

BOARD of SUPERVISORS



City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

October 2, 2015

File No. 140678-2

Sarah Jones
Environmental Review Officer
Planning Department
1650 Mission Street, 4th Floor
San Francisco, CA 94103

Dear Ms. Jones:

On September 29, 2015, Supervisor Wiener introduced the following **substitute** Charter Amendment for the June 7, 2016, Election:

**File No. 140678-2 Charter Amendment - Transportation Infrastructure
Capital Appropriations and Transit Equity Strategy**

Charter Amendment (Second Draft) to amend the Charter to require annual appropriations to Public Works and the Municipal Transportation Agency (MTA) 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, at an election to be held on June 7, 2016.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

A handwritten signature in black ink, reading "Alisa Somera".

By: Alisa Somera, Committee Clerk
Rules Committee

Attachment

c: Joy Navarrete, Environmental Planner
Jeanie Poling, Environmental Planner

Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it does not result in a physical change in the environment.

[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.**

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

12 By:

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14 JOHN I. KENNEDY
15 Deputy City Attorney

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REVISED LEGISLATIVE DIGEST

(9/29/2015, Substituted)

[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 million for fiscal year 2017-2018 and require the MTA Board of Directors to adopt and biennially update a Transit Equity Strategy.

Existing Law

Under existing law, the Mayor and Board of Supervisors are not required to appropriate any particular share of General Fund revenues to the Department of Public Works (DPW) or the Municipal Transportation Agency (SFMTA) to support transportation infrastructure capital projects. In addition, the SFMTA is not required to adopt a transit equity strategy.

Amendments to Current Law

1. The proposed Charter amendment would require the City to appropriate \$75 million from General Fund revenues each year to support capital projects to maintain and improve the City's transportation infrastructure (Transportation Infrastructure Capital Appropriations or TICAs). TICAs could not be used for routine operating expenses such as transit operator salaries and benefits.
2. In the first year, \$42 million of the TICAs would be allocated to the Department of Public Works for street maintenance, resurfacing and reconstruction and \$33 million would be allocated to the SFMTA. In the first five years, the SFMTA would be required to spend 64% of its TICAs on projects to improve Muni transit service such as repairing and replacing buses and trains, and modernizing transit equipment and facilities, and would be required to spent 36% of its TICAs on projects to improve street safety for all users such as improving sidewalks and bike facilities.
3. The Controller would adjust the amount of the annual TICA from year to year based on increases and decreases in overall City revenues that the Mayor and Board of Supervisors may appropriate for any purpose.

4. When requested by the Mayor and approved by a two-thirds vote of the Board of Supervisors, where budget deficits threaten to result in a significant reduction in transit service, a portion of the TICA allocation to the SFMTA could be dedicated to transit service operating costs rather than transportation infrastructure capital projects. Such a re-allocation could not be approved more than 3 times in any rolling 10 year period.
5. When requested by the Mayor and approved by a two-thirds vote of the Board of Supervisors, the TICA allocation could be suspended in whole or in part when transportation related State revenues to the City are reduced. The amount of the TICA suspension could not exceed the amount of lost State revenues.
6. The Charter amendment would establish City policy that improving transit service to "Service Sensitive Neighborhoods" with high concentrations of low income households, minority residents, residents with disabilities, seniors, and households without personal automobiles is especially important in order to help retain the diversity of the City population and the overall quality of life in San Francisco.
7. The Charter amendment would require the SFMTA to develop and approve a Transit Equity Strategy by May 1 of each even numbered year to guide delivery of transit service to Service Sensitive Neighborhoods and to articulate City priorities regarding the affordability of transit services.

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