



Memorandum

AGENDA ITEM 3

DATE: May 19, 2025

TO: Transportation Authority Board

FROM: Tilly Chang - Executive Director

SUBJECT: 05/20/2025 Board Meeting: Executive Director's Report - INFORMATION

REGIONAL, STATE AND FEDERAL ISSUES

Transportation Exchanges with Japanese Colleagues in San Francisco and Tokyo -Earlier this month, Chair Melgar and Transportation Authority Rail Program Manager Jesse Koehler welcomed representatives from the Consulate General of Japan in San Francisco to our offices. The meeting was an opportunity to exchange experience with shared urban transportation challenges, including climate strategies, rail investment, and autonomous vehicles, as well as to build relationships for future cooperation. We also thanked the Consul for facilitating this month's delegation of the SF Chamber of Commerce and Bay Area Council to Tokyo and Osaka, which President/Commissioner Mandelman joined. In connection with this trip, Commissioner Mandelman met with Japan Railways companies, including Japan Railway East Company which provided a tour of its Takanawa Gateway City Station and development project, and the Japan Railway Central Company, whose staff shared their experience in implementing major Transit Oriented Developments as well as their approach to managing the high-demand Tokyo to Osaka rail corridor.

Rail Decarbonization Forum - Officials from Japan and California Set to Meet in Los Angeles. In conjunction with our recent engagements with Japanese colleagues, we look forward to participating in the bi-national Rail Decarbonization Forum in Los Angeles later this week. The event is being jointly hosted by the Japan Ministry of Land, Infrastructure, Transport and Tourism (MLIT) and the California State Transportation Agency (CalSTA). The event will include speakers from both countries and from both the public and private sectors, with a focus on reducing the environmental footprint of rail projects and operations. We will be joined in attending by other Bay Area agencies, including the Transbay Joint Powers Authority (TJPA) and Caltrain. Thank you to staff from CalSTA and MLIT for organizing the event and inviting our participation.



U.S. EPA Terminates Community Change Grant for TIMMA. Last December, the U.S. Environmental Protection Agency (EPA) awarded a \$20 million dollar Community Change Grant to TIMMA for a collection of Treasure Island transportation improvements called Treasure Island Connects, including a microtransit pilot service to San Francisco, a free on-island shuttle, and a Transportation Resource Center to be operated by One Treasure Island, a new electric bus and enhanced Muni service on the 25 line, electric ferry charging infrastructure, and bikeshare expansion to Treasure Island. After the grant was paused for several months, on May 1, we received a letter of termination stating that the objectives of the award are no longer consistent with the EPA's funding priorities. We are very disappointed by this development and are assessing the information contained in the letter. We are seeking alternative funding sources to allow TIMMA to implement as many of these projects as possible.

State Budget - Governor's Proposal Puts Public Transit Funding at Risk. On May 14, Governor Newsom released his draft budget for Fiscal Year 2025/26, which is now forecasting a \$12 billion deficit. While we are still reviewing the proposal, our initial review raises significant concerns about its impact on public transit funding. Not only does the proposed budget omit the \$2 billion requested by Bay Area legislators to help address near term transit operations deficits, it cuts prior-year transit funding. The draft budget includes a 20-year extension to the state's Cap and Trade program but it proposes to potentially eliminate important transit commitments in the existing spending program. These include formula funding that is currently provided directly to transit agencies including BART, Caltrain, and SFTMA for operations and capital funding that is being sought for projects such as The Portal and SFMTA priorities. The Governor's proposal would also potentially impact about \$300 million of prior-year commitments to BART and SFMTA for transit operations. This would further exacerbate already challenging operating budget shortfalls for these agencies. We are working with the Mayor's Office, the Metropolitan Transportation Commission (MTC), SFMTA, and others to respond to the Governor's proposal and will provide feedback to San Francisco and Bay Area officials as the Legislature begins its own budget negotiations.

The Portal Project - Coordination Efforts Continue to Align Local and Regional Advocacy Efforts. On April 29, I was pleased to join the Executive Directors of the TJPA and Caltrain in meeting with MTC Executive Director Andy Fremier and his staff to discuss shared advocacy for the Bay Area's rail program, including The Portal



project. We expressed thanks to MTC for the recent advancement of the project to the highest level of priority in the region's "MAP" framework for major capital projects, and we discussed underpinning state advocacy with a clear Bay Area rail program, which MTC would lead development of. Governor Newsom's budget proposal underscores the need for MTC to work with Bay Area agencies to define the region's rail capital program asks, to inform negotiations on reauthorization of the Cap and Trade program. The Portal is a top priority for this program, which should emphasize projects of joint benefit to the local, regional, and statewide transit networks.

Caltrain Electric Train Tour. I was excited to join Chair Melgar, members of the California Transportation Commission (CTC), and other policymakers on a tour of the Caltrain Electrification Project last week. The tour, hosted by Caltrain, offered participants an inside look at the progress and regional benefits of the agency's modernization efforts as well as infrastructure enabling the railway to operate emission free between San Francisco and San Jose. As reported previously, the electrification project has contributed to a 37% year-on-year increase in ridership in the first seven months of service and is continuing to boost ridership.

Senate Bill 63 Working Group and MTC Third Party Review. The Transportation Authority is continuing to work with our counterparts in Alameda, Contra Costa, San Mateo and Santa Clara to develop a responsibility and implementation plan for the Bay Area's anticipated transit operating deficits - focusing on BART, Muni, Caltrain, and AC Transit, as originally directed by Senators Wiener and Arreguin under Senate Bill (SB) 63. Our working group is aiming to develop a draft plan for review by county leadership by the end of May, with the goal of finalizing the plan by August to help inform future amendments to SB 63. In support of the working group's efforts, MTC has made significant progress on conducting a third-party review of operator-reported deficits to ensure each agency's estimated shortfalls were developed based on sound and reasonable financial assumptions. We appreciate the collaboration from MTC and the other four counties on developing a regional measure, and we will continue to keep the Board apprised of this issue.

LOCAL ISSUES

Bike to Wherever Day - State, City officials and local agencies celebrate 30 years. Last week, I joined Senator Weiner, Mayor Daniel Lurie, Chair Melgar, and Commissioners Mahmood and Engardio, and the SF Bicycle Coalition with community members and bike enthusiasts to celebrate Bike to Wherever Day at the



steps of City Hall. The rally featured remarks about the importance of biking as a key mode of transportation to help alleviate traffic congestion, support climate resiliency, improve community connectivity, and enhance our physical and mental health. It is one of many events celebrating Bike Month in the month of May.

San Francisco Celebrates Bike & Roll to School Week. As part of San Francisco Climate Week, I joined SFMTA in celebrating Bike & Roll to School Week on May 5th through 9th. Hosted by the Safe Routes to School Program, Bike & Roll to School Week invites students and families to use their bikes, scooters, skateboards, and mobility devices to build healthy habits, reduce pollution, and have fun getting to school. In 2024, more than 4,000 students and adults from 50 schools participated in Bike & Roll to School Week events. I'm looking forward to learning about this year's statistics. The Transportation Authority funds Bike & Roll to School Week through our ongoing support for SFMTA's Safe Routes to School Non-Infrastructure Program, which we last funded with \$466,000 in sales tax funds for 2024 and 2025, matching \$3,541,000 in One Bay Area Grant funds.

First Working Group Meeting for San Francisco Freeway Network Management Study. The San Francisco Freeway Network Management Study aims to identify where managed lanes can bring the biggest benefits to travel and develop program alternatives for up to two concepts. With input from our Board and Community Advisory Committee, we established a community working group for our first phase of work. The working group will meet three times to provide input on the data analysis and technical approach to identifying which portions of the San Francisco freeway network should be advanced into more detailed planning. We held the first working group meeting on May 19th, which focused on changes in travel trends, managed lanes case studies, and the project purpose and scope. See the project website for more information: sfcta.org/freewaystudy.

San Francisco Vision Zero Study and Hearing. Yesterday, the Board of Supervisors' Land Use and Transportation Committee held a hearing on street safety and economic recovery, building off the Budget and Legislative Analyst's report on the economic cost of traffic collisions, requested by Supervisor Melgar. The hearing revealed sobering statistics: over the past five years, the city has experienced 100,000 traffic crashes, over 200 deaths, and an estimated \$2.5 billion in economic costs. Deputy Director for Policy and Programming, Anna LaForte attended the meeting where representatives of the San Francisco Department of Public Health, SFMTA, and the San Francisco Police Department gave presentations.



PROJECT DELIVERY

District 10 Celebrates the Opening of the Potrero Gateway. On April 28, we joined SF Public Works, Mayor Daniel Lurie, District 10 Supervisor and Transportation Authority Board Member Shamann Walton, and community members to celebrate the opening of the Potrero Gateway. The project is a community initiative to revitalize and reconnect the Potrero Hill neighborhood and improve the neglected space separated by U.S. 101 and under the freeway, between San Bruno, Vermont, and 17th streets - locations on San Francisco's Vision Zero High Injury Network. The project will improve safety and accessibility, with new enhancements including widened sidewalks, bulb-outs, protected bike lanes, local native trees, rain gardens, pedestrian lighting, and sculptural art by local artists. The Transportation Authority supported the project's design and construction with \$300,000 in Proposition AA Vehicle Registration Fee funds.

I-280 Ocean Avenue Off-Ramp - Outreach Underway on Proposed Safety Improvements. We have been working with Caltrans, SFMTA, SF Public Works, SF Public Utilities Commission, PG&E, and City College of San Francisco to develop final designs for the Southbound I-280 Ocean Avenue off ramp. The project will realign the off ramp from a free-flow right design to a signalized intersection with bike improvements on the overpass to Howth Street. When complete, the project is expected to improve pedestrian, bicyclists, and vehicle safety at this intersection. The project team will host an in-person Town Hall event, scheduled for June 11, 2025 at San Francisco City College from 6:00 to 7:00 p.m. We are also available to provide presentations to neighborhood groups and organizations in the project area to provide an overview of the project and collect community feedback on the ramp design, bike and pedestrian improvements, and connectivity through the area. For more information about the project, see the project website: sfcta.org/projects/balboa-park.

San Francisco Ferry Terminal Security Improvements - Project Completed.

Congratulations to the Golden Gate Bridge, Highway, and Transportation District on the completion of the San Francisco Ferry Terminal Security Improvements project. We are proud to have provided \$347,000 in sales tax funding to support the design and construction of the improvements, which included installation of four new security gates and height extensions to existing bollards, in order to make a more secure and resilient port.



MANAGEMENT AND ADMINISTRATION

CTC Equity Committee Meeting Hosted at SFCTA Offices. Last week, we were pleased to host the Interagency Equity Advisory Committee, an advisory committee focused on equity in California and created by Governor Newsom. This committee advises the CTC, California State Transportation Agency (CalSTA), and Caltrans on achieving meaningful outcomes in transportation equity, environmental justice, and equitable economic opportunities. It focuses on recommendations related to transportation planning and funding programs. I was able to provide welcome remarks alongside Transportation Secretary Toks Omishakin, CalSTA Chair Darnell Grisby, and Caltrans District 4 Chief Deputy Director Dina El-Tawansy.

YBI I-80/Southgate Project Receives National 2025 Engineering Excellent Honor Award. Deputy Director for Capital Projects, Carl Holmes, is currently in Washington, D.C. where he will accept on our behalf the National 2025 Engineering Excellence Honor Award issued by the American Council of Engineering Companies (ACEC) for the Southgate project. This will be the fourth award earned by the Yerba Buena Island (YBI) I-80 / Southgate Project which reconstructed the I-80 eastbound off-ramp to Yerba Buena Island. The project features an innovative design that enhances safety and circulation. It is part of a larger effort to replace and retrofit key roads and on- and off-ramps that connect I-80 (the highway on the Bay Bridge) and Yerba Buena Island.