

**THIS PRINT COVERS CALENDAR ITEM NO. : 10.8**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Finance & Information Technology

**BRIEF DESCRIPTION:**

Approving “Free Muni” for low and moderate 19 to 22 year old students who use a Clipper® card and are enrolled the San Francisco Unified School District’s (SFUSD) Special Education Services Program (SES).

**SUMMARY:**

- In November, 2012 the SFMTA Board of Directors approved the establishment of a “Free Muni” for Youth” pilot program on Clipper for low and moderate income San Francisco youth aged five to 17 years old.
- The youth program currently has approximately 26,000 active users.
- On April 15, 2014, as part of the two-year budget, the Board of Directors approved extending this program for two more years and expanding it to include 18 year olds by November 1, 2014.
- At that meeting, the Board of Directors requested the Director of Transportation to evaluate the feasibility of creating a similar program for 19 to 22 year old low and moderate income students who use a Clipper® card and are enrolled in SFUSD’s SES program.
- The SFMTA is proposing to implement this new program in conjunction with the expansion of the “Free Muni” program for 18 year olds by November 1, 2014.

**ENCLOSURES:**

1. SFMTAB Resolution

**APPROVALS:**

**DATE**

DIRECTOR \_\_\_\_\_ 8/10/14

SECRETARY \_\_\_\_\_ 8/10/14

**ASSIGNED SFMTAB CALENDAR DATE:** August 19, 2014

**PURPOSE**

Approving “Free Muni” for low and moderate 19 to 22 year old students who use a Clipper® card and are enrolled the San Francisco Unified School District’s Special Education Services Program.

**GOAL**

This item supports all of the Strategic Plan Goals.

Goal 1: Create a safer transportation experience for everyone

Goal 2: Make transit, walking, bicycling, taxi, ridesharing and carsharing the most attractive and preferred means of travel

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

Goal 4: Create a workplace that delivers outstanding service

**DESCRIPTION**

In November, 2012, the SFMTA Board of Directors approved the establishment of a “Free Muni” for Youth” pilot program on Clipper for low and moderate income San Francisco youth aged five to 17 years old. The youth program currently has approximately 26,000 active users. On April 15, 2014, as part of the two-year budget, the Board of Directors approved extending this program for two more years and expanding it to include 18 year olds by November 1, 2014.

During the public hearing several member of the public requested the Board of Directors consider providing similar “Free Muni” service for students enrolled in SFUSD’s Special Education Services programs. SFUSD currently reimburses the SFMTA for the cost of providing passes to approximately 200 special education students between the ages of 18 and 22. The cost of providing this service reduces the School District’s funding to provide other services to these students.

The Board of Directors requested the Director of Transportation to evaluate the feasibility of providing “Free Muni” to these low and moderate income students who use a Clipper® card, similar to that approved for five through 18 year olds. Staff has determined that the administrative resources required to implement this program would be minimal and can be implemented in conjunction with the expansion of the “Free Muni” to Youth program to 18 year olds by November 1, 2014. Staff will work directly with SFUSD to process applications and issue Clipper cards with a “Free Muni” pass to eligible students. SFUSD will be required to provide SFMTA with monthly reports establishing ongoing eligibility of participants.

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#### Published Notice

Pursuant to Charter Section 16.112 and the SFMTA Board of Directors Rules of Order, advertisements were placed in the City's official newspaper for five consecutive days beginning July 26, 2014, to provide notice that the Board of Directors will hold a public hearing on August 19, 2014, to consider the implementation of a "Free Muni" program for 19 to 22 year old students enrolled in SFUSD's SES programs by November 1, 2014.

#### **ALTERNATIVES CONSIDERED**

Staff considered continuing to provide the SFUSD with monthly paper passes at no charge, however, it was determined that utilizing the existing "Free Muni" for Youth model on Clipper would be more cost effective and require minimal administrative resources.

#### **OTHER APPROVALS RECEIVED OR STILL REQUIRED**

This proposal is considered a fare change and requires the following additional actions:

##### Environmental Review

Modifications to fees, fares, fines, rates and charges are subject to the California Environmental Quality Act (CEQA). Pursuant to the City Charter, revenue from parking related fees, rates and charges support transit service. CEQA provides a statutory 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 supplies, equipment, or materials.

SFMTA staff, under authority delegated by the Planning Department, determined that the proposed fare change is statutorily exempt from environmental review pursuant to California Public Resources Code section 21080(b)(8) and CEQA implementing guidelines.

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

##### Title VI Analysis

Pursuant to the federal requirements contained in the Federal Transit Administration's (FTA) Circular 4702.1A, "Title VI and Title VI-Dependent Guidelines for FTA Recipients," Chapter V Part 4, 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 burden on low-income populations. As a result of this analysis, SFMTA staff determined that there are neither disparate impacts nor disproportionate burdens associated with this proposal. The equity analysis for this proposal is contained within a separate item on the August 19, 2014 agenda for action by the Board of Directors. Title VI guidelines require that the SFMTA Board approve the equity analysis.

Board of Supervisors Approval

Pursuant to Charter Section 8.A.108, all fare changes must be submitted to the Board of Supervisors as part of the SFMTA's budget or as a budget amendment. Upon approval of the Board of Directors, the SFMTA will submit a budget amendment to the Board of Supervisors pursuant to this Charter section.

The City Attorney has reviewed this calendar item.

**FUNDING IMPACT**

It is estimated that approximately 200 students will qualify for this program, reducing annual fare revenue by \$163,300.

**RECOMMENDATION**

Approving "Free Muni" for low and moderate 19 to 22 year old students who use a Clipper® card and are enrolled the San Francisco Unified School District's Special Education Services Program.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

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

WHEREAS, In November, 2012 the SFMTA Board of Directors approved a “Free Muni” for Youth” pilot program for low and moderate income San Francisco youth aged five to 17 years old who use a Clipper card; and

WHEREAS, On April 15, 2014, as part of the two-year budget, the Board of Directors approved extending this program for two more years and expanding it to include 18 year olds by November 1, 2014; and

WHEREAS, At that meeting, the Board of Directors requested the Director of Transportation to evaluate the feasibility of creating a similar program for 19 to 22 year old low and moderate income students enrolled in the San Francisco Unified School District’s Special Education Services program; and

WHEREAS, It has been determined that the administrative and fiscal impact of implementing this program is relatively low; and

WHEREAS, SFMTA is proposing to implement this new program in conjunction with the expansion of the existing “Free Muni” program to 18 year olds by November 1, 2014; and

WHEREAS, Pursuant to the Charter Section 16.112 and SFMTA Board of Directors Rules of Order, advertisements were placed in the City’s official newspaper, the San Francisco Chronicle, to provide published notice of the August 19, 2014 hearing which ran for five consecutive days beginning on July 26, 2014; and

WHEREAS, SFMTA staff, under authority delegated by the Planning Department, determined that the proposed program is statutorily exempt from environmental review pursuant to California Public Resources Code section 21080(b)(8) and CEQA implementing guidelines; and

WHEREAS, Said CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by this reference. The proposed action is the Approval Action as defined by the S.F. Administrative Code Chapter 31; and

WHEREAS, Pursuant to the federal requirements contained in the Federal Transit Administration’s (FTA) Circular 4702.1A, "Title VI and Title VI-Dependent Guidelines for FTA Recipients," Chapter V Part 4, 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 burden on low-income populations; and

WHEREAS, SFMTA staff prepared a comprehensive Title VI analysis of the proposed fare change and determined that there are neither disparate impacts nor disproportionate burdens associated with this proposal which is contained within a separate item on this agenda for approval by the Board of Directors; and

WHEREAS, Pursuant to Charter Section 8.A.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 therefore be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors approves "Free Muni" for low and moderate 19 to 22 year old students who use a Clipper® card and are enrolled the San Francisco Unified School District's Special Education Services Program; and be it further

RESOLVED, That the San Francisco Transportation Agency Board of Directors urges the Board of Supervisors to approve the fare change.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of August 19, 2014.

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Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency