



Memorandum

DATE: November 28, 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: 11/28/2023 Board Meeting: Executive Director's Report – **INFORMATION**

REGIONAL, STATE AND FEDERAL ISSUES

MTC Transit Funding Actions - Working Toward December Adoption of a Short-Term Financial Plan to Sustain Transit Operators Until a 2026 Regional Measure. We wish to thank the MTC for its November 15th actions approving key elements of a required Regional Short-Term Transit Financial Plan that will enable access to \$447 million in State SB 125 transit operations funding to help provide much needed lifeline funding support to BART, Muni, AC Transit, Golden Gate Transit, Caltrain and other Bay Area operators. MTC developed a 3-year standardized needs assessment covering Fiscal Years 2023/24 through 2025/26 to inform the funding distribution framework for the SB 125 funds. MTC's needs estimates show the region's 3-year standardized need at \$791 million (e.g., BART (\$352 million), SFMTA (\$309 million), AC Transit (\$33 million), Golden Gate Transit (\$41 million) and Caltrain (\$25 million)). After accounting for the \$447 million in state funds and an additional \$45 million in TIRCP funds MTC plans to flex to operations, there is a \$344 million gap remaining. MTC staff have proposed a strategy to fill the gap that primarily relies on directing currently unprogrammed funding from various programs (e.g., OBAG, FTA formula funds, bridge toll express bus and ferry program, regional programs like Clipper). This proposal is designed to "share the pain" and will require difficult trade-off discussions over the next few weeks to weigh the impact on shifting funds from other regional priorities to transit operations. MTC must take action in December to meet the state's December 31, 2023, submittal deadline for the Short-Term Financial Plan, which requires MTC to identify fund sources and amounts to make up the funding shortfall through FY 2025/26, as well as identify transit operator accountability measures. Actual programming and allocation of any regional funds would be contingent upon later Commission action.

Transit Fiscal Cliff - Transportation Authority Staff Testifies at State Senate

Hearing: Yesterday Senator Wiener held a Senate Select Committee hearing on Bay Area public transit. Dan Tischler, Principal Modeler at the Transportation Authority, testified about



a modeling exercise that we performed at the request of the Senator's office to forecast the impacts of future transit cuts that may be necessary if additional transit operating funds are not identified. Our analysis showed that there would be significant decreases in transit ridership on the order of 100,000 fewer daily transit boardings, increases in transit crowding and a loss of mobility and access to jobs, in particular for those in equity priority communities. Of the 100,000 fewer daily transit boardings, our scenarios estimate that 46% switch to driving trips, 14% to cycling or walking, and the remaining 39% are foregone trips, that is trips to visit friends or family, to go shopping, to get to medical appointments, etc. that are no longer taken. The already congested Bay Bridge would remain highly congested. Others testifying at the hearing include MTC's Executive Director, General Managers of major transit operators including SFMTA, BART and Caltrain, and advocates from public transit and business groups. We thank Senator Wiener and his staff for his leadership and we appreciate the opportunity to contribute our analysis to this important discussion.

The Portal Project - Momentum to Complete Funding Plan. On November 1, I joined TJPA staff in welcoming U.S. Secretary of Labor Julie Su to the Salesforce Transit Center. Secretary Su's visit emphasized the major job creation benefits of The Portal/Downtown Extension project and was a positive signal of the Biden-Harris administration's engagement in The Portal. In the coming weeks, the Federal Transit Administration (FTA) is expected to advance the project into the next phase of the federal Capital Investment Grant (CIG) process and to identify the maximum CIG funding amount. To secure this multi-billion dollar federal investment, the project team is focused on closing the remaining funding gap of approximately \$2 billion. On November 15, the MTC endorsed the project for the discretionary federal Mega program, which targets transformative projects such as The Portal. With this endorsement, the project team will step-up advocacy efforts ahead of anticipated Mega awards in early 2024. At a local level, we are working with partner agencies and stakeholders to build momentum for unlocking additional state funding for transit capital investment, in concert with addressing other priorities, with the goal of completing The Portal's funding plan by winter 2024/25.

Autonomous Vehicles (AV) - CPUC Respond to SF Motions to Stay, SF Agencies Brief Legislative Committees. Following the California Department of Motor Vehicles (DMV) suspension of Cruise's AV deployment and driverless testing permits, Cruise instituted a voluntary stand-down of its national driverless operations and the California Public Utilities Commission (CPUC) issued a stay of its order authorizing Cruise's expanded deployment citing the safety of driverless AV services. CPUC rejected San Francisco's motion to stay Waymo's expanded deployment. San Francisco had previously requested the CPUC stay its August resolutions authorizing both Cruise and Waymo to operate 24/7 across all of San Francisco. Throughout this period, San Francisco agencies engaged with DMV and CPUC staff as well as AV companies and community stakeholders such as members of the disability



community. Finally, earlier this month, Transportation Authority and SFMTA staff met with staff from the state Assembly Transportation Committee, Assembly Communications and Conveyance Committee, and Legislative Analyst's Office to discuss San Francisco's experiences with AVs and potential strategies to better regulate their deployment. The briefings were well received, and we will continue to dialogue with the state regulatory agencies, AV companies, community stakeholders and legislature in coordination with SFMTA.

Next Generation Bay Area Freeways Study - Round 2 Outreach Launches. The Metropolitan Transportation Commission (MTC) is leading the Next Generation Bay Area Freeways Study, which is analyzing the feasibility, costs, benefits and public support for tolling freeways throughout the Bay Area, such as US 101 and I-80 in San Francisco. This strategy is called for in Plan Bay Area (PBA) 2050 as necessary for providing reliable travel and achieving greenhouse gas emissions reduction targets. MTC staff have completed an initial analysis to identify alternative 2035 freeway pricing scenarios, and this month invite the public to weigh in on tradeoffs between a future with and without freeway pricing. This month MTC is hosting webinars to seek feedback on potential pricing strategies, as well as how funding could be reinvested in transit improvement and affordability policies. The public input will be used to further refine the study's analysis before a final recommendation is presented to the MTC in 2024. For more information and recordings of the webinars, see mtc.ca.gov.

LOCAL ISSUES

Vision Zero: Speed Safety Cameras Implementation Schedule. Following authorization of the speed safety camera pilot program by Assembly Bill 645 (Friedman), SFMTA is mobilizing quickly to implement the pilot. SFMTA will require two Board of Supervisors (BOS) approvals in early 2024 before they can begin procurement of the speed safety cameras. In March 2024, SFMTA anticipates seeking BOS approval of project-specific legislation to allow a design/build/operate/maintain (DBOM) contract with a vendor. SFMTA is planning for a second BOS action in May/June 2024 to approve the Speed Safety System Use Policy and the Speed Safety System Impact Report, both requirements of AB 645. After these two approvals, SFMTA will start the procurement process, select a vendor, and work on implementation of 33 cameras, the maximum authorized by AB 645 for San Francisco. SFMTA anticipates that the cameras will go live in early 2025. We expect to agendize a SFMTA update at the January 2024 Board on the proposed speed safety cameras education and communications project, which is pending final approval of a Prop L sales tax grant later on today's agenda. Learn more and stay up to date at sfmta.com/projects/speed-safety-cameras.



Brotherhood Way Safety and Circulation Plan - Outreach Kickoff. This month, we launched outreach for the Brotherhood Way Safety and Circulation Plan including meetings with community based organizations, an online survey, and an interactive online map. On December 6 we're hosting an interactive online town hall and then on December 16 we are hosting a walk around the neighborhood. This first outreach round will focus on confirming study goals and hearing from community members about transportation needs, barriers, and challenges. We will use what we learn to develop three long-range concepts and accompanying quick-build proposals which address community needs. These concepts will be the focus of two subsequent rounds of outreach in the Spring and Fall of 2024. Learn more, take our survey, and sign up for events at sfcta.org/brotherhood.

Mission Bay School Access Plan - Outreach Launches in December. The Mission Bay School Access Plan, requested by Commissioner Dorsey and funded through the Prop K Neighborhood Program, aims to improve active transportation access to a new school the San Francisco Unified School District is constructing in Mission Bay. Outreach will begin this month as the project team meets with community-based organizations. In January, we will release an online survey and host an in-person workshop where community members will be invited to share their experiences walking or biking in Mission Bay and help identify key barriers near the school site which should be improved. Learn more and stay up to date at sfcta.org/mission-bay-school.

PROJECT DELIVERY

16th Street Transit Enhancements Project Substantially Completed - Red Transit Lanes to be Added in 2024. I am happy to report that the San Francisco Municipal Transportation Agency reached substantial completion on the 16th Street Transit Enhancements (22-Fillmore Phase 2) Project. This project, with the help of \$5.6 million in Prop K funds, included replacement of the overhead contact system infrastructure and installation of communications infrastructure along the 22-Fillmore trolleybus line, between Church and Utah streets. The project is part of a larger set of transit and pedestrian safety improvements along 16th Street including transit bulbs, transit boarding islands, pedestrian bulbs, raised crosswalks, new traffic signals and curb ramps, that will improve transit reliability, travel time, safety, and accessibility for all users. We look forward to celebrating the final completion of this project, after the red transit lanes are painted, in 2024. Learn more at <https://www.sfmta.com/projects/16th-street-improvement-project-phase-2>.

Quick-Build Update - Prop K Sales Tax and TNC Tax Support Safety Improvements. We are glad to see SFMTA continue to make progress on implementing quick-build safety projects, which install adjustable and reversible traffic safety improvements much faster than traditional infrastructure. Construction began on the **Hyde Street Quick-Build** between Geary and McAllister in late October and SFMTA expects to complete the work before the



year's end. Improvements include a non-colored transit only lane from Eddy to McAllister, road diet from Geary to Eddy, intersection safety improvements at Eddy and Ellis, and color curb changes to help improve loading and deter double parking. Quick-build construction along **Lake Merced Boulevard** is also moving forward. Crews have finished striping bikeway buffers and concrete barriers between Skyline Blvd and Winston Street and are working on installing new roadway striping between Winston and Brotherhood Way through the end of November. SFMTA will hold an open house for the **Frida Kahlo Way Quick-Build Project** on Tuesday, December 5th from 3 to 7 p.m. at City College in the CCSF Multi-Use Building (55 Frida Kahlo Way), Room 140. These projects are funded by sales tax and TNC Tax funds. Learn more at <https://www.sfcta.com/vision-zero-quick-build-projects>.

MANAGEMENT AND ADMINISTRATION

Business Outreach Committee Hosts Meet the Buyers Forum. On November 2, we joined seven other local and state agencies to participate in a Meet the Buyers forum attended by about 100 firms. The Business Outreach Committee, a consortium of Bay Area transit agencies, provided strategies for doing business with transit agencies, hosted the event virtually. Participating agency staff reviewed our commitment to advance equity by providing disadvantaged, local, and small businesses with contracting opportunities; ways to do business with us; and upcoming contracting opportunities.

Transportation Authority Receives Sixth Consecutive Certificate of Achievement for Excellence in Financial Reporting. The Government Finance Officers Association of the United States and Canada has awarded the Certificate of Achievement for Excellence in Financial Reporting to our agency for the sixth consecutive year. The award was given for our work on the Transportation Authority's Annual Comprehensive Financial Report for Fiscal Year 2021/22 (the annual financial audit report). This is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management. We are proud to achieve excellence in transparent reporting and stewardship of public funds. Congratulations to Deputy Director Cynthia Fong and the Finance Division staff!