

[Charter Amendment - Transportation Infrastructure Capital Appropriations and Transit Equity Strategy]

Describing and setting forth a proposal to the voters to amend the Charter of the City and County of San Francisco, at an election to be held on June 7, 2016, to amend the Charter of the City and County of San Francisco to require annual appropriations to the Department of Public Works and Municipal Transportation Agency to maintain, replace and improve the City's transportation infrastructure in an amount commencing with \$75,000,000 for FY2017-2018 and to require the MTA Board of Directors to adopt and biennially update a Transit Equity Strategy; and affirming the Planning Department's determination under the California Environmental Quality Act.

Section 1. The Planning Department has determined that the actions contemplated in this Charter Amendment comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. ____ and is incorporated herein by reference. The Board of Supervisors affirms this determination.

Section 2. The Board of Supervisors hereby submits to the qualified voters of the City and County, at an election to be held on June 7, 2016, a proposal to amend the Charter of the City and County by adding Section 16.126 and Section 8A.116 to read as follows:

NOTE: **Unchanged Charter text and uncodified text** are in plain font.
 Additions are single-underline italics Times New Roman font.
 Deletions are ~~strike-through italics Times New Roman font~~.

SEC. 16.126. TRANSPORTATION INFRASTRUCTURE CAPITAL APPROPRIATIONS.

(a) Transportation Infrastructure Capital Appropriations (TICA). *Each year the City shall appropriate an amount determined by the Controller as provided in subsections (b) and (c) below to the Department of Public Works ("DPW") and the Municipal Transportation Agency*

1 (“MTA”), or any successor agencies, to maintain, replace, and improve the City’s transportation
2 infrastructure. TICAs allocated to DPW shall be used for roadway maintenance, resurfacing,
3 and reconstruction, and associated curb ramps. Except as provided in subsection (e), TICAs
4 allocated to the MTA shall not be used to cover the costs of salaries and benefits for transit
5 operators but may instead be used only for capital projects to maintain, purchase, build, replace,
6 and improve transportation infrastructure, including but not limited to projects that:

7 _____ (1) Reduce Muni crowding and improve Muni reliability by repairing and
8 replacing old buses and trains and acquiring additional transit vehicles to increase
9 service;

10 _____ (2) Make Muni faster and safer by repairing and modernizing facilities and
11 installing new equipment to meet the demands of a 21st-Century San Francisco;

12 _____ (3) Improve street safety for all users and reduce conflicts among people
13 driving, bicycling, and walking by redesigning streets, focusing pedestrian safety
14 projects at locations with the highest numbers of injuries and fatalities, and expanding
15 and connecting the City’s bicycle lanes and routes;

16 _____ (4) Create safer crossings for pedestrians, including seniors and people with
17 disabilities, by installing upgraded traffic signals and pedestrian countdown signals,
18 improving sidewalks, and building curb ramps for better accessibility; or

19 _____ (5) Redesign key San Francisco streets to make travel safer and easier to
20 navigate for all users.

21 **(b) First Year TICA: Baseline Appropriations.** For fiscal year 2017- 2018, the TICA
22 shall be \$75 million, of which \$42 million shall be allocated to DPW and \$33 million shall be
23 allocated to the MTA. For fiscal year 2017-2018, \$7.41 million of the \$33 million TICA
24 allocated to the MTA shall be redirected from the Base Amount required by Section 8A.105(b).
25 Thereafter, the Base Amount required by Section 8A.105(b) shall continue to be adjusted in

1 accordance with the terms of Section 8A.105 and the TICA shall be adjusted in accordance with
2 subsection (c) of this Section. For the first five years, 64% of the TICA allocation to the MTA
3 shall be spent on projects that improve Muni transit service and 36% of the TICA allocation to
4 the MTA shall be spent on projects that improve street safety for all users.

5 **(c) Appropriation Adjustment.** The Controller shall adjust the amount of the TICA
6 each year after fiscal year 2017-2018 by the percentage increase or decrease in City and County
7 discretionary General Fund revenues based on calculations consistent from year to year. In
8 determining City and County discretionary General Fund revenues, the Controller shall only
9 include revenues received by the City and County that are unrestricted and may be used at the
10 option of the Mayor and the Board of Supervisors for any lawful City purpose. Errors in the
11 Controller's estimate of discretionary revenues for a fiscal year shall be corrected by an
12 adjustment in the next year's estimate and TICA.

13 **(d) Future Appropriation Allocations.** In order to allow for changes in the City's
14 overall transportation infrastructure needs and priorities, after the fifteenth year of
15 Transportation Infrastructure Capital Appropriations, the City may modify the allocation of
16 TICAs between DPW and the MTA, by ordinance recommended by the Mayor and approved by a
17 two-thirds' vote of the Board of Supervisors, provided that in no case shall either DPW or the
18 MTA receive an allocation of less than 25% of the annual TICA. The City shall make all TICAs
19 in accordance with the applicable budgetary and fiscal provisions of the Charter.

20 **(e) Minimizing Service Reductions.** While long term and consistent investments in
21 transportation infrastructure are essential to efficient delivery of scheduled transit service, to
22 minimize public transit service reductions during periods of economic austerity, in any year after
23 Fiscal Year 2019-2020 in which the MTA projects an operating deficit exceeding 5% and the
24 MTA proposes to implement a reduction in service hours exceeding 5% in order to meet its
25 obligation to approve a balanced budget, the MTA may include an amount not exceeding 50%

1 of the TICA allocation in its budget for public transit operating expenditures rather than
2 transportation infrastructure capital projects to support maintenance of then existing levels of
3 public transit service. The MTA may not make such TICA transfers from transportation
4 infrastructure to transit operating expenditures more than three times in any rolling 10-year
5 period.

6 (f) **TICA Suspension.** The City may, by ordinance recommended by the Mayor and
7 approved by a two-thirds' vote of the Board of Supervisors, suspend some or all of the TICA for
8 any fiscal year for which the State of California reduces funding to the City and County of San
9 Francisco from transportation-related taxes paid to the State as a result of economic activity
10 allocable under applicable law to the City and County of San Francisco. Such a suspension
11 cannot exceed the amount of lost state revenue, as determined by the Controller at the time of the
12 TICA Suspension. The City may continue a suspension each year in the same manner until such
13 time as the applicable State funding to the City and County of San Francisco is restored and
14 shall have no obligation to reinstate TICA amounts previously suspended.

15 **SEC. 8A.116. TRANSIT EQUITY STRATEGY.**

16 (a) The People of the City and County of San Francisco find that improving delivery of
17 reliable and accessible Muni service is especially important in neighborhoods with high
18 concentrations of low-income households, minority residents, residents with disabilities, seniors,
19 and households without personal automobiles ("Service Sensitive Neighborhoods"). Delivery of
20 effective and affordable transit service in Service Sensitive Neighborhoods can play a critical
21 role in the City's overall efforts to retain the economic, racial and ethnic diversity of our
22 population and the overall quality of life for all San Franciscans. In furtherance of the City's
23 efforts to retain the diversity of our population and overall quality of life, the voters direct the
24 Agency to give special consideration to the needs of Service Sensitive Neighborhoods in
25 planning and delivering transit service.

1 (b) No later than May 1 of each even-numbered year, in conjunction with development of
2 the Agency budget as provided in Section 8A.106, the Agency shall develop and approve a
3 Transit Equity Strategy to guide delivery of transit services within Service Sensitive
4 Neighborhoods, as such neighborhoods are defined and identified by the Board of Directors, and
5 to articulate the City's priorities regarding the affordability of transit services. In developing
6 the Transit Equity Strategy, the Agency shall consult with the Citizen's Advisory Council and
7 other affected stakeholders. The Agency shall deliver its approved Transit Equity Strategy to the
8 Mayor and Board of Supervisors in conjunction with delivery of the Agency budget.

9
10 APPROVED AS TO FORM:
11 DENNIS J. HERRERA, City Attorney

12 By: _____
13 JOHN I. KENNEDY
14 Deputy City Attorney

15 n:\legana\as2014\1400560\01048432.doc