



## **Memorandum**

### **AGENDA ITEM 3**

**DATE:** May 21, 2024

**TO:** Transportation Authority Board

**FROM:** Tilly Chang - Executive Director

**SUBJECT:** 5/21/2024 Board Meeting: Executive Director's Report – INFORMATION

### **FEDERAL, STATE, AND REGIONAL ISSUES**

**Transbay Joint Powers Authority (TJPA) Hosts Event Celebrating FTA's Commitment of \$3.38 Billion for the Portal.** Yesterday Rail Program Manager Jesse Koehler and I attended the TJPA press event where Speaker Emerita Nancy Pelosi, State Senator Scott Wiener and Mayor Breed were among the speakers at the Salesforce Transit Center announcing The Portal's entry to the Engineering phase and the federal commitment of \$3.38 billion. We join TJPA in thanking the Federal Transit Administration (FTA) for its strong endorsement of The Portal with a \$3.38 billion recommended capital grant, following the project's Medium-High Rating and inclusion of \$500 million for The Portal in President Biden's Fiscal Year 2024/25 budget. These funds will leverage the Transportation Authority's investment in the project through our transportation sales tax and other funds we program by 10 times over, helping to bring the exciting regional, statewide and national benefits of The Portal to fruition.

**State Budget Faces Fiscal Challenges - Transit Funding Proposed to Remain in Budget.** We are pleased to share that the Governor's May Revise released on May 10 preserves most of the transportation funding in the budget including AB 102/SB 125 funds - transit funding intended to support operators facing deficits this year. This would preserve this statewide funding for transit, including \$1.1 billion slated for Bay Area operators. Chair Mandelman had authored a letter to Governor Newsom earlier this month requesting the Department of Finance to lift the freeze and maintain transit funding. Thank you, Chair Mandelman, for your leadership on this issue. We are also thankful to Governor Newsom for his continued support of transit in a very tough budget year, and we look forward to seeing a final budget passed by June 15.

**Update on Senate Bill 1031 (Wiener, Wahab) - The Connect Bay Area Act.** Senate Bill (SB) 1031 was significantly amended last week to reflect terms negotiated as part



of its passage out of the Senate Transportation and Appropriations Committee meetings. Some of the changes would impact a regional revenue measure's ability to close operating shortfalls for the region's core transit agencies, including BART and SFMTA. Under the new version of the bill, required return to source levels for counties are 70% in the first five years of a measure and jump to 90% in the sixth year. The higher return to source requirement limits the amount of regional discretionary funds available to support transit operating needs and enhancements needed to create a more connected, customer-friendly regional transit system. The bill also now prohibits Marin and Sonoma Counties from participating in a revenue measure under SB 1031 until after November 2028 to allow time for Sonoma-Marin Area Rail Transit (SMART) to renew its quarter-cent sales tax measure. Post November 2028, SB 1031 further requires a successful measure that includes the two counties to set aside approximately \$50 million per year for SMART operations and capital costs in the case that SMART was unable to re-authorize its existing sales tax measure. The bill must pass the Senate Floor by May 24th before moving into the Assembly in June. We anticipate further amendments to be made in the coming weeks and will provide a more comprehensive update on the bill at the June 11 Board meeting.

**Autonomous Vehicles (AVs)m - Three State Bills Advance Past Major Legislative Milestone.** On Thursday May 16, the Assembly Appropriations Committee approved Assembly Bill (AB) 1777 (Ting) and AB 3061 (Haney), on which we have Support and Seek Amendments positions. These bills would, among other things, facilitate enforcement for moving violations for AVs, add emergency response protocols and increase reporting requirements for AVs operating in California. Senate Bill 915 (Cortese), on which we have a Support position, also passed out of the Senate Appropriations Committee. As amended it would now authorize a city with a population over 250,000 to adopt an ordinance that regulates AV services within that jurisdiction while disallowing localities to pass an outright ban on AV services. Bills must now pass out of their house of origin by May 24 in order to advance this session.

**California Road Charge Pilot to Begin this June - Members of the Public Can Participate.** Caltrans is launching a 6-month pilot program in June which will evaluate charging drivers based on the number of miles they drive as potential replacement for California's gas tax, which is become a less robust funding source as electric vehicles become more prevalent. The program, called the California Road Charge is seeking volunteers who will earn up to \$400 for agreeing to have their mileage recorded. Ultimately the state legislature will have to approve a road user



charge; however, we are looking forward to seeing the results of this pilot. See [www.CAroadcharge.com](http://www.CAroadcharge.com) for more details.

**San Francisco Bay Ferry - Board Adopts 2050 Service Vision.** The San Francisco Bay Area Water Emergency Transportation Authority (WETA), which operates the San Francisco Bay Ferry, adopted the agency's 2050 Service Vision at their May board meeting. The plan includes near-term expansion to serve Treasure Island and Mission Bay, as well as Berkeley and Redwood City. The 2050 Service Vision also commits the agency to focus on its electrification program, which will be critical to meet the California Air Resources Board's requirement to operate zero-emission service on its short routes including Mission Bay and Treasure Island. We look forward to partnering with WETA to expand San Francisco's ferry services.

**San Francisco ranked #1 in Clean Energy Scorecard.** On April 30, San Francisco was honored with the #1 spot in the 2024 City Clean Energy Scorecard by The American Council for an Energy-Efficient Economy. Congratulations to the Department of the Environment on this great outcome which measures local policies and actions to advance energy efficiency—and decarbonization more broadly— as well as smart growth and equity across 75 large US cities.. We are pleased to support the city in making diligent clean energy efforts, specifically in the transportation sector, which accounts for nearly half of the San Francisco's total greenhouse gas emissions.

## **LOCAL ISSUES**

**Daly City BART Now Has a Bay Wheels Bikeshare Station - Supporting More Transportation Choices, Climate, and Equity Goals.** On May 1, at the start of Bike to Work Month, BART and Lyft unveiled the newest Bay Wheels station at the Daly City BART station. Vice Chair Melgar, the Metropolitan Transportation Commission, the SFMTA, Silicon Valley Bicycle Coalition, San Francisco Bicycle Coalition, and various San Mateo County leaders attended the event. The Daly City BART station is a hub for several local and regional transportation services and this bikeshare station can now make first and last mile trips easier via a low cost, low carbon mode. Adding more bike share stations also improves accessibility and allows commuters, residents, and neighbors additional choices travel choices. Thank you to Vice Chair Melgar for advocating for the station and to all the delivery partners!

**Bike to Wherever Day Rally - May 16.** On Thursday May 16, I was pleased to attend a rally on the steps of City Hall with Mayor Breed, Commissioners Dorsey, Peskin and



Safai, SFMTA, the San Francisco Bicycle Coalition, and numerous community based organizations and bike advocates to celebrate "Bike to Wherever Day." As Commissioner Dorsey noted, the Transportation Authority provides nearly \$10 million a year for a safer, more connected bicycle network and for educational programs like Safe Routes to School and bicycle classes.

**District 2 Safety Study - Outreach Events Underway.** The District 2 Safety Study (Study), requested by Commissioner Stefani, is underway with its first round of outreach this month and next. The Study aims to design and implement quick-build treatments for six locations throughout the district that prioritize vulnerable travelers, such as seniors and children. The purpose of this first outreach round is to collect community input on priority locations to receive safety improvements. The Study team has launched an online survey and will hold pop-up engagement events at libraries, schools, places of worship, medical facilities, and senior centers throughout the months of May and June. We will be at the Presidio Branch Library on Thursday, May 30 from 12-2pm and will host a virtual Town Hall on Thursday June 13th. Take the survey and find dates and times for more events at [sfcta.org/d2safety](https://sfcta.org/d2safety).

## **PROJECT DELIVERY**

**Caltrain Celebrates 160 years as Electrification Reaches Substantial Completion - Revenue Service Anticipated September 2024.** I was pleased to join Caltrain staff and Peninsula leaders in San Mateo this month to celebrate the railroad's 160<sup>th</sup> year and the successful testing of the new electric trainsets along the entire length of the electrified corridor from San Jose to San Francisco. On May 3, the Electrification project reached "Substantial Completion" marking a major milestone in project delivery. Project staff is now focusing on Commissioning and other activities leading to Revenue Service in September 2024. We want to recognize the effort of Caltrain staff on achieving this progress on schedule and look forward to celebrating opening of the new electric service soon.

**Folsom Streetscape Groundbreaking - Transformative Project to Support Safety and Multi-modal Travel.** I was pleased to join Commissioner Dorsey at the groundbreaking event for the Folsom Streetscape Project in early May. Located on Folsom Street, from 2nd to 11th streets in the South of Market neighborhood, this project will transform a high injury corridor with a two-way protected bicycle lane, dedicated transit lanes, raised crosswalks, and loading and parking improvements to optimize curb space. The project will also beautify the public realm with pedestrian-scale lighting and civic amenity zones. The Transportation Authority provided \$11.4



million for the project through the sales tax and other state and regional funds we program. Congratulations to SFMTA and Public Works, and we look forward to project completion in 2026. Learn more at [SFMTA.com/FolsomHoward](https://www.sfmta.com/FolsomHoward).

**Quick-Build Update - SFMTA Approves Frida Kahlo Way Quick-Build.** Earlier this month, the SFMTA approved the Frida Kahlo Way Quick-Build Project between Judson Avenue and Ocean/Geneva. The project supports implementation of goals and priorities from the District 7 Ocean Avenue Mobility Action Plan and San Francisco's Vision Zero Program. The proposed changes will improve safety for people walking and bicycling on Frida Kahlo Way and Judson Avenue west of Foerster Street, in addition to improving transit reliability and access. The project is funded by sales tax and TNC Tax funds. Learn more at [SFMTA.com/QuickBuild](https://www.sfmta.com/QuickBuild).