



Memorandum

Date: March 21, 2023

TO: Transportation Authority Board: Commissioners Mandelman (Chair), Melgar (Vice Chair), Chan, Dorsey, Engardio, Peskin, Preston, Ronen, Safai, Stefani, And Walton

FROM: Tilly Chang - Executive Director

SUBJECT: 3/21/2023 Board Meeting: Executive Director's Report – **INFORMATION**

REGIONAL, STATE AND FEDERAL ISSUES

Transit Fiscal Cliff - Attention at the National Level and Further Advocacy by MTC: As we heard last month, the Bay Area's transit operators including Muni, BART and Caltrain are facing uncertain futures as ridership and fare revenue have not fully rebounded from the COVID-19 pandemic, given significant shifts in work and commuting patterns. A strong public transit system is vital to achieving San Francisco's and the region's equity, climate, and economic goals, and so we were glad to see that President Biden's budget for Fiscal Year 2024 includes language to temporarily allow larger transit systems to use existing formula funds - which are normally used for capital maintenance and upgrades, for operating expenses. The budget also encourages States to support transit by transferring available Federal-Aid Highway funding to transit operating needs. We know that diverting capital funds to cover operating expenses is not a sustainable solution and is one that can erode system safety and reliability - the opposite of what we need to happen to attract riders back. Thus, we continue to advocate in California for new transit operating support, including via another letter led by MTC to State legislators, and will return to the Board at a future meeting to share updates on that effort.

Federal Budget - President Biden Releases Request for Federal Fiscal Year 2024: On March 9th, the Biden Administration unveiled its Budget Request that would provide around \$145.3 billion for transportation programs. While there is no expectation that Congress will take up the Budget Request as-is, it serves as an important signal about the Administration's priorities next year and can provide a starting point for negotiations with the House and Senate. The President's Budget Request follows the record funding levels established by the Infrastructure Investment and Jobs Act and, broadly speaking, will be a slight increase from Fiscal Year 2023 funding levels. I look forward to joining MTC's advocacy delegation in Washington, D.C. next week to engage with the US DOT and our federal representatives on the Bay Area and San Francisco's funding priorities.

Draft Bill on a National Autonomous Vehicle (AV) Framework "Leaked". Last week Politico obtained and released a copy of a draft Democratic legislation to create a national safety framework for highly automated vehicles. At a very high level, the draft bill immediately pre-empts state laws related to design, construction, and performance of AVs, bans forced arbitration practices, designates the Advanced Driving Systems (ADS) manufacturer to be the legal driver and operator of a highly automated vehicle, lifts the cap on exemptions up to 80,000 per manufacturer per year (over a period of time), and prohibits exemptions for highly automated vehicles used for public transportation. Introduction of the bill will likely be delayed (potentially until the end of the year) due to the leak. The



Transportation Authority, SFMTA and the City Attorney's Office are coordinating to develop a city position.

US Department of Transportation Visit to San Francisco Regarding AVs: This Thursday, March 23, a delegation from the US Department of Transportation (USDOT) will meet with Chair Mandelman and Transportation Authority and San Francisco Municipal Transportation Agency (SFMTA) leadership to discuss San Francisco's experience with AV operations. The delegation will include: Lynda Tran, Senior Advisor to the Secretary & Director of Public Engagement, USDOT; Andrew Rogers, Deputy Administrator, Federal Highway Administration (FHWA); and Andrew Wishnia, Deputy Assistant Secretary for Climate Policy, Office of the Secretary, USDOT. Transportation Authority and SFMTA leadership will also offer lessons learned and strategic recommendations stemming from San Francisco's unique experience and knowhow on AV operations that should be adopted into Federal regulatory frameworks for AVs.

California Air Resources Board - Statewide E-bike Incentive Program Coming This Spring: The California Air Resources Board is developing a program to provide incentives of at least \$1,000 to purchase an electric bike. The incentives will be available for households making up to 300% of the federal poverty level, with higher incentives to be offered for purchasing a cargo e-bike or adaptive e-bike and for households living in disadvantaged communities, leading to a maximum incentive of up to \$2,000. We don't know exactly when applications will be open, but it could be as early as April 2023. Since the program is expected to be first-come-first-served, we wanted to spread the word to San Franciscans who may be interested. We are excited for the potential for e-bikes to replace car trips and provide better access to neighborhoods with limited transit service and/or steep hills, but we know it will take incentive programs like this to ensure there is equitable access to e-bikes.

Yerba Buena Island Multi-Use Pathway - MTC Recommends \$3 Million for Project Design: We wish to thank the Metropolitan Transportation Commission's (MTC) Programming and Allocations Committee for recommending the approval of \$3 million in One Bay Area Grant Cycle 3 funds for the design phase of the Yerba Buena Island Multi-use Pathway project. The Transportation Authority had recommended the project for funding as part of our county One Bay Area Grant program last year, but MTC ultimately placed it on Tier 1 of its contingency list. We are pleased to see the funding commitment advancing now, with final approval anticipated at tomorrow's MTC Commission meeting. This will allow us to initiate design work this summer. By June we expect to hear from the California Transportation Commission about two pending grant requests for the construction phase of the project. We will provide an update once the grants are announced.

San Mateo Highway 101 Express Lanes Begin Charging on the Peninsula. On Friday, March 3rd, the San Mateo Joint Powers Authority (JPA) launched their newest segment of Express Lanes on Highway 101 from Whipple Avenue in Redwood City to Interstate 380 in South San Francisco. The express lanes operate from 5 a.m. to 8 p.m. weekdays. Express lanes are available for drivers enrolled in the FasTrak system. Carpools with three or more people, as well as buses, travel free of charge. A Community Transportation Benefits program helps cover transportation costs for qualifying individuals in San Mateo County by leveraging income from the new express lanes to provide participants with either a \$100 transit credit on their Clipper card or a \$100 toll credit on a FasTrak flex transponder.



The San Mateo JPA is also currently preparing an environmental analysis of the final planned segment of Express Lanes, which would extend from the 380 interchange to the San Francisco County Line. Our US 101/I-280 Managed Lanes and Express Bus Project team is working in coordination with San Mateo staff to design our potential managed (carpool) lanes on US101/I-280, currently in the early stages of environmental and Caltrans approvals. For more information, see <https://smcexpresslanes.org/>.

SFMTA Awarded \$2 Million Grant for Vision Zero Sign Upgrades Project. We are very pleased that Caltrans has awarded a \$2 million grant to the SFMTA from the Highway Safety Improvement Program (HSIP) in support of Vision Zero. The project will enhance traffic and pedestrian safety by installing up to 3,310 new and replacement signs all around the city with the latest reflectivity for improved visibility and compliance. The signs include No Turn on Red, Stop, Speed Limit, No Left/Right Turn, and One Way. At today's meeting, the Board will consider final approval of allocating \$220,000 in Prop K funds as the 10% required local match to this grant. This was a very competitive funding cycle for the Caltrans grant program, with 434 applications submitted requesting \$521.1 million of HSIP funds. Ultimately, 282 projects, totaling \$225.6 million in HSIP funds, were selected for funding. Congratulations to SFMTA!

Caltrans Planning Grant Submitted for Bayview Truck Safety and Routing Study. We were pleased to re-submit the Bayview Truck Safety and Routing Study as an application for Caltrans Sustainable Communities Planning Grant funding this month. The Study concept is a recommendation from the Transportation Authority's Streets and Freeways Strategy. The Study proposal received positive feedback from Caltrans District 4 in last year's application review cycle, which resulted in an award for our other application, for the Brotherhood Way Circulation and Safety Plan. The proposed Bayview Truck Safety and Routing study would collaborate with stakeholders to recommend policies and infrastructure improvements to direct heavy truck traffic away from 3rd Street and the residential and commercial districts in the Bayview. Caltrans expects to announce awards in Summer 2023. For more information on the study concept's origination, see <https://connectsf.org/streets-and-freeways-strategy/> or contact Aliza Paz, Principal Transportation Planner, at aliza.paz@sfcta.org. We also provided support letters for SFMTA's application for adaptation planning funds for the Embarcadero Roadway, in partnership with the Port of San Francisco.

LOCAL ISSUES

District 1 Multimodal Transportation Study - Outreach Launches in April. The District 1 Multimodal Transportation Study will engage the Richmond community to identify known mobility challenges and develop near- to mid-term strategies to improve transit reliability and safety and shift trips to transit, walking, biking, or other non-driving options. The study will identify up to three near- to medium-term concepts to improve transit reliability and pedestrian and bicycle safety and one long-term concept to support mode shift and reduce emissions for trips that start and end within District 1. The first round of two outreach phases begins in April with a combination of in-person and virtual community meetings, including pop-ups at the Clement Farmers Market, Richmond Neighborhood Food Pantry, Congregate meals with Russian American Community Service, and more. Sign up for notices of outreach events as more dates are announced by visiting <https://www.sfcta.org/projects/district-1-transportation-study>.



Executive Director Discusses Transportation Topics Citywide. I was honored to address multiple audiences in recent weeks to highlight important transportation topics of the day. On March 8, International Women's Day, I joined the Women's Transportation Seminar's SF Bay Area Chapter to discuss dismantling barriers for women of color in the transportation industry. Their 2020 Glass Ceiling Report found that women of color and those with disabilities still fall behind their white counterparts in holding senior management positions. Last week, I joined San Francisco BART Board President Janice Li and SFMTA Director of Transit Julie Kirschbaum for a forum on the Future of Transportation at Manny's. The lively discussion with audience members included funding challenges and opportunities for Bay Area transit agencies, responses to COVID and work from home trends, and what the system of the future could look like. And, also last Friday, I spoke with City College students as part of their Leadership Fireside Chat series. Topics ranged from career advice for future leaders to what the transportation industry has to offer.

PROJECT DELIVERY

Quick-Build Project Completed on Battery and Sansome Streets. On March 14th, Commissioner Peskin attended a ribbon-cutting event to celebrate the completion of new protected bike lanes on Battery and Sansome Streets. These new bike lanes from Market Street to Vallejo connect to a prior bike lane project that was completed in 2019 and funded by \$800,000 in Prop D TNC Tax and Prop K Neighborhood Program funds, at the request of Commissioner Peskin. Together the two projects form a continuous corridor for cyclists between Market Street and the Embarcadero.

Potrero Yard Modernization Project - Community Engages in Design Development. Last year, SFMTA selected an integrated development team to work with the agency and the community to design and construct the Potrero Yard Modernization Project, which will deliver a modern transit facility for Muni's bus fleet, and which is planned with over 500 units of affordable and workforce housing. On March 7, the Potrero Yard Neighborhood Working Group met to receive updates on work underway through the project's current development phase and to provide input on streetscape and building design. This past weekend, SFMTA hosted a public open house in the community to share progress and gather additional public feedback on the project's design. More information on the project is available at www.sfmta.com/potreroyard.

MANAGEMENT AND ADMINISTRATION

Delegation Visit - Indonesia's National Public Procurement Agency. This month, we hosted a delegation visit for representatives from Indonesia's National Public Procurement Agency, along with staff from the U.S Trade and Development Agency, at the Transportation Authority offices. The delegation heard a presentation on our procurement policies and practices. The visit was part of the U.S. Trade and Development Agency's Global Procurement Initiative to assist government officials in establishing transparent, open, and efficient procurement systems, which promote sustainable investment and greater international competition. The objective was to assist the visiting Indonesian officials with a better understanding of the best practices adapted by various U.S. government entities



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in integrating best value determinations and life cycle cost analysis into their procurement processes. Thank you to our Principal Management Analyst Lily Yu for hosting the group.

Finally, I would like to wish Board members and your staff a restful and enjoyable spring recess next week.