SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY BOARD OF DIRECTORS

RESOLUTION No. 180717-107

WHEREAS, As part of the FY 2019 and FY 2020 budget process, modifications to transit fares were adopted by the SFMTA Board of Directors on April 3, 2018; and,

WHEREAS, Since the adoption of the budget, and based on stakeholder feedback received during the budget process, staff have evaluated additional modifications to transit fares; and,

WHEREAS, The SFMTA is proposing to increase the time limit of the single ride fare from ninety minutes to two hours, reduce the previously approved fare increase for discount and low-income monthly passes from a \$2.00 increase to a \$1.00 increase for FY 2019 and FY 2020, and revise the implementation date for approved MuniMobile and Clipper Passport fare changes in FY 2019 from January 1, 2019 to September 1, 2018; and,

WHEREAS, The SFMTA plans to implement these fare changes on September 1, 2018 in conjunction with the other fare changes approved as part of the agency's Operating Budget; and,

WHEREAS, In compliance with Charter Section 16.112, advertisements were placed in the City's official newspaper to provide notice that the SFMTA Board of Directors will hold a public hearing on July 17, 2018 to consider the proposed fare and fare policy changes; and,

WHEREAS, The Board's Rules of Order require that the advertisement run for at least five days with the last publication not less than fifteen days prior to the public hearing and advertisements ran in the City's official newspaper on June 27 and 28, 2018, and July 1, 4, and 5, 2018, but the last publication ran on Thursday, July 5, 2018, which is less than fifteen days in advance of the July 17th SFMTA Board meeting; and,

WHEREAS, The SFMTA Board of Directors is requested to waive the Board's Rules of Order which requires the last publication to be published not less than fifteen days prior to the public hearing; and,

WHEREAS, The proposed fare changes are subject to the California Environmental Quality Act (CEQA); the CEQA Guidelines provide an exemption from environmental review for the establishment, modification, structuring, restructuring or approval of rates, tolls, and other charges, if these rates, tolls, and other charges will be used to meet operating expenses, including employee wage rates and fringe benefits, or purchase or lease of supplies, equipment, or materials. (Cal. Code Regs., Title 14, Section 15273); and,

WHEREAS, On February 13, 2018, the SFMTA, under authority delegated by the Planning Department, determined (Case Number 2018-002861ENV) the FY 2019 and FY 2020 Operating Budget was statutorily exempt from environmental review under Title 14 of the California Code of Regulations section 21080(b)(8) and CEQA Guidelines, Title 14 of the California Code of Regulations section 15273 because the anticipated revenues would be used to meet SFMTA operating expenses, including employee wage rates and fringe benefits, or to purchase or lease supplies, equipment, or materials; and,

WHEREAS, The proposed fare changes that are the subject of this calendar item are statutorily exempt under the same exemption (Case Number 2018-002861ENV) because the proposed changes are part of the same action and anticipated revenues would be used to meet SFMTA operating expenses, including employee wage rates and fringe benefits, or to purchase or lease supplies, equipment, or materials; and,

WHEREAS, The SFMTA Board finds that the proposed fare changes are for the purpose of the establishment, modification, structuring, restructuring, or approval of rates, tolls, or other charges, and that the rates, tolls, and other charges will be used to meet operating expenses, including employee wage rates and fringe benefits, or purchase or lease of supplies, equipment, or materials; and,

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors, and may be found in the records of the Planning Department at 1650 Mission Street in San Francisco, and are incorporated herein by reference; and,

WHEREAS, Pursuant to the federal requirements contained in the Federal Transit Administration's (FTA) Circular 4702.1B, "Title VI and Title VI-Dependent Guidelines," the SFMTA must conduct an equity analysis of proposed fare changes to determine if they have a disparate impact on minority populations or a disproportionate budget on low-income populations; and,

WHEREAS, The SFMTA has determined that neither the increase in the maximum travel time for single ride fares, nor the change in the effective date for the previously approved decreases in pre-paid Passport fares constitute a fare change for purposes of Title VI analysis, and that reducing the previously approved increased fare for discount and low-income monthly passes from a \$2.00 increase to a \$1.00 increase for FY 2019 and FY 2020 does not result in either a disparate impact or disproportionate burden; and,

WHEREAS, Pursuant to Charter Section 8A.108, all fare changes must be submitted to the Board of Supervisors as part of the SFMTA's budget or as a budget amendment; now be it

RESOLVED, That the SFMTA Board waives the Board's Rules of Order requirement that an advertisement run for at least five days with the last publication not less than fifteen days prior to the public hearing; and be it further

RESOLVED, That the SFMTA Board approves the revised Title VI analysis of the impact of the proposed fare changes on low-income and minority communities in San Francisco which determined that there is no disparate impact to minority populations or disproportionate burden to low-income populations; and be it further

RESOLVED, That the SFMTA Board of Directors approves various changes to the SFMTA's fare policy to increase the time limit for single ride fares from ninety minutes to two hours, revises the implementation date for approved MuniMobile and Clipper Passport fare changes in Fiscal Year (FY) 2019 from January 1, 2019 to September 1, 2018, and approves reducing the previously approved fare increase for discount and low-income monthly passes from \$2.00 to \$1.00 for both FY 2019 and FY 2020: and be it further

RESOLVED, That the San Francisco Transportation Board of Directors urges the Board of Supervisors to approve the fare change for discount and low-income monthly passes from a \$2.00 increase to a \$1.00 increase for FY 2019 and FY 2020.

I certify that the foregoing resolution was adopted by the SFMTA Board of Directors at their meeting of July 17, 2018.

<u>R.Bromer</u> Secretary to the Board of Directors San Francisco Municipal Transportation Agency