

**THIS PRINT COVERS CALENDAR ITEM NO. : 10.2**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Finance and Information Technology

**BRIEF DESCRIPTION:**

Resolution authorizing the Director of Transportation, or his designee, to file a claim with the Metropolitan Transportation Commission for allocation of operating assistance from Transportation Development Act, State Transit Assistance, AB1107 One-Half Cent Sales Tax, and Regional Measure 2 funds for Fiscal Year 2020 to support the operating budget.



**SUMMARY:**

- The SFMTA annually files a claim for operating assistance with MTC.
- Annually, the SFMTA receives operating assistance from Transportation Development Act (TDA), State Transit Assistance (STA), AB1107 One-Half Cent Sales Tax (AB1107), and Regional Measure 2 (RM2) funds administered by the Metropolitan Transportation Commission (MTC).
- MTC requires the SFMTA to submit a resolution from its governing board authorizing the Agency to file a claim for allocation of TDA, STA, AB1107, and RM2.
- The SFMTA FY2020 Budget included TDA, STA, AB1107 and RM2 funds. The amounts to be allocated from these sources will be finalized once the MTC confirms the availability of the funds after the State budget is approved.
- This proposed action is the Approval Action under CEQA as defined by S.F. Administrative Code Chapter 31.

**ENCLOSURES:**

1. SFMTAB Resolution

**APPROVALS:**

	<b>DATE</b>
DIRECTOR 	<u>May 13, 2019</u>
SECRETARY 	<u>May 13, 2019</u>

**ASSIGNED SFMTAB CALENDAR DATE:** May 21, 2019

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## **PURPOSE**

Authorizing the Director of Transportation or his designee, to file a claim with MTC for allocation of operating assistance from the Transportation Development Act, State Transit Assistance, AB 1107 One-Half Cent Sales Tax, and Regional Measure 2 funds for Fiscal Year 2020 to support the Operating Budget.

## **STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES**

The SFMTA will further the following goal of the Strategic Plan through acceptance of these funds:

Goal 3 - Improve the environment and quality of life in San Francisco.

Objective 3.3: Allocate capital resources effectively.

Objective 3.5: Reduce capital and operating structural deficits.

## **TRANSIT FIRST POLICY PRINCIPLES**

This item will support the following Transit First Policy Principles:

1. To ensure quality of life and economic health in San Francisco, the primary objective of the transportation system must be the safe and efficient movement of people and goods.

## **DESCRIPTION**

The Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Sections 66500 et seq. The Transportation Development Act (TDA) (Public Utilities Code §§99200 *et seq.*) provides for the disbursement of funds from the Local Transportation Fund (LTF) of the City and County of San Francisco (City) for use by eligible applicants for the purpose of approved transit projects. Prospective applicants wishing to receive an allocation from the LTF for any transit-related purposes must file an annual claim with MTC.

MTC apportions TDA funds (that are held in the LTF) based on an estimate of sales tax generation for the claim year prepared by MTC and City auditors. STA revenue-based operating assistance comes from a State sales tax on fuel, and STA-population-based (paratransit) assistance is computed according to a formula based on the population of the area, which may be adjusted during the Governor's annual budget process. AB1107 one-half cent sales tax is based on MTC estimates of sales tax growth generations.

Regional Measure 2 (RM2) funds are dispensed based on the agency's request for operating allocations, subject to meeting eligibility requirements and availability of RM2 operating funds. Regional Measure 2 (RM2) established the Regional Traffic Relief Plan and identified specific

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capital projects and programs eligible to receive RM2 funding, including operating assistance, as identified in Section 30914 (c) and (d) and Section 30914.5 of the California Streets and Highway Code.

The SFMTA FY 2020 Operating Budget included TDA, STA, AB1107 and RM2 funds. The exact amounts available to the SFMTA for FY 2020 will not be known until after the State budget is approved. Only the RM2 funding is restricted to funding a specific activity; it has been designated by MTC to support late night OWL operating service.

**STAKEHOLDER ENGAGEMENT**

On February 20, 2018, March 6, 2018, and March 20, 2018, the SFMTA Board of Directors reviewed and on April 3, 2018 approved the operating budget for FY 2019 and FY 2020 that included TDA, STA, AB1107 and RM2 funds.

**ALTERNATIVES CONSIDERED**

If this claim is not submitted to the MTC, the SFMTA will not be able to receive TDA, STA, AB1107 and RM2 funds that have been included in the operating budget for FY 2020. If these funds are not available, alternative funding sources will need to be identified to support the FY 2020 operating budget and/or services will need to be reduced or eliminated.

**FUNDING IMPACT**

MTC projects that it will distribute the following amounts to the SFMTA in FY 2020. The exact amounts available are subject to approval at the State budget:

	FY 2020 MTC Allocation
TDA Funding	\$ 46,607,574
State Transit Assistance - Revenue Based	86,666,729
State Transit Assistance - Population Based (Paratransit)	-
AB 1107 funding	45,500,000
RM2 operating Assistance & Owl Service Funding	2,687,501
Total Request	\$ 181,461,804

**ENVIRONMENTAL REVIEW**

The Planning Department has concurred with the SFMTA’s determination that this matter is categorically exempt under the California Environmental Quality Act (CEQA) as defined in CEQA Guidelines Section 15301 Class 1: Operation, repair, maintenance, permitting, leasing,

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licensing, or minor alteration of existing public facilities.

The SFMTA's determination is on file with the Secretary to the SFMTA Board of Directors. This proposed action is the Approval Action as defined by S.F. Administrative Code Chapter 31.

**OTHER APPROVALS RECEIVED OR STILL REQUIRED**

The City Attorney's Office has reviewed this calendar item and has provided an Opinion of Counsel stating that the SFMTA is eligible to receive the funds requested and that there are no legal impediments for the SFMTA's use of the funds.

**RECOMMENDATION**

Staff recommends that the SFMTA Board authorize the Director of Transportation, or his designee, to file a claim with MTC for an allocation of TDA, STA, AB1107 and RM2 funds for Fiscal Year 2020 to support the Operating Budget.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, The Transportation Development Act (TDA) (Public Utilities Code §§99200 *et seq.*) provides for the disbursement of funds from the Local Transportation Fund (LTF) of the City and County of San Francisco (City) for use by eligible applicants for the purpose of approved transit projects; and

WHEREAS, Under the provisions of the TDA, and under the applicable rules and regulations promulgated pursuant to the TDA (21 Cal. Code of Regs. §§6600 *et seq.*), a prospective applicant wishing to receive an allocation from the LTF must file its claim with the Metropolitan Transportation Commission (MTC); and

WHEREAS, The State Transit Assistance (STA) fund is created pursuant to Public Utilities Code Sections 99310 *et seq.*; and

WHEREAS, The STA fund makes funds available under Public Utilities Code Section 99313.6 for allocation to eligible applicants to support approved transit projects; and

WHEREAS, STA funds and TDA funds from the City's LTF will be required by the San Francisco Municipal Transportation Agency (SFMTA) in Fiscal Year 2020 for approved transit projects; and

WHEREAS, Public Utilities Code Sections 29140, *et seq.* (AB1107) make available 25 percent of the half-cent sales tax revenues collected in the three BART counties (Alameda, Contra Costa, and San Francisco) for allocation by MTC to eligible applicants; and

WHEREAS, Pursuant to the provisions of Public Utilities Code Section 29142.2, eligible applicants for AB1107 funds include Alameda-Contra Costa Transit District, the Bay Area Rapid Transit District, and the City for its Municipal Railway system; and

WHEREAS, Regional Measure 2 (RM2) established the Regional Traffic Relief Plan and identified specific capital projects and programs eligible to receive RM2 funding, including operating assistance, as identified in Section 30914 (c) and (d) and Section 30914.5 of the California Streets and Highway Code; and

WHEREAS, MTC has determined that the SFMTA complies with the requirements of Public Utilities Code Section 29142.5 and Government Code Section 66517.5; and

WHEREAS, The SFMTA is an eligible applicant for TDA, STA, AB 1107, and RM2 funds, as attested by the Opinion of Counsel submitted with this resolution; and

WHEREAS, The Planning Department has concurred with the SFMTA's determination that this matter is categorically exempt pursuant to CEQA as defined in CEQA Guidelines Section 15301 Class 1: Operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public facilities; and

WHEREAS, The proposed action is the Approval Action under CEQA as defined by S.F. Administrative Code Chapter 31; now, therefore be it,

RESOLVED, That the SFMTA Board of Directors authorizes the Director of Transportation, or his designee, to file a claim with the Metropolitan Transportation Commission for allocation of operating assistance from Transportation Development Act, State Transit Assistance, AB1107 One-Half Cent Sales Tax, and Regional Measure 2 funds for Fiscal Year 2020 to support the operating budget; and be it

FURTHER RESOLVED, That a copy of this resolution shall be transmitted to MTC in conjunction with the filing of the claim, and MTC is requested to grant the allocations of the funds as specified herein.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of May 21, 2019.

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Secretary to the Board of Directors  
San Francisco Municipal Transportation