



Memorandum

AGENDA ITEM 3

DATE: January 27, 2025

TO: Transportation Authority Board

FROM: Tilly Chang - Executive Director

SUBJECT: 1/28/2025 Board Meeting: Executive Director's Report - INFORMATION

REGIONAL, STATE AND FEDERAL ISSUES

Rebuilding America Infrastructure with Sustainability and Equity (RAISE) Program - Grants awarded to BART and the San Francisco County Municipal Transportation Agency (SFMTA). On January 10, the U.S. Department of Transportation announced the award of \$1.32 billion in federal RAISE funding, including \$25 million to BART for its Train Control and Modernization program and \$9.2 million to SFMTA for its Presidio Bus Yard Reconstruction. The SFMTA project will fund the planning and design related to the partial demolition and reconstruction of the century-old Presidio Yard bus maintenance facility, supporting the new zero-emission bus and trolley fleet. BART's project will install a new, modern communications-based train control system, improving reliability and safety throughout the BART system. We congratulate both agencies and look forward to working with them to implement the two projects.

Electric Vehicle (EV) Charging - \$16 Million in Federal Grants Awarded to the San Francisco Environment Department (SFE). On January 10, the Federal Highway Administration announced awards for the Charging and Fueling Infrastructure grant program, including \$15 million for SFE to install up to 300 EV charging ports in garages and parking lots as well as on streets, increasing the total number of charging ports in the city by 30%. On January 15, the federal Joint Office of Energy and Transportation announced another award of \$1.2 million to SFE to help complete planning and prepare for the implementation of up to 15 on-street EV charging locations with 2 to 5 chargers each. However, on January 20, President Trump issued an Executive Order titled "Unleashing American Energy" which, in part, seeks to pause disbursement of funds for EV charging stations. SFE is awaiting direction from federal partners on how to proceed in light of the Executive Order. The Transportation Authority will be supporting SFE in the delivery of the on-street EV charging grant by leading development of an Evaluation and Monitoring Plan and a Funding Strategy and Business Model Refinement task. We congratulate SFE on



these two large grant awards and look forward to working with them on electrifying vehicles across the city.

New York City Congestion Pricing - System Launched January 6. We were excited to see New York City's Congestion Pricing system, the nation's first, turned on in early January, after many years of analysis, approvals, and some last-minute changes. The launch has gone smoothly and early evidence shows reduced traffic crossing into the congestion zone, and associated private vehicle and bus travel time benefits. We are looking forward to the data analysis as the system settles in. Our San Francisco Downtown Congestion Pricing Study remains on hold (since 2021) and we continue to develop Treasure Island's congestion management system. We will follow developments in New York City and will return to the Board with periodic updates.

2024 California State Rail Plan Released - Plan Includes The Portal and Expansion of Rail Access to Western San Francisco. In early January, Caltrans released the 2024 update to the California State Rail Plan. This plan lays out a long-term vision and strategy for investments and needed steps in the statewide rail network. The Transportation Authority, jointly with SFMTA and the San Francisco Planning Department (SF Planning), submitted comments on the draft plan and are pleased to see many of them reflected in the final version. The Portal, one of San Francisco's priority projects, has a prominent role in both the mid- and long-term visions as a critical project to tie together Northern California's standard-gauge rail network. Additionally, for the first time, the plan identifies an expansion of rail access to Western San Francisco as a long-term state priority. This need was also identified in ConnectSF and is currently advancing via the Geary/19th Avenue Subway and Regional Connections study led by the Transportation Authority in partnership with SFMTA and SF Planning.

Regional Transportation Revenue Measure Intent Bill Introduced - Senate Bill (SB) 63 (Wiener, Arreguin). On January 9, Senators Scott Wiener and Jesse Arreguin introduced SB 63, which is an intent bill for a regional transportation revenue measure to help address the Bay Area's anticipated transit operating shortfalls. The Senators intend to amend the bill over the coming months to incorporate language for a regional measure framework based on the work of the Metropolitan Transportation Commission's (MTC's) Select Committee, which had its last meeting in October last year, as well as ongoing discussions with stakeholders. In February, MTC will share polling results for various sales and parcel tax-based frameworks, which will also help inform bill language. We appreciate the Senators'



leadership on this issue and look forward to continuing our work with Senator Wiener, MTC, SFMTA, and other partners to advance the bill.

Caltrain's New Electric Fleet More Efficient Than Expected. At the January meeting of the Caltrain Board, the agency reported that the recently electrified rail fleet is outperforming expectations for energy consumption and operating cost. The regenerative braking system in the new rail cars is returning approximately 23% of the energy consumed by the system. Caltrain has reduced its estimated electricity cost from \$19.5 million to \$16.5 million annually. The agency is also set to receive \$6 million per year from the state's Low Carbon Fuel Standard program for operating its fully electrified service. Caltrain anticipates that fuel costs for the first year of electric operations will be less than the previous diesel service.

LOCAL ISSUES

Cuts to Muni Service and Muni Funding Working Group Meeting No. 5 - Addressing SFMTA Operating Shortfalls. Earlier this month, SFMTA announced changes to various Muni routes in response to its ongoing fiscal shortfalls. Beginning February 1, weekday frequency on the 24 Divisadero, 38 Geary, and 43 Masonic will be reduced between 10am and 1pm. Additionally, the K Ingleside and M Ocean View lines will see one-car trains on weekends, the 1X California Express will see two morning trips eliminated, and a number of bus stop adjustments will be made across the city. Beginning March 15, the 30 Stockton Short will run between Van Ness Avenue and North Point Street and Union Square, and no longer connect to the Fourth and King Caltrain Station. Beyond these service reductions, SFMTA is also supporting new trips through the revival of the 30X Marina Express which will help morning riders get to downtown from the Marina.

SFMTA is currently exploring additional service changes as well as funding solutions for their anticipated shortfalls through their Muni Funding Working Group, which held its most recent meeting on January 23 to discuss new revenue options. Those options included new local and regional sales or parcel taxes, utility user taxes, optimized transit fares, and extensions of paid parking hours among other mechanisms. The Working Group will meet again on January 31 to discuss additional, long-term strategies to raise revenues such as through joint development and road pricing. The Working Group hopes to recommend a comprehensive package of strategies (cost efficiencies and increased revenues) later this year that can help SFMTA close its anticipated budget deficit which is estimated at \$322 million in fiscal year 2027. More information on the Muni Funding Working Group can be found at www.sf.gov/muni-funding-working-group



PROJECT DELIVERY

Sales Tax Funded Safer Taylor Street Project - Open for Use. Earlier this month, I was pleased to celebrate completion of the Safer Taylor Street project with Transportation Authority Chair Rafael Mandelman, former Board member Dean Preston, SFMTA, San Francisco Public Works (Public Works), Caltrans, Tenderloin Taskforce and community partners. The project's new design will accommodate existing traffic on Taylor Street while improving traffic safety, access, and livability for some of the city's most vulnerable populations. The Transportation Authority contributed \$2.5 million from the sales tax program for the improvements to Taylor Street. Taylor Street is part of San Francisco's Vision Zero's High-Injury Network within the Tenderloin District, an Equity Priority Community. Throughout the development of the project, more than 1,000 Tenderloin community members provided input. The project includes widened sidewalks and curb extensions, a vehicle lane reduction, landscape and streetscape enhancements, and updated curbside loading zones.

Alemany / Rosseau Signal Ribbon Cutting - Sales Tax Supports Safety

Improvements. Last month, we celebrated activation of a new signal at Alemany Boulevard and Rousseau Street in District 11. Transportation Authority staff joined former Transportation Authority Board Member Ahsha Safai, SFMTA, Public Works, San Francisco Police Department, and community members for the event. The project, one of three intersections along Alemany Boulevard funded by the sales tax program, will improve safety for the Alemany corridor that is located on the Vision Zero High Injury Network. The first two projects are located at Lawrence Avenue, which was activated in November 2023, and at Theresa Street, which was activated in February 2024. The Transportation Authority contributed \$850,000 to design and construct the new signal and associated signal conduits at Alemany and Rosseau.

MANAGEMENT AND ADMINISTRATION

National Equity in Infrastructure Project (EIP) Pledge - Transportation Authority Participates in Bay Area Signing Event.

I was honored to participate in the Equity in Infrastructure Project Pledge signing earlier this month expanding our commitment to growing the participation and capacity of underutilized businesses in delivering transportation infrastructure. Thank you to Santa Clara VTA and BART for hosting the event that brought representatives of 18 groups together, including over a dozen Bay Area transit agencies and businesses, to sign the pledge. The EIP project aims to increase the number, size and proportion of contracting opportunities going to Historically Underutilized Businesses in the infrastructure space, helping to deliver better value for infrastructure investments and reduce the racial wealth gap. This is an



important part of realizing the full community and economic development benefits of the Infrastructure Investment and Jobs Act and local funds that we bring to infrastructure delivery.

Thank You to Former MTC Commissioner Nick Josefowitz. Last week's MTC meeting marked the end of Commissioner Josefowitz's eight years of service as the San Francisco Mayor's representative to the MTC. Appointed in 2017, Nick spent half of his tenure in leadership positions at the MTC, helping to guide the agency through the pandemic and recovery. Nick served back-to-back two-year terms as Vice Chair of the MTC starting in 2021 and recently served on the MTC Transportation Revenue Measure Select Committee. As an MTC Commissioner, Nick worked to develop consensus on a regional affordable housing bond, create a more integrated regional transit system, and advance climate and clean energy goals. Prior to serving on MTC, Nick served on the BART Board, representing San Francisco. We thank Commissioner Josefowitz for his leadership and service and send him our best wishes in his future endeavors.

Alicia John-Baptiste Named Chief of Infrastructure, Climate and Mobility. Earlier this month, Alicia John-Baptiste was appointed as San Francisco's first Chief of Infrastructure, Climate, and Mobility by Mayor Daniel Lurie. Currently SPUR's President and CEO, and formerly part of the management teams of the SFMTA and Planning Department, Alicia is well positioned to lead on transportation policy and coordinate key city departments including the SFMTA, Port of San Francisco, Public Utilities Commission, Public Works, San Francisco Environment, and Recreation & Parks. She will also serve as the Mayor's appointee to the MTC. Alicia brings with her a wealth of experience both from SPUR, as well as having served on the Transbay Joint Powers Authority, as well as her prior posts in city government. We are fortunate to have her leadership on transportation at this important time and look forward to collaborating with her in her new capacity.