



DRAFT MINUTES

FINANCE COMMITTEE

Tuesday, January 12, 2016

1. Roll Call

Chair Avalos called the meeting to order at 11:35 a.m.

Present at Roll Call: Commissioners Avalos, Campos and Mar (3)

Absent at Roll Call: Commissioners Cohen and Kim (2)

Chair Avalos excused Commissioner Kim's absence.

2. Approve the Minutes of the November 3, 2015 Meeting – ACTION

There was no public comment.

The minutes were approved without objection by the following vote:

Ayes: Commissioners Avalos, Campos and Mar (3)

Absent: Commissioners Cohen and Kim (2)

3. Recommend Award of a Three-Year Consultant Contract to Arup, in an Amount Not to Exceed \$1,150,000, for Planning and Engineering Services for the San Francisco Long Range Transportation Planning Program, and Authorizing the Executive Director to Negotiate Contract Payment Terms and Non-Material Contract Terms and Conditions – ACTION

Cynthia Fong, Deputy Director for Finance and Administration, and Marisa Espinosa, Senior Manager of the Long-Range Transportation Planning Program at the San Francisco Planning Department, presented the item.

There was no public comment.

The item was approved without objection by the following vote:

Ayes: Commissioners Avalos, Campos and Mar (3)

Absent: Commissioners Cohen and Kim (2)

4. Recommend Approval of the 2016 State and Federal Legislative Program – ACTION

Amber Crabbe, Assistant Deputy Director for Policy and Programming, presented the item per the staff memorandum.

There was no public comment.

The item was approved without objection by the following vote:

Ayes: Commissioners Avalos, Campos and Mar (3)

Absent: Commissioners Cohen and Kim (2)

5. State and Federal Legislative Update – INFORMATION

Mark Watts, State Legislative Advocate for the Transportation Authority, and Michelle Beaulieu, Transportation Planner, presented the item.

Mr. Watts reported that the special session for transportation had carried over so the conference committee was still active. He said that Governor Brown had introduced his budget to the legislature, which contained a transportation funding plan that was very similar to what had been released through the Secretary of Transportation at the end of last summer. He said that Governor Brown's proposal relied heavily on a registration fee for all vehicles (including hybrids and electric vehicles) at \$65 per vehicle, which would raise about \$2 billion. Mr. Watts said the proposal would also reestablish the gas tax swap at \$0.18, which was an increase of 6.5 cents over what it was a year ago. He said this would raise \$500 million and replenish the State Transportation Improvement Program (STIP). He said the proposal also included a \$0.11 per gallon increase in the diesel tax, adjusted for inflation, which would raise approximately \$500 million. He added that Governor Brown also included \$500 million from cap and trade proceeds for transit capital and \$100 million in Caltrans efficiencies, which included delivery streamlining opportunities.

Mr. Watts said that another transportation funding proposal was put forward by Assemblymember Frasier, who was Chairman of the Transportation Committee. He said this measure would raise \$7 billion per year in contrast to the \$3.5 billion in the Governor's proposal, but that it depended heavily on fuel taxes. He said this proposal would raise the gas tax by \$0.225 per gallon, indexed for inflation, and that a portion would be used to stabilize the STIP while the rest would be split between state and local entities for road repairs. Mr. Watts said that the diesel tax in this proposal would increase by \$0.30 and would be dedicated to trade corridor improvements. He noted that Mr. Frasier's bill also included a \$30 registration fee, split between the state and local entities for road maintenance.

Mr. Watts said that a third bill was expected to be introduced later this week, which would likely be in the \$5 billion range, and would have more emphasis on transit than what had been seen in the past. He said that after conversations with the Governor's office, a final package was expected to come out of the legislature in late February or March.

Chair Avalos asked if Mr. Watts would be able to provide a summary of the state budget proposals in writing for the Committee. He also asked if these state legislative items would direct more funds to transit, pedestrian and bike projects rather than to highways.

Mr. Watts responded that the state legislation partially directed funding to transit, pedestrian and bike projects, though not to the extent that San Francisco has advocated for. He said that each of the proposals attempted to catch up on deferred maintenance of the roadway system, but supplemented with more transit and active transportation programs.

Ms. Beaulieu reported that the federal government had passed the first long-term transportation bill of the past 10 years. She said it included \$305 billion over five years, which would likely bring an additional \$30 million to the Bay Area over what had been expected in the prior transportation bill. She said that in December, congress passed the omnibus tax extenders bill, which permanently extended transit commuter benefits to bring it to parity with parking commuter benefits, raising it from \$130 a month to \$250, and \$255 next year. She added that the omnibus bill also included \$500 million for the TIGER grant program, which had been beneficial to San Francisco in the past.

There was no public comment.

6. Introduction of New Items – INFORMATION

There was no public comment.

7. Public Comment

During public comment, Andrew Yip spoke about enlightenment.

8. Adjournment

The meeting was adjourned at 11:59 a.m.