



Memorandum

AGENDA ITEM 3

DATE: June 24 2025

TO: Transportation Authority Board

FROM: Tilly Chang - Executive Director

SUBJECT: 06/24/2025 Board Meeting: Executive Director's Report - **INFORMATION**

FEDERAL, STATE, AND REGIONAL ISSUES

Transportation Authority, TIMMA and City and County of San Francisco Join King County v Turner Litigation to Protect Federal Funds. Last month, the Transportation Authority joined TIMMA, the City and County of San Francisco, and a number of other entities across the nation in a lawsuit against the U.S. Department of Housing and Urban Development and U.S. Department of Transportation to protect existing and prospective federal grants from unlawful and politically motivated funding conditions, including those related to diversity, equity, and inclusion and immigration enforcement. A federal district court in Washington State has granted a preliminary injunction against the imposition of these terms which allows us to execute grant agreements and amendments while the injunction is in place. We will keep the Boards apprised of further developments. We thank the City Attorney's Office for leading and coordinating this litigation effort.

California High-Speed Rail Program - Proposed Termination of Major Federal Grants. On June 4, the Federal Railroad Administration (FRA) notified the California High-Speed Rail Authority (CHSRA) of FRA's intent to terminate a \$3.07 billion Federal-State Partnership grant awarded in 2022 and to terminate remaining funds from a \$929 million FRA grant awarded to CHSRA in 2010. Together, these grant funds are critical components of CHSRA's funding to complete the system's initial operating segment in the Central Valley, setting the stage for connecting the system north to the Bay Area. On June 11, CHSRA submitted its initial response to FRA, in which the Authority rebutted the FRA's claims that minimal project progress has been achieved and that there is not a viable path to complete the Central Valley segment. Thus far, the program has completed many of the viaducts, overpasses, and underpasses on which the first 119 miles of high-speed rail track will run. Consistent with the provisions of the federal grant agreements, in the coming weeks CHSRA



plans to prepare and submit to FRA a formal dispute to the proposed grant termination.

National Summit on Autonomous Vehicles (AV) Leadership - Executive Director Participates in AV Innovation and Testbeds Panel.

The Safety21 University Transportation Center at Carnegie Mellon University hosted a National Summit on AV Leadership in Washington, D.C., featuring a wide range of AV industry, research, and public sector leaders, including from the federal, state, and local levels. I was honored to be part of a panel with Texas Department of Transportation (DOT), Michigan DOT, and PennSTART, highlighting San Francisco's experience as a locus of AV deployment. I emphasized the need to modernize and expand federal reporting and permitting requirements while involving all levels of government in shaping a federal AV framework that preserves local oversight and ensures accountability.

CTC Announces \$55 Million in Recommended SB1 Grants for Two SFMTA Projects.

On June 6, the California Transportation Commission (CTC) released staff recommendations for several Senate Bill (SB) 1 grant programs including the Solutions for Congested Corridors (SCCP) and Local Partnership Program (LPP) competitive grant programs. Congratulations to the SFMTA on the recommendation for a \$41 million SCCP grant for the Train Control Upgrade Project (Phase 1) project. This grant would help fund the \$155 million cost to design, install and test the performance of the new Communications-Based Train Control system on the street segments along part of the N Judah and T Third Muni lines. SFMTA's Howard Streetscape project was recommended to receive \$14 million in LPP funds toward the \$52.6 million total cost to install a two-way protected bike lane, a landscaped median separating the bikeway from traffic, bulb-outs and raised crosswalks to shorten crossing distances, and other safety features between 4th and 11th streets.

We are disappointed that our joint project with the Bay Area Toll Authority (BATA) - the Multimodal Bay Skyway project was not recommended for a SCCP grant this round. Also not included in the recommendations were BART's Powell Street Traction Power Substation project (SCCP application) to replace obsolete power equipment and enable an increased number of trains on the Transbay Corridor, and SFPW/SFMTA's Mission Street Safety Improvements (LPP application). We will collaborate with the various agencies to explore new opportunities for these important projects.



Pilot Regional Wayfinding Signs Piloted at Powell BART/MUNI Station. For the month of June, MTC, BART, and Muni are partnering to test new wayfinding signage at the Powell Muni/BART Station and adjacent Hallidie Plaza as part of the larger Regional Mapping and Wayfinding Project led by MTC. An initiative of MTC's Transit Transformation Plan, the overall goal of the regional project is to create clearer, more consistent transit signage across the Bay Area, particularly at multi-operator hubs, that simplifies the overall transit experience for riders. MTC is seeking feedback from users to help refine signage and wayfinding standards for the region moving forward. Learn more and submit your thoughts at the project website: mtc.ca.gov/operations/transit-regional-network-management/regional-mapping-wayfinding (or mtc.ca.gov and search "wayfinding").

SFCTA Staff Provide Expert Testimony at TNC (Ridehail Services) Oversight Committee Hearing. Principal Planner Drew Cooper testified at the California State Assembly Communications and Conveyance Committee last week. The hearing also featured remarks from the California Public Utilities Commission (CPUC) staff, representatives from TNC providers Uber and Lyft, and researchers from UC Berkeley. SFCTA testified about the continued lack of public access to TNC data reports despite CPUC's ruling that TNC annual reports should be public. To date, the CPUC has only published one year of TNC reports (2021) as the Transportation Authority documented in our TNC's 2020 report. Similar transparency issues now affect reporting on autonomous vehicle (AV) services. Mr. Cooper urged the CPUC to follow through on its own rulings and release timely, complete data to support informed policymaking for this important sector.

LOCAL ISSUES

Transportation Authority Summer Roundtables Held. On June 11 and June 13, the Transportation Authority hosted two virtual roundtables to share updates about current planning and analysis efforts and to engage with a cross section of neighborhood, business, and civic groups. During the roundtables, staff shared findings from our Downtown Travel Study, which explored major travel trends and patterns emerging in the post-pandemic era. We also discussed the San Francisco Transportation Plan 2050+, the city's long-range vision for developing and investing in a more sustainable, equitable, and resilient transportation system over the next 30 years. Lastly, staff presented on the transit fiscal cliff and related SB 63 efforts, which would authorize a regional revenue measure to support transit operating funding.



District 4 Community Shuttle Virtual Town Hall Planned for June 26. The District 4 Community Shuttle Study team will host a virtual town hall on Thursday, June 26 from 6 to 7 p.m. to share findings from the prior round of outreach and seek input on the study's concept for a microtransit shuttle service for District 4. Cantonese interpretation will be available and interpretation in Spanish and Filipino will be available by request. Based on community input, the study team has identified potential service models and operating requirements of a successful service. This phase of the project also includes outlining the estimated ridership, cost, and funding strategy for a potential future service. Learn more at sfcta.org/d4shuttle.

Brotherhood Way Safety and Circulation Plan Launches Second Outreach Round. The Brotherhood Way study team will host three online town halls on July 9, 10 and 17 in English, Spanish and Cantonese respectively as well as a multilingual in-person town hall on July 15. These meetings will review community priorities from previous engagement, share potential solutions for community-identified challenges, and seek input on three sketch alternatives. A survey will also be released July 9 to gather additional comments. Near- and long-term alternatives are being developed to improve safety, circulation, and connectivity for people driving, walking, and rolling through the Brotherhood Way and Alemany Boulevard corridors as well as on surrounding streets which could include intersection or roadway redesigns. Learn more at sfcta.org/brotherhood.

PROJECT DELIVERY

7th Street Bike Signal Opens for Use by the Public. I'm excited to announce the activation of a new northbound bike signal at 7th Street and Mission Street. This upgrade is part of the 7th and 8th Street Safety Projects in SOMA and complements protected bikeways previously installed along 7th Street. By providing clear traffic signal phase separation between cyclists and right-turning drivers, this upgrade creates a safer, more predictable intersection for all road users. This bike signal builds on the 7th Street Safety Project that the Transportation Authority supported with \$587,800 in sales tax funds in 2021. I'm happy to see SFMTA continuing to refine and improve enhancements and their continued investment in the project area.

West Side Bridges Retrofit Progress - On Schedule to Open Late 2026. We continue to make good progress on the West Side Bridges and Hillcrest Road Improvement projects, both of which are more than 50% complete. The West Side Bridges Retrofit project will rehabilitate or reconstruct eight bridge structures along



Treasure Island Road and the Hillcrest Road Improvement project will upgrade the roadway to modern roadway and seismic standards and provide additional space for pedestrians and bicyclists. The project team is exploring options to incorporate more Yerba Buena Island Multi-Use Path (MUP)(part of the Multimodal Bay Skyway project) improvements while a significant length of roadway is closed due to the construction detour in place by the West Side Bridges and Hillcrest contracts. This includes searching for ways to accelerate a portion of the MUP design to seek construction bids in early spring 2026 including request for proposals for construction management professional services.

MANAGEMENT AND ADMINISTRATION

Caltrain Electrification Project Wins Rail Project of the Year. On June 12, Caltrain received the Rail Transit Project of the Year Award from the California Transportation Foundation. The award recognized the transformative impact of Caltrain's Electrification Project. We are proud to have supported the \$2.4 billion Caltrain Modernization Program, which includes Caltrain Electrification, with over \$40 million in transportation sales tax and other funding sources. Congratulations to Caltrain for this well-deserved recognition.

Transportation Authority Maintains Highest Rating for Sales Tax Bond Outlook for Fifth Consecutive Year. I'm pleased to share that the Transportation Authority has maintained the highest possible rating of AAA by Fitch Ratings for \$164.5 million in outstanding senior sales tax revenue bonds (2017). This is the fifth consecutive year Fitch affirmed a AAA rating on the agency's debt, placing the Transportation Authority among the highest rated organizations in California. The Transportation Authority repays the bonds using revenues from San Francisco's half-cent sales tax, which is estimated to be approximately \$108 million in the agency's proposed budget for the fiscal year beginning July 2025. The bonds are part of the agency's overall financial strategy to advance half-cent sales tax project delivery and allow benefits to the public to be realized sooner than would otherwise be possible.