate the changes in travel patterns that have accelerated due to the pandemic. He said they may bring the service back exactly as it was before, but they have a responsibility to make sure they are seeking out the best they can from their limited service hours, while they work with the everyone to make sure that Muni has the resources that it needs in order to expand significantly.

Commissioner Preston reiterated his desire to be clear with the public that 100 percent restoration does not mean the goal is to bring back all the lines.

Director Tumlin said they have been transparent with their options, and one of the options brings back all of the lines, and it may be the option that they choose. He notes that the other options try to accommodate changes in travel behavior as well as address some of the problems they had prior to the pandemic such as crush loads on the 38 Geary. Director Tumlin said as planners and technicians they have a responsibility to figure out how best to allocate those service hours, which results in them presenting choices to the public.



Ms. Kirschbaum stated that she believes Commissioner Preston explained it correctly and understands the scope of the 3 options. She said these options are something they are not trying to hide behind and are trying to be communicative about.

Commissioner Preston said SFMTA should be using this time to get transit lines them back up and running as quickly as possible. He added, what remains lacking is that there is not a plan to bring back all the lines with metrics as to what needs to happen at each step in order to make that happen. He cautioned that the prolonged pause may contribute to the dreaded transit death spiral.

Director Tumlin responded saying that they are reactivating lines as quickly as possible, but the limitations are dependent on the pace of hiring and training. He said they are working as hard as they possibly can to staff up from over a year of a hiring freeze and a dramatic loss of staff. He added that they also want to make sure that their service restoration plan is done in conjunction with their policy makers and the public, which is why they are spending this next five months to develop the plan. He said that then coincides with not just their winter service restoration but the additional restorations that they hope to do over the next calendar year.

Commissioner Preston thanked Director Tumlin for his response and added there is nothing stopping SFMTA from releasing a plan for when certain metrics are met, all services will come back. He said he understands that it cannot happen tomorrow, but there is nothing standing in the way for that kind of commitment and the status quo of uncertainty of lines returning is being held over folks' heads.

Commissioner Melgar thanked Director Tumlin and Ms. Kirschbaum for their presentation and work, acknowledging that it has been a pretty heavy lift. With regard to the mismatch in service restoration she asked if it wouldn't behoove them to restore the service in areas where it is actually happening rather than where it is, meaning the interconnectivity between Districts 1, 4 and 7 and as students are returning back to school. Commissioner Melgar also noted that they all agree that Muni is important for the life of the city and they don't want to be caught in the transit death spiral. She said she feels that the Board along with the Mayor are being underestimated, because she doesn't believe anyone in the leadership of the city would allow the fiscal cliff that SFMTA is suggesting as an outcome in the event they spend the money too quickly. She said she wonders if investing right now to support what is needed would advert that in terms of ridership.

Director Tumlin thanked Commissioner Melgar for her comments and said they are eager to get financial support from wherever they can from any unit of government. He clarified that their biggest concern is what happens to them in 2023. He said they do not want to be back in the same position they were 6 months ago which was looking at 20% layoffs across the agency and catastrophic service cuts. Director Tumlin reiterated that the one time federal funding covers the current year, but runs out before their other revenue services sources are expected to recover. He said any financial backstop that the city budget could provide them would reduce the risk of accelerating service expansion without having to have a significant risk of layoffs in 2023. He said they are playing a risk game and one thing they don't want to risk is the employment of their workforce.

Commissioner Melgar said she understands and added that when they are talking about the feelings of the voters towards the system, it is more than an economic or



efficiency calculation, it is also about how they value the system, which is sometimes emotional. She said when a bus is not running or has changed from what they have been used to for the last 30 years, there are emotional decisions that happen when they suggest the need to raise taxes, for example. She said the conversation is about how they are investing in and valuing the system as the leadership of the city, because that will affect how much San Franciscans are going to want to support Muni.

Director Tumlin replied that Commissioner Melgar encapsulated the support and needs of today's riders. With regards to the needs of the west side, he said that is a question they are trying to address over the next 5 months through their study. He said that the pandemic accelerated long-term changes in travel patterns. He said the previous Muni system was designed primarily to serve trips to/from the financial district and that has since shifted. He said they need to do better accommodating travel particularly on the west side, which is much more oriented north south and within the west side than it is around the financial district. Director Tumlin said these are questions they want to raise over the next 5 months, so that they have a transit system that best serves the travel behavior of San Franciscans at every possible resource level. He said if they identify new additional resources, the question is how they would spend those new resources.

Ms. Kirschbaum added that those were great examples of why they think they should be taking a moment to look at the service structure. She said she understands it's not an easy path, and they are listening to feedback, but are also balancing it with the fact that the city has changed. She said they think when presented with data and choices, San Franciscans can make decisions based off that.

Director Tumlin added that they are also accelerating improvements to their Human Resources department, so that if money is identified, they can pivot quickly and staff up more readily than they are currently able to. He said if money does come in the voters will expect them to quickly deliver improvements.

Commissioner Preston thanked Commissioner Melgar for her comments that hit on important issues. He said he's concerned about a strategy that will pit neighborhoods against each other particularly in the revenue measure discussions, and it is not the right time for that. He also emphasized that there is a case to be made for investing more in the core services and looking at the other lines. He said to be proposing that at this time at the expense of parallel and lower ridership routes is a difficult conversation to have, but not a bad conversation to have. He continued stating that doing this in a middle of a pandemic when lines are suspended is the wrong time. He suggested they release the plan to immediately restore everything at least until all lines are running, and then convene the longer term conversation they want to have. Commissioner Preston said that the process so far has been anything but neutral in his opinion, when it comes to the three options that were presented. He said he agrees that informed decisions are key, however, so far within the documents it has showed a push towards the options that do not bring back all lines. Lastly, Commissioner Preston asked where the workers stand when it comes to the decisions on not investing short term in restoring the transit system aggressively because of concerns of the agency regarding protecting its workers from layoffs in the long term. He referenced the President of Local 250A and say that they are firmly in support of full restoration and bringing the lines back. He said though it's an obligation for SFMTA leadership to care about the workforce, and it's also important



that the Commissioners are listening directly to labor and those that are working across the system who are keeping the buses and trains running and who have been speaking out in favor of full restoration.

Chair Mandelman asked for clarification on the two constraints for full service restoration: a workforce constraint which is short term and financial constraint being long term. He said in the shorter term there is a workforce problem as they don't have the operators, technicians, mechanics, etc., to bring back 100% service and it won't come until sometime in 2022.

Ms. Kirschbaum confirmed that to be correct.

Chair Mandelman asked if the restoration that they're implementing in August will get everyone their jobs back.

Ms. Kirschbaum replied yes.

Chair Mandelman also asked if the 85% goal for January gets everyone back to their jobs along with additional people they are trying to bring online.

Ms. Kirschbaum replied in the affirmative and said that like in August, they will have to bridge any gaps between the hiring and the service start up with some short term use of overtime.

With respect to the financial constraint, Chair Mandelman asked if it was a constraint they are projecting out to 2023, but trying to make reasonable decisions in 2022 about what the future years will look like. He said they will know what they are putting on the ballot in terms of SFMTA revenue well before June if it's on the June ballot, and well before November if it's on the November ballot. He added that they will know by the middle of next year whether the Mayor along with the Board are proposing additional general fund support for Muni operations. Chair Mandelman said he is also uncomfortable with the idea of holding back and not getting to that 100% and 110% service that San Franciscans deserve, but on the other hand he appreciates that SFMTA is not spending at a rate that they will not be able to sustain over time.

Director Tumlin replied that currently they have not received any assurances from any level of government that additional money is available to them, so they are needing to spread their money out. He said the minute they get assurances, that will significantly reduce the risk of catastrophic service cuts later and will allow them to start expanding services. Director Tumlin added that once the likelihood of those funds being available becomes clear, they will be ready to go full speed to get to 110% or whatever level they can get to.

Chair Mandelman added that it is about the same time SFMTA's workforce constraint of 85% and above is addressed. He noted that they brought on more workers to make that happen, and though they are in a position to bring on and train more people, they are trying to decide whether to do that.

Director Tumlin replied that Chair Mandelman was correct, and they have been fortunate to have the next 5 months for planning, because they want to be able to have a plan in place, so if they can get to 110%, they know exactly what to do with that money whether it's how to invest in north/south transit or how to invest more in equity. He said that is why they are spending this time to catch up with their long



range planning in a public transparent fashion, so at whatever level of resource they hit they have a plan and are ready to implement it quickly.

Chair Mandelman thanked Ms. Kirschbaum and Director Tumlin and opened the item up for public comment.

During public comment, a caller suggested they should set up donation sites to help with their financial crisis. They also noted that they support bringing all the Muni lines back, including the 43 as it allows them to get to the Disney Museum to take classes.

Patricia Arack with Senior and Disability Action said as a senior and disabled person she would be afraid to ride the bus. She said it's scary for vulnerable people and asked what they are planning to do to make it safe for them.

Lisa Church, District 3, called in support for the 100% service restoration. They said they need Muni back, and they want to see the funds spent on the restoration of service, and everything that falls under that.

Hamilton Carter who lives on the border of District 10 and 11 called in support of 100% service restoration. They said they need these lines back, as people use the buses to get to more places other than work.

A District 8 senior resident said that that Muni's main train control system must be upgraded. They said they recognize it's a capital improvement project, but they are cutting off their nose if they don't do this as quickly as possible since reliable service is very important to the public.

A 32 year resident of San Francisco said working from home will be the new normal which justifies two of the restoration options presented. They said once people become comfortable with riding BART again, the congestion will not be a factor anymore, yet that's what they are putting all their focus on. They noted that two of the options proposed less service which seems at odds with the Congestion Pricing Study which was conceived in a pre-pandemic paradigm, noting one can't have it both ways.

A District 1 resident called in support for 100% Muni restoration. They said the buses are full and would like them to be on time and reliable. They said reduction of service goes against the transit first city notion.

A District 4 resident called in support for 100% restoration. They said they are personally afraid to use Muni because of the violence risk and the inability to get to their destination on time. They also agreed with the previous commenter who spoke on congestion pricing, and cited the lack of need to get downtown as well the current lack of congestion.

Cat Carter with SF Transit Riders said they are looking forward to the service restoration but urge SFMTA to be bolder in returning suspended routes by winter. She said that riders have been left behind and will continue to be left behind if lines are not returned. With respect to using capital funds to support transit operations, she said they should highlight places that are being held back because of the lack of transit priority.





**10. Vision Zero SF Action Strategy Update - INFORMATION\***

Tom Maguire, Director of Streets Division, SFMTA, provided opening remarks saying that Vision Zero remained a top commitment for the SFMTA and that the draft Action Strategy included bold steps forward. He said in 2019, SFMTA presented on five quick build street transformations, and thanked the Board for their support on the passage of Proposition D, as they were able to implement 20, quadrupling the output of quick build projects. He said the quick build projects included daylighting every street on the high injury network and that SFMTA had a data and community driven systems approach.

Ryan Reeves, Vision Zero Program Manager, SFMTA, presented this item.

Commissioner Walton said District 10 was the district with the second highest rate of pedestrian fatalities and his office worked with SFMTA, the Transportation Authority and San Francisco Public Works (SFPW) to add signage, speed humps, roundabouts, quick build projects and other traffic calming improvements. He asked what was needed to stop collisions in District 10.

Ms. Reeves said that the action strategy was a citywide plan and did not include district specific measures. She continued saying that the tools shown in the plan such as network level improvements, quick builds, signal upgrades and retiming and intersection improvements would be used across the city as part of a citywide approach.

Commissioner Walton said a plan should have specific strategies for areas where there were higher levels of concerns and asked why it took so long for improvements to be implemented.

Ms. Reeves said that SFMTA made a commitment within the strategy that their work would be focused on the high injury network and in communities of concern. She said the quick build program, which was two years old, was implemented to address project delays and that quick builds were delivered in about a quarter of the time taken to deliver traditional capital projects.

Jamie Parks, Livable Streets Director, SFMTA, added that SFMTA was focused on accelerating project delivery and was committed to expanding the quick build program. He said that the demand for improvements expanded more quickly than SFMTA was able to expand their capacity, which was a challenge, but they were pushing themselves to deliver safety improvements.

Commissioner Walton clarified that his question was not centered around quick builds but was about how long it took to realize traffic calming solutions in their communities. He also asked about the education aspect of the vision zero work.

Ms. Reeves said that the education campaigns and outreach focused on the most dangerous driving behaviors to address crash factors such as reducing speeding, stopping at crosswalks, and reducing red light running. She mentioned an active campaign was for safer left turns since left turns were a high proportion of crashes in the city, which they combined with engineering treatments to slow left turning motorists.

Uyen Ngo, Vision Zero Education and Outreach Coordinator, SFMTA, said SFMTA used a variety of outreach strategies including door to door hangers, and merchant



and intersection posters. She said that for the safer left turn campaign, SFMTA funded six community organizations to develop videos and trainings, worked with Lighthouse for the Blind on braille tactile maps for mobility trainings, and worked with Bayview Opera House on artist public service announcements. She said SFMTA also had digital advertising which was important to expand their reach and target specific audiences.

Commissioner Melgar said she did not agree with looking at past injuries and crashes to prioritize safety, she said they knew low-income people, people of color, the elderly and children were injured the most and they could prioritize neighborhoods with high concentrations of those populations. She said she shared the frustration of Commissioner Walton of wanting a stop sign or speed hump installed and needing to prove that there were crashes before SFMTA paid attention. She said the implementation of improvements needed to be faster, easier, and integrated with safe routes to school. She asked when SFMTA would roll out what it would take to get to vision zero instead of doing piecemeal implementation.

Ms. Reeves said SFMTA saw the high injury network as a predictive tool for where collisions occurred and that much of their work was proactive outside of the high injury network.

Commissioner Stefani said that the 2020 data showed the same number of fatalities as when Vision Zero began in 2014 and there were more fatalities in 2020 than in 2019. Regarding the red-light camera program, she said there was supposed to be eight cameras installed by 2020 and the presentation included expanding the program with eight relocations by 2022. She asked why SFMTA was not looking beyond 2022 to expand the red-light camera program to 2024.

Ricardo Olea, Transportation Engineering, Streets Division, SFMTA, said the red-light camera program was a two-to-three-year capital program which was supposed to begin design in 2020 and required bids and a construction period. He said the eight expansion sites would include locations with the highest number of red-light crashes reported and where they had already implemented other engineering measures. He said SFMTA had a program to improve signal visibility and timing and wanted to place the cameras at locations where they did not have further engineering changes to make. Regarding expanding the program, he said it was part of the capital program which was continuously reviewed and was combined with the signal upgrade program to make signals more prominent. Additionally, he mentioned that the red-light camera program had an impact on SFMTA's operational budget, and each location required approximately \$45,000 in funding to maintain the system. He said there were currently sixteen operational cameras, and it would be expanded to include an additional eight cameras.

Commissioner Stefani said she hoped the program could be expanded to include more than the eight red-light cameras that were planned.

Commissioner Haney asked what was holding them back from acting to significantly reduce severe and fatal crashes. He said they set a goal but were not any closer to meeting the goal and he was not confident that the draft Action Strategy would get the city to the goal. He said there were 160 miles of high injury streets in San Francisco and there were no safety improvements planned for about half of the



network. He asked what was holding them back from bolder actions and mentioned streets in his District that would be untouched under the plan.

Ms. Reeves confirmed that there were about 160 miles of high injury network streets and said half of the network already had a significant corridor level safety project completed or a project that was in the planning, design, or construction phase. She said the plan proposed either corridor level projects or programmatic intersection-based treatments for the remainder of the high injury network. She said the draft Action Strategy outlined a shift in SFMTA's commitments and they were waiting for more information on Assembly Bill (AB) 43 to determine what additional authority they could use to reduce speed limits. She mentioned AB 550 and said they were unable to get authority to use speed cameras. She said major street design was a large part of Vision Zero, but work was still needed to get to zero.

Commissioner Haney said there were twelve left turn traffic calming program projects a year and asked why there was a limit.

Ms. Reeves said SFMTA committed to one hundred traffic calming locations per year and said there was a pilot program with seven locations which were being evaluated. She said SFMTA had preliminarily identified thirty-five additional high priority locations, pending the results of the left turn traffic turning pilot. She said SFMTA committed to completing the additional locations over the next three years and could share the list of locations.

Commissioner Haney asked for clarification that the entire high injury network would receive significant safety improvements, through prior and upcoming work. He asked about the enforcement plan along the high injury network for intersections and bike lanes.

Ms. Reeves said the presentation included a map which showed half of the network where corridor level improvements were completed or are in planning and design. She said SFMTA proposed to complete quick builds on the remainder of the network where appropriate and that the plan would cover the remainder of the high injury network between the quick build programs and programmatic safety intersection treatments.

Commander Perea, San Francisco Police Department, said the high injury network was a citywide focus and that all stations were responsible for traffic safety and control. He said their goal was that 50% of the enforcement would be focused on violations that caused severe injury and fatalities. He said that they were 54% above goal in the first quarter of last year and they were at 49% in the first quarter of this year. Commander Perea added that their focus was on the high injury network, working collaboratively with SFMTA to respond to initiatives like Better Market Street, and safety concerns across the city.

Commissioner Haney said enforcement was an important part of Vision Zero and there were many improvements that were ineffective or not safe due to traffic violations. He asked if there was a plan that addressed certain areas or intersections.

Commander Perea said yes, all of the District Captains worked collaboratively to respond to locations with past collision data and community concerns. Coming out of travel restrictions, he said they saw an increase in traffic and non-compliance with the vehicle code. He pointed to a study, which said the presence of uniformed police



officers impacted driving behavior. He said their greatest challenge was the demand for police services and the limited number of personnel hours available to dedicate to this work. With this, he said they try to be response and strategic with their work.

Vice Chair Peskin said comparing traffic deaths to homicides and drug overdose deaths raised questions about how we prioritized resources. He asked about the injury report and if the interdepartmental task force was still meeting.

Ms. Reeves said the Vision Zero Task Force met quarterly and was chaired by SFMTA and San Francisco Department of Public Health (SFPDH) in strong partnership with the police department, SFPW, and the Transportation Authority. She said they were eager to fill the SFPDH chair role as they brought a critical lens to the work that was unique to San Francisco.

Shamsi Soltani, Vision Zero Epidemiologist, SFPDH, said the data that was used for injuries was from police data and data from Zuckerberg San Francisco General Hospital. She said there was a delay in receiving the hospital data due to the pandemic, but she had recently received it and hoped to release a report within two weeks on the severe injury trends for the last two years, which would add to all the data they had since 2011.

Vice Chair Peskin requested that SFMTA and SFPDH provide him with a briefing as he did not receive a regular briefing on the topic and said he was concerned about shared spaces, that were filling daylighted corners, creating hazardous conditions that could result in injuries or fatalities.

Chair Mandelman asked how long the SFPDH co-chair role had been unfilled.

Ms. Reeves said it had been unfilled for about a year and a half and mentioned that they had a strong team from SFPDH that led a lot of the Vision Zero work such as updating the high injury network, leading the fatality tracking, reporting, and severe injury tracking.

Commission Preston said his district continued to have high numbers of traffic related injuries and that many travelled through the district to get to other locations. He said in the past week there were two major crashes and that there was a lot that could be done locally like transit only lanes and bike lanes that were not inhibited by state restrictions to reducing speeds. He said Fell Street was a good example of a bike lane reducing speeds by up to 14% without changing the speed limit. He asked about the plans for reusing traffic lanes for other purposes as a strategy to reduce speeds while work was done to change state law.

Ms. Reeves agreed that road diets had safety benefits for all road users in addition to being a speed management strategy as was reflected in the Action Strategy. She said the comprehensive speed management plan proposed in the draft Action Strategy, in response to requests from advocates, would address the tools needed to reduce speeds.

Mr. Parks continued that reducing the number of travel lanes was a critical tool to reducing speeds which had been applied on most quick build projects and many capital projects. He said sometimes SFMTA would use that space for a transit lane or a bike lane but in some cases, they removed a lane for safety, such as on California Street through the Richmond District. He said lane removal was a tool that they would continue to use as part of the speed management plan.



Commissioner Preston said his office was ready and willing to work with SFMTA on a bold District 5 plan because there was support for reducing speeds and implementing road diets. He said he hoped to have district specific initiatives and a plan that pushed the envelope. Touching on slow streets, he was concerned about motorists driving down the slow streets and the intersections with slow streets. He mentioned Page Street and the artwork that community members set up as informal barriers. He asked for an update on signage and barriers for slow streets.

Mr. Parks clarified that slow streets were not part of the Vision Zero strategy but was a complementary goal and they were committed to slow streets and the program's future post-pandemic. He said that SFMTA received new posts and signage and were in the process of replacing the temporary barriers, but it was not a long-term solution. He said SFMTA planned to go through a community-based process to determine next steps for each slow street.

Commissioner Preston said he would love to be a part of the conversation around making slow streets permanent to help achieve the Vision Zero goals.

During public comment, a caller from District 6 said they appreciated the work that went into the plan but that it was not enough. They said the plan doubled down on the same piecemeal actions that were ineffective over the past seven years. They said this plan was supposed to get them to zero by 2024 and what was heard was insufficient. They asked if the budget showed values why the quick build program was constrained by funding when the unfunded need was a fraction of the city's budget. They continued that if Vision Zero depended on mode shift, why was there a presentation on the risk of providing too much Muni service too soon. They asked the Board to take the visionary and transformative actions to get to zero.

Ann Turner, who worked on Van Ness and Pine Street, said she hoped for a more aggressive Action Strategy to protect pedestrians. She said she was turning 80 and was frightened by the speeding motorists as she walked along Franklin or Pine Streets. She asked for speed limits to be enforced and said the city should reach out to Senators for legislative help to reduce speeds.

Nancy Arbuckle, a senior in District 2, said she did not own a car and did not feel safe while walking on San Francisco streets. She was excited when she first learned of Vision Zero, but it turned into "Progress Zero". She recognized that things changed with actions and said we needed safe streets as there were too many close calls on our streets. She said we needed to prioritize pedestrian and bicyclist safety and needed to shift from a car-centric city to a city that was safe for pedestrians.

Dave Alexander of District 1 and the parent of two children, said he was a Walk San Francisco (Walk SF) member and organizer of the Richmond Family Transportation Network in District 1. He said they put their eggs in one basket with AB 550 and that they should see if AB 43 could help engineers expand their tools around schools and senior centers. He said they should put more of an emphasis on design which could remove law enforcement as enforcement. Lastly, he said they needed real outreach to underrepresented communities and mentioned that outreach in the Tenderloin was expensive but seven different language interpretations were needed.



Jodie Medeiros, Executive Director of Walk SF, said they learned a lot in the last seven years in support of Vision Zero and that it was time, with this last Vision Zero Action Strategy, to harness all that learning and take the proven solutions that could happen quickly and affordably. She said the draft actions they were on the right track but did not do enough to save lives and prevent tragedies on our streets. She urged the Board to make recommendations to the SFMTA to go even further and to help find the funding for more improvements, especially doubling the quick build program. She said every high injury street must have safety improvements by 2024.

Marta Lindsay, on behalf of the Vision Zero Coalition, said they believed the draft Action Strategy could get the city back on track with traffic safety but asked if the work in the strategy was enough to ensure a significant reduction in severe and fatal crashes within three years. She said they did not think so and that there needed to be solutions that were fast, inexpensive, and proven, that could happen at scale. She said the draft strategy was not there yet, not even with the funding to do twenty quick builds per year.

Julie Nicholson of District 8, member of Families for Safe Streets, and a parent of three girls, said San Francisco needed to take bold action for safe streets. She said she was going to be a number in the severe injury update report because on January 4, 2020, she was hit while jogging in the Panhandle when a speeding motorist ran a red light and hit another vehicle making an illegal left turn. She said one vehicle hit her and she broke her neck and back. She said it haunted her that every fifteen hours someone was transported to Zuckerberg San Francisco General Hospital. She urged the Board to push for the next Action Strategy to be bold so we could have safer streets.

Patricia Arack with Senior and Disability Action and Concerned Residents of the Sunset, said Vision Zero was a great idea but there was no decrease in fatalities. She said that by closing the Great Highway, SFMTA sent an average of 19,000 vehicles into the Sunset District. She said that when she walked, she was never sure if she was going to come home in one piece because of the increase in traffic. She mentioned that everything seemed to be built for bicyclists but that the majority of sunset residents needed their cars because only 2% rode bikes. She said Vision Zero would never be a success if the Great Highway was closed.

A District 4 resident said Vision Zero was a good goal but that they would not be safer by closing streets to vehicles and deferring funding to accommodate a few bicyclists. They said the closure of the Great Highway was an example of a project that cost more money and increased collisions noting that when the roadway was open, there was one collision since 2017, but since it closed there were several collisions and injuries, which needed to be addressed.

A caller said that closing the Great Highway made it more difficult to achieve Vision Zero by 2024. They said the closure pushed thousands of vehicles from a safe road with no fatalities onto streets that are on the high injury network. They added that the closure would add more traffic to streets that were more dangerous according to the city's own assessments. They agreed with Vice Chair Peskin and said that the parklets program had the potential to worsen safety because they reduced visibility for crossing pedestrians and turning motorists. They said the Vision Zero team should provide input into safety projects.



Jamie Michaels, a District 5 resident, urged the implementation of a bold Vision Zero Action Strategy that applied new research, innovation, and technology. She noted that she and her neighbors spent a decade trying to get traffic calming devices installed and they were installed last year but only had a modest effect on slowing cars. She said her street was identified by navigation apps as the quickest way across town and it was frustrating to live in the land of high tech where navigation apps were developed while solutions for slowing traffic felt like low tech. She urged consideration and deployment of tools that would effectively slow traffic.

Lisa Church of District 3, said projects may take two or three years to deliver but they should not be called quick. She said money could be saved on studies and staff time if they just walked down the street and witnessed speeding cars, double parking, cars in bike lanes, and unsafe turns. She said she spent 30 minutes walking and counted close to 50 issues. Lastly, she said they knew what the problems were and asked the staff to mitigate them.

Judy Gorski, District 4, said Vision Zero was a good goal and thought it was good that slow streets were not part of the action. She did not agree that closing streets to accommodate a few bicyclists made streets safer. She mentioned the closure of the Great Highway as an example of creating more collisions when, before its closure, there was one collision in four years. She said there were 20,000 vehicles on neighborhood streets and \$500,000 was spent on traffic calming that did not work.

Malcolm Jaramillo, a community organizer with the San Francisco Bicycle Coalition, said that he was affected by traffic violence as his father was hit and injured while bicycling on Cesar Chavez and said he was left with chronic pain and was not able to bike since. He said as a District 9 resident in the Portola, his family's home was bounded by two high traffic corridors, Silver and San Bruno avenues and that any time he moved within the neighborhood he was risking his life. He said they needed bold and consistent leadership and urged the Board to push for the next Action Strategy to be more aggressive.

Rick Gurley, who lived in San Francisco for 45 of his 67 years lived in Bernal Heights and was a member of WalkSF and the San Francisco Bicycle Coalition. He said he lived with pain as the result of a Muni bus hitting him as he rode his bike. He said the right to life, liberty and pursuit of happiness must be the guiding principles for transportation planning. He said San Francisco must take bold action to improve their traffic infrastructure and to educate the public to eliminate traffic injuries and deaths.

A District 5 resident mentioned JFK Drive, which was a high injury corridor and no one had been injured or killed since that became a pedestrian and bicycle only thoroughfare. He thanked Commissioners Preston and Haney for working to keep areas of the city open to pedestrians and bicyclists. He said the draft Action Strategy was not bold enough.

Leanne Chang, a parent in District 1, said she was concerned about street safety and there were trips she would not take by bike because of that concern. She said slow streets made it possible for her family to get around much more than before the pandemic. She asked the Board to push for the next Action Strategy to be more aggressive to keep people safe.

A caller said it was too often that people were being killed on our streets or suffered life altering injuries and post traumatic stress disorder. They said it was too often that



approved projects preserved parking and throughput and not safety. They continued that the safest designs often never reached a vote, and the safest proposals were never presented to the public because city staff wanted to avoid angry input. They relayed that it was too often that the city blamed state laws instead of doing everything they could do.

Jessica Jenkins, a District 5 resident, and parent said children could not walk around San Francisco because there were too many cars and distracted driving. She said she was able to relax on streets that were closed to motorists and was dismayed that slow street were not part of the Vision Zero Action Strategy. She said the replacement of four way stops by traffic lights on Haight Street resulted in higher speeds as motorists raced to beat the light, her 311 requests for daylighting and ADA compliant curb ramps on high injury corridors were ignored and companies like Doordash and Amazon prioritized speed over safety.

A caller said Vision Zero was a laudable goal, but he was a cynic. They said the Great Highway was a safe route and, with the closure, 20,000 cars a day were forced onto residential streets, so the streets were less safe with the closure.

Eric Rozell, Manager of the Tenderloin Community Benefit District's Pedestrian Safety Program, and Co-Chair of the Tenderloin Safety Task Force, spoke on behalf of the neighborhood to urge the city to take bold and immediate actions to create safe streets. He said SFMTA had repeatedly stated its commitment for prioritizing street safety and urged the agency to invest in street safety in the Tenderloin. He additionally requested that SFMTA provide funding for Tenderloin pedestrian safety programs so work could continue with providing safe crossings and outreach for seniors, youth, people with disabilities, and the unhoused.

Jennie Yew, called representing her mother, who became a traffic violence victim in 2011.

A caller spoke in support of more funding for Vision Zero and stated that the city failed repeatedly as every fifteen hours, another person became the victim of traffic violence. They said they were the victim of traffic violence and asked for pedestrian safety, active mobility, and transit improvements.

Raul Maldonado said in 2021 he became a member of San Francisco Bicycle Coalition, Kid Safe San Francisco, and San Francisco Transit Riders to advocate for walking and biking. He said he supported the next Action Strategy being more aggressive. He called on the city to provide safe and equitable transportation.

A member of the Vision Zero Coalition, a father, and a victim of traffic violence, spoke on behalf of Kid Safe SF. He said the city needed to take action and the draft Action Strategy would not get us to zero fatalities by 2024. He said he did not want to lose his child to traffic violence. He said we needed bold and well-funded changes for our streets to decrease fatalities and increase safety, including the strategy outlined by the Vision Zero Coalition and by working with the Fire Department. He urged the Board to push SFMTA to make the strategy bolder to eliminate traffic fatalities.

A caller from the Lower Great Highway said Vision Zero was designed to reduce fatalities and the closure of the Great Highway pushed 19,000 onto neighborhood streets, decreasing safety.





Commissioner Chan said she agreed with Commissioner Melgar's comments about not waiting until there was a fatality before improvements were implemented and she appreciated Vice Chair Peskin asking for the injury report, not just information on fatalities. She said the previous Friday the Board of Supervisors Government Audits & Oversight Committee had a hearing to discuss traffic collision data gathering and she was pleased that her colleagues with institutional knowledge discussed Vision Zero and what needed to be done. She said that there was a fundamental challenge with Vision Zero because our approach was intervention. She suggested that we transition from an intervention approach to a prevention approach, which would ease the frustration heard from her colleagues and the public. She urged SFMTA to prioritize Vision Zero with funding and staffing and with a prevention approach to roadway safety.

Chair Mandelman concluded with saying that Vice Chair Peskin was correct that former Board President Yee would be proud of the Board. He said they expressed support for the city being bold and for the SFMTA and other departments to move aggressively toward the 2024 Vision Zero goal. He said he did not think the city was on track to meet the 2024 goal, and he shared the concern of his colleagues who had a desire to see the city move more aggressively. He urged SFMTA to accelerate quick build projects, implement more red-light camera enforcement, and work to be bolder along the lines of what Commissioner Preston discussed. He said to go forth, save lives and do it quickly.

### **Other Items**

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

There were no new items introduced.

#### **12. Public Comment**

During public comment a caller thanked Commissioner Mar for his earlier comments. He said as a District 1 resident they supported the goals and objectives in the District 4 mobility study as it was presented. They said they understand they are not discussing the Great Highway, but he pointed out that the proposed pilot closure will negatively impact several of the recommended improvements within the D4 Mobility study, particularly those related to safety and transit. He said that they have an inter-related transit network, therefore the projects need to consider impacts on the transportation system holistically and on each other.

A District 4 resident said there is unequal treatment with the Upper Highway being closed. They said that with the highway closed the street sweeper comes at least twice a day, however prior to the closure it would only come once. They also mentioned that the hours for the meetings are a struggle to make for people that work, and asked the Board to consider a better time.

A caller said the amount of people that were surveyed does not balance out with the number of residents. They said it may cost \$20,000, but they would like to see a mailing go out to residents, then they may have some restored faith that they are honest about wanting to listen to the residents. They said there are 80% drivers who are being ignored.

Judi Gorski asked Commissioner Mar to clarify for citizens of the Sunset District who need to drive the nine streets being turned into neighborways, and if vehicles will be



able to share these streets. She said with 85,000 people living in the Sunset, only 2% are bicyclists, and asked why there is a constant deference to bicycle lanes narrowing their streets and removing parking spots needed by their residents. She asked why they would vote to keep their constituents in harms way.

Dr. Heidi Moses, mother living with her family in District 4 says that San Francisco needs to take bold action for safe streets now. She said there are few car-free safe spaces like the Great Highway that have shown that simple steps can improve safety. She said that her family used to commute by car, but now with the car-free spaces it is finally safe to bike.

Luke Bornheimer with Kid Safe SF, said collision and injuries are down more than 30% in the Outer Sunset since the car closure, and added that Outer Sunset is actually safer. He said support for the full promenade pilot is 2 ½ times greater than any road-way configuration, which was validated by the SFMTA survey, along with written and verbal public comment given at the Transportation Authority Board meeting.

Steve Gorski resident of the Outer Sunset said they are not taking into account all the accidents that have happened on the Lower Great Highway. He said when they looked at the study they used the entire District 4, not just the few blocks surrounding the Great Highway.

Anastasia Monopolis said that she really wants them to push the capital project of fixing the tunnel because 4 years is too long. She said trains cannot get through the tunnel to go downtown, J Church has been kicked off the line, and given her inability to go down flights of stairs she has no way to travel downtown.

Charlie Perkins said traffic accidents are down throughout the city everywhere because less people were driving during the pandemic. He said there was actually no drop in accidents during the pandemic, including the accidents that occurred on the overflow streets such as 48<sup>th</sup> Avenue. and La Playa even though overall traffic patterns were down.

A caller said since the closure there have been many collisions in the streets near the closed highway and have created delays for their emergency responders. They said no streets should be obstructed while the Upper Great Highway remains closed to vehicles and during the 19<sup>th</sup> Avenue construction, they should not be diverting traffic simultaneously into their neighborhoods.

### **13. Adjournment**

The meeting was adjourned at 1:54 p.m.

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San Francisco  
County Transportation  
Authority



RESOLUTION ADOPTING THE DISTRICT 4 MOBILITY STUDY REPORT [NTIP]

WHEREAS, The District 4 Mobility Study was recommended by Commissioner Mar for in Prop K half-cent sales tax funds from the Transportation Authority's Neighborhood Transportation Improvement Program (NTIP); and

WHEREAS, The District 4 Mobility Study sought to conduct public outreach and develop transportation solutions that would increase walking, biking and transit use in the Outer Sunset and Parkside neighborhoods; and

WHEREAS, The study was led by the Transportation Authority in partnership with Commissioner Mar's office and the San Francisco Municipal Transportation Agency (SFMTA); and

WHEREAS, The study was part of Commissioner Mar's Sunset Forward initiative, a collaboration with the San Francisco Planning Department, the Transportation Authority, and the District 4 Youth and Families Network, a coalition of non-profit community based-organizations in the Sunset District; and

WHEREAS, Staff conducted analysis and outreach to develop recommendations for the study such as a District 4 neighborway network, safety improvements on Lincoln Way, improving access and safety on key commercial corridors and improving north-south transit connections; and

WHEREAS, All proposed solutions described in the enclosed District 4 Mobility Study Final Report aim to improve multimodal travel options for residents of and visitors to District 4; and

WHEREAS, The final report identifies potential funding sources to advance the study's recommendations towards implementation; and

WHEREAS, The Transportation Authority Board first considered the District 4 Mobility Study Report at its July 27, 2021 meeting and the Community Advisory Committee considered the report at its July 28, 2021 meeting; now, therefore, be it

RESOLVED, That the Transportation Authority hereby adopts the enclosed District 4 Mobility Study Report; and be it further

RESOLVED, That the Executive Director is hereby authorized to prepare the document for final publication and distribute the document to all relevant agencies and



**San Francisco  
County Transportation  
Authority**

BD072721

RESOLUTION NO. 22-05

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interested parties.

Enclosure:

1. District 4 Mobility Study Report



## Memorandum

### AGENDA ITEM 4

**DATE:** July 22, 2021

**TO:** Transportation Authority Board

**FROM:** Hugh Louch – Deputy Director for Planning

**SUBJECT:** 07/27/21 Board Meeting: Adopt the District 4 Mobility Study Final Report

<p><b>RECOMMENDATION</b>   <input type="checkbox"/> Information   <input checked="" type="checkbox"/> Action</p> <p>Adopt the District 4 Mobility Study Final Report</p> <p><b>SUMMARY</b></p> <p>In late 2019, Transportation Authority Board Member Gordon Mar requested that the Transportation Authority conduct the District 4 Mobility Study to explore ways to increase walking, biking and transit use in the Outer Sunset and Parkside neighborhoods. The enclosed draft final report identifies several recommendations such as a district family neighborhood network, a community shuttle, and improvements to north-south transit.</p>	<p><input type="checkbox"/> Fund Allocation</p> <p><input type="checkbox"/> Fund Programming</p> <p><input type="checkbox"/> Policy/Legislation</p> <p><input checked="" 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 type="checkbox"/> Other: _____</p>
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### BACKGROUND

Commissioner Mar recommended the District 4 Mobility Study for Prop K sales tax funding through the Neighborhood Transportation Improvement Program (NTIP). Transportation Authority staff collaborated with the San Francisco Municipal Transportation Agency (SFMTA) on the study. The study was also conducted as part of Commissioner Mar's Sunset Forward initiative, a collaboration with the San Francisco Planning Department, the Transportation Authority, and the District 4 Youth and Families Network, a coalition of non-profit community based-organizations in the Sunset District.

### DISCUSSION

**Outreach.** Transportation Authority staff worked closely with the District 4 Office, SFMTA and Sunset Forward partners to conduct outreach. This included an initial round in Summer 2020, which was focused on understanding the challenges to walking, biking and transit for District



4 trips. We conducted another round of outreach in Spring 2021 to get feedback on the developing study concepts.

Outreach activities included virtual open house meetings, an online survey available in multiple languages, focus groups in Chinese (Cantonese), and a merchant workshop. The final report details these outreach activities and findings.

**Analysis.** The study team used SF-CHAMP, the Transportation Authority's travel forecasting tool, to conduct a travel market analysis to understand how people travel to, from, and within District 4 on a typical weekday (pre-pandemic). This analysis found:

- The single biggest vehicle trip market is between District 4 and San Mateo County. Due to the dispersed nature of San Mateo County destinations, transit service improvements are probably best focused on the northern part of San Mateo County where there are more trips to District 4.
- There are about 17,000 daily drive alone trips that occur just within District 4 and low levels of transit use (4 %). Enhancing transit, walking, and biking infrastructure may help create feasible options to automobile travel within the District 4.
- There are over 20,000 drive alone trips between District 4 and the Richmond and Inner Sunset.

**Recommendations.** Considering outreach and analysis findings, the study team developed the following conceptual recommendations from the study.

- A District 4 Family Neighborway Network, a network of residential streets using design strategies for safe walking and biking
- Safety Improvements on Lincoln Way
- Improving Access and Safety on Key Commercial Corridors through
  - New short-term curbside loading zones
  - Painted crosswalks
  - A community shuttle focused on improving access to commercial corridors but could also improve access to other nearby destinations like parks/open space, major transit connections, and schools.
- Improving north-south transit, such as
  - Advancing planning for increasing frequency and transit priority for 28/28R and 29/29R
  - Considering alternative designs for 18 or 66 bus lines
  - Exploring opportunities for a regional bus route that serves the west side and northern Peninsula

**Next Steps.** Because the study only developed conceptual ideas, all recommendations require further planning, design and/or evaluation prior to implementation In coordination



with the District 4 Office, Transportation Authority and SFMTA staff have prioritized key recommendations in the report to advance. The Transportation Authority Board has recommended allocating Prop K funds to the SFMTA for design of the neighborway network with final approval agendized under a separate item on the July 27 agenda. Transportation Authority staff will seek funding to conduct further planning to develop a pilot design for a District 4 community shuttle.

We have identified potential implementation pathways and potential funding sources for other recommendations as identified in the study.

### **FINANCIAL IMPACT**

The recommended action would not have an impact on the adopted Fiscal Year 2021/22 budget.

### **CAC POSITION**

The CAC will consider this item at its July 28, 2021 meeting.

### **SUPPLEMENTAL MATERIALS**

None.

- Enclosure 1 - District 4 Mobility Study Final Report
- Enclosure 2 - Appendices



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San Francisco  
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## San Francisco County Transportation Authority

**State Legislation - September 2021**

(Updated September 10, 2021)

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

**Table 1** shows the status of all active bills on which the Board has taken a position this session. September 10 was the last day for each house to pass bills. The bills that passed both houses of the Legislature are listed as 'Enrolled' in Table 1. The Governor has until October 10 to sign or veto bills passed by the Legislature.

**Table 1. Bill Status for Active Positions Taken in the 2021-22 Session**

Updates to bills since the last Board meeting are italicized.

Adopted Positions	Bill # Author	Bill Title	Update to Bill Status <sup>1</sup> (as of 8/31/2021)
Support	<a href="#">AB 43</a> <a href="#">Friedman</a> D	Traffic safety: expanded authority to reduce speed limits.  Authorizes local jurisdictions or the state to further reduce speed limits than currently allowable, when justified.	Senate Appropriations Committee to <i>Enrolled</i>
	<a href="#">AB 117</a> <a href="#">Boerner</a> <a href="#">Horvath</a> D	Air Quality Improvement Program: electric bicycles.  Makes electric bicycles eligible to receive funding from the Air Quality Improvement Program.	<i>Dead</i>
	<a href="#">AB 455</a> <a href="#">Wicks</a> D  Coauthors: <a href="#">Chiu</a> D <a href="#">Wiener</a> D	Bay Bridge Fast Forward Program.  Authorizes the Bay Area Toll Authority to designate transit-only traffic lanes on the San Francisco-Oakland Bay Bridge.	Two-Year Bill
	<a href="#">AB 550</a> <a href="#">Chiu</a> D	Vehicles: speed safety system pilot program.  Authorizes speed safety camera pilot program, subject to conditions, in San Francisco and four other cities.	Dead
	<a href="#">AB 917</a> <a href="#">Bloom</a> D	Vehicles: video imaging of parking violations.  Authorizes the use of forward-facing cameras on buses to enforce parking violations in transit-only lanes and in bus stops statewide.	Senate Judiciary Committee to <i>Enrolled</i>
	<a href="#">AB 1238</a> <a href="#">Ting</a> D	Pedestrian access.  Removes prohibition on pedestrians entering the roadway outside of a crosswalk, as long as no immediate hazard exists.	Senate Appropriations Committee to <i>Enrolled</i>
	<a href="#">AB 1499</a> <a href="#">Daly</a> D	Transportation: design-build: highways.  Extends expiration of authority to use design-build method of contract procurement from January 1, 2024 to January 1, 2034.	Senate Appropriations Committee to <i>Enrolled</i>

## San Francisco County Transportation Authority

	<a href="#">SB 339 Wiener</a> D	Vehicles: road usage charge pilot program.  Extends the California Road Usage Charge Technical Advisory Committee and require the implementation of a pilot program to identify and evaluate issues related to the collection of revenue for a road charge program.	Assembly Appropriations Committee to <i>Enrolled</i>
Oppose Unless Amended	<a href="#">AB 859 Irwin</a> D	Mobility devices: personal information.  Restricts a public agency's authority to collect anything but anonymized, aggregated, deidentified data from shared bicycles, scooters, transportation network companies, and autonomous vehicles.	Dead
Oppose	<a href="#">AB 5 Fong</a> R	Greenhouse Gas Reduction Fund: High Speed Rail Authority: K-12 education: transfer and loan.  Suspends appropriation of cap and trade funds to the HSRA for two years and transfers moneys collected for use on K-12 education.	Two-Year Bill

<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. "Two-year" bills have not met the required legislative deadlines and will not be moving forward this year but can be reconsidered in the second year of the session which begins in December 2021. Bill status at a House's "Desk" means it is pending referral to a Committee.



RESOLUTION ALLOCATING \$885,777 IN PROP K FUNDS AND \$410,000 IN PROP AA FUNDS, WITH CONDITIONS, FOR FOUR REQUESTS

WHEREAS, The Transportation Authority received four requests for a total of \$885,777 in Prop K local transportation sales tax funds and \$410,000 in Prop AA vehicle registration fee funds, as summarized in Attachments 1 and 2 and detailed in the enclosed allocation request forms; and

WHEREAS, The requests seek funds from the following Prop K Expenditure Plan categories: New Signals & Signs, Traffic Calming and Transportation/ Land Use Coordination; and from the Pedestrian Safety category of the Prop AA Expenditure Plan; and

WHEREAS, As required by the voter-approved Expenditure Plans, the Transportation Authority Board has adopted a Prop K or Prop AA 5-Year Prioritization Program (5YPP) for each of the aforementioned Expenditure Plan programmatic categories; and

WHEREAS, Three of the four requests are consistent with the relevant strategic plans and 5YPPs for their respective categories; and

WHEREAS, The San Francisco Municipal Transportation Agency's (SFMTA's) request for the Active Communities Plan requires amendments of the Bicycle Circulation and Safety and Transportation/Land Use Coordination 5YPPs, as summarized in Attachment 3 and detailed in the enclosed allocation request form; and

WHEREAS, After reviewing the requests, Transportation Authority staff recommended allocating a total of \$881,000 in Prop K funds and \$410,000 in in Prop AA funds, with conditions, for four projects, as described in Attachment 3 and detailed in the enclosed allocation request forms, which include staff recommendations for Prop K and Prop AA allocation amounts, required deliverables, timely use of funds requirements, special conditions, and Fiscal Year Cash Flow Distribution Schedules; and

WHEREAS, There are sufficient funds in the Capital Expenditures line item of the Transportation Authority's approved Fiscal Year 2019/20 budget to cover the proposed actions; and

WHEREAS, At its September 1, 2021 meeting, the Community Advisory Committee was briefed on the subject request and unanimously adopted a motion of support for the staff recommendation; now, therefore, be it



RESOLVED, That the Transportation Authority hereby amends the Prop K Bicycle Circulation and Safety and Transportation/Land Use Coordination 5YPPs, as detailed in the enclosed allocation request forms; and be it further

RESOLVED, That the Transportation Authority hereby allocates \$885,777 in Prop K funds and \$410,000 in in Prop AA funds, with conditions, as summarized in Attachment 3 and detailed in the enclosed allocation request forms; and be it further

RESOLVED, That the Transportation Authority finds the allocation of these funds to be in conformance with the priorities, policies, funding levels, and prioritization methodologies established in the Prop K and Prop AA Expenditure Plans, the Prop K and Prop AA Strategic Plans, and the relevant 5YPPs; 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 Schedules 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 sponsors to comply with applicable law and adopted Transportation Authority policies and execute Standard Grant Agreements to that effect; and be it further

RESOLVED, That as a condition of this authorization for expenditure, the project sponsors 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, the Prop K Strategic Plan, Prop AA Strategic Plan and the relevant 5YPPs are hereby amended, as appropriate.

**Attachments:**

1. Summary of Requests Received
2. Brief Project Descriptions
3. Staff Recommendations



4. Prop K and Prop AA Allocation Summaries - FY 2021/22

Enclosure:

Prop K/Prop AA Allocation Request Forms (4)

							Leveraging			
Source	EP Line No./ Category <sup>1</sup>	Project Sponsor <sup>2</sup>	Project Name	Current Prop K Request	Current Prop AA Request	Total Cost for Requested Phase(s)	Expected Leveraging by EP Line <sup>3</sup>	Actual Leveraging by Project Phase(s) <sup>4</sup>	Phase(s) Requested	District(s)
Prop K	31	SFMTA	New Signal Contract 66 <sup>4</sup>	\$ 300,000		<sup>4</sup> \$ 1,300,000	26%	77%	Design	1, 4, 5, 6, 8, 9, 11
Prop K	38	SFMTA	Application-Based Traffic Calming Program - FY20/21 Cycle Design <sup>4</sup>	\$ 175,777		\$ 175,777	51%	0%	Design	1, 2, 4, 5, 6, 7, 8, 9, 10, 11
Prop K	39, 44	SFMTA	Active Communities Plan	\$ 410,000		\$ 1,110,000	NA	63%	Planning	Citywide
Prop AA	Ped	SFPW	Joice Alley Lighting Improvements		\$ 410,000	\$ 410,000	NA	0%	Construction	3
<b>TOTAL</b>				<b>\$ 885,777</b>	<b>\$ 410,000</b>	<b>\$ 2,995,777</b>	14%	57%		

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Footnotes

<sup>1</sup> "EP Line No./Category" is either the Prop K Expenditure Plan line number referenced in the 2019 Prop K Strategic Plan or the Prop AA Expenditure Plan category referenced in the 2017 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); SFPW (San Francisco Public Works)

<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 or non-Prop AA 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./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Prop AA Funds Requested	Project Description
31	SFMTA	New Signal Contract 66	\$ 300,000	\$ -	Funds are requested to design new traffic signals at ten intersections and a rectangular rapid flashing beacon (RRFB) at one intersection to improve traffic operations, and pedestrian and bicycle safety. Improvements at all new signal locations include pedestrian countdown signals, accessible (audible) pedestrian signals, controllers, conduit, wiring, poles, and curb ramps. Locations include 4th Avenue and Fulton Street, 4th Street and Long Bridge Street, 4th Street and Mission Rock Street (RRFB), 10th Avenue and Lincoln Way, 28th Street and Guerrero Street, 39th Avenue and Fulton Street, 41st Avenue and Lincoln Way, Alemany Boulevard and Cotter Street, Castro Street/Divisadero Street/Waller Street, Cesar Chavez Street and Florida Street, and Mary Street/Mint Street/Mission Street. SFMTA expects to complete design by December 2022 and have all locations open for use by September 2024.
38	SFMTA	Application-Based Traffic Calming Program - FY20/21 Cycle Design	\$ 175,777	\$ -	Requested funds will be used to design 116 traffic calming projects (i.e., locations) identified, evaluated and ranked through the SFMTA Application-Based Residential Street Traffic Calming program. The projects will consist of approximately 220 individual traffic calming devices, including speed humps, speed cushions, speed tables, raised crosswalks and traffic islands. Design is anticipated to be done by June 2022 and all locations constructed and open for use by December 2023. See page E5- 21 of the enclosure for the list of locations accepted and submitted to the program for this cycle.
39, 44	SFMTA	Active Communities Plan	\$ 410,000	\$ -	This request will fund the Active Communities Plan, a community-driven, citywide planning process to update the 2005 SFMTA Bicycle Master Plan. The plan will be inclusive of all devices, both human-powered and electric-motor, that can legally operate on bike facilities. Special emphasis will be paid to Equity Priority Communities during the planning process. The plan will update the citywide bike network and design guidelines, develop recommendations for policies and programs related to bicycling, produce implementation plans for Priority (disadvantaged) Communities, and establish a set of criteria for prioritization that directly furthers goals and policies established in the plan, including mode shift, safety, access, and furthering equity. The project will start in the Fall 2021, with adoption by the SFMTA Board in February 2024. Requested funds will provide local match to a Caltrans Planning Grant and strengthen analysis and outreach tasks.

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

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Prop AA Funds Requested	Project Description
Ped	SFPW	Joice Alley Lighting Improvements	\$ -	\$ 410,000	This request will fund the constuction phase for three new pedestrian-scale street lights, and sidewalk and roadway improvements on Joice Alley between Clay Street and Sacramento Street in the Chinatown neighborhood. The project will make walking more inviting and safe along this important pedestrian path directly across Gordon J. Lau Elementary and close to the Powell cable car line, several Muni bus stops and the new Chinatown subway station. The scope of work includes adjustment of utility vaults, tree protection, sub-sidewalk basement work, restoring brick exteriors of the adjacent buildings and protection/restoration of special historical concrete letter plaques in the sidewalk. SFPW anticipates that the project will be open for use by March 2022.
<b>TOTAL</b>			<b>\$885,777</b>	<b>\$410,000</b>	

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

Attachment 3: Staff Recommendations <sup>1</sup>

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Recommended	Prop AA Funds Recommended	Recommendations
31	SFMTA	New Signal Contract 66	\$ 300,000	\$ -	
38	SFMTA	Application-Based Traffic Calming Program - FY20/21 Cycle Design	\$ 175,777	\$ -	
39, 44	SFMTA	Active Communities Plan	\$ 410,000		<p><b>5-Year Prioritization Program (5YPP) Amendments:</b> The recommended allocation is contingent upon amendment of the Bicycle Circulation and Safety 5YPP and Transportation/Land Use Coordination 5YPP. See enclosed allocation request form for details.</p> <p>SFMTA will present draft recommendations to the Board, anticipated September 2023.</p>
Ped	SFPW	Joice Alley Lighting Improvements	\$ -	\$ 410,000	
<b>TOTAL</b>			<b>\$ 885,777</b>	<b>\$ 410,000</b>	

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

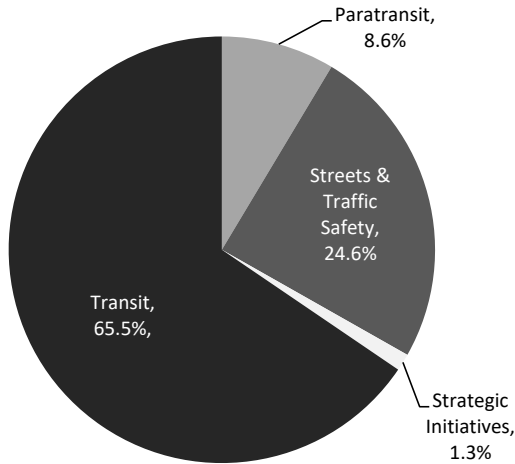
**Attachment 4.**  
**Prop K Allocation Summary - FY2021/22**

**PROP K SALES TAX**

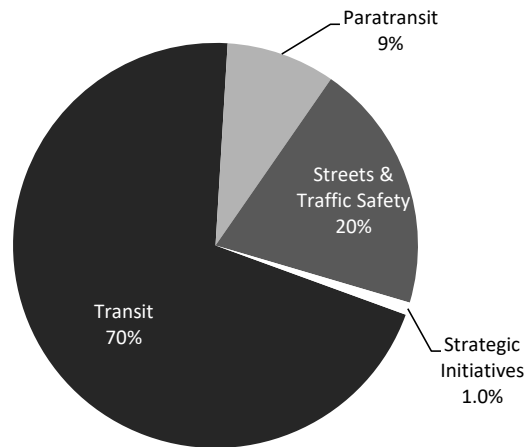
<b>FY2021/22</b>	<b>Total</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>	<b>FY 2025/26</b>
Prior Allocations	\$ 26,454,988	\$ 16,441,381	\$ 9,098,607	\$ 915,000	\$ -	\$ -
Current Request(s)	\$ 885,777	\$ 230,000	\$ 494,925	\$ 160,852	\$ -	\$ -
New Total Allocations	\$ 27,340,765	\$ 16,671,381	\$ 9,593,532	\$ 1,075,852	\$ -	\$ -

The above table shows maximum annual cash flow for all FY 2021/22 allocations and appropriations approved to date, along with the current recommended allocation(s) and appropriation.

**Investment Commitments,  
per Prop K Expenditure Plan**



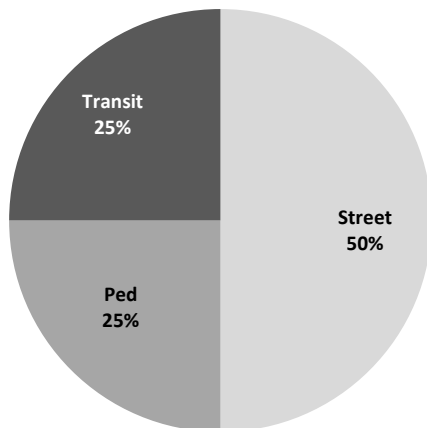
**Prop K Investments To Date**


**PROP AA VEHICLE REGISTRATION FEE**

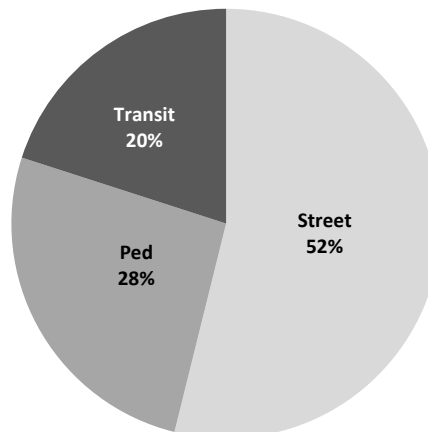
<b>FY2021/22</b>	<b>Total</b>	<b>FY 2021/22</b>	<b>FY 2022/23</b>	<b>FY 2023/24</b>	<b>FY 2024/25</b>
Prior Allocations	\$ 926,928	\$ 926,928	\$ -	\$ -	\$ -
Current Request(s)	\$ 410,000	\$ -	\$ 390,500	\$ 19,500	\$ -
New Total Allocations	\$ 1,336,928	\$ 926,928	\$ 390,500	\$ 19,500	\$ -

The above table shows total cash flow for all FY 2021/22 allocations approved to date, along with the current recommended allocation(s).

**Investment Commitments, per Prop AA  
Expenditure Plan**



**Prop AA Investments To Date**





## Memorandum

### AGENDA ITEM 5

**DATE:** September 2, 2021  
**TO:** Transportation Authority Board  
**FROM:** Anna LaForte - Deputy Director for Policy and Programming  
**SUBJECT:** 09/14/2021 Board Meeting: Allocate \$885,777 in Prop K Funds and \$410,000 in Prop AA Funds, with Conditions, for Four Requests

<p><b>RECOMMENDATION</b>    <input type="checkbox"/> Information    <input checked="" type="checkbox"/> Action</p> <p>Allocate \$881,000 in Prop K funds, with conditions, to the San Francisco Municipal Transportation Agency (SFMTA) for:</p> <ol style="list-style-type: none"> <li>1. New Signal Contract 66 (\$300,000)</li> <li>2. Application-Based Traffic Calming Program - FY20/21 Cycle (\$175,777)</li> <li>3. Active Communities Plan (\$ 410,000)</li> </ol> <p>Allocate \$410,000 in Prop AA funds to San Francisco Public Works (SFPW) for:</p> <ol style="list-style-type: none"> <li>4. Joice Alley Lighting Improvements</li> </ol> <p><b>SUMMARY</b></p> <p>Attachment 1 lists the requests, including phase(s) of work and supervisorial district(s). Attachment 2 provides brief descriptions of the projects. Attachment 3 contains the staff recommendations. Project sponsors will attend the meeting to answer any questions the Board may have.</p>	<p><input checked="" type="checkbox"/> Fund Allocation</p> <p><input checked="" 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 type="checkbox"/> Other: _____</p>
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### DISCUSSION

Attachment 1 summarizes the subject allocation requests, including information on proposed leveraging (i.e. stretching Prop K sales tax dollars further by matching them with other fund sources) compared with the leveraging assumptions in the Prop K Expenditure Plan. Attachment 2 includes brief project descriptions. Attachment 3 summarizes the staff recommendations for each request, highlighting special conditions and other items of interest. An Allocation Request Form for each project is enclosed, with more detailed information on scope, schedule, budget, funding, deliverables and special conditions.



## **FINANCIAL IMPACT**

The recommended action would allocate \$1,295,777 in Prop K and Prop AA funds. The allocations would be subject to the Fiscal Year Cash Flow Distribution Schedules contained in the enclosed Allocation Request Forms.

Attachment 4 shows the Prop K and Prop AA Fiscal Year 2021/22 allocations and appropriations 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 2021/22 annual budget. Furthermore, sufficient funds will be included in future budgets to cover the recommended cash flow distributions for those respective fiscal years.

## **CAC POSITION**

The CAC considered this item at its September 1, 2021 meeting and adopted a motion of support for the staff recommendation.

## **SUPPLEMENTAL MATERIALS**

- Attachment 1 - Summary of Requests
- Attachment 2 - Project Descriptions
- Attachment 3 - Staff Recommendations
- Attachment 4 - Prop K and Prop AA Allocation Summaries - FY 2021/22
- Enclosure - Allocation Request Forms (4)

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San Francisco  
County Transportation  
Authority



AUTHORIZE THE EXECUTIVE DIRECTOR AND OTHER AUTHORIZED REPRESENTATIVES TO ENTER INTO A REVOLVING CREDIT AGREEMENT FOR \$125 MILLION WITH U.S. BANK NATIONAL ASSOCIATION; TO EXECUTE AND DELIVER LEGAL DOCUMENTS RELATING THERETO; AND TO TAKE ALL NECESSARY OR APPROPRIATE RELATED ACTIONS IN CONNECTION THEREWITH

WHEREAS, The San Francisco County Transportation Authority ("Transportation Authority") is a county transportation authority duly organized and existing pursuant to the Bay Area County Traffic and Transportation Funding Act, being Division 12.5 of the Public Utilities Code of the State of California (Sections 131000 et seq.) ("Act"); and

WHEREAS, On July 22, 2003, the Board of Commissioners of the Transportation Authority ("Board of Commissioners") adopted Resolution No. 04-05 to approve an expenditure plan and a proposal to extend the imposition and collection of the one-half of one percent (1/2%) sales tax throughout the City and County of San Francisco ("County"), and to recommend that such revised expenditure plan and tax extension be considered by the Board of Supervisors of the City and County of San Francisco ("Board of Supervisors"); and WHEREAS, On July 29, 2003, the Board of Supervisors adopted Resolution No. 485-03, to approve the "New Transportation Expenditure Plan for San Francisco" ("Expenditure Plan"), and to call and provide for an election for the purpose of submitting to the voters an ordinance ("Ordinance") that would, in part, authorize implementation of the Expenditure Plan, continue collection of the retail transactions and use tax applicable in the County at the existing level of one-half of one percent (1/2%) ("Sales Tax"), continue the Transportation Authority as the independent agency to administer the Sales Tax and oversee implementation of the projects identified in the Expenditure Plan, and authorize the Transportation Authority to issue limited tax bonds as needed, in a total outstanding aggregate amount not to exceed \$1,880,000,000, secured by and payable from the proceeds of the Sales Tax; and

WHEREAS, At the election held for such purpose on November 4, 2003, the Ordinance was approved by more than two-thirds of the electors voting on the measure; and

WHEREAS, Pursuant to Sections 131109 and 131120 of the Act and the Ordinance, the Transportation Authority is authorized to issue limited tax bonds or bond anticipation notes secured by and payable from the proceeds of the Sales Tax; and





WHEREAS, The Transportation Authority presently has approximately \$222,020,000 aggregate principal amount of Senior Bonds outstanding and may issue additional Senior Bonds in the future; and

WHEREAS, The Transportation Authority previously entered into an Amended and Restated Revolving Credit Agreement, dated June 1, 2018 (the "Prior Revolving Credit Agreement") by and among the State Street Public Lending Corporation and U.S. Bank National Association (collectively, the "Prior Lenders") and the Transportation Authority, pursuant to which the Transportation Authority was permitted to borrow and reborrow amounts from the Prior Lenders from time to time in accordance with such Prior Revolving Credit Agreement in an amount up to \$140,000,000 outstanding at any one time; and

WHEREAS, The Prior Revolving Credit Agreement expired by its terms on June 7, 2021; and

WHEREAS, On April 14, 2021, the Transportation Authority issued a Request for Proposals ("RFP") to various banks regarding credit facilities for the Transportation Authority's interim borrowing program to succeed the Prior Revolving Credit Agreement; and

WHEREAS, By the due date of May 14, 2021, the Transportation Authority received five (5) proposals from financial institutions in response to the RFP;

WHEREAS, The review panel consisting of Transportation Authority staff and KNN Public Finance, the Transportation Authority's Municipal Advisor, evaluated the proposals based on responsiveness to the RFP, as well as qualifications and other criteria identified in the RFP, with an emphasis on proposers' fees, resulting cost of funds, length of commitment, credit ratings and various proposed terms; and

WHEREAS, Based on this competitive selection process, the review panel recommended, and the Transportation Authority proposes, to enter into a revolving credit agreement ("Revolving Credit Agreement") with a commitment of \$125,000,000 with U.S. Bank National Association ("U.S. Bank"), provided that the terms of such Revolving Credit Agreement shall be within the parameters set forth in Exhibit A; and

WHEREAS, The Transportation Authority's obligations under the Revolving Credit Agreement would constitute limited tax bonds and would be payable from and secured by the Sales Tax Revenues (which constitute the proceeds of the Sales Tax collected by the California Department of Tax and Fee Administration ("CDTFA"), as successor to the State



Board of Equalization, less the administrative fee deducted by CDTFA) on a basis subordinate to the Transportation Authority's Senior Lien Bonds as provided in the Third Amended and Restated Indenture, dated as of November 1, 2017, as amended and supplemented ("Indenture"), by and between the Transportation Authority and U.S. Bank National Association, as trustee ("Trustee"); and

WHEREAS, The proceeds of the advances and loans under the Revolving Credit Agreement shall be used to finance and refinance a portion of the costs and estimated costs of and incidental to, or connected with, the transportation improvements outlined in the Expenditure Plan ("Project"), including, without limitation, engineering, inspection, legal, fiscal agents, financial consultants and other fees, a debt service reserve fund, working capital and expenses of all proceedings for the authorization and implementation of the Revolving Credit Agreement; and

WHEREAS, The Board of Commissioners finds that the Sales Tax Revenues are expected to be sufficient to meet debt service on the Transportation Authority's outstanding Senior Lien Bonds and amounts expected to be outstanding under the Revolving Credit Agreement; and

WHEREAS, In connection with the Revolving Credit Agreement, a form of which is presented as Enclosure A, the Transportation Authority also anticipates entering into:

(a) a Supplemental Indenture (the "Supplemental Indenture") between the Transportation Authority and the Trustee, which would amend and supplement the Amended and Restated Indenture for purposes of providing the terms and conditions of the Note (defined below), a form of which is presented as Enclosure B; and

(b) a note (the "Note") evidencing the obligations of the Transportation Authority under the Revolving Credit Agreement, the form of which is attached to the Revolving Credit Agreement provided as Enclosure A.

WHEREAS, California Government Code Section 5852.1 requires that the Board of Commissioners obtain and disclose good faith estimates from a financial advisor, underwriter or private lender, prior to the authorization of bonds, of certain specified information regarding the bonds in a meeting open to the public, and such information has been disclosed prior to the adoption of this resolution; and

WHEREAS, The Board of Commissioners desires to authorize (i) the Revolving Credit



Agreement, and (ii) the execution and delivery of all documents, instruments and agreements necessary or appropriate in connection with the Revolving Credit Agreement, including the Supplemental Indenture, the Note and other documents related thereto as deemed appropriate by an Authorized Representative (defined below) (together with the Revolving Credit Agreement, the "Transaction Documents"); and

WHEREAS, At its September 1, 2021 meeting, the Community Advisory Committee considered and adopted a motion of support for the staff recommendation; and

WHEREAS, the Board of Commissioners has reviewed the staff recommendation and desires to approve the Revolving Credit Agreement, the Transaction Documents, and related actions as provided in this resolution; now, therefore, be it

RESOLVED, That the Board of Commissioners hereby finds and declares that the statements, findings and determinations set forth above are true and correct; and be it further

RESOLVED, That the Board of Commissioners hereby authorizes the Revolving Credit Agreement. The Executive Director of the Transportation Authority and the Chief Deputy Director of the Transportation Authority, and any such officer serving or acting in an interim capacity, and any authorized designee of either such officer (each, an "Authorized Representative") are, and each of them acting alone is, hereby authorized, for and in the name of and on behalf of the Transportation Authority, to execute by manual or facsimile signature and deliver the Revolving Credit Agreement and the Supplemental Indenture in substantially the forms enclosed herewith and hereby approved, with such changes as any Authorized Representative determines are appropriate or necessary and in the best interests of the Transportation Authority, provided that the final terms of the Revolving Credit Agreement are within the parameters set forth in Exhibit A to the extent applicable, such approval to be conclusively evidenced by the execution and delivery thereof; and be it further

RESOLVED, That the Board of Commissioners hereby authorizes the execution and delivery of the Note on behalf of the Transportation Authority by an Authorized Representative and, to the extent determined by an Authorized Representative to be appropriate or to be necessary to comply with the terms of the Indenture (as it may be modified) or applicable law (such determination to be conclusively evidenced by the execution and delivery of such Note by such Authorized Representative), by any other officer, Board of Commissioners member, employee or agent. The Note shall be in substantially the



form enclosed herewith and hereby approved, with such changes as any Authorized Representative determines are appropriate or necessary, in each case, to the extent, and with the terms and provisions as the Authorized Representative executing the same shall determine are appropriate or necessary for the establishment of the Revolving Credit Agreement and in the best interests of the Transportation Authority, such determination to be conclusively evidenced by the execution and delivery thereof. Any such execution may be by manual or facsimile signature, and each Note shall be authenticated by the endorsement of the Trustee or an agent of the Trustee. Any facsimile signature of any person signing a Note shall have the same force and effect as if such person had manually signed such Note; and be it further

RESOLVED, That the Authorized Representatives are, and each of them acting alone is, hereby authorized to take any and all actions and execute and deliver such documents as the Authorized Representative executing the same deems necessary or advisable to carry out the purposes of this Resolution and the Ordinance and to consummate the Revolving Credit Agreement and carry out the terms of the Revolving Credit Agreement; the officers, employees and agents of the Transportation Authority are authorized to take all actions and execute and deliver such documents as may be required to carry out the purposes of this Resolution and the Ordinance and to consummate the Revolving Credit Agreement or to carry out the terms of the Revolving Credit Agreement; and all actions heretofore taken by all officers, employees and agents of the Transportation Authority with respect to the Revolving Credit Agreement, including but not limited to the issuance of the RFP, are hereby approved, confirmed and ratified; and be it further

RESOLVED, That in addition to the actions described elsewhere in this Resolution, the Authorized Representatives are, and each of them acting alone, are hereby continually authorized, from time to time, for and in the name of, and on behalf of the Transportation Authority, to amend and modify any and all Transaction Documents, enter into new agreements or documents with respect to the Revolving Credit Agreement, and take any other actions, in each case, that the Authorized Representative entering into such amendment or modification, agreement or document or taking such action determines is necessary or advisable with respect to the Revolving Credit Agreement; and be it further

RESOLVED, That this Resolution shall take effect immediately upon its adoption and



approval; and be it further

RESOLVED, That the Authorized Representatives are, and each of them hereby is, authorized to negotiate agreement terms and conditions; and be it further

RESOLVED; That notwithstanding any rule or policy of the Transportation Authority to the contrary, each of the Authorized Representatives is expressly authorized to execute agreements and amendments to agreements within the parameters established in this Resolution.

Attachment:

1. Exhibit A: Transaction Parameters

Enclosures:

1. Enclosure A: Form of Revolving Credit Agreement
2. Enclosure B: Form of Supplemental Indenture



## **EXHIBIT A**

### **TRANSACTION PARAMETERS**

Maximum Principal Amount:	\$125,000,000 outstanding at any time; Transportation Authority may borrow and reborrow under the facility
Maximum Interest Rate:	Maximum permitted by law
Maximum Term:	3 year term of facility plus term out period not to exceed 5 years
Minimum Denominations for Notes:	No less than \$5,000 and minimum integral multiples of \$1,000 in excess thereof
Form of Note:	Registered or Physical, in substantially the form attached to the Revolving Credit Agreement provided as Enclosure A, with changes approved by an Authorized Representative



## Memorandum

### AGENDA ITEM 7

**DATE:** September 9, 2021  
**TO:** Transportation Authority Board  
**FROM:** Cynthia Fong - Deputy Director for Finance and Administration  
**SUBJECT:** 09/14/21 Board Meeting: Authorize the Executive Director and Other Authorized Representatives to Enter Into a Revolving Credit Agreement for \$125 Million with U.S. Bank National Association; to Execute and Deliver Legal Documents Relating Thereto; and to Take All Necessary or Appropriate Related Actions in Connection Therewith

#### RECOMMENDATION

☐ Information ☒ Action

- Authorize the Executive Director and other authorized representatives to:
  - Enter into a Revolving Credit Agreement (RCA) with U.S. Bank National Association (U.S. Bank) for \$125 Million
  - Enter into associated legal documents and amend the RCA and associated legal documents
  - Take all necessary related actions
  - Negotiate terms and conditions

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

#### SUMMARY

In order to ensure we have available funds on hand when needed to support the delivery of the projects and programs in the Prop K sales tax Expenditure Plan, we plan to continue to utilize an interim borrowing program, in the form of an RCA, in combination with pay-go sales tax revenues to address ongoing project expenditure needs. Our prior RCA with State Street and U.S. Bank expired in June 2021. In April 2021, we issued a Request for Proposals (RFP) to replace the prior interim borrowing facility following its expiration. On the proposal due date, we received proposals from five financial institutions summarized in Attachment 1. The review panel, consisting of staff and our financial advisor recommends that the Transportation Authority enter into a new RCA with U.S. Bank. The proposed RCA and supplement indenture are enclosed and U.S. Bank's RFP response (term sheet) is included in Attachment 2. We will seek approval from the Board prior to drawing down any funds from the RCA.

## BACKGROUND

We have historically relied on pay-go sales tax revenues and an interim borrowing program – initially through a \$200 million Commercial Paper (CP) Notes program which was converted in 2015 to a \$140 million revolving loan (Revolving Credit Agreement or RCA) with State Street Bank and renewed and extended in 2018 with State Street Bank and U.S. Bank – to fund the capital projects and programs included in the Prop K Expenditure Plan. The proposed RCA is an alternative variable rate financing method to traditional CP Notes and is a loan directly from a commercial bank. From time to time, we have utilized proceeds from prior interim borrowing facilities to fund peak capital expenditures that could not be met with available sales tax revenues. Following the issuance of the Transportation Authority's Senior Lien Bonds in 2017 (our first and only bond issuance to date), which provided approximately \$200 million in bond proceeds for projects, we had minimal interim borrowing needs. At the time of the expiration date of the prior RCA, June 7, 2021, we had no outstanding balances under the facility. Given the expectations for the timing of project expenditure reimbursement requests for existing grant obligations and anticipated future allocations, we desire to maintain an interim borrowing program in an amount not to exceed \$125 million. This is consistent with our Prop K Strategic Plan which reflects advancement of funds and associated financing to support faster project delivery than we could support on a pay-go basis.

*Procurement Process.* On April 14, 2021, we issued an RFP to banks active in the municipal lending market for up to \$200 million in bank credit commitment in the form of an RCA to support our interim borrowing program. While a pre-proposal conference was not held, proposers were able to submit questions and receive responses by April 26. We advertised the RFP in both the San Francisco Chronicle and San Francisco Examiner.

By the due date of May 14, 2021, we received proposals from five financial institutions in response to the RFP. Of the five proposals, the review panel deemed four proposals to be responsive in terms of proposed terms, commitment amount, and facility type. The remaining proposal could not meet the Transportation Authority's desired terms and conditions. See Attachment 1 for a summary of the five bank proposals received.

A review panel consisting of our staff and KNN Public Finance LLC, evaluated the bank credit facility proposals based on responsiveness to the RFP, as well as qualifications and other criteria identified in the RFP, with an emphasis on proposers' fees, duration of commitment, their credit ratings and various proposed terms. Based on this competitive review and selection, the review panel recommends entering into a new RCA with U.S. Bank. U.S. Bank offered a commitment of up to \$200 million (although we recommend that the RCA be based on a commitment amount of \$125 million) along with the most cost-effective financing solution to us.

U.S. Bank has provided bank credit support to a number of issuers in the San Francisco community, including the Transportation Authority in connection with the prior facility. Given our recent partnership with U.S. Bank, we do not foresee any challenges in the contract negotiations.

Attachment 2 is the RFP response containing the term sheet for the U.S. Bank RCA. Information deemed proprietary and/or a trade secret for a financial institution has been redacted per California Government Code Section 6250, et seq.



### California Government Code Section 5852.1

The following information is made available in accordance with recently enacted California Government Code Section 5852.1 to provide certain public disclosures related to the proposed financing. All figures represent good faith estimates based on the U.S. Bank RCA proposal and assume i) a fully drawn facility up to the proposed not-to-exceed amount of \$125 million over the term of the facility, ii) a variable rate of interest based on a three-year historical average of the tax-exempt Securities Industry and Financial Markets Association (SIFMA) interest rate over the RCA term, iii) our current credit ratings, and iv) a 3-year term of the RCA facility.

- 1) **True Interest Cost of the RCA.** Assuming an aggregate principal amount of \$125 million of borrowings under the RCA and based on an assumed three-year historical average variable rate of interest over the RCA term, a good faith estimate of the true interest cost of the RCA, which means the rate necessary to discount the amounts payable on the respective interest payment dates to the proceeds received under the RCA, is 1.230%.
- 2) **Finance Charge of the RCA.** Assuming an aggregate principal amount of \$125 million of borrowings under the RCA and based on market rates prevailing at the time of preparation of this information, a good faith estimate of the finance charge of the RCA, which means the sum of all fees and charges paid to third parties (or costs associated with the RCA), is \$127,950.
- 3) **Amount of Proceeds to be Received.** Assuming an aggregate principal amount of \$125 million of borrowings under the RCA and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the amount of proceeds expected to be received by the Transportation Authority for borrowings under the RCA less the finance charge of the RCA described in 2 above and any reserves or capitalized interest paid or funded with proceeds of the RCA, is \$124,872,050.
- 4) **Total Payment Amount.** Assuming an aggregate principal amount of \$125 million of borrowings under the RCA and based on an assumed three-year historical average variable rate of interest over the RCA term, a good faith estimate of the total payment amount, which means the sum total of all payments the Transportation Authority will make to pay debt service on the RCA plus the finance charge of the RCA described in paragraph 2 above not paid with the proceeds of the RCA, calculated to the final maturity of borrowings under the RCA, is \$4,740,450.

### FINANCIAL IMPACT

The proposed Fiscal Year 2021/22 budget assumes fees for the RCA. Based on the fees and interest rates proposed for a three-year agreement and assuming the Transportation Authority's full utilization under the RCA, the all-in total cost is estimated to be \$1,665,450 in year one and \$1,537,500 in each of the subsequent two years. Assuming a fully drawn RCA facility at \$125 million over the three-year term, the Transportation Authority's total cost is estimated to be \$4,740,450. We note that these are total estimated costs based on a fully drawn RCA. If the Transportation Authority did not need to utilize the RCA in year one, then the estimated fee in the first year of the facility would be \$250,000. We would seek the approval of the Board prior to drawing down any funds from the RCA.

**CAC POSITION**

The Community Advisory Committee considered this item at its September 1, 2021 meeting, and unanimously adopted a motion of support for the staff recommendation.

**SUPPLEMENTAL MATERIALS**

Attachment 1 - Table of RFP Responses

Attachment 2 - U.S. Bank RFP Response (Term Sheet Included)

Enclosure A - Form of Revolving Credit Agreement

Enclosure B - Form of Supplemental Indenture

## Attachment 1: Table of RFP Responses

Bank	Type of Facility/ Commitment Amount	Variable Rate Index and Applicable Spread <sup>1</sup>	Unutilized Fee	Bank Credit Ratings (Moody's / Standard & Poor's/Fitch)
<i>Former State Street/US Bank Revolver (Expired June 2021)</i>	<i>RCA \$140M</i>	<i>80% of LIBOR 40.0bp</i>	<i>24.0bp</i>	<i>Aa1/AA-/AA Aa2/AA-/AA-</i>
U.S. Bank (recommended)	RCA/Up to \$200M	SIFMA Index <sup>2</sup> 35.0bp	20.0bp	A1 / AA- / AA-
State Street Public Lending Corporation	RCA/Up to \$100M	80% of LIBOR 43.0bp	23.0bp	Aa1 / AA- / AA
Bank of America, National Association	RCA/Up to \$200M	SIFMA Index 42.5bp	30.0bp	Aa2 / A+ / AA-
JPMorgan Chase Bank, National Association	RCA/Up to \$200M	80% of LIBOR 75.0bp	35.0bp	Aa2 / A+ / AA
Sumitomo Mitsui Banking Corporation	LOC/Up to \$200M	n/a	n/a	A1 / A / A

<sup>1</sup> Based on proposed pricing for 3-year term.

<sup>2</sup> U.S. Bank RFP response used the LIBOR Index, but later converted to SIFMA Index at our request.

# San Francisco County Transportation Authority

## Proposal to Provide Revolving Credit Agreement

Indicative Terms and Conditions

May 14, 2021

- Borrower:** San Francisco County Transportation Authority (“SFCTA,” the “Authority” or the “Borrower”).
- Debt Issue:** A Revolving Credit Agreement between the Borrower and U.S. Bank (the “RCA” or the “Facility”) pursuant to which the Bank will make tax-exempt Loans to the Borrower (the “Loans”).
- Security:** The Loans and the obligations owed to the Bank under the Facility shall be secured as Parity Debt under the Indenture by Sales Tax Revenues to be received from the collection of a one-half of one percent (1/2%) retail transactions and use tax imposed in the City and County of San Francisco. Parity Debt has a lien upon Sales Tax Revenues that is subordinate to the lien upon Sales Tax Revenues of the Senior Lien Bonds and any future Senior Lien Debt and senior to the lien upon Sales Tax Revenues of any Subordinate Obligations.
- Facility:** RCA providing interim financing on a tax-exempt basis.
- Facility Documents:** Documentation will include the Indenture, the RCA and a fee letter, as applicable, and such other documents, instruments, certificates, and agreements executed and/or delivered by the Borrower in connection with the Facility as reasonably determined by the Bank (collectively, the “Facility Documents”).
- The Bank and the Authority previously executed documentation for the existing Revolving Credit Agreement (the “Existing Agreement”). For maximum efficiency, we propose working from this Existing Agreement for the proposed Credit Facility. This would result in a smooth documentation process as very little additional negotiation should be required. Please refer to the accompanying term sheet for a detailed listing of the terms and conditions proposed by the Bank.**
- Bank:** U.S. Bank National Association (“U.S. Bank” or “Bank”).

## 1. Credit Rating

U.S. Bank Ratings:	Moody's	S&P	Fitch
	A1 / P-1	AA- / A-1+	AA- / F1+
	Under Review	Stable Outlook	Stable Outlook
	Negative Watch	Not on Watch	Not on Watch

Please refer to Attachment A; Appendix 1 for the Bank's ratings over the past three years and to the link below for the most recent ratings.

<https://ir.usbank.com/investor-relations/financial-information/credit-ratings>

## 2. Bank Counsel

<b>Counsel:</b>	Chapman and Cutler LLP	David Field, Partner
	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED] dfield@chapman.com

**Legal Fees:** As U.S. Bank is one of the existing banks under the Existing Agreement:

- In the event that the Authority determines to extend the existing revolving credit agreement with the existing banks, legal fees are estimated at [REDACTED] and capped at [REDACTED] plus disbursements.
- In the event that U.S. Bank is mandated to provide a separate revolving credit agreement to the Authority, legal fees are estimated at [REDACTED] and capped at [REDACTED] plus disbursements.

## 3. Fees

### Revolving Credit Agreement

Please refer to Attachment A: Appendix 1 for the corresponding pricing matrix in the RFP.

#### Commitment

**Amount:** Up to \$200,000,000 of principal.

**Term:** 3 Years.

**Index Rate:** Prior to the Maturity Date, the Loans and the Bank Note shall bear interest at a tax-exempt per annum rate of interest equal to the sum of (i) 80% of 1-month LIBOR plus (ii) the Applicable Spread set forth below (collectively, the "Index Rate"), subject to adjustment as provided herein.

The Loans shall bear interest at the Index Rate prior to the Maturity Date, so long as no Event of Taxability or Event of Default exists.

Tenor	Applicable Spread
3 Years	██████████

**Commitment Fee:**

The undrawn portion of the RCA will be charged the Commitment Fee set forth below, subject to adjustment as provided herein.

Tenor	Commitment Fee
3 Years	██████████

**Downgrade Rate/Fee Adjustments:**

The Applicable Spread and Commitment Fee shall be adjusted according to the schedules below for any rating downgrade as well as for any rating suspension, withdrawal, or cancellation (“WD/NR”):

Rating Level	Applicable Spread	Commitment Fee
Aa2/AA and above	██████████	██████████
Aa3/AA-	██████████	██████████
A1/A+	██████████	██████████
A2/A	██████████	██████████
A3/A-	██████████	██████████
Baa1/BBB+	██████████	██████████
Baa2/BBB	██████████	██████████
Below Baa2/BBB*	Default	Default
WD/NR*	Default	Default

\* Note: Event of Default rate/fee adjustment applies.

The lowest long-term unenhanced rating assigned to SFCTA’s Senior Lien Bonds will determine the Applicable Spread and the Commitment Fee. An Applicable Spread and Commitment Fee adjustment shall become effective on the date a rating action is announced by the applicable rating agency. In the event of the adoption of any new or changed rating system, each of the ratings referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category currently in effect.

**Event of Default Rate/Fee Adjustment:**

If one or more of the underlying ratings assigned to SFCTA’s Senior Lien Bonds are withdrawn or suspended, or shall fall below “Baa2/BBB”, or upon the occurrence of an Event of Default, the Loans and the Bank Note shall bear interest at the Default Rate and the Commitment Fee shall automatically and without notice to the Borrower increase by ██████████ per annum above the level specified in the above pricing matrix for the “Baa2/BBB” rating category.

**Maximum Federal**

Maximum Federal Corporate Tax Rate means the maximum rate of income taxation imposed on corporations pursuant to Section 11(b) of the Code, as in effect from time

to time (or, if as a result of a change in the Code, the rate of income taxation imposed on corporations generally shall not be applicable to the Bank, the maximum statutory rate of federal income taxation which could apply to the Bank). The Maximum Federal Corporate Tax Rate is currently 21%.

## LIBOR Transition:

The Bank Index shall be one month LIBOR, which Bank Index shall be reset on the first day of each calendar month, such rate to be based upon the LIBOR index as of two New York Banking Days immediately preceding the rate reset date, provided that in no event shall the Bank Index be less than 0.0%. If for any reason one month LIBOR is not available for any such period, then the index for such period shall be a comparable index designed to measure interest rates in a similar manner as selected by the Bank.

## Event of Taxability:

In the event a determination of taxability shall occur, in addition to the amounts required to be paid with respect to the Loans, the Borrower shall be obligated to pay to the Bank an amount calculated on a daily basis equal to the positive difference, if any, between the amount of interest that would have been paid during the period of taxability if the Loans had borne interest at the Taxable Rate (i.e., the product of the Index Rate and 1.0/1.0-Maximum Federal Corporate Tax Rate) and the interest actually paid to the Bank with respect to the Loans.

**Termination/  
Reduction Fee:**

In the event that the Borrower elects to terminate or permanently reduce the Facility during the first eighteen months of the Facility, the Borrower will be required to pay a termination or reduction fee equal to the Commitment Fee which would have accrued from the date of termination or reduction through the one-year anniversary of the closing date.

### Draw Fee:

██████████ per draw, capped at ██████████ in any calendar year.

**Amendment Fee:**

plus reasonable fees and disbursements of counsel, if any.

### Base Rate:

The greatest of: (i) \_\_\_\_\_  
(ii) \_\_\_\_\_  
(iii) \_\_\_\_\_

### Term Loan Rate:

Days 1-30: 

Days 31-90: 

Days 91 and after: 

### Default Rate:

Interest accruing at the Default Rate shall be payable on demand.

<b>Computation of Payments:</b>	Computations of interest and fees shall be calculated on an actual/360 day basis.
<b>Pro Rata Draws &amp; Repayments:</b>	If there is more than one RCA, all draws and repayments under the RCAs shall be pro rata between the RCAs.
<b>Term Loan:</b>	5 Years.

4. Terms and Conditions of Revolving Credit Agreement

For the RCA, the Bank is proposing limited modifications to the Existing Agreement including conditions precedent to purchase and closing, representations and warranties, covenants, events of default, and remedies – shall remain generally consistent with the Existing Agreement.

5. Formal Credit Approval

<b>Credit Approval:</b>	<p>Any commitment to provide the Facility (including the terms and conditions proposed herein) or to extend credit is subject to the Bank’s internal approvals and due diligence procedures. In obtaining credit approval, the Bank reserves the right to modify and/or supplement any of the terms and conditions stated herein.</p> <p>US Bank anticipates obtaining final credit approval within 15 business days of receiving the mandate to provide the Facility.</p>
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6. Additional Information Relative to the Proposer

<b>U.S. Bank Contacts:</b>	U.S. Bank National Association	
	<b>Project Manager:</b>	<b>Other Team Members:</b>
	jeffrey.kajisa@usbank.com	charline.botelho@usbank.com

**Resumes:**  
Please refer to Appendix B for the resumes of the project managers and team members.



## Experience:

U.S. Bank offers the Authority exceptional strength and security. With assets of \$543 billion as of 3/31/21, it is the fifth largest bank in the United States. U.S. Bank is rated among the highest of any domestic financial firm. U.S. Bank is a market leader in tax-exempt and taxable credit origination. Our experience in providing both on and off-balance sheet support to municipal and not-for-profit issuers across the nation will ensure an efficient and cost-effective transaction for the Authority. U.S. Bank's Government Banking Portfolio Management Group manages over \$7 billion in commitments to customers in the municipal and nonprofit sectors.

Please refer to Appendix C for a list of state and local government clients for which the Bank has provided liquidity support, credit enhancement or direct credit in excess of \$100 million since 1/1/2018.

## 7. Assurances and Miscellaneous Items

**U.S. Bank**

### Reference #1:



## Reference #2:

anna.vandegna@sfgov.org

**U.S. Bank**

### Reference #3:

## **B. Conflict of Interest**

At this time, and to the best knowledge of the representatives preparing this response, U.S. Bank is not aware of any arrangement, formal or informal, or potential conflicts of interest that the Bank has with any party that might interfere with the Bank's ability to provide a credit facility to the Authority.

The relevant assignments completed by U.S. Bank's Government Banking business for the City and County of San Francisco within the last five (5) years, including involvement with Transportation Authority-funded projects, are outlined below:

- Liquidity Facility supporting the City and County of San Francisco Lease Revenue Commercial Paper Certificates of Participation, Series 2 and Series 2-5;
- Revolving Line of credit to issue Standby Letters of Credit for the City and County of San Francisco to assist with the City's Bonding and Financial Assistance Program to provide required bonding to certain eligible contractors performing City public works/construction contracts.
- Revolving Credit Facilities to the Public Utilities Commission of the City and County of San Francisco (SFPUC)
- U.S. Bank's Municipal Products Group (MPG) is a CP dealer for the City and County of San Francisco and SFPUC. MPG was a co-manager on a 2016 Water Revenue Bond.

## **C. Political Contributions**

We are not aware of any political contributions by senior executives or directors of U.S. Bank N.A. to any current member of the San Francisco County Transportation Authority Board of Commissioners within the last three years.

## **D. Litigation**

From time to time, U.S. Bancorp and its affiliates (hereafter, the Company) are subject to various litigation, administrative proceedings, and investigations. The company does not currently believe that the ultimate resolution of any existing litigation, administrative proceeding, or investigation will have a material adverse effect on the financial condition of the Company or of the Company's ability to perform in connection with this RFP. Such litigation, administrative proceedings, and investigations are often are highly confidential, thus we may be limited in our ability to disclose detailed information. Nevertheless, for further information regarding certain current matters, please see our most recent 10-K and 10-Q.

## **E. Confidentiality**

All pricing related terms in the Bank's proposal are considered confidential proprietary information.

## **F. Acknowledgement**

The Bank acknowledges receipt and understanding of the Authority's contracting requirements. The Bank is able and willing to comply with the requirements.

## 8. Other Terms and Conditions

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<b>Survival:</b>	This proposal does not constitute a Facility Document and shall not survive the execution and delivery of the definitive Facility Documents.
<b>Material Adverse Change:</b>	This proposal may be rescinded, in the sole discretion of the Bank, upon the occurrence of a material adverse change in the financial, operational, or legal condition of the Borrower.
<b>Proposal Expiration:</b>	Unless otherwise extended by the Bank, this proposal shall expire at 5:00 p.m. EST on September 13, 2021.

## ATTACHMENT 1

## Pricing Matrix

**San Francisco County Transportation Authority  
Proposition K Sales Tax Revenue Revolving Credit Facility**

Name of Provider:	U.S. Bank, N.A.																																	
Provider LT & ST Ratings:	<table border="1"> <thead> <tr> <th><i>Year</i></th><th><i>Moody's</i></th><th><i>Outlook</i></th><th><i>S&amp;P</i></th><th><i>Outlook</i></th><th><i>Fitch</i></th><th><i>Outlook</i></th></tr> </thead> <tbody> <tr> <td>2021</td><td>A1/P-1</td><td>Negative Watch</td><td>AA-/A-1+</td><td>Stable</td><td>AA-/F1+</td><td>Stable</td></tr> <tr> <td>2020</td><td>A1/P-1</td><td>Negative</td><td>AA-/A-1+</td><td>Stable</td><td>AA-/F1+</td><td>Negative</td></tr> <tr> <td>2019</td><td>A1/P-1</td><td>Stable</td><td>AA-/A-1+</td><td>Stable</td><td>AA-/F1+</td><td>Stable</td></tr> </tbody> </table>						<i>Year</i>	<i>Moody's</i>	<i>Outlook</i>	<i>S&amp;P</i>	<i>Outlook</i>	<i>Fitch</i>	<i>Outlook</i>	2021	A1/P-1	Negative Watch	AA-/A-1+	Stable	AA-/F1+	Stable	2020	A1/P-1	Negative	AA-/A-1+	Stable	AA-/F1+	Negative	2019	A1/P-1	Stable	AA-/A-1+	Stable	AA-/F1+	Stable
<i>Year</i>	<i>Moody's</i>	<i>Outlook</i>	<i>S&amp;P</i>	<i>Outlook</i>	<i>Fitch</i>	<i>Outlook</i>																												
2021	A1/P-1	Negative Watch	AA-/A-1+	Stable	AA-/F1+	Stable																												
2020	A1/P-1	Negative	AA-/A-1+	Stable	AA-/F1+	Negative																												
2019	A1/P-1	Stable	AA-/A-1+	Stable	AA-/F1+	Stable																												
Contact Person:	[REDACTED]																																	
Email Address:	[REDACTED] <a href="mailto:jeffrey.kajisa@usbank.com">jeffrey.kajisa@usbank.com</a>																																	
Telephone Number:	[REDACTED]																																	

Facility Type	Revolving Line of Credit					
Commitment Amount	\$200,000,000					
Term (in years)	3 Years					
Index Rate	80% of LIBOR, If Index Rate would be less than zero percent (0.0%), the Index Rate shall be deemed to be zero percent (0.00%).					
Applicable Spread to Index Rate	[REDACTED]					
Origination Fee	-0-					
Commitment Fee	-0-					
Unutilized Fee	[REDACTED]					

Termination/ Reduction Fee	Any termination of the commitment (in whole or in part) under the Revolver Facility on a date before the first anniversary shall be subject to a termination fee based on the Unused Fee.																																
Draw Fee	██████████																																
Amendment Fee	██████████																																
Bank Counsel Fee	As U.S. Bank is an existing lender to the Authority: <ul style="list-style-type: none"><li>• In the event that the Authority determines to extend the existing revolving credit agreement with the existing banks, legal fees are estimated at ██████████ and capped at ██████████</li><li>• In the event that U.S. Bank is mandated to provide a separate revolving credit agreement to the Authority, legal fees are estimated at ██████████ and capped at ██████████</li></ul>																																
Other Fees	None, except for Legal Fees as referenced above																																
Base Rate/Bank Rate Term Loan Rate	The greatest of: <ul style="list-style-type: none"><li>(i) The Bank’s Prime Rate plus ██████████</li><li>(ii) Federal Funds Rate plus ██████████ and</li><li>(iii) ██████████</li></ul>																																
Default Rate	Base Rate plus 3.0% Interest accruing at the Default Rate shall be payable on demand.																																
Computation of Payments	Computation of interest and fees shall be calculated on an actual/360-day basis.																																
Downgrade Rate/Fee Adjustments	<div>The Commitment Fee shall be adjusted according to the schedules below for any downgrade as well as for any rating suspension, withdrawal, or cancellation (“WD/NR”):</div> <table><thead><tr><th>Rating Level</th><th>Applicable Spread</th><th>Unutilized Fee</th></tr></thead><tbody><tr><td>Aa2/AA and above</td><td>██████████</td><td>██████████</td></tr><tr><td>Aa3/AA-</td><td>██████████</td><td>██████████</td></tr><tr><td>A1/A+</td><td>██████████</td><td>██████████</td></tr><tr><td>A2/A</td><td>██████████</td><td>██████████</td></tr><tr><td>A3/A-</td><td>██████████</td><td>██████████</td></tr><tr><td>Baa1/BBB+</td><td>██████████</td><td>██████████</td></tr><tr><td>Baa2/BBB</td><td>██████████</td><td>██████████</td></tr><tr><td>Below Baa2/BBB*</td><td>Default</td><td>Default</td></tr><tr><td>WD/NR*</td><td>Default</td><td>Default</td></tr></tbody></table> <div>The lowest long-term unenhanced rating assigned to SFCTA’s Senior Lien Bonds will determine the Commitment Fee. A Commitment Fee adjustment shall become effective on the date a rating action is announced by the applicable rating agency. In the event of the adoption of any new or changed rating system, each of the</div>			Rating Level	Applicable Spread	Unutilized Fee	Aa2/AA and above	██████████	██████████	Aa3/AA-	██████████	██████████	A1/A+	██████████	██████████	A2/A	██████████	██████████	A3/A-	██████████	██████████	Baa1/BBB+	██████████	██████████	Baa2/BBB	██████████	██████████	Below Baa2/BBB*	Default	Default	WD/NR*	Default	Default
Rating Level	Applicable Spread	Unutilized Fee																															
Aa2/AA and above	██████████	██████████																															
Aa3/AA-	██████████	██████████																															
A1/A+	██████████	██████████																															
A2/A	██████████	██████████																															
A3/A-	██████████	██████████																															
Baa1/BBB+	██████████	██████████																															
Baa2/BBB	██████████	██████████																															
Below Baa2/BBB*	Default	Default																															
WD/NR*	Default	Default																															

	ratings referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category currently in effect.
Term Loan Period	<p>At maturity, provided no default or event of default has occurred and all representations and warranties of the Transportation Authority are true and correct in all material respects, the outstanding balance will be repaid over five years in equal quarterly installments at the following rates:</p> <ul style="list-style-type: none"> <li>• 1-30 days, Base Rate</li> <li>• 31-90 days, Base Rate + [REDACTED]</li> <li>• 91 days plus, Base Rate + [REDACTED]</li> </ul>
Bank Counsel	David Field, Partner Chapman and Cutler LLP

## 10. Appendix B: Resumes of the Project Managers and Team Members

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### **U.S. Bank:**

#### **Jeffrey Kajisa, Vice President**

[REDACTED]

[REDACTED]

#### **Charline Botelho, Senior Vice President**

[REDACTED]

U.S. Bank:

[REDACTED]

[REDACTED]

Issuer	Commitment Date	Commitment Amount	Facilities Type
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]



## Additional Disclosure

The proposed terms and conditions outlined in the Indicative Terms and Conditions are provided for discussion purposes only and do not constitute an offer, agreement, or commitment to lend. This Indicative Terms and Conditions is intended as an outline only and does not purport to summarize all the terms, conditions, covenants, representations, warranties or other provisions which would be contained in definitive legal documentation of the financing transaction contemplated herein. The actual terms and conditions upon which the Lenders might extend credit to the Borrower are subject to further due diligence, formal credit approval, satisfactory review of documentation, and such other terms and conditions as may be determined by the Bank and its counsel.

As we obtain more information, additional substantive conditions will be required and terms may be changed or be supplemented. In addition, upon completion of our analysis and due diligence and if we obtain credit approval of this proposal, we will prepare loan documentation which will include terms and conditions customary to U.S. Bank, as well as warranties and covenants specific to this transaction.

To that end, this letter is an expression of interest only. Except with respect to your obligation to reimburse U.S. Bank for expenses as provided below and not to disclose the contents of this letter except as permitted below, this letter is not a contract, commitment nor intent to be bound, and U.S. Bank does not intend that this letter or discussions relative to the terms of this letter create any legal rights, implicit or explicit, in your favor, nor is it intended to create any obligations on the part of U.S. Bank. Also, no oral discussions and/or written agreements shall be in place of or supersede written loan agreements executed by your business and accepted by U.S. Bank.

Please note that this proposal is for your review only. You may not disclose this letter or any of the terms contained in this letter to any third party other than your attorney, accountant or authorized agents representing you.



RESOLUTION ACCEPTING THE DOWNTOWN RAIL EXTENSION (DTX) PHASING STUDY FINAL REPORT, SUPPORTING THE DTX PHASING STRATEGY OF THE TRANSBAY JOINT POWERS AUTHORITY (TJPA), AND RELEASING \$2,644,557 IN PREVIOUSLY ALLOCATED PROP K FUNDS, WITH CONDITIONS, FOR DTX PROJECT DEVELOPMENT

WHEREAS, the Downtown Rail Extension (DTX) is a project of local, regional, and statewide significance, that will bring Caltrain and future California High-Speed Rail to the Salesforce Transit Center in downtown San Francisco; and

WHEREAS, In November 2019, through approval of Resolution 20-15, the Transportation Authority Board accepted the Final Report of the Peer Review Expert Panel convened to recommend changes to the governance, oversight, management, and project delivery of the DTX; and

WHEREAS, In April 2020, through approval of Resolution 20-48, the Transportation Authority Board authorized the execution of the Peninsula Rail Program Memorandum of Understanding (MOU) between the Transportation Authority and five other parties, to implement many of the recommendations from the Expert Panel and establish a new organizational structure to support the efforts of the Transbay Joint Powers Authority (TJPA) in the development of the DTX to a ready-for-procurement status; and

WHEREAS, The MOU sets out a DTX development work program and establishes both an Integrated Program Management Team (IPMT), consisting of senior staff from all six agencies, to support delivery of the technical work program, and an Executive Steering Committee (ESC), consisting of senior executive leadership from all six agencies, to provide oversight of the work program, with the ESC reporting to the TJPA Board of Directors; and

WHEREAS, In April 2020, through approval of Resolution 20-49, the



Transportation Authority Board allocated \$11,906,558 in Prop K local transportation sales tax funds, with conditions, to the TJPA for DTX Phasing and Partial 15% Design; and

WHEREAS, The April 2020 allocation to TJPA was broken into two Notices to Proceed (NTPs), with the first NTP (NTP #1), valued at \$3,052,001, to be initiated immediately and the second NTP (NTP #2), valued at \$8,854,557, to be subject to later action by the Transportation Authority Board to release reserved funds; and

WHEREAS, In March 2021, through approval of Resolution 21-39, the Transportation Authority Board split NTP #2 into two sub-phases, released \$6,210,000 (NTP #2A) to the TJPA for accelerated development of DTX, and kept the remaining \$2,644,557 (NTP #2B) on reserve subject to later release by the Transportation Authority Board; and

WHEREAS, The Transportation Authority Board specified that future release of NTP #2B funds be conditioned on acceptance by the Transportation Authority Board of the DTX Phasing Strategy and DTX Interim Budget and Schedule, the identification of a new DTX Program Director, and demonstrated progress in meeting the requirements of the Federal Transit Administration (FTA) for securing funding commitments for the FTA-defined Project Development phase of work; and

WHEREAS, The Peninsula Rail Program MOU calls for the preparation of a "Phasing Plan conforming with technical studies and policy direction on realistic amounts/timing of funding and stakeholder delivery date expectations with an explicit goal to deliver rail service to the Salesforce Transit Center as soon as possible"; and

WHEREAS, The IPMT completed the DTX Phasing Study, to evaluate DTX project elements that could be modified or deferred in the first phase of DTX construction; and

WHEREAS, In August 2021 the IPMT brought forward to the ESC the enclosed



Final Report of the DTX Phasing Study and made specific recommendations for phasing of DTX; and

WHEREAS, The ESC recommended to the TJPA Board of Directors the deferral of the DTX BART/Muni Pedestrian Connector, the deferral of the DTX Intercity Bus Facility, and the reduction of the extent of the DTX Train Box Extension; and

WHEREAS, On September 9, 2021, the TJPA Board unanimously approved the ESC's recommendations for phasing of DTX; and

WHEREAS, In April 2021 the TJPA Board approved an updated schedule for DTX, with this schedule reflecting a potential DTX completion date of as soon as 2031, subject to funding availability; and

WHEREAS, The TJPA has prepared an Interim Cost Estimate/Budget for DTX, with this estimate to be comprehensively updated through the upcoming preliminary design phase; and

WHEREAS, The TJPA conducted a search for a DTX Program Director and identified a qualified candidate for the position, with this individual assuming staff leadership of DTX on July 1, 2021; and

WHEREAS, The largest single source of planned funding for DTX is the FTA's New Starts program, and the FTA requires New Starts projects to proceed to through two successive phases of project development, beginning with the FTA Project Development phase, followed by the FTA Engineering phase; and

WHEREAS, DTX requires an additional \$30 million to complete the activities of the FTA Project Development phase and will require approximately \$20 million to undertake the FTA Engineering phase, with these two phases scheduled to occur over the course of Fiscal Years 2021/22 through 2023/24; and

WHEREAS, The TJPA plans to submit a request in October 2021 to FTA to



enter DTX into the FTA Project Development phase, and the TJPA must demonstrate to FTA the availability of sufficient funding to complete the activities of the FTA Project Development phase; and

WHEREAS, The FTA Project Development phase is planned to be funded by bond proceeds from the Transbay Community Facilities District, and the FTA Engineering phase is planned to be funded by a combination of grant funds and contributions from DTX partner agencies, including the Metropolitan Transportation Commission (MTC), the Peninsula Corridor Joint Powers Board (Caltrain), the California High-Speed Rail Authority (CHSRA), and the Transportation Authority; and

WHEREAS, There are sufficient funds in the Capital Expenditures line item of the Transportation Authority's approved Fiscal Year 2021/22 budget to cover the proposed actions; now therefore, be it

RESOLVED, That the Transportation Authority hereby accepts the DTX Phasing Study Final Report; and be it further

RESOLVED, That the Transportation Authority hereby supports the DTX phasing recommendations of the ESC; and be it further

RESOLVED, That the Transportation Authority hereby releases \$2,644,557 in previously allocated Prop K local transportation sales tax funds, with conditions, to the TJPA for DTX project development; and be it further

RESOLVED, That the Transportation Authority hereby authorizes the actual cash reimbursement of funds for these activities to take place subject to the Fiscal Year Cash Flow Distribution Schedule approved through Resolution 21-39; 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 a 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.

Enclosure:  
Final Report of the DTX Phasing Study



## Memorandum

### AGENDA ITEM 8

**DATE:** September 10, 2021

**TO:** Transportation Authority Board

**FROM:** Eric Cordoba - Deputy Director for Capital Projects  
Anna LaForte - Deputy Director for Policy and Programming

**SUBJECT:** 09/14/21 Board Meeting: Accept the Downtown Rail Extension (DTX) Phasing Study Final Report, Support the DTX Phasing Strategy of the Transbay Joint Powers Authority, and Release \$2,644,557 in Previously Allocated Prop K Sales Tax Funds, with Conditions, for DTX Project Development

#### RECOMMENDATION ☐ Information ☒ Action

- Accept the DTX Phasing Study Final Report
- Support the DTX phasing strategy of the Transbay Joint Powers Authority (TJPA)
- Release \$2,644,557 in previously allocated Prop K funds, with conditions, for DTX project development

#### SUMMARY

In April 2020 through Resolution 20-49, the Transportation Authority Board allocated \$11,906,558 in Prop K funds to the TJPA for DTX project development, with \$8,854,577 placed on reserve to be released upon Board acceptance of the DTX phasing strategy, among other conditions. On March 23, 2021, through Resolution 21-39, the Board released \$6,210,000 of the reserved funds to initiate certain project development activities not conditioned on the completion of the phasing strategy. The remaining \$2,644,557 was kept on reserve, subject to Board release upon Board acceptance of the DTX phasing strategy, acceptance of the DTX interim budget and schedule, identification of a permanent DTX Program Director, and progress in meeting funding requirements for the upcoming Federal Transit Administration (FTA) Project Development phase of work. On September 9, 2021, the TJPA Board approved the DTX Phasing Study, as recommended by the Peninsula Rail Program Executive Steering Committee (ESC). This phasing strategy reflects the deferral or modification of certain project elements as described below. The other conditions specified for release of the remaining Prop K funds have also been met, including appointment of a permanent project director and preparation of an interim budget and schedule. TJPA plans to request entry into the FTA project

- ☐ Fund Allocation
- ☐ Fund Programming
- ☐ Policy/ Legislation
- ☐ Plan/ Study
- ☒ Capital Project Oversight/ Delivery
- ☐ Budget/ Finance
- ☐ Contract/ Agreement
- ☒ Other: Release of Reserved Funds



development process in October 2021, in order to keep the project on schedule for a planned August 2023 funding submittal to the FTA New Starts grant program. In September 2021, the San Francisco Board of Supervisors will consider authorizing a bond issuance to fund the required additional \$30 million to complete the FTA Project Development phase of work. Transportation Authority and TJPA staff are working with other DTX partner agencies to identify a multi-party funding approach to the subsequent \$20 million FTA Engineering phase of work, which would commence next fiscal year.	
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## BACKGROUND

The DTX is a linchpin transportation project for San Francisco, the Northern California mega-region, and the state. DTX will unlock transit connectivity to the region's jobs centers in Downtown San Francisco, the Peninsula, and Silicon Valley, and the project is planned for compatibility with future rail expansion across the Bay. The DTX is a longstanding regional priority for transit expansion, reconfirmed through the current Plan Bay Area process.

The DTX consists of the construction of an approximately two-mile rail extension from Caltrain's current terminus at Fourth and King streets to the new Salesforce Transit Center. The DTX will fully realize investments in the Transit Center, including the underground train station box. The DTX will bring Caltrain from its current north terminal at Fourth and King streets into the heart of downtown San Francisco, and the project will serve as a critical element of the first phase of the California High-Speed Rail Project, linking the Bay Area to the Central Valley and Southern California. The DTX is environmentally cleared at both a state and federal level, and the project received the environmental Record of Decision (ROD) from the FTA in July 2019.

The DTX is led by the TJPA. On April 28, 2020, the Transportation Authority Board approved the Peninsula Rail Program Memorandum of Understanding (MOU) between the major DTX stakeholders: TJPA, Metropolitan Transportation Commission (MTC), Peninsula Corridor Joint Powers Board (Caltrain), California High-Speed Rail Authority (CHSRA), City and County of San Francisco (CCSF), and the Transportation Authority. Under the MOU, these six agencies have agreed to jointly undertake a multi-year effort to develop the DTX to ready-for-procurement status. The MOU codified agreement to pursue most of the recommendations resulting from the 2019 Expert Panel review of current and best practices for governance, oversight, management, funding, and project delivery for the DTX. The MOU also established a new organizational structure to support the efforts of the TJPA in the development of the DTX. Specifically, DTX development efforts are guided by the ESC, composed of senior executives of the MOU agencies, supported by an Integrated Program Management Team (IPMT) of senior management from the agencies.

**Prop K Funds Allocated to TJPA.** On April 28, 2020, the Transportation Authority Board allocated \$11,906,558 in Prop K funds to the TJPA to undertake project development work





for DTX, consistent with the work program established in the MOU. The allocation identified a specific scope of work, broken into two Notices-to-Proceed (NTPs). The first NTP (NTP #1), with a budget of \$3,052,001, focused on the preparation of a Phasing Study for DTX, in order to recommend an initial operating phase for the project. The second NTP (NTP #2), with a budget of \$8,854,557, focused on the advancement of preliminary design for DTX. The \$8.85 million in NTP #2 funds were placed on reserve, subject to release by the Transportation Authority Board.

On March 23, 2021, the Transportation Authority Board released a portion of NTP #2 funds and split NTP #2 into two sub-phases, as follows:

- a) *NTP #2A*, released in March 2021 with a budget of \$6,210,000, to fund certain project development activities not conditioned on completion of the DTX Phasing Study, including furthering the design of foundational infrastructure; and
- b) *NTP #2B*, with a budget of \$2,644,557, for project development activity to be initiated following completion of the Phasing Study, with these funds remaining on reserve.

The Transportation Authority Board's March 2021 action specified that future release of NTP #2B funds would remain subject to the originally specified conditions for NTP #2, specifically: Transportation Authority Board acceptance of the Project phasing strategy and interim budget and schedule for DTX; and the identification of a new DTX Program Director in accordance with the six-party MOU. In addition, the Board specified that NTP #2B would be contingent upon demonstrated progress in meeting FTA's requirements for securing funding commitments for the FTA-defined Project Development phase of work.

## **DISCUSSION**

**DTX Phasing Study.** Under the Peninsula Rail Program MOU, the six DTX partner agencies agreed to: "Prepare a Phasing Plan conforming with technical studies and policy direction on realistic amounts/timing of funding and stakeholder delivery date expectations with an explicit goal to deliver rail service to the Salesforce Transit Center as soon as possible."

In June 2020, the IPMT initiated a Phasing Study workstream to evaluate concepts for deferring or modifying certain elements of the environmentally cleared DTX in order to reduce the capital cost of an initial operating phase. On August 20, 2021, the ESC adopted the IPMT's recommendations as described in the DTX Phasing Study. On September 9, 2021, the TJPA Board unanimously approved the Phasing Study Final Report and its recommendations. The Phasing Study Final Report is provided as an enclosure to this memorandum. The TJPA staff report to the September 2021 TJPA Board meeting regarding the Phasing Study is provided as Attachment 1. The phasing strategy adopted by the TJPA reflects the following changes to the DTX:

- *Deferral of the BART/Muni Pedestrian connector (~\$230 million capital savings)* - this change will defer construction of the underground pedestrian tunnel connecting



Salesforce Transit Center and Embarcadero Station. The ESC's recommendations call for developing street-level improvements to facilitate safe and convenient passenger transfers between the Transit Center and Embarcadero Station, with these improvements funded and delivered as part of DTX. BART is supportive of deferring construction of the Pedestrian Connector and has transmitted a letter to TJPA to this effect, which is provided as Attachment 2 to this memorandum.

- *Reduction of the extent of the Train Box Extension (~\$130 million capital savings)* - the DTX includes an easterly extension of the Train Box in order to accommodate the longer trains planned for operation by CHSRA. The identified change will reduce the Train Box Extension so as to reduce construction cost and right-of-way requirements and will be facilitated by a modified operational approach agreed to by CHSRA.
- *Deferral of the Intercity Bus Facility (~\$40 million capital savings)* - Intercity bus operators such as Greyhound currently operate from the upper level of the Transit Center, through agreement with AC Transit. In the future, AC Transit plans to increase Transbay service and eventually fully occupy the bus deck. The DTX includes a street-level Intercity Bus Facility, located above the Train Box Extension to serve these operators. The phasing approach will defer construction of the Intercity Bus Facility until such time as ridership demand requires.

Pursual of these three phasing concepts will reduce the DTX capital cost by an estimated \$400 million (escalated to an assumed 2027 mid-point of construction) in total, or approximately 8 percent of overall capital cost. The reduced Train Box Extension is a permanent change. The Pedestrian Connector and Intercity Bus Facility will remain as unfunded elements of the TJPA Capital Improvement Program, subject to later funding and delivery.

**Interim Budget/Schedule and Program Director.** The prior release of a portion of NTP #2 funds enabled the DTX to proceed with an accelerated schedule for project development and, ultimately, project delivery. On April 8, 2021, the TJPA Board approved an updated schedule for DTX, with this schedule advancing the planned date for making a funding submission to the FTA New Starts program from August 2024 to August 2023. This accelerated schedule identifies a potential DTX completion date as soon as 2031, subject to continued progression of the project and the availability of capital funding. The DTX schedule will be updated periodically as project development continues.

The previous capital cost estimate for the DTX, prepared in 2016, was \$3.9 billion, assuming project completion in 2028. Over the next approximately 9 months, TJPA will prepare a comprehensive refresh of the capital estimate, reflecting updated preliminary design, quantitative risk analysis, project delivery strategy, and other factors. This estimate will then be peer-reviewed, as part of the FTA oversight process. TJPA has prepared an interim update to the project's estimated capital cost, to reflect the current DTX schedule and other updated assumptions. This interim estimate of capital cost is approximately \$4.5-5.5 billion. This



interim estimate is reported as a range, reflecting current uncertainties, and will be updated comprehensively through upcoming project development activities.

Over the course of late 2020 and early 2021, the TJPA undertook a search for a permanent Program Director for DTX. A qualified candidate was identified through this process, and this individual assumed staff leadership of DTX on July 1, 2021.

**FTA New Starts Process.** A New Starts Capital Investment Grant from FTA is the single largest planned source of capital funding for DTX, with a target grant size of \$1.5-2.5 billion. FTA prescribes a structured process for advancing projects through the New Starts program. This process specifies two successive phases of required project development activity:

- *FTA "Project Development"* – In this phase, project sponsors must complete environmental review and prepare preliminary design, among other requirements. The DTX has already completed certain activities required for the FTA Project Development phase. The estimated cost to complete remaining FTA Project Development activities is an additional \$30 million (incremental to previously allocated Prop K funds, including NTP #2B).
- *FTA "Engineering"* – In this phase, project sponsors prepare a project for procurement and delivery, including completion of project design/specifications and development of bid documents, among other requirements. TJPA estimates a cost of \$20 million to undertake the FTA Engineering phase of work, under the baseline assumption of a design-build procurement for DTX.

The DTX schedule calls for the FTA Project Development phase to be initiated this fall, subject to FTA approval of DTX's entry into the New Starts process. Achieving the planned August 2023 date for seeking New Starts funds is dependent on beginning this work this calendar year. The FTA Engineering phase is scheduled to begin in early 2023. Together, the two phases of FTA work represent a three-year program of approximately \$50 million in project development activity from Fiscal Year 2021/22 through Fiscal Year 2023/24.

**Project Development Funding Approach.** As noted above, in October 2021, TJPA plans to submit to FTA a formal request for DTX's advancement into the FTA Project Development phase. Project expenditures following FTA's approval will be counted as local match against an eventual New Starts grant. Approval of the request to enter FTA Project Development requires that TJPA demonstrate sufficient funding to complete the activities of the FTA Project Development phase.

The in-progress DTX work is 100% Prop K-funded. TJPA originally planned to use a portion of the \$325 million in Regional Measure 3 (RM3) bridge toll funds programmed for DTX to support project development; however, these funds are currently held up by litigation. At the May 13, 2021, TJPA Board meeting, Transportation Authority staff (serving as the MOU-designated lead for the DTX Funding Plan) presented a series of potential options for funding DTX project development. TJPA Board guidance was for staff to work with all MOU agencies



to develop a multi-agency funding approach to the upcoming two phases of work required by FTA.

Staff work regarding funding for project development has focused on the following two-pronged approach:

- Prepare to seek authorization in September 2021 by the San Francisco Board of Supervisors for a bond issuance backed by the Transbay Community Facilities District (CFD) Special Tax. This bond issuance would deliver \$30 million in proceeds to TJPA for the FTA Project Development phase of work and would satisfy FTA's requirement for committed and available funds for this phase.
- Seek funding commitments from MOU partner agencies, specifically to fund the \$20 million FTA Engineering phase of work, beginning next fiscal year, with the goal of securing expressions of commitment in advance of San Francisco approval of funding for the FTA Project Development phase.

We and TJPA staff have engaged in a series of discussions with staff from Caltrain, CHSRA and MTC regarding the ability of the DTX partners to participate in funding of the three-year program of DTX project development:

- The acting Caltrain Executive Director has transmitted a letter to TJPA committing to include funds for DTX development in the agency's Fiscal Year 2022/23 budget.
- The CHSRA is preparing a letter to TJPA identifying a commitment of funds for the FTA Engineering phase of work for DTX, subject to the resolution of state-level budget negotiations pertaining to CHSRA.
- The MTC Executive Director has transmitted a letter to TJPA re-confirming the agency's commitment to DTX through RM3 (pending the outcome of litigation). In addition, on September 8, 2021, the MTC Programming and Allocations Committee recommended to the full MTC that the agency contribute \$3 million to DTX development. The contribution from MTC would be provided through a \$3 million reduction in San Francisco's obligation to re-pay a \$34 million advance made by MTC to the Presidio Parkway project in 2012. The MTC contribution is conditioned on a future \$3 million allocation to DTX by the Transportation Authority on MTC's behalf.

We also plan to prepare a letter to TJPA identifying the Transportation Authority's commitment to bring forward an additional \$3 million in a future fiscal year for the FTA Engineering phase of work.

In addition to funding from the MOU agencies, opportunities for state and federal grant funding continue to be pursued, including a planned request for project development funds from the federal Consolidated Rail Infrastructure and Safety Improvements (CRISI) grant program.



**Local Funds for FTA Project Development Phase.** In 2015, the San Francisco Board of Supervisors approved the formation of the Transbay CFD, with the underlying Special Tax to apply to a set of opt-in high-rise parcels in the vicinity of the Transit Center. A portion of these revenues (82.6 percent) are dedicated to TJPA to help fund the Transbay program, including DTX.

On July 27, 2021, legislation was introduced at the Board of Supervisors to authorize a bond issuance, backed by the Transbay CFD Special Tax, to fund the FTA Project Development phase of work for DTX. The bond would be sized at \$35 million, to provide the required \$30 million in proceeds for Project Development as well as cost of issuance, debt coverage, and contingency. On August 16, 2021, the City's Capital Planning Committee unanimously endorsed the bond issuance for DTX. The Board of Supervisors Budget and Finance Committee and full Board of Supervisors are scheduled to consider approval of the bond at their September 15, 2021, and September 21, 2021, meetings, respectively.

## **FINANCIAL IMPACT**

The recommended action would not allocate any additional funds; however, it will allow for expenditure of previously funds allocated funds that have been held on reserve. Sufficient funds are included in the Fiscal Year 2021/22 budget to accommodate the recommended action.

## **CAC POSITION**

The CAC considered this item at its September 1, 2021, meeting, and unanimously adopted a motion of support for the staff recommendation.

## **SUPPLEMENTAL MATERIALS**

- Attachment 1 - TJPA Staff Memorandum to TJPA Board Regarding DTX Phasing Study
- Attachment 2 - BART Letter to TJPA Regarding Deferral of BART/Muni Pedestrian Connector
- Enclosure - DTX Phasing Study Final Report

**STAFF REPORT FOR CALENDAR ITEM NO.: 11**  
**FOR THE MEETING OF: September 9, 2021**

**TRANSBAY JOINT POWERS AUTHORITY**

**BRIEF DESCRIPTION:**

Approve the Downtown Rail Extension (DTX) Phasing Study as recommended by the Executive Steering Committee (ESC) under the terms of the San Francisco Peninsula Rail Program Memorandum of Understanding with the Metropolitan Transportation Commission (MTC), the San Francisco County Transportation Authority (SFCTA), the Peninsula Corridor Joint Powers Board (Caltrain), the California High-Speed Rail Authority (CHSRA), and the City and County of San Francisco (Mayor's Office).

**EXPLANATION:**

**Background**

The San Francisco Peninsula Rail Program Memorandum of Understanding (MOU), effective June 5, 2020, described, in part, an organizational structure to support the efforts of the TJPA to develop the DTX project to ready for procurement status.

Among the elements of the MOU was the requirement to:

Prepare a preferred Phasing Plan conforming with technical studies and policy direction on realistic amounts/timing of funding and stakeholder delivery date expectations with an explicit goal to deliver rail service to the Salesforce Transit Center as soon as possible.

**Discussion of the Phasing Study Process**

To comply with this requirement of the MOU, the Integrated Project Management Team (IPMT) commenced a Phasing Study workstream in June 2020 with several workshops, meetings, and technical discussions to define the scope of the study. The study process involved:

1. Developing evaluation criteria
2. Identifying the elements of the Phase 2–DTX project to include in the study (phasing concepts)
3. Evaluating each phasing concept against the established criteria
4. Achieving consensus on a recommendation on each phasing concept

Each of these is discussed in the following subsections.

**Evaluation Criteria**

Early in this process, the IPMT concluded that it was important to consider a number of evaluation criteria beyond capital cost savings associated with potential phasing concepts. After several discussions and iterations, the IPMT adopted the following criteria and sub criteria. Each phasing concept was evaluated against the criteria.

***Cost and Schedule***

- Capital cost expenditure (CAPEX) deviation (escalated to 2027 dollars)
- Right-of-way
- Cost of future implementation
- Baseline Master Schedule

***Federal Transit Administration (FTA) New Starts Project Justification Evaluation***

- Land use
- Economic development
- Mobility improvements
- Cost-effectiveness
- Environmental benefits
- Congestion relief

***Regional Context***

- Benefits
- Effect on regional projects
- Effect on regional significance
- Support for Plan Bay Area 2050
- Effect on passengers' cost of using the service

***Environmental Effects***

- Consistency with Phase 2 environmental documents
- Community impact
- Dependency on non-environmentally cleared projects

***Operations***

- Changes to operations cost expenditure (OPEX)
- Effect on service flexibility
- Effect on future service growth
- Effect on service during future retrofit

***Maintenance***

- Changes to maintenance costs
- Effect on operations and maintenance (O&M) responsibilities
- Effect on response time for repairs
- Effect on resilience

Concurrent with the development of the evaluation criteria, the IPMT conducted a workshop to develop potential phasing concepts. This activity included lengthy discussions and analysis of the project development process to understand the underlying assumptions for the project definition. The IPMT specifically determined, however, that any element of the project could be considered for deferral, consistent with the MOU Phasing Study requirement.

The evaluation of potential deferral elements was a collaborative undertaking by the IPMT and the TJPA and its consultants. Reviewers included staff from the operators—Caltrain and the CHSRA—and subject matter experts in environmental clearance, regional planning, cost

engineering, federal New Starts funding, and program delivery. Except for the cost evaluations, all evaluations were qualitative and reflect a consensus opinion on the effects of a phasing concept relative to each evaluation criterion. Results are expressed as either positive, negative, or not significant, as compared with the current project. Estimated cost savings are based on order-of-magnitude construction estimates developed from historic estimates and other sources.

Capital cost estimates and associated cost reductions were developed from historic cost estimates and newly developed cost estimates, depending upon the specific phasing concept. For comparison purposes, capital costs were normalized to a 2027 mid-point of construction date. Programwide professional services of 22.5 percent and a construction contingency of 10 percent were added to the construction subtotal. A program reserve of 15 percent was added to the phasing concept subtotal. O&M costs are based on existing DTX O&M cost reports, escalated as appropriate.

### **Phasing Concepts**

The IPMT identified the following six phasing concepts for evaluation:

- Defer the BART/Muni Pedestrian Connector
- Reduce the Train Box Extension
- Defer the Intercity Bus Facility
- Reduce the Intercity Bus Facility
- Defer the Fit-out of Fourth and Townsend Street Station
- Defer the Infrastructure Fit-out for CHSRA-related Elements

TJPA staff have briefed FTA Region 9 and Headquarter staff on the DTX Phasing Study and evaluation screening process used for the purpose of developing this recommended action. Though a formal DTX project environmental determination by the FTA will occur before the end of the “Engineering” Phase once the project enters the FTA New Starts Program, feedback was favorable on the process implemented as part of the study and a technical memorandum is recommended at this time to document project changes resulting from the Board’s action. Found below is a discussion of each phasing concept, a summary of the IPMT’s evaluation of each concept, and ESC’s recommendations.

#### ***Defer the BART/Muni Pedestrian Connector***

The BART/Muni pedestrian connector is a tunnel linking the mezzanine level of the Embarcadero BART/Muni Metro Station with the lower concourse of the Salesforce Transit Center. The purpose of the connector is to alleviate peak-hour pedestrian traffic congestion on sidewalks between Mission and Market streets caused by passengers transferring between the two stations. The pedestrian connector is independent of other DTX infrastructure and, therefore, could be constructed before, concurrently with, or after the other infrastructure. This phasing concept would defer completing design and construction of the pedestrian connector but would not change the connector’s environmentally cleared status or its status as a project within the TJPA’s purview.

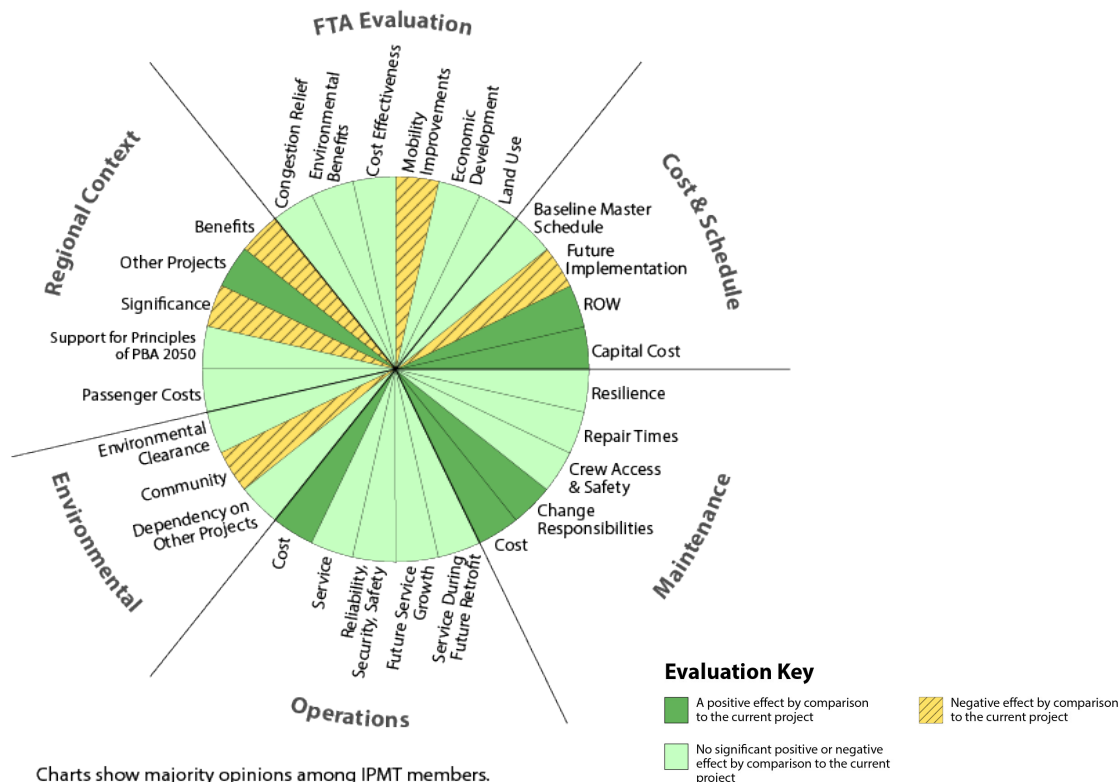
**Evaluation Summary.** Deferring the connector results in a cost reduction of \$221 million (\$2027 year-of-expenditure (YOE)) plus the value of the right-of-way. Annual O&M costs associated with the connector would also be reduced. Associated negative effects without surface street improvements include reduced mobility, regional connectivity, and pedestrian wayfinding.



BART staff have sent a letter expressing no objection with the deferral of the pedestrian connector, as BART is currently evaluating capacity issues at the Embarcadero station. BART has done planning work on potential options to resolve (pre-pandemic) overcrowding issues at Embarcadero which would involve station platform modifications and as a result, impact the proposed pedestrian connection. Also, BART, in partnership with the Capitol Corridor Joint Powers Authority, has begun planning a regional rail connection from the East Bay that may include a station location in San Francisco that could address these capacity issues. BART indicates it would not be until the 2025-2028 timeframe before a solution is presented to address the issue. Deferral of the pedestrian connector would allow BART time to evaluate planned capacity enhancing station modifications at the Embarcadero Station.

**Recommendation.** Accept deferral of the pedestrian connector, and work with the City and County of San Francisco to identify streetscape and wayfinding improvements and funding along Beale Street to facilitate safe and convenient passenger transfers between the Salesforce Transit Center and the Embarcadero BART/Muni Metro Station.

The ESC is recommending staff work with the City and County of San Francisco to identify streetscape and wayfinding improvements and funding along Beale Street to facilitate safe and convenient passenger transfers between the Salesforce Transit Center and the Embarcadero BART/Muni Metro Station as part of the DTX project. Further, staff will include the BART/Muni pedestrian connector in the Transbay Capital Improvement Program (CIP), such CIP being subject to the future approval of the TJPA Board.



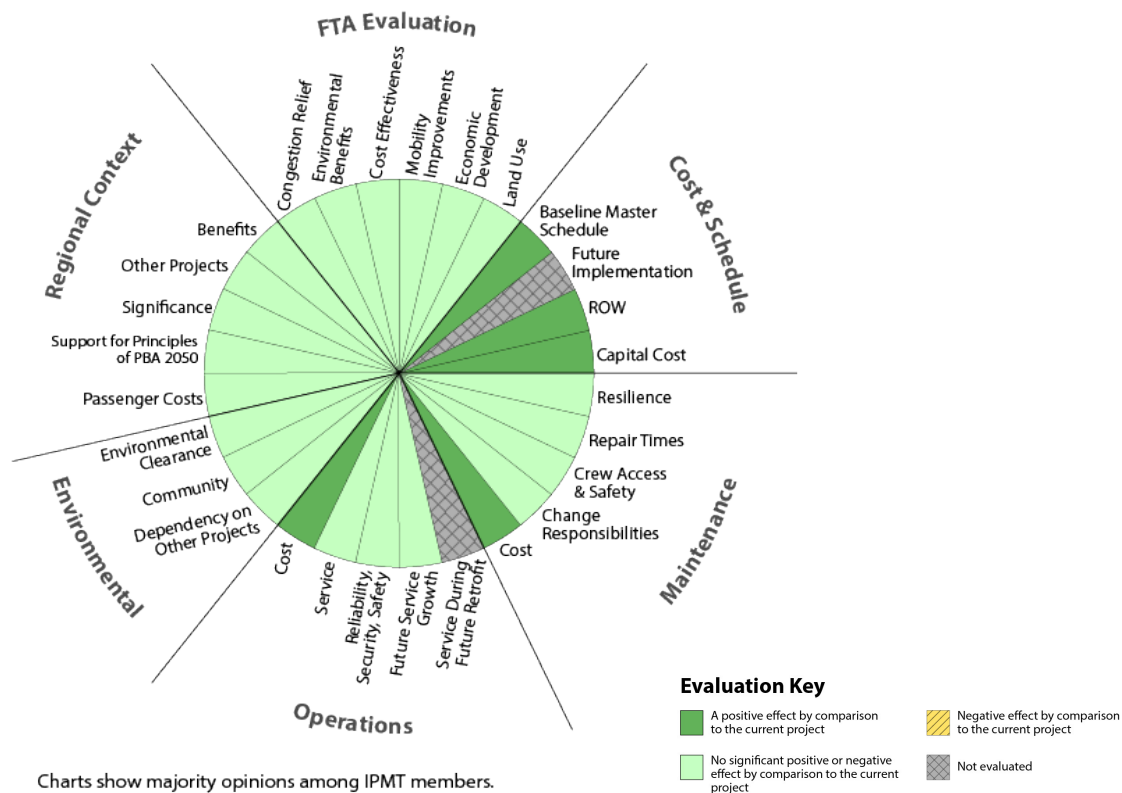
### ***Reduce the Train Box Extension***

The existing train box (the shell of the train station at Salesforce Transit Center) extends to the east side of Beale Street. The environmentally cleared train box extension would expand the train box to the east side of Main Street to allow tangent platforms on five of the six tracks to accommodate CHSRA double-consist trainsets. The current design would require purchasing additional right-of-way and demolishing part of the building at 201 Mission Street.

While the train box extension cannot be eliminated altogether as the space is required for ventilation and emergency egress, CHSRA will allow several cars of its double-consist trains to extend beyond the platform face if the double-consists do not affect adjacent track movements, which is possible, and would allow for a reduction in the length of the planned extension by approximately 250 feet. This phasing concept would reduce the extension permanently.

**Evaluation Summary.** The ESC recommends approval of reducing the train box extension. The action would result in a cost reduction of \$86.8 million (\$2027 YOE) plus the value of the right-of-way. Other positive effects are associated with reduced O&M costs. Overall, reducing the extension would not have a significant effect on the DTX.

**Recommendation.** Accept reduction of the train box extension.



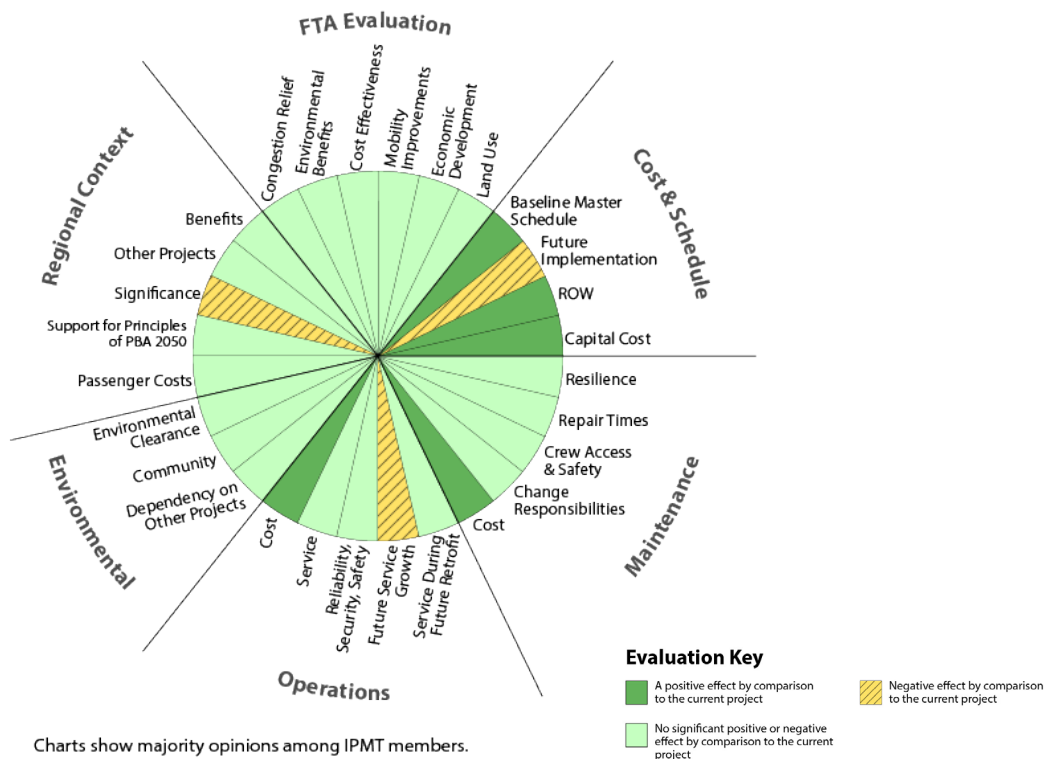
### ***Defer the Intercity Bus Facility (IBF)***

The proposed IBF would include ten bus bays dedicated to regional bus services, two floors of office or residential space, and a direct connection to the lower concourse of the Salesforce Transit Center. The facility would be constructed across the street from the east end of the transit center above the trainbox extension between Beale and Main streets and, therefore, depends on construction of the full train box extension, as environmentally cleared, and acquisition of the associated the right-of-way. This phasing concept would defer the construction of the IBF as currently designed.

Regional bus services currently operate from the transit center's bus deck under sublease agreements with AC Transit, the master lease holder. AC Transit had anticipated expanding service between 2035 and 2050 and occupying all bus bays on the bus deck. If the transit center bus deck reaches capacity before the IBF is built, then deferral would affect the availability of regional bus services that are interconnected with other services at the transit center. The result could be reduced accessibility and transit ridership. However, this impact could be mitigated through the construction of a smaller IBF, as described in the next deferral item.

**Evaluation Summary.** The ESC recommends approval of this action. Deferring the IBF would result in a cost reduction of \$40.3 million (\$2027 YOE). Other positive effects of deferring the facility are associated with reduced O&M costs. Negative effects are associated with potential constraints on service flexibility and a potential reduction in regionals benefits should growth in bus service require more bus bays than the transit center alone can supply.

**Recommendation.** Accept deferral of the environmentally cleared IBF.



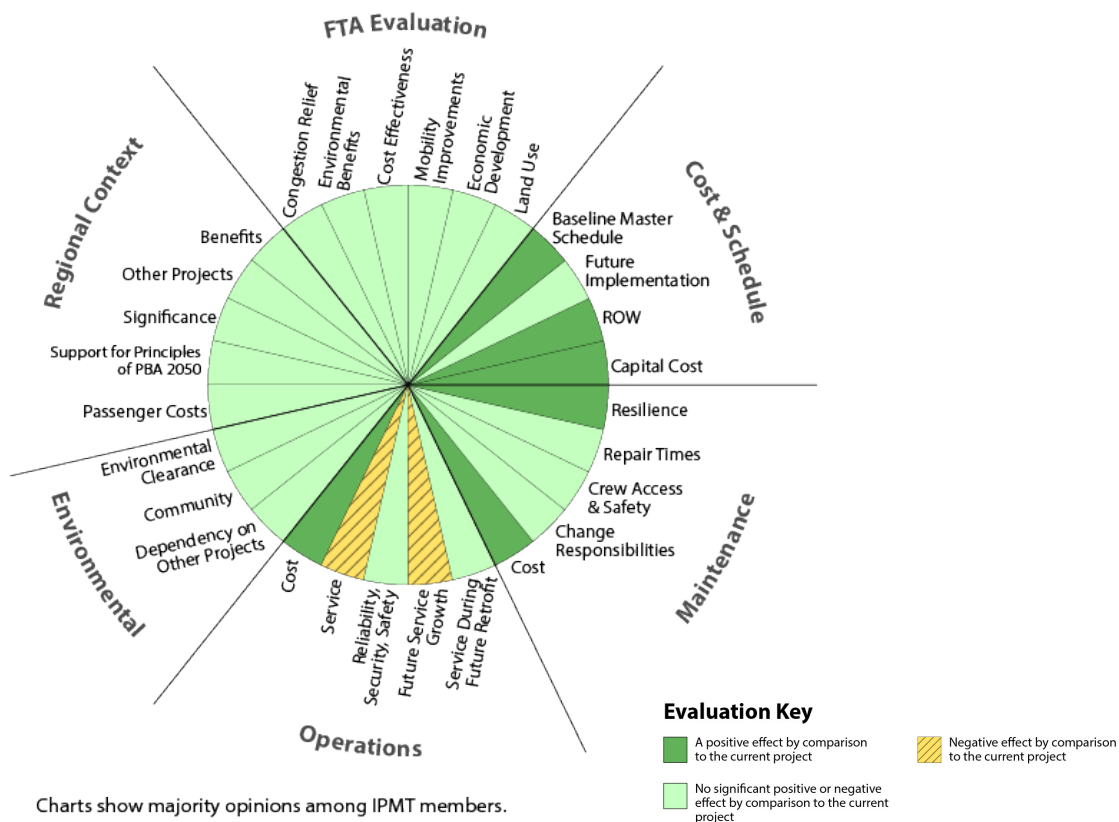
### ***Reduce the Intercity Bus Facility (IBF)***

This phasing concept would reduce the IBF permanently and defer construction of the reduced IBF until it is operationally required. The reduced IBF concept, with six bus berths and two small buildings for passenger waiting and package storage, represents the maximum footprint for a bus facility on currently-owned TJPA property. Although reduced, the smaller IBF would provide more bus capacity for regional bus services than is currently provided on the bus deck of the Salesforce Transit Center. Limited vehicle access to the facility and limited back-of-house space may constrain service and affect operational reliability.

**Evaluation Summary.** The ESC recommendation to defer the reduced IBF includes monitoring changes in regional and intercity bus ridership and bus bay demand to determine if future implementation of the reduced IBF is warranted. Constructing the reduced IBF would result in a cost reduction of \$31.4 million (\$2027 YOY). It should be noted that this cost reduction is in lieu of, not in addition to, the cost savings attributed to the deferral of the full IBF discussed above.

Other positive effects of reducing the IBF are associated with reduced O&M costs. Resilience of the facility would improve as a result because the reduced footprint would remove the facility from flood and sea-level rise inundation zones as identified in the SEIS/EIR. Negative effects are related to constraints on operations and future service growth.

**Recommendation.** Defer construction of the reduced IBF until it is operationally required, identified through monitoring changes in intercity bus ridership.



### ***Defer the Fit-out of Fourth and Townsend Street Station***

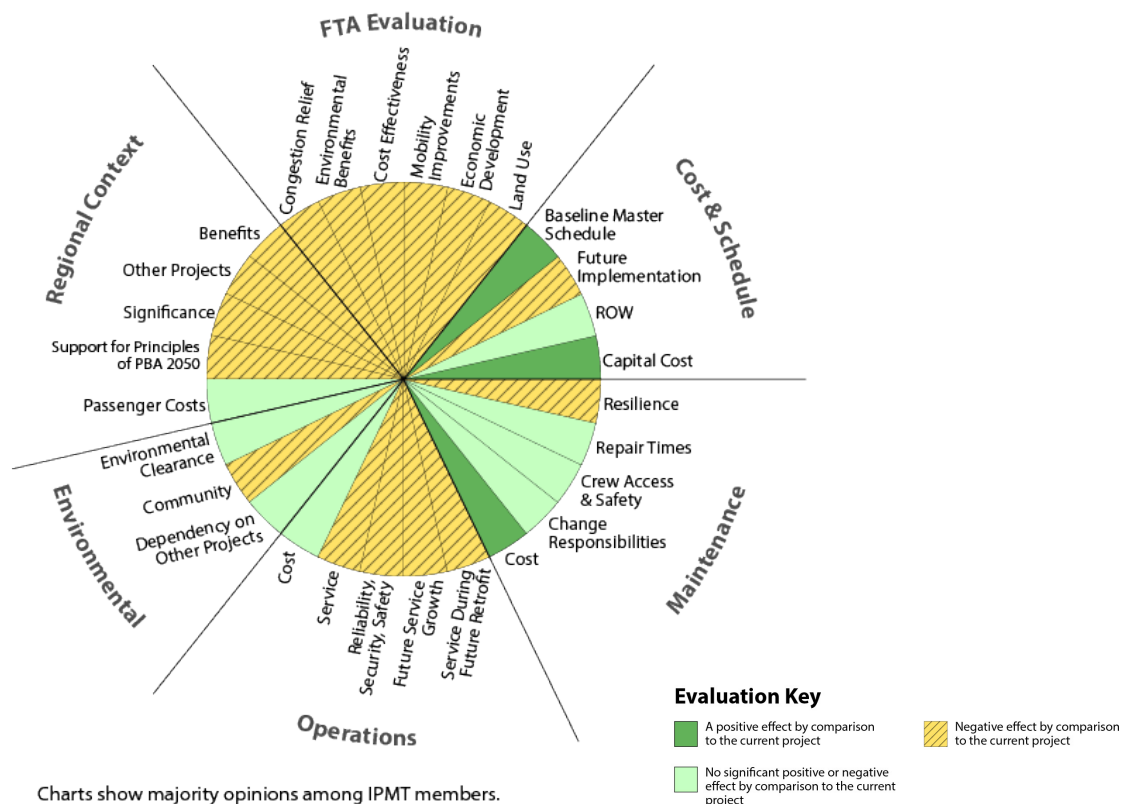
The underground Fourth and Townsend Street Station will serve passengers on trains bound for or returning from the Salesforce Transit Center. The environmentally cleared station includes a concourse mezzanine and a train platform level with three tracks and a center platform. This phasing concept would defer the fit-out of the Fourth and Townsend Street Station. “Fit-out” refers to the center train platform, architectural finishes, and amenities necessary to open the station for passenger revenue operations.

Deferring the fit-out of the station would delay putting the station into revenue service operations as a rail station and make high-speed train service unavailable in the area around Fourth and Townsend. Caltrain would likely need to terminate most of its service at the existing Fourth and King station, providing only limited service to the Salesforce Transit Center. Thus, the full capacity of the Transit Center may not be utilized if deferral of the fit-out occurred.

**Evaluation Summary.** The ESC recommends maintaining station fit-out elements within the DTX project. Significant constraints on train operations for both operators would diminish nearly all the regional benefits associated with the DTX—interconnectivity with other transit systems and projects, investments in transportation improvements in a priority development area, and overall regional significance. Additionally, deferring operations at the station would have a negative effect on the FTA’s project justification rating. As with other deferral concepts, positive effects are associated with lower capital and O&M costs, and schedule benefits.

Deferring fit-out of the Fourth and Townsend Street Station would result in a cost reduction of \$28.9 million (\$2027 YOE).

**Recommendation.** Reject deferral of the fit-out of Fourth and Townsend Street Station.



### *Defer the Infrastructure Fit-out for CHSRA-related Elements*

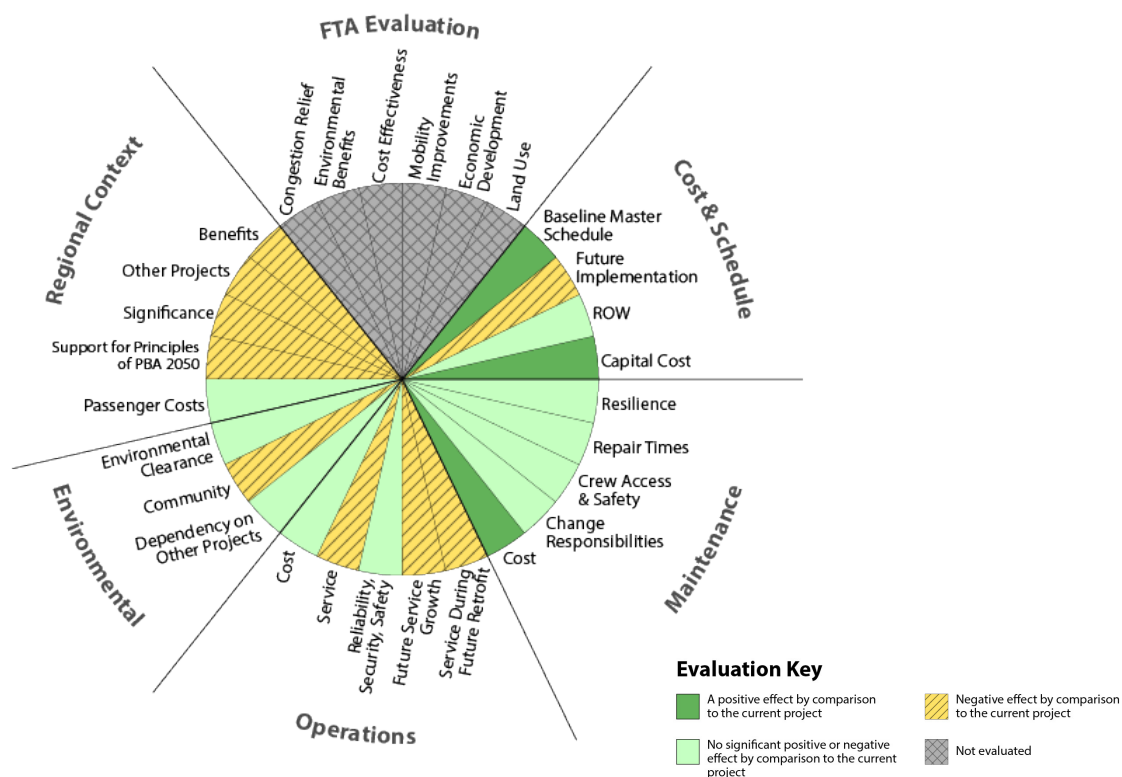
CHSRA anticipates arrival of its high-speed train service to the Salesforce Transit Center in 2031. This phasing concept assesses a scenario in which CHSRA's operations begin after 2031 and construction or "fit-out" of the infrastructure needed to support revenue service could be deferred until one year prior to the planned start date to allow for testing and commissioning. Deferred infrastructure fit-out includes systems, station platform elements, and some trackwork, including the third track in the DTX tunnel, although a tunnel capable of supporting the third track would still be constructed.

High-speed train service to San Francisco is a contributing factor to the regional significance of the DTX. Thus, deferring revenue operations would also defer the regional and environmental benefits associated with the DTX—providing better transit connections to the City's downtown area, connecting high-speed train service to bus and other rail services at the transit center, and increasing ridership on transit.

**Evaluation Summary.** The ESC recommends maintaining CHSRA related infrastructure fit-out elements within the DTX project. Significant negative effects are associated with operations, especially service and future service growth both during the interim condition without the high-speed infrastructure and during construction of the infrastructure, which would affect Caltrain operations. The regional significance and benefits associated with the DTX would, likewise, be diminished.

Deferring the fit-out of CHSRA related elements at Salesforce Transit Center would result in a cost reduction of \$38.0 million (\$2027 YOY).

**Recommendation.** Reject deferral of Infrastructure Fit-out for CHSRA-related Elements.





### **Summary of ESC's Recommendations**

<b>Phasing Concept</b>	<b>Recommendation</b>
Defer BART/Muni Pedestrian Connector	Accept*
Reduce Train Box Extension	Accept
Defer Intercity Bus Facility	Accept
Reduce Intercity Bus Facility & defer if, or until, operationally required	Accept
Defer Fit-out of Fourth and Townsend Street Station	Reject
Defer Fit-out for CHSRA-related elements	Reject

*\* work with the City and County of San Francisco on street-level mitigations*

### **Cost Reduction**

Summary of cost reduction (escalated to 2027 mid-point of construction):

<b>Phasing Concept</b>	<b>Capital Cost Reduction</b>	<b>Annual Operating Cost Reduction</b>
Defer BART/Muni Pedestrian Connector	\$228M	\$0.5M
Construct Reduced Train Box Extension	\$133M	\$1.7M
Defer Intercity Bus Facility	\$40M*	\$0.6M
<b>TOTAL</b>	<b>\$401M</b>	<b>\$2.8M</b>

\*The Intercity Bus Facility and Reduced Intercity Bus Facility deferral concepts are alternatives to one another. The capital cost savings associated with each are therefore not additive, but rather in lieu of each other. This value represents the maximum capital construction cost reduction.

The peer-reviewed total project capital cost will be updated in the summer of 2022, based on the 30 percent design refresh within the upcoming Project Development phase workplan. However, based on the current 2016 cost estimate, escalated to the assumed 2027 mid-point of construction, the total capital cost reduction associated with the recommended deferrals equates to approximately 8 percent of the total project cost.

### **Cost of Future Implementation**

The IPMT estimated the future cost of implementation for the recommended deferral concepts. Future costs were escalated at an assumed annual 5 percent per year and are shown in the DTX Phasing Study report.

**Executive Steering Committee Review and Recommendation**

The ESC unanimously recommended adoption of the DTX Phasing Study by the TJPA Board with the following conditions and direction to TJPA staff:

- Work with the City and County of San Francisco to identify streetscape and wayfinding improvements and funding along Beale Street to facilitate safe and convenient passenger transfers between the Salesforce Transit Center and the Embarcadero BART/Muni Metro Station.
- Monitor the changes in regional and intercity bus ridership and bus bay demand to determine if a recommendation to reverse the deferral of the IBF should be advanced to the TJPA Board of Directors (TJPA Board).
- Provide progress reports to the TJPA Board on the above recommendations annually or as development warrants.
- Include the BART/Muni pedestrian connector and reduced intercity bus facility as elements of the Transbay Capital Improvement Program (CIP), such CIP being subject to the future approval of the TJPA Board.

**RECOMMENDATION:**

Consider approving the DTX Phasing Study as recommended by the ESC and IPMT under the terms of the San Francisco Peninsula Rail Program Memorandum of Understanding.

**ATTACHMENTS:**

1. Resolution
2. Downtown Rail Extension Phasing Study





SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
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2020

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7TH DISTRICT

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8TH DISTRICT

Bevan Dufty  
9TH DISTRICT

October 1, 2020

Skip Sowko, Senior Design and Managing Engineer  
Transbay Joint Powers Authority  
425 Mission Street, Suite 250  
San Francisco, CA 94105

Subject: Response on Transbay Program Phase 2/DTX Phasing Options

Dear Skip:

This is in response to your letter of August 28, 2020. In that letter, you noted that TJPA and your partners on the Caltrain Downtown Extension Project (DTX) are considering phasing options for scope elements originally included in the approved environmental documents for the DTX. One of the elements being considered for phasing is the proposed pedestrian tunnel between the Salesforce Transit Center (STC) and BART's Embarcadero Station, which would be constructed under Beale Street. You requested BART's reaction to a proposal to defer the design and construction of this tunnel to a later phase, in order to conform the project to the available funding. BART has no objections to deferring the design and construction of the pedestrian tunnel to a later phase of DTX.

BART supports the DTX project as an important regional rail connection, and as an important precursor project for an eventual regional rail connection across the Bay. As you know, BART is partnering with the Capitol Corridor Joint Powers Authority (CCJPA) on the New Transbay Rail Crossing (NTRC), which is seeking to build a regional rail connection from the East Bay to San Francisco, connecting to the STC. BART understands the need to examine all scope elements with an eye toward phasing elements of the project, anticipating the need to conform the project to expected funds available.

BART understands that the pedestrian connector was originally conceived as the primary regional connection between Caltrain and HSR at STC, and BART and Muni at Embarcadero for travel further on to the East Bay, or throughout San Francisco. Now that planning for the NTRC is proceeding, the need for a BART-to-regional rail connection via the pedestrian tunnel at STC may be lessened, assuming STC accommodates a regional rail connection to the East Bay in the future.

October 1, 2020

Subject: Response on Transbay Program Phase 2/DTX Phasing Options

Page 2

Prior to the COVID crisis, BART experienced capacity issues at Embarcadero Station. Problems have included overcrowded platforms, longer dwell times than scheduled, inadequate stair and escalator capacity, and other issues resulting from crowding. BART has done planning work on potential options at Embarcadero to resolve capacity issues. One option that may be needed in the future is for BART to construct side platforms at Embarcadero, which would require new access to the side platforms via stairs, escalators, and elevators. We have been concerned that a potential pedestrian tunnel could conflict with the locations needed for vertical circulation to the side platforms. BART has done some preliminary planning work on the locations of the access to the side platforms, but BART needs to keep options open for access to the side platforms until such time as any other potential solutions are resolved.

The other potential solution to crowding at Embarcadero Station is that the BART portion of the NTRC project may alleviate the crowding at Embarcadero, depending on whether or not a new BART station as part of NTRC will be located close enough to Embarcadero. If that were to happen, we anticipate that sufficient passenger demand may be diverted to the new station, reducing the passenger demand and crowding issues at Embarcadero.

BART and CCJPA have begun planning the NTRC, but will not have an alignment selected with station locations for several years. We expect to have a preferred project selected in late 2025, and to have completed environmental review by late 2028. It would be in the 2025-2028 timeframe that BART/CCJPA will likely be able to make a determination if the alignment of the new crossing will address the capacity issues at Embarcadero, and thus if the side platforms will be required. Until that time, BART needs to make sure that the ability to construct and operate the side platforms is not precluded.

Based on the preceding, BART has no objections to deferring the design and construction of the pedestrian tunnel to a later phase of the DTX project. As we have outlined, BART needs to be further along in NTRC planning to be able to make an informed decision as to the feasibility of the pedestrian connector project. Potential ownership, maintenance and security issues related to the pedestrian tunnel could be discussed at that time.

We would be happy to discuss with the TJPA team if you have questions.

Sincerely,



Val Joseph Menotti  
Chief Planning & Development Officer

cc: D Watry  
S Poliwka  
C Tsao, CCJPA

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San Francisco  
County Transportation  
Authority



RESOLUTION AUTHORIZING EXAMINATION OF TRANSACTIONS AND USE TAX RECORDS

WHEREAS, Pursuant to Resolution 90-2 of the San Francisco County Transportation Authority (Transportation Authority) and Section 7270 of the Revenue and Taxation code, the Transportation Authority entered into a contract with the State Board of Equalization, now called California Department of Tax and Fee Administration (CDTFA), to perform all functions incident to the administration and operation of the transaction sales and use tax; and

WHEREAS, The Transportation Authority deems it desirable and necessary for authorized representatives of the Transportation Authority to examine confidential transactions and use tax records of the CDTFA pertaining to transaction and use taxes collected by the CDTFA for the Transportation Authority pursuant to that contract; and

WHEREAS, Section 7056 of the Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of CDTFA records, and establishes criminal penalties for the unlawful disclosure of information contained in or derived from the transactions and use tax records of the CDTFA; and

WHEREAS, At its July 28, 2021 meeting, the Community Advisory Committee considered the recommended action to seek authorization for designated staff and MuniServices, LLC to access and further examine transactions and use tax records of the CDTFA and unanimously adopted a motion of support for the staff recommendation; now, therefore, be it

RESOLVED, That the Executive Director, Chief Deputy Director, Deputy Director for Finance and Administration, or an officer or employee of the Transportation Authority designated in writing by the Executive Director to the CDTFA is hereby appointed to represent the Transportation Authority with authority to examine transactions and use tax records of the CDTFA pertaining to transactions and use taxes collected for Transportation Authority by the CDTFA pursuant to the contract between Transportation Authority and the CDTFA. The information obtained by examination of CDTFA records shall be used only for purposes related to the collection of the transactions and use taxes by the CDTFA pursuant to the contract; and be it further



RESOLVED, That the Executive Director, Chief Deputy Director, Deputy Director for Finance and Administration, or other officer or employee of Transportation Authority designated in writing by the Executive Director to the CDTFA of is hereby appointed to represent Transportation Authority with authority to examine those transactions and use tax records of the CDTFA for purposes related to the following, governmental functions of Transportation Authority:

- a) Review of sales tax records to ensure proper allocation and remittance to Transportation Authority;
- b) Forecast and budget related functions;
- c) Transportation planning and modeling; and
- d) Other governmental functions as required by Transportation Authority.

The information obtained by examination of CDTFA records shall be used for those governmental functions of Transportation Authority listed above; and be it further

RESOLVED, That MuniServices, LLC is hereby designated to examine the transactions and use tax records of the CDTFA pertaining to the transactions and use taxes collected for the Transportation Authority by the CDTFA. The person or entity designated by this section meets all of the following conditions, which are also included in the contract between the Transportation Authority and MuniServices, LLC:

- a) Has an existing contract with the Transportation Authority to examine those transactions and use tax records;
- b) Is required by that contract to disclose information contained in, or derived from those transactions and use tax records only to the officer or employee authorized above;
- c) Is prohibited by that contract from performing consulting services for a retailer during the term of that contract; and
- d) Is prohibited by that contract from retaining the information contained in, or derived from, those transactions and use tax records after that contract has expired; and be it further

RESOLVED, That the Transportation that the information obtained by examination of CDTFA records shall be used only for purposes related to the collection of Transportation



Authority transactions and use taxes by CDTFA pursuant to the contract between the Transportation Authority and CDTFA and for those purposes relating to the governmental functions of the Transportation Authority listed above; and be it further

RESOLVED, This resolution supersedes all prior resolutions of the Transportation Authority adopted pursuant to subdivision (b) of Revenue and Taxation Code section 7056.



## Memorandum

### AGENDA ITEM 9

**DATE:** July 22, 2021

**TO:** Transportation Authority Board

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

**SUBJECT:** 9/14/21 Board Meeting: Authorize Examination of Transaction and Use Tax Records

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

Authorize examination of transaction and use tax records for:

- Executive Director, Chief Deputy Director, Deputy Director of Finance and Administration, employee designated in writing by the Executive Director; and
- MuniServices, LLC

#### **SUMMARY**

The California Department of Tax and Fee Administration (CDTFA), formerly the State Board of Equalization, collects local sales and use taxes on behalf of the Transportation Authority. CDTFA requires municipalities to adopt a Board resolution to designate individuals and/or consultants permitted to access and examine sales, transactions and use tax records collected by CDTFA for the agency. This recommended action seeks authorization for staff and MuniServices, LLC to further examine detailed sales tax records from CDTFA to analyze data and provide enhanced revenue forecasts.

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

### BACKGROUND

The Transportation Authority was created in 1989 by the voters of the City and County of San Francisco to impose a voter-approved transaction and use tax (i.e., sales tax) of one-half of one percent to fund essential traffic and transportation projects 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 2003, San Francisco voters approved a new 30-year Expenditure Plan (Prop K Expenditure Plan) that superseded Prop B and continued the one-half of one



percent sales tax. CDTFA administers and collects sales tax revenues for municipalities, including the Transportation Authority.

## **DISCUSSION**

Given the economic uncertainty caused by the COVID-19 pandemic, accurate sales tax revenue projections have become essential for short-term budget planning and more difficult to develop than pre-pandemic. In addition, short- and long-term revenue projections are incorporated into the Prop K Strategic Plan financial model, which is our primary financial tool for ensuring that we have sufficient funds to support the sales tax projects and programs, including any financing costs, over the 30-year Expenditure Plan period. Further, sales tax revenue projects are needed to inform the development of the San Francisco Transportation Plan (the long-range countywide transportation plan update being developed as part of ConnectSF) as well as a new Expenditure Plan and reauthorization of the sales tax through a potential June or November 2022 ballot measure, as directed by the Board.

On March 2, 2021, we entered into a professional services agreement with MuniServices, LLC (MuniServices) for sales tax revenue forecasting services. We are recommending authorizing MuniServices to access and examine more comprehensive transaction and use tax records collected by CDTFA for the Transportation Authority, which will allow MuniServices to improve sales tax trend analysis and data reports, and to enhance our sales tax revenue forecasts as we recover from the COVID-19 pandemic. MuniServices shall be prohibited from retaining the information contained in, or derived from, those transactions and use tax records after its contract with the Transportation Authority has expired.

Furthermore, we are also reaffirming and authorizing additional staff, including the Executive Director, Chief Deputy Director, or Deputy Director for Finance and Administration or an officer or employee of the Transportation Authority designated in writing by the Executive Director to the CDTFA to access and examine transactions and use tax records.

## **FINANCIAL IMPACT**

None. Budget for the contract with MuniServices is included in Fiscal Year 2021/22 Adopted Budget and Work Program.

## **CAC POSITION**

The Community Advisory Committee considered this item at its July 28, 2021 meeting, and unanimously adopted a motion of support for the staff recommendation.



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San Francisco  
County Transportation  
Authority



PLAN BAY AREA 2050

# Overview of Plan Bay Area 2050

*Highlights of the Long-Range Regional Plan &  
Next Steps Toward Implementation*

*Dave Vautin, MTC/ABAG — September 2021*

# Long-Range Planning... for a Better Bay Area

## WHAT IS THE PLAN?

*Plan Bay Area 2050 is the long-range plan charting a course for the nine-county San Francisco Bay Area, slated for adoption in fall 2021.*

## VISION & GUIDING PRINCIPLES

*Ensure by the year 2050 that the Bay Area is **affordable**, **connected**, **diverse**, **healthy** and **vibrant** for all.*

## FOUR ELEMENTS OF THE PLAN



- **Transportation** Strategies
- **Housing** Geographies & Strategies
- **Economic** Geographies & Strategies
- **Environmental** Strategies

# Long-Range Planning... for an Uncertain Future

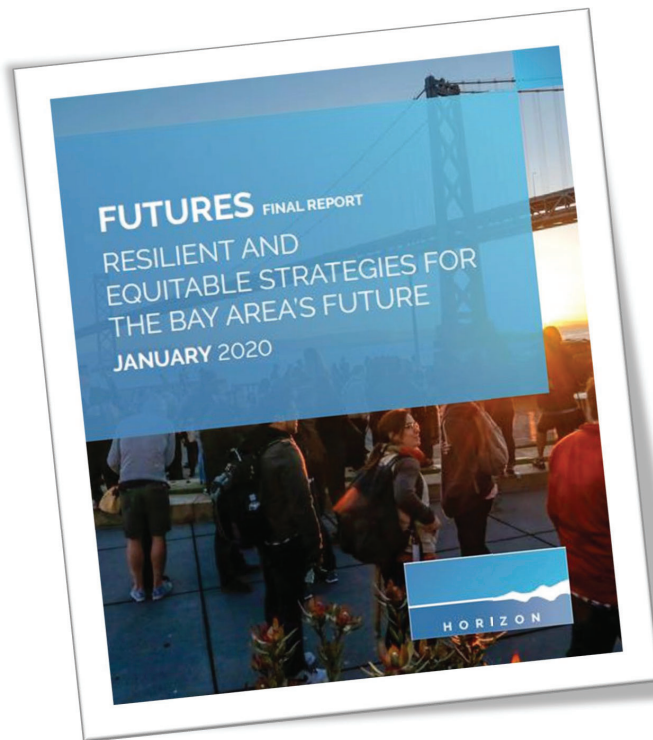
2018

2019

2020

2021

Plan Bay Area 2050 built upon the foundation of the Horizon initiative, which generated new strategy ideas and stress-tested them against a broad range of economic, technological, environmental, and political forces.



Strategies  
prioritized  
based upon:



*Resilience*



*Equity*



# Long-Range Planning... Driven by Public Input



## Engagement to Date by the Numbers

**150+** **public meetings** featuring discussion of Horizon & Plan Bay Area 2050

**150+** **public events** including in-person & virtual workshops, pop-up events, and focus groups

**180+** **stakeholder events** including RAWG and REWG meetings, workshops, and webinars

**220,000+** **public and stakeholder comments** received to date

**24,000+** **participants in planning process** to date



# Plan Bay Area 2050: Growth Geographies



**1.4  
million**

*new households  
between 2015  
and 2050*



**1.4  
million**

*new jobs  
between 2015  
and 2050*

## Protect



Areas Outside  
Urban Growth  
Boundaries  
(including PCAs)



Unmitigated  
High Hazard  
Areas

## Prioritize



**Priority Development  
Areas (PDAs)**



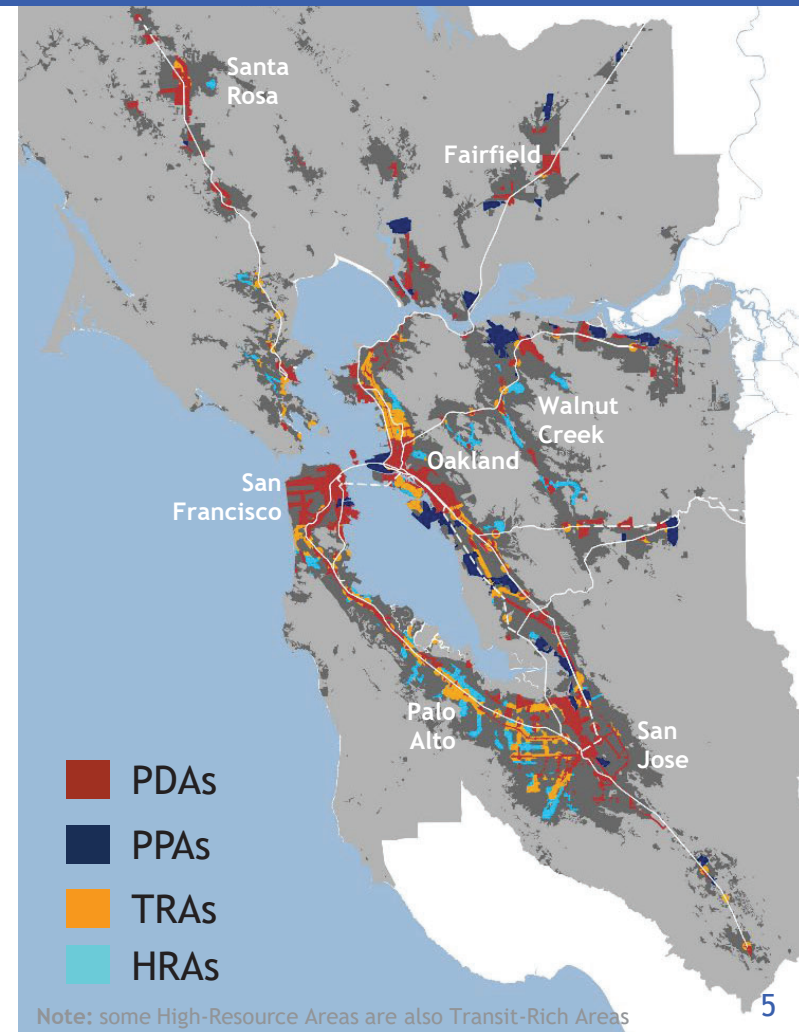
**Priority Production  
Areas (PPAs)**



**Transit-Rich Areas  
(TRAs)**



**High-Resource  
Areas (HRAs)**



# Plan Bay Area 2050: 11 Themes, 35 Bold Strategies



**Maintain and Optimize the Existing System**



**Create Healthy and Safe Streets**



**Build a Next-Generation Transit Network**



**Protect and Preserve Affordable Housing**



**Spur Housing Production at All Income Levels**



**Create Inclusive Communities**

## Plan Bay Area 2050 Preferred Alternative Strategies



**Improve Economic Mobility**



**Shift the Location of Jobs**



**Reduce Risks from Hazards**



**Expand Access to Parks and Open Space**



**Reduce Climate Emissions**

Housing Strategies – Cost: \$468 Billion		
Protect and Preserve Affordable Housing	Further Strengthen Renters Protections Beyond State Legislation. Building upon recent tenant protection laws, limit annual rent increases to the rate of inflation, while exempting units less than 10 years old.	\$2 BILLION
Spur Housing Production at All Income Levels	Preserve Existing Affordable Housing. Acquire homes currently eligible to low- and middle-income residents for preservation as permanently deed-restricted affordable housing.	\$237 BILLION
	Allow a Greater Mix of Housing Densities and Types in Growth Areas. Allow a variety of housing types at a range of densities to be built in Priority Development Areas, select Transit-Rich Areas, and select High-Resource Areas.	N/A
	Build Adequate Affordable Housing to Ensure Homes for All. Construct enough deed-restricted affordable homes necessary to fill the existing gap in housing for the unsheltered community and to meet the needs of low-income households.	\$219 BILLION
	Integrate Affordable Housing into All Major Housing Projects. Require a Satisfactorily of 10 to 20 percent of new market-rate housing developments of 5 units or more to be affordable to low-income households.	N/A
	Transform Aging Mills and Office Parks into Neighborhoods. Permit and promote the reuse of shopping malls and office parks with limited commercial viability as neighborhoods with housing at all income levels.	N/A
Create Inclusive Communities	Provide Targeted Mortgage, Rental and Small Business Assistance to Communities of Concern. Provide assistance to low-income communities and communities of color to address the legacy of exclusion and predatory lending, while helping to grow locally owned businesses.	\$10 BILLION
	Accelerate Release of Public and Community-Owned Land for Mixed-Income Housing and Essential Services. Using public agencies, community land trusts and other non-profit landowners to accelerate development of mixed-income affordable housing.	N/A
Economic Strategies – Cost: \$234 Billion		
Improve Economic Mobility	Implement a Statewide Universal Basic Income. Provide an average \$1000 per month payment to all Bay Area households to improve family stability, promote economic mobility and increase consumer spending.	\$205 BILLION
	Expand Job Training and Incubator Programs. Fund assistance programs for entrepreneurship, as well as job training programs, primarily in historically disadvantaged communities, and in new businesses, as well as job training programs, primarily in historically disadvantaged communities.	\$5 BILLION
Shift the Location of Jobs	Move to High-Speed Internet to Under-served Low-income Communities. Provide direct subsidies and incentives to encourage employers to relocate offices to housing-rich areas near regional rail stations.	\$10 BILLION
	Allow Greater Commercial Densities in Growth Designations. Allow greater densities for new commercial development in select Priority Development Areas and select Transit-Rich Areas to encourage more jobs for use near public transit.	N/A
	Provide Incentives to Employers to Shift Jobs to Housing-Rich Areas Well Served by Transit. Provide subsidies to encourage employers to relocate offices to housing-rich areas near regional rail stations.	\$4 BILLION
	Retain Key Industrial Lands through Establishment of Priority Production Areas. Implement local land use policies to protect key industrial lands, identified as Priority Production Areas, which housing key infrastructure improvements in those areas.	\$4 BILLION

Learn more about each of the 35 adopted strategies at [planbayarea.org](http://planbayarea.org).

# Bold Strategies for a More Affordable Bay Area



**Reduce the region's extreme cost of living by enabling over a million new homes near public transit**

## Strategies include:

- Allow a Greater Mix of Housing Types and Densities in Growth Areas
- Transform Aging Malls and Office Parks into Neighborhoods
- Maintain Urban Growth Boundaries



**Produce and preserve much-needed affordable housing through public, non-profit, and private sector action**

## Strategies include:

- Preserve Existing Affordable Housing
- Build Adequate Affordable Housing to Ensure Homes for All
- Integrate Affordable Housing into All Major Housing Projects



**Provide robust discounts for low-income residents both for tolls and transit fares**

## Strategies include:

- Reform Regional Transit Fare Policy
- Implement Per-Mile Tolling on Congested Freeways with Transit Alternatives



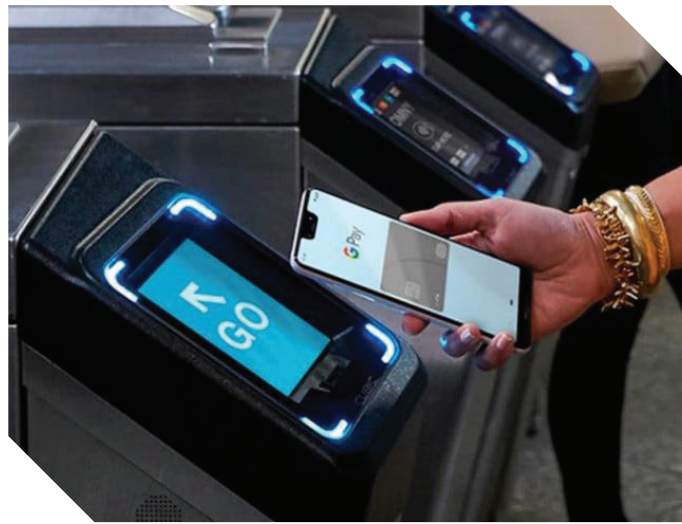
# Bold Strategies for a More Connected Bay Area



**Create a world-class public transportation system, emphasizing maintenance and ridership as critical twin goals**

**Strategies include:**

- Operate and Maintain the Existing System
- Enhance Local Transit Frequency, Capacity, and Reliability
- Expand and Modernize the Regional Rail Network



**Standardize transit fares across the region and advance seamless mobility through schedule coordination**

**Strategies include:**

- Reform Regional Fare Policy
- Enable a Seamless Mobility Experience



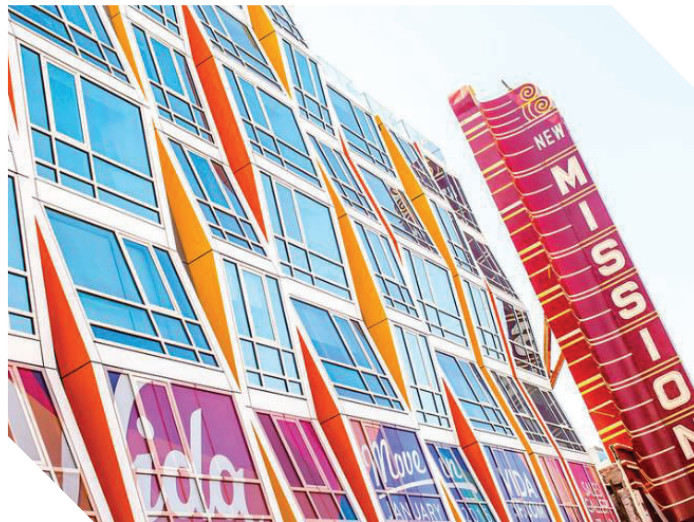
**Permanently reduce traffic congestion through a proven approach of pricing select corridors**

**Strategies include:**

- Implement Per-Mile Tolling on Congested Freeways with Transit Alternatives
- Build an Integrated Regional Express Lane and Express Bus Network



## Bold Strategies for a More Diverse Bay Area



**Protect renters from being displaced to the region's periphery and beyond**

### Strategies include:

- Further Strengthen Renter Protections Beyond State Legislation
- Preserve Existing Affordable Housing
- Support Community-Led Transportation Enhancements



**Tackle racial inequities by enabling more housing in historically-exclusionary places**

### Strategies include:

- Allow a Greater Mix of Housing Types and Densities in Growth Areas
- Build Adequate Affordable Housing
- Accelerate Reuse of Public and Community-Owned Land



**Reduce income inequality through new universal basic income and mortgage assistance programs**

### Strategies include:

- Implement a Statewide Universal Basic Income
- Provide Targeted Mortgage, Rental, and Small Business Assistance to Equity Priority Communities



# Bold Strategies for a Healthier Bay Area



**Strive to eliminate traffic deaths by making streets safer for all roadway users**

## Strategies include:

- Advance Regional Vision Zero Policy through Street Design and Reduced Speeds
- Build a Complete Streets Network



**Protect tens of thousands of Bay Area homes from rising sea levels and from potential earthquake damage**

## Strategies include:

- Adapt to Sea Level Rise
- Provide Means-Based Financial Support to Retrofit Existing Residential Buildings



**Tackle climate change by electrifying vehicles & buildings and reducing auto trips**

## Strategies include:

- Expand Clean Vehicle Initiatives
- Fund Energy Upgrades to Enable Carbon Neutrality in Existing Buildings
- Expand Transportation Demand Management Initiatives
- Expand Commute Trip Reduction Programs at Major Employers

# Bold Strategies for a More Vibrant Bay Area



**Encourage more job growth in housing-rich areas through financial incentives and streamlining**

**Strategies include:**

- Provide Incentives to Employers to Shift Jobs to Housing-Rich Areas Well Served by Transit
- Allow Greater Commercial Densities in Growth Geographies



**Preserve critical industrial lands and work to catalyze job growth in these locations**

**Strategies include:**

- Retain Key Industrial Lands through Establishment of Priority Production Areas
- Expand Job Training and Incubator Programs



**Ensure all communities have access to high-speed internet to fully participate in the digital economy**

**Strategies include:**

- Invest in High-Speed Internet in Underserved Low-Income Communities

# Plan Bay Area 2050: San Francisco Local Focus

How might the Plan Bay Area 2050 strategies make San Francisco residents' lives better?

## Strategy T11 Expand and Modernize the Regional Rail Network

- This strategy includes major new rail expansions like **Link21** and the **Caltrain Downtown Extension**, providing additional capacity in the Transbay corridor and better connecting downtown San Francisco to Peninsula and East Bay destinations.

## Strategy H3 Allow a Greater Mix of Housing Densities and Types

- To increase the availability of housing at all income levels throughout the City, this strategy would **enable more households - especially low-income and working-class households - to reside in San Francisco's transit-rich high-resource communities**, focused in PDAs from the Sunset to the Marina to the Mission.

## Strategy EC1 Implement a Statewide Universal Basic Income

- By providing a \$500 per month universal basic income, this strategy could help **lift up nearly 125,000 San Francisco households** currently making less than \$45,000 per year.

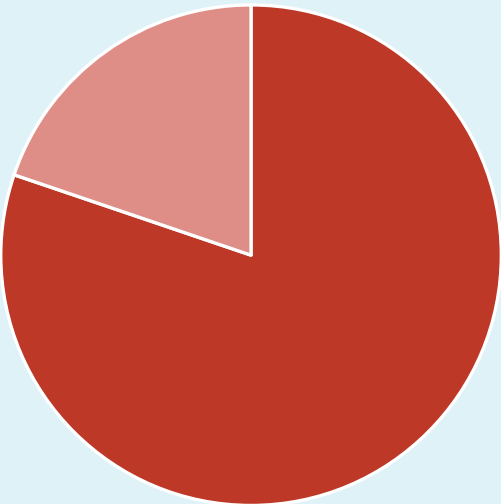
## Strategy EN3 Fund Energy Upgrades in Existing Commercial & Public Buildings

- While San Francisco has been a regional leader in this space, this strategy would **provide additional regional resources to make 19<sup>th</sup> and 20<sup>th</sup> century buildings carbon neutral**.

# Plan Bay Area 2050: Revenues & Expenditures

## Transportation Element

\$469 billion in existing funding  
\$110 billion in new revenues

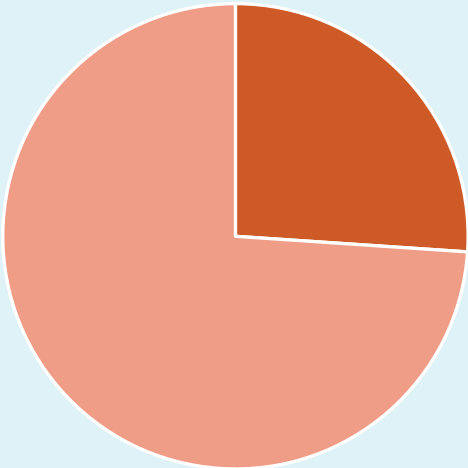


■ Existing Revenues ■ New Revenues

**Note:** \$12 billion in existing transportation funding is shown in Environment Element for climate & sea level rise strategies.

## Housing Element

\$122 billion in existing funding  
\$346 billion in new revenues

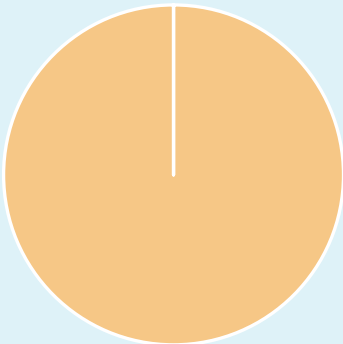


■ Existing Revenues ■ New Revenues

**Note:** new housing revenues could come from a mix of federal, state, regional, or local sources.

## Economy Element

N/A in existing funding  
\$234 billion in new revenues

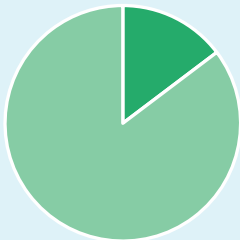


■ Existing Revenues ■ New Revenues

**Note:** as Needs & Revenue data is unavailable for economic development, existing funding is underrepresented.

## Environment Element

\$15 billion in existing funding  
\$87 billion in new revenues



■ Existing Revenues ■ New Revenues

**Note:** as Needs & Revenue data is unavailable for parks & conservation, existing funding is underrepresented.



# Forecasting the Future: Housing & Jobs Growth

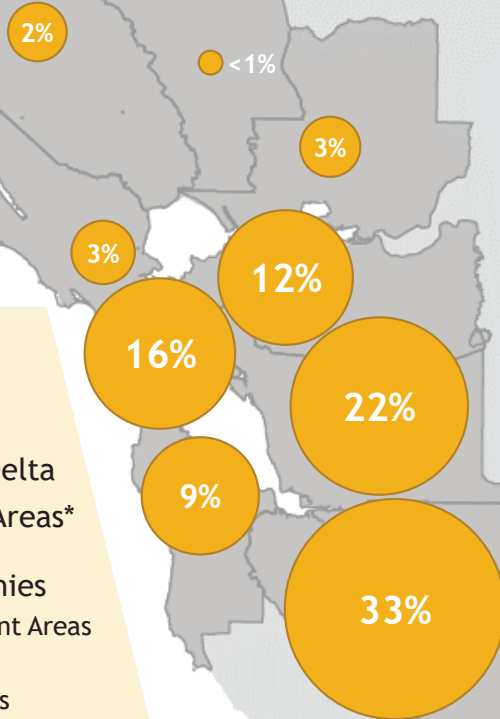
## Housing Growth: 2015 to 2050

### MAP LEGEND

**X%** County's share of regional growth, sized based upon total number of new households

### KEY GROWTH STATISTICS

**43%** in Big 3 Cities  
**34%** in Bayside Cities  
**18%** in Inland/Coastal/Delta  
**5%** in Unincorporated Areas\*  
**85%** in Growth Geographies  
**72%** in Priority Development Areas  
**82%** in Transit-Rich Areas  
**28%** in High-Resource Areas



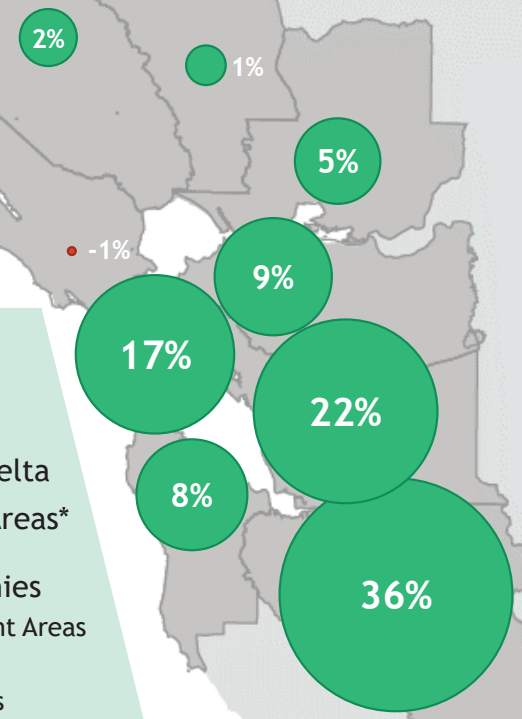
## Job Growth: 2015 to 2050

### MAP LEGEND

**X%** County's share of regional growth, sized based upon total number of new jobs

### KEY GROWTH STATISTICS

**39%** in Big 3 Cities  
**45%** in Bayside Cities  
**13%** in Inland/Coastal/Delta  
**3%** in Unincorporated Areas\*  
**55%** in Growth Geographies  
**48%** in Priority Development Areas  
**63%** in Transit-Rich Areas  
**14%** in High-Resource Areas



\* All urbanized growth in unincorporated areas is focused within existing urban growth boundaries (Strategy EN4).

For breakdowns on the subcounty level, please refer to the Final Blueprint Growth Pattern on [planbayarea.org](http://planbayarea.org).

Totals do not always sum to 100% due to rounding.

# Forecasting the Future: Projected Outcomes

AFFORDABLE



Plan would reduce housing & transportation cost burden by **13 percentage points**, with even greater improvements for low-income households

CONNECTED



Plan would improve access to frequent transit and to safe bicycle & pedestrian facilities, enabling nearly 20 percent of workers to shift away from commuting by auto

DIVERSE



Plan would provide more affordable housing in historically-exclusionary jurisdictions, while helping at least 10 percent of the region's low-income residents to buy their first home

HEALTHY



Plan would meet the state-mandated greenhouse gas reduction target, while concurrently protecting nearly all homes from sea level rise impacts through 2050

VIBRANT



Plan would improve jobs-housing balance in counties throughout the Bay Area, yielding shorter commutes for all workers



# Advancing Toward Implementation: Overview

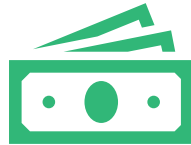
Plan Bay Area 2050  
*30-year strategies*

Implementation Plan  
*5-year near-term actions*

The near-term Implementation Plan for Plan Bay Area 2050 is exploring the **success factors** for each of the 35 strategies, the **role** for MTC/ABAG, and specific **MTC/ABAG implementation actions**.



Authority



Financial  
Resources



Technical  
Capacity



Public &  
Political  
Support



Lead



Partner



Support

During summer 2021, MTC/ABAG pivoted to the **partnership phase** of the **Implementation Plan**, identifying existing initiatives and roles for partner organizations to ensure the success of Plan Bay Area 2050.

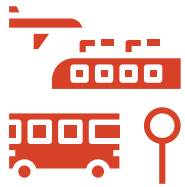
# Advancing Toward Implementation: Initial Actions

The initial actions identified in the Draft Implementation Plan focus on near-term actions - through 2025 - that MTC and ABAG can prioritize to advance Plan implementation, which will be augmented by commitments from partners this summer and fall. **Select implementation actions identified to-date are shown below and on the following slide:**



## Cross-Cutting

- **Seek new revenues to support identified needs**, from a next-generation transit network to a suite of sea level rise protections to affordable housing production & preservation
- **Continue and seek greater strategic alignment** between a broad range of existing MTC/ABAG programs, including Express Lanes, FasTrak START, Clipper START, Regional Housing Technical Assistance, and Regional Trails, among others



## Transportation

- **Implement the recommendations** of the Blue Ribbon Transit Recovery Task Force, the Fare Integration Task Force, and the Regional Active Transportation Plan
- **Complete & advance the TOD Policy Update** to ensure land use supports transit investments
- **Lead the next-generations freeways study** to further explore pricing and complementary strategies through deep engagement with partners, stakeholders, and the public

# Advancing Toward Implementation: Initial Actions



Housing

- **Provide financial resources and technical assistance** through the Regional Housing Technical Assistance and PDA Planning Program
- **Launch and deliver a suite of pilot projects** to equitably advance the “3 P’s” of housing: protection, preservation, and production
- **Partner with local jurisdictions** to study and accelerate mall & office park redevelopment



Economy

- **Evaluate funding sources** and develop a pilot Priority Production Area (PPA) Planning and Technical Assistance program, with a goal of supporting up to five PPAs by 2025
- **Engage with local partners** on economic recovery as part of the Regional Government Partnership for Local Economic Rebound initiative



Environment

- **Explore legislative reforms** to establish clear roles for sea level rise adaptation
- **Restructure MTC Climate Initiatives** program and operational travel demand management (TDM) programs to ensure they can effectively scale over the next five years
- **Evaluate feasibility** of expanding the scope and mission of BayREN to develop a broader range of program offerings that support building retrofits and water & energy upgrades

# What's Next: Final Plan Anticipated in October

While the public comment window closed on July 20<sup>th</sup>, Draft Plan Bay Area 2050 is available for public review on [planbayarea.org](http://planbayarea.org), including:

- Draft Plan Document + Implementation Plan
- Draft Supplemental Reports
- Draft Environmental Impact Report

Final Plan Bay Area 2050 is anticipated to be released in early October, with MTC and ABAG considering the Plan for adoption on October 21<sup>st</sup>.



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San Francisco  
County Transportation  
Authority



## Memorandum

### AGENDA ITEM 11

**DATE:** September 10, 2021  
**TO:** Transportation Authority Board  
**FROM:** Maria Lombardo – Chief Deputy Director  
**SUBJECT:** 09/14/2021 Board Meeting: Update on the Expenditure Plan Advisory Committee and Outreach Efforts for Development of a New Expenditure Plan

#### RECOMMENDATION ☒ Information ☐ Action

None. This is an information item.

#### SUMMARY

At the direction of the Board, we have been working on an effort to develop a New Expenditure Plan for Prop K, the half-cent transportation sales tax measure approved by voters in November 2003. In June 2021 through approval of Resolution 21-51, the Board approved the schedule and process (including an outreach and engagement strategy) for development of the New Expenditure Plan, targeting the June 2022 election. The same action approved the structure for an Expenditure Plan Advisory Committee (EPAC) (Attachment 1) to provide feedback and input on the New Expenditure Plan, and directed the Transportation Authority Chair and Executive Director to seat the EPAC in consultation with all the Board offices. The EPAC has largely been seated with 26 of 27 seats filled to date as shown in Attachment 2. We hosted two optional orientation meeting/workshops in August and on September 9, Chair Mandelman welcomed the EPAC members at their first official meeting. This memo provides an update on the EPAC's meeting schedule, and on the other outreach we have underway and planned for this effort.

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

#### BACKGROUND

The half-cent sales tax for transportation was first approved by San Francisco voters in 1989 (Prop B) and then extended by voters in 2003 along with the adoption of the new Prop K Expenditure Plan, which is currently in place. Since then, the Transportation Authority has directed more than \$1.9 billion in half-cent sales tax funding citywide. On average, every dollar in half-cent sales tax funding leverages an additional \$4-\$7 from federal, state, or other sources.



The half-cent sales tax generates about \$110 million per year (pre-pandemic) and helps fund transportation projects large and small across the city. Major capital investments have included the purchase of new Muni buses and light rail vehicles, Salesforce Transit Center, the electrification of Caltrain (under construction), Muni Central Subway, and reconstruction of Doyle Drive, now known as Presidio Parkway. It also makes a big difference in people's lives through smaller projects like traffic calming, street repaving projects, paratransit service for seniors and persons with disabilities, protected bicycle lanes, new and upgraded signals, and, during the pandemic, taxi rides home for essential workers.

The Expenditure Plan guides the way the half-cent sales tax program is administered by identifying eligible project types and activities, designating eligible sponsoring agencies, and establishing limits on sales tax funding by Expenditure Plan line item. It also sets expectations for leveraging of sales tax funds with other federal, state, and local dollars to fully fund the Expenditure Plan programs and projects and includes policies for program administration. Finally, the current Prop K Expenditure Plan requires that the Transportation Authority Board establish an EPAC to help develop a new Expenditure Plan.

## **DISCUSSION**

**EPAC Update and Agenda Roadmap.** Working with the Chair's office and our Executive Director, and in consultation with other Board members and legislative aides, we have confirmed representatives for 26 of the maximum 27 seats approved by the Board in June. The current roster is included as Attachment 2. We continue to work with the Chair and District 2 office to fill the remaining seat. We are very grateful to all the EPAC members and alternates who have agreed to dedicate their time and energy toward this important effort over the next several months.

The goal of the EPAC is to help shape the New Expenditure Plan and ultimately, recommend that the Transportation Authority Board approve the New Expenditure Plan for the ongoing half-cent sales tax for transportation and place it on the ballot (anticipated June 2022). EPAC meetings are open to the public, and public comment will be taken at each meeting. Agendas and other meeting materials will be posted online at the project website ([www.sfcta.org/ExpenditurePlan](http://www.sfcta.org/ExpenditurePlan)) and on the Transportation Authority's meetings, agendas and events calendar ([www.sfcta.org/events](http://www.sfcta.org/events)). Meetings are currently being held in virtual format.

The EPAC is reviewing preliminary draft recommendations for a New Expenditure Plan and will spend the upcoming meetings having detailed discussions about project and program funding levels and draft eligibility language. Partner agency staff have been invited to make brief presentations about proposed investment types, focusing on the benefits of the proposal, the financial need for the investment, and other funding sources available for these types of investments. Transportation Authority staff will also present policy recommendations for the administration of the sales tax expenditure plan and for the project prioritization



process. Throughout this whole process, we are also asking the EPAC to help us shape the plan - what is funded and the policies that will guide its implementation, so that the transportation sales can help advance equity in the city. At the group's final meetings, the EPAC will be asked to vote to make a recommendation to the Board.

The meeting schedule and proposed agenda roadmap for the EPAC is included as Attachment 3. The schedule of roughly bi-monthly meetings September through December is designed to enable the Board to make a decision about whether or not to ask the Board of Supervisors to place a measure on the ballot in June 2022. The deadline for placing a measure on that ballot is anticipated to be in early March 2022.

**New Expenditure Plan Outreach and Engagement.** During prior presentations to the board, we described the outreach and engagement strategy for the development of the New Expenditure Plan. The strategy is multifaceted and draws on lessons learned from other projects at the Transportation Authority to help ensure that we hear from folks who may be disproportionately affected by the sales tax while being respectful of the organizations that serve low-income communities and communities of color, many of which are stretched thin right now due to the lengthy pandemic. Attachment 4 lists each of the outreach and engagement strategies and provides a status update for each.

Our ability to successfully develop and deliver the New Expenditure Plan, just like the current one, depends on working collaboratively with San Francisco project sponsors, including city agencies, regional transit operators serving the city such as BART and Caltrain, Caltrans, and funding partners such as the MTC. We will continue to regularly agendaize reauthorization of the sales tax at our monthly Technical Working Group meetings. We have requested identification of a point person(s) at each agency to assist with support of the EPAC, including coordination of agency presentations and responses to information requests. We also meet with project sponsor staff in smaller groups, as requested/needed and through our long-range planning efforts on ConnectSF and the SFTP 2050. Lastly, we have regular staff and management level meetings with the SFMTA, the largest recipient of Prop K sales tax funds, to coordinate on local, regional, state and federal funding strategy.

**Next Steps.** The next EPAC meeting is scheduled for September 23 from 6 to 8 pm. We will keep working with our technical partners while we move forward with our outreach and engagement strategy. We will continue to provide regular updates to the Board and Community Advisory Committee and are reaching out to all of the Board offices to offer briefings.

## **FINANCIAL IMPACT**

None. This is an information item.





## **CAC POSITION**

The Community Advisory Committee will hear this item at the September 22, 2021 meeting.

## **SUPPLEMENTAL MATERIALS**

- Attachment 1 – Approved EPAC Structure (Resolution 21-51)
- Attachment 2 – EPAC Roster as of September 9, 2021
- Attachment 3 – EPAC Meetings: Agenda Roadmap
- Attachment 4 – New Expenditure Plan Outreach and Engagement Plan Status

### Attachment 1 - Expenditure Plan Advisory Committee Structure<sup>1</sup>

Approved June 8, 2021 through Resolution 21-51

Category	Affiliation / Representation	Target # of Members
Equity and Neighborhood Focus <sup>2</sup>	Communities of Concern / Equity Priority Communities / low-income communities / communities of color	9
	Other Neighborhoods / Communities	4
	<i>Subtotal</i>	<b>13</b>
Advocacy Organizations	Equity & Environment	2
	Modal: Bike	1
	Modal: Transit	1
	Modal: Walk	1
	Seniors and People with Disabilities	2
	Youth	1
	<i>Subtotal</i>	<b>8</b>
Business/Civic Groups	Civic	1
	Labor	1
	Large Businesses	1
	Small Businesses	2
	Tourism	1
	<i>Subtotal</i>	<b>6</b>
<b>TOTAL</b>		<b>27</b>

<sup>1</sup>Target of a 25-to-27-member committee. It is possible that some interest areas may overlap, and members may be able to represent more than one interest area.

<sup>2</sup>Intent to include 1 to 2 Transportation Authority Community Advisory Committee members.



**2021 Expenditure Plan Advisory Committee Roster - Updated September 9, 2021**

<b>Affiliation/ Representation</b>	<b>District</b>	<b>Organization</b>	<b>Member</b>	<b>Alternate</b>
Equity Priority Community: Bayview	10	EDoT Bayview	Earl Shaddix	
Equity Priority Community: Bayview	10	FACES SF	Susan Murphy	Melvin Parham
Equity Priority Community: Chinatown	3	Chinatown Community Development Center & SFCTA Community Advisory Committee	Rosa Chen	
Equity Priority Community: Excelsior	11	Excelsior Action Group	Mel Flores	Maribel Ramirez
Equity Priority Community: Inner Mission	9	N/A	Yensing Sihapanya	
Equity Priority Community: Outer Mission/Ingleside	11	OMI Cultural Participation Project	Maurice Rivers	
Equity Priority Community: Tenderloin	6	Tenderloin Street Safety Task Force	Eric Rozell	
Equity Priority Community: Western Addition	5	New Community Leadership Foundation	Majeid Crawford	
Neighborhoods/Communities	1	N/A	Jay Bain	
Neighborhoods/Communities	2	TBD	TBD	
Neighborhoods/Communities	4	N/A	Maelig Morvan	
Neighborhoods/Communities	7	Community Living Campaign	Joan Van Rijn	
Neighborhoods/Communities	8	N/A	Aaron P. Leifer	
Advocacy: Environment		League of Conservation Voters	Amandeep Jawa - EPAC Chair	
Advocacy: Equity		PODER	Jessie Fernandez	
Advocacy: Modal, Bike		San Francisco Bicycle Coalition	Chris White	
Advocacy: Modal, Transit		San Francisco Transit Riders	Zack Deutsch-Gross	
Advocacy: Modal, Walk		Walk San Francisco	Jodie Medeiros	
Advocacy: Seniors and People with Disabilities		Self Help for the Elderly	Anni Chung - EPAC Vice Chair	



<b>Affiliation/ Representation</b>	<b>District</b>	<b>Organization</b>	<b>Member</b>	<b>Alternate</b>
Advocacy: Seniors and People with Disabilities		Senior and Disability Action	Pi Ra	
Advocacy: Youth		San Francisco Youth Commission	Calvin Quick	Sasha Hirji
Business/Civic: Civic		SPUR	Nick Josefowitz	
Business/Civic: Labor		San Francisco Labor Council	Kim Tavaglione	
Business/Civic: Large Businesses		San Francisco Chamber of Commerce	Rodney Fong	
Business/Civic: Small Businesses		San Francisco Council of District Merchants Associations	Maryo Mogannam	
Business/Civic: Small Businesses		San Francisco Small Business Commission	Sharky Laguana	
Business/Civic: Tourism/Visitors		San Francisco Travel Association	Jessica Lum	Cassandra Costello

**Total number of EPAC seats: 27**

**Total confirmed EPAC members: 26**

# EPAC Meetings: Agenda Roadmap



Meeting #	Agenda Topics (proposed, subject to change)
Optional Meetings August 19, 28	Introduction to the Transportation Authority Expenditure Plan Advisory Committee Purpose and Process Transportation Funding Basics
Meeting #1 September 9	Expenditure Plan Advisory Committee Purpose and Process Initial Draft Expenditure Plan Summary Equity Analysis and Outreach Plan Summary
Meeting #2 September 23	Maintaining our Transportation Systems <ul style="list-style-type: none"> <li>• Local Streets and Roads</li> <li>• Transit (Muni BART Caltrain)</li> </ul> Paratransit Operations
Meeting #3 October 14	Enhancing and Expanding our Systems, Part 1 <ul style="list-style-type: none"> <li>• Street Safety and Accessibility</li> <li>• Freeway Safety and Operational Improvements</li> <li>• Transformative Freeway Projects</li> </ul>

## EPAC Meetings: Agenda Roadmap



Meeting #	Agenda Topics (proposed, subject to change), continued
Meeting #4 October 28	Enhancing and Expanding our Systems, Part 2 <ul style="list-style-type: none"> <li>• Transit Reliability, Capacity and Expansion</li> <li>• Next Generation Transit Investments</li> </ul> Expenditure Plan Policies, Part 1
Meeting #5 November 4	Planning and Transportation Demand Management <ul style="list-style-type: none"> <li>• Citywide and Modal Planning</li> <li>• Neighborhood Program</li> <li>• Equity Community Program</li> <li>• Development Oriented Transportation</li> <li>• Transportation Demand Management</li> </ul> Expenditure Plan Policies, Part 2
Meeting #6 November 18	Draft Final Expenditure Plan
Meeting #7 December 9	Final Action: Recommendation to the SFCTA Board



**Attachment 4.  
New Expenditure Plan Outreach and Engagement Strategy  
Status as of September 10, 2021**

<b>Engagement Method</b>	<b>Description</b>	<b>Schedule</b>
<b>Community Interviews</b>	One-on-one discussions with community members living in, working in, or serving Equity Priority Communities, to learn about transportation priorities in their communities	Underway, scheduled through the end of September
<b>Expenditure Plan Advisory Committee (EPAC)</b>	A diverse group of 27 representatives convened to provide input and ultimately recommend that the Transportation Authority Board approve a new Expenditure Plan for the ongoing sales tax for transportation and place it on the ballot. The EPAC will be meeting approximately twice a month in public virtual meetings. Meeting agendas and materials will be posted on our website at <a href="http://www.sfcta.org/expenditureplan">www.sfcta.org/expenditureplan</a>	Underway, scheduled September - December
<b>Online Survey</b>	An online questionnaire to get feedback on potential investment types	Planned to go live online in mid-September at <a href="http://www.sfcta.org/expenditureplan">www.sfcta.org/expenditureplan</a>
<b>Non-English Focus Groups</b>	Focused discussions in Spanish, Chinese and Russian, in partnership with community-based organizations and targeting mono-lingual communities who are difficult to reach through other means, to get feedback on potential investment types	Planned for September - October
<b>Joining Existing Meetings</b>	Presentations and discussions with organizations that are regularly meeting to get feedback on potential investment types and educate the public	Planned for September - February
<b>Traditional, Social, and Multi-lingual Media</b>	Multi-modal media strategy to educate the public about the new expenditure plan effort and engagement opportunities	Planned for October - February
<b>Town Hall Meetings</b>	Broad public meetings which will be recorded and posted online	Planned for late October / early November
<b>Voter Opinion Survey</b>	A statistically-significant telephone and online survey of registered voters to help inform ballot measure timing and messaging	Timing TBD