

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Finance and Information Technology

**BRIEF DESCRIPTION:**

Discussing a 22-month pilot program to provide free transit service for all youth ("Free Muni for All Youth"), ages 5-17 who use a Clipper® card for a monthly pass and the impact of that pilot program on the FY13 and FY14 Operating and Capital budgets.

**SUMMARY:**

- On April 3, 2012 the SFMTA Board considered the following options for youth monthly passes: 1) the status quo; 2) providing free Muni for all youth, ages 5-17, who use a Clipper® card; 3) providing free Muni for low-income youth, ages 5-17, who use a Clipper® card ("Free Muni for Low Income Youth"); and 4) reducing the fare for low-income youth, ages 5-17, who use a Clipper® card.
- Staff recommended approving the Free Muni for Low Income Youth pilot program and the proposed FY13 and FY14 capital and operating budgets assumes implementation of the Free Muni for Low Income Youth pilot program.
- On April 3, 2012 the SFMTA Board requested information about the impact to the FY13 and FY14 Capital and Operating budget by implementation of a Free Muni for All Youth pilot program.
- The revenue loss and incremental costs for a Free Muni for Low Income Youth pilot program are estimated at \$9.4 million. A Free Muni for All Youth pilot program has an additional \$6.6 million impact for a total of \$16 million. The costs associated with any required increase in service hours are not included in these estimates.
- Assuming all other approvals, the \$9.4 million required to support a Free Muni for Low Income Youth pilot program would come from the following sources:
  - \$4.3 million SFMTA general operating funds
  - \$4.5 million from the Metropolitan Transportation Commission
  - \$0.4 million in Lifeline Funds from the San Francisco County Transportation Authority
  - \$0.2 million from San Francisco Unified School District
- The additional \$6.6 million required to support the Free Muni for All Youth pilot program would come from the following sources:
  - \$3.8 million in reduced operating expenditures for bus maintenance; and
  - \$2.1 million in reduced capital expenditures of state Prop 1B funds for improved transit projects in low-income neighborhoods, such as the Mission Mobility project.
  - \$0.7 million in reduced capital expenditures of state STP funds for bicycle and pedestrian improvements that would be done in coordination with DPW paving projects
- Implementation of either pilot program would be contingent on approval by MTC, SFUSD, State of California, and SFCTA.
- Approval of the Free Muni for All Youth pilot program requires reduction of the FY 2013 and FY 2014 Proposed Operating Budget by \$3.8 million from bus maintenance and reduction of the FY 2013 and FY 2014 Proposed Capital Budget by \$2.1 million from various projects.

**ENCLOSURES:**

1. Resolution approving Free Muni for All Youth
2. Revised resolution approving Free Muni for Low Income Youth

**APPROVALS:**

**DATE**

DIRECTOR \_\_\_\_\_

4/12/12

SECRETARY \_\_\_\_\_

4/12/12

ASSIGNED SFMTAB CALENDAR DATE: April 17, 2012

**PURPOSE**

The purpose of this calendar item is to provide additional information about an alternative to the staff recommendation to provide free Muni service to low income youth Clipper card users aged 5-17 ("Free Muni for Low Income Youth"). This alternative would authorize a pilot program to extend free Muni service to all youth Clipper card users aged 5-17 ("Free Muni for All Youth"), and to authorize modifications to the FY 2013 and FY 2014 Capital and Operating budgets that would be required in order to implement a Free Muni for All Youth pilot program.

Either pilot program would begin August 1, 2012 and extend through May 31, 2014, after which date youth monthly pass fares will return to the regular indexed value on June 1, 2014 absent explicit future SFMTA Board action. No changes are proposed for cash fares for youth.

**GOAL**

The approval of either resolution will assist the SFMTA in meeting the following strategic goals:

- Goal 2: Make transit, walking, bicycling, taxi, ridesharing, and carsharing the preferred means of travel.
- Goal 3: Improve the environment and quality of life in San Francisco.

**DESCRIPTION**

On April 3, 2012 the SFMTA Board considered the following options for youth monthly passes: 1) the status quo; 2) providing free Muni for all youth, ages 5-17, who use a Clipper® card; 3) providing free Muni to low-income youth, ages 5-17, who use a Clipper® card ("Free Muni for Low Income Youth"); and 4) reducing the fare for low-income youth, ages 5-17, who use a Clipper® card.

The proposed FY 2013 and 2014 Capital and Operating Budgets presented at the April 3, 2012 SFMTA Board meeting included provisions for Free Muni for Low Income Youth. Following public comment and discussion of the options, the SFMTA Board requested information about budget modifications that would be required to allow for implementation of Free Muni for All Youth.

***Lost Revenue and Incremental Clipper® Costs***

The table below compares the lost revenue and incremental costs for the Free Muni for All Youth and Free Muni for Low Income Youth. The April 3, 2012 calendar item provides further detail.

<i>22-month Figures</i>	<b>Free Youth Pass for Low-income Youth (52%)</b>	<b>Free Pass for All Youth</b>	<b>Difference</b>
Total Revenue Loss and Incremental Clipper® Costs (required to be funded)	(\$9.4 m)	(\$16.0 m)	(\$6.6 m)

**Incremental Service Costs Estimates** In addition to lost revenue and incremental Clipper® card costs, the table below provides estimates for potential service cost impacts. These are estimates based on available information and projections. The pilot will assist in the determination of these figures.

<i>22-month Figures</i>	<b>Free Youth Pass for Low-income Youth (52%)</b>	<b>Free Pass for All Youth</b>
Service Costs**	\$4.6 m	\$9.3 m
Additional Fare Inspectors and Car Cleaners	\$0.6 m	\$1.2 m
<b>Total Costs</b>	<b>\$5.2 m</b>	<b>\$10.5 m</b>

\*\* Estimates assume that 25,000 to 37,000 additional service hours are required to meet demand created by the Free Muni for All Youth pilot. (Source: 2008 Muni Free Fare Study).

**Funding Sources**

The following table summarizes funding solutions to address the Free Muni for All Youth pilot program:

<i>22-month Figures</i>	<b>Free Pass for All Youth</b>
Total Revenue Loss and Incremental Costs (required to be funded)	(\$16.0) m
Funding Sources:	
- FY 2013 and FY 2014 SFMTA Operating Budget (Revenue Reduction, Already Included)	\$2.8 m
- FY 2012 Approved SFMTA Operating Budget	\$1.5m
- FY 2013 and FY 2014 SFMTA Operating Budget, Expenditure Reduction (Bus Maintenance)	\$3.8m*
- MTC	\$4.5 m
- SFUSD Operating Budget	\$0.2 m
- Lifeline STA (SFCTA)	\$0.4 m
- Lifeline STP (SFCTA)	\$0.7 m*
- Lifeline (SFMTA – Prop 1B)	\$2.1 m*

\*These funding sources would not be required for the Free Muni for Low Income Youth”

If the Free Muni for All Youth pilot is approved, the SFMTA will contribute \$8.1m from its operating budget and \$2.1m from its capital budget or 64 percent of the required funds. MTC will contribute 28 percent, SFUSD 1 percent and SFCTA 7 percent.

The table below summarizes the possible non-Lifeline funding sources and description of each source:

Source	Amount	Description
SFMTA Operating Budget	\$2.8 m already included in the FY 2013 and FY 2014 Proposed Budget plus \$1.5 million unspent in FY 2012 Budget. An additional \$3.8 million is required for FY 2013 and FY 2014	The \$1.5 million in FY 2012 Approved Budget for the Youth Lifeline Discount program has not been spent. The FY 2013 and FY 2014 Operating Budget includes \$1.4 million for this program. <i>The additional \$3.8 million will come from the bus maintenance efforts which were budgeted at \$2.875 million and \$5.75 million respectively in the Proposed FY 2013 and FY 2014 Operating Budget. Reducing these proposed expenditures from the bus maintenance budget would reduce the amount of planned investment in enhanced preventative maintenance and focused component replacement.</i>
MTC	Up to \$5.0 m one time (capital funds), \$500k set aside for targeting marketing and education program in schools.	Some of these funds may come from carry-over Bay Area Regional Climate Initiative Funds which San Francisco has benefited from in the past for programs such as electric vehicles. <i>Will require swapping capital funds with operating funds which will require MTC approval.</i>
SFUSD	\$0.2 m	SFUSD Operating Budget, \$0.1m / year. <i>Will require SFUSD approval.</i>

The table below summarizes the Lifeline funding sources:

New Lifeline Program 2012 Program		
<i>Proposed – JARC (\$1.2 m available)</i>	<i>Amount</i>	<i>Description</i>
Job Access and Reverse Commute (JARC) – not available for Youth Fare Program. Call for Projects mid-March 2012. Competitive Grant, Total \$1.2m available compared to the \$1.7m from the 2008 Program. SFMTA is competing with other entities for these funds. Likely that SFMTA will not receive full request, Assume SFMTA will get 50%	Assume \$0.6m funded	\$1.2 m request to sustain evening and Off Peak service for the 19 Polk, 21 Hayes, 27 Bryant, 29 Sunset, 44 O’Shaughnessy, and 54 Felton. <i>Pending approval by SFCTA.</i>
<i>Proposed – STA (\$1.4 m available)</i>	<i>Amount</i>	<i>Description</i>
Muni Route 108 Treasure Island Service	\$1.0m	Match 2010 Allocation
Free Pass for All Youth	\$0.4m	If not used for Free Muni for All Youth Program, SFMTA use the funds for transit projects in low income neighborhoods such as the Mission Mobility project.

<b>Proposed – STP (\$2.6 m available)</b>		
<i>Proposed – STP (\$2.6 m available)</i>	<i>Amount</i>	<i>Description</i>
Bus Restoration project	\$1.1m	2010 Allocation of \$1.7m less assumed JARC allocation of \$0.6m
Muni Route 108 Treasure Island Service	\$0.1m	Match 2010 Allocation
Route 29 Service Expansion	\$0.7m	2010 Allocation of \$0.7m
Free Pass for All Youth	\$0.7m	If Free Muni for All Youth Program is not approved, the \$0.7m would be requested for bike and pedestrian improvements in low income neighborhoods coordinated with DPW paving projects. These funds are not programmed in the SFMTA Capital Budget as SFMTA would compete for the funds.
<b>Proposed – Prop 1B (\$11.7 m available)</b>		
<i>Proposed – Prop 1B (\$11.7 m available)</i>	<i>Amount</i>	<i>Description</i>
8X Mobility Project	\$9.6m	\$12m total including 20% Local Match
Free Pass for All Youth	\$2.1m	If not used for Free Muni for All Youth Program, SFMTA use the funds for transit projects in low income neighborhoods such as the Mission Mobility project.

## **OTHER APPROVALS OBTAINED OR STILL REQUIRED**

### **Other Approvals**

Implementation of a Free Muni for All Youth pilot is contingent upon timely receipt of funds from the following agencies:

- BOS action on FY 2013 and FY 2014 SFMTA Operating Budget
- San Francisco Unified School District (\$0.2m)
  - Approve \$0.1m towards Free Youth Fare program annually
- Approval by the SFCTA Commission of use of Lifeline funds (\$4.0m):
  - Continue to fund Route 29 Reliability Project equal to FY 2010 level: \$0.7m
  - Continue to fund Route 108 Enhanced Service equal to FY 2010 level: \$1.1m
  - Continue to fund Bus Restoration Project equal to FY 2010 level: 1.7m (offset by JARC approval of Bus Restoration)
  - Allocate all remaining Lifeline funds to Free Youth Fare program.
  - Authorize swapping of STP Lifeline funds to allow eligibility for SFMTA operating maintenance and parts.
- Concurrence of SFCTA Commission of use of SFMTA Lifeline Prop 1B Funds (\$11.7m)
  - Authorize the allocation as follows:
    - 8x Mobility Project (\$9.6m from Prop 1B plus \$2.4m from Prop K)

- Allocate remaining 1B of \$2.1 million to Free Youth Fare program
- Authorize swapping of Prop 1B Funds to allow eligibility for SFMTA operating maintenance and parts
- Approval by State Department of Transportation for use of SFMTA Lifeline Prop 1B Funds
  - State must issue Prop 1B bonds during FY 2013
  - Authorize swapping of Prop 1B Funds to allow eligibility for SFMTA operating maintenance and parts
- Approval by MTC Commission of MTC funding (\$5.0m):
  - Allocate \$4.5m to SFMTA to cover Youth Fare program
  - Allocate \$0.5m to education and outreach
  - Authorize swapping of to allow eligibility for SFMTA operating maintenance and parts

The City Attorney has reviewed this item.

### **RECOMMENDATION**

Assuming all necessary funding approvals, staff has recommended a Free Muni for Low Income Youth pilot program and capital and operating budgets consistent with such a program.

Authorizing a Free Muni for All Youth pilot program and associated budget modifications is a policy matter for the Board of Directors.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
RESOLUTION No. \_\_\_\_\_

WHEREAS, On April 6, 2010, the San Francisco Board of Supervisors (BOS) approved Resolution Number 141-10 requesting that the SFMTA create a discounted Lifeline Pass for qualified, low-income youth; and

WHEREAS, On April 20, 2010, the SFMTA Board of Directors approved providing the San Francisco Unified School District (SFUSD) up to 12,000 discounted Youth Lifeline monthly passes to low-income youth at a rate of fifty percent off the current monthly fee which equated to \$10 per month as part of the Fiscal Year 2011 and 2012 budget; and,

WHEREAS, On March 1, 2011, the SFMTA Board authorized providing up to 12,000 discounted Youth Lifeline monthly passes for April through June 2011, to the SFUSD for distribution to low-income students at no cost; and,

WHEREAS, On August 18, 2011, the SFMTA Board received a presentation on Youth Fares including findings prepared by the Board of Supervisors' Budget Analyst; and,

WHEREAS, The San Francisco Youth Commission unanimously passed Resolution 1112-AL-01 on September 19, 2011, urging various City agencies to work together to create a plan to make MUNI free for young San Franciscans; and,

WHEREAS, On October 18, 2011, the Board of Supervisors approved Resolution Number 0445-11 urging "government agencies to work together to develop a free MUNI Fast Pass for San Francisco youth"; and,

WHEREAS, On October 12, 2011, the SFUSD Board approved Resolution Number 1110-11A2 supporting the "idea of Free Muni" and urging SFUSD to work with others to implement a "three-year pilot program for free MUNI for all youth in San Francisco including the exploration of providing free MUNI for 18 year old full time students"; and

WHEREAS, During FY 2012, there have been additional requests for the SFMTA to consider providing free passes to youth for a pilot period supported by new funds proposed to be reallocated from other purposes to cover lost revenue and incremental Clipper® costs; and,

WHEREAS, Modifications to fares are subject to the California Environmental Quality Act (CEQA). CEQA provides a statutory exemption from environmental review for the establishment, modification, structuring, restructuring or approval of rates, tolls, and other charges pursuant to California Public Resources Code section 21080(b)(8) and CEQA implementing guidelines, Title 14 of the California Code of Regulations section 15273 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; and,

WHEREAS, It has been determined that the proposed change to youth fares is statutorily exempt from environmental review under California Public Resources Code section 21080(b)(8)

and CEQA implementing guidelines, Title 14 of the California Code of Regulations section 15273 because the anticipated revenues will be used to meet SFMTA operating expenses, including employee wage rates and fringe benefits, or to purchase or lease supplies, equipment, or materials as documented in the SFMTA's FY2013 and FY2014 proposed Operating Budget which is enclosed with the FY2012-2013 and FY2013-2014 Operating Budget MTA Board calendar item; and

WHEREAS, Said CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by this reference; and,

WHEREAS, Pursuant to the requirements contained in the Federal Transit Administration's (FTA) Circular 4702.1A, "Title VI and Title VI-Dependent Guidelines for FTA Recipients," the SFMTA has conducted an evaluation of proposed options for youth fare reductions and has determined that any potential disparate impacts to youth who continue to pay with cash is mitigated by the availability of free Clipper cards; and,

WHEREAS, The Metropolitan Transportation Commission (MTC), the San Francisco Transportation Authority (SFCTA), Caltrans, and the San Francisco Unified School District (SFUSD) must approve the allocation of funds required to implement the Free Muni for All Youth pilot program; and

WHEREAS, On April 3, 2012, the SFMTA Board of Directors considered various options regarding youth Muni fares; and,

WHEREAS, On April 3, 2012, the SFMTA Board of Directors considered a proposed two year operating budget totaling \$821.0 million for FY 2012-13 and \$840.5 million for 2013-14 and a proposed Capital Budget totaling \$550.5 million for FY2012-13 and \$472.8 million for FY 2013-14; and

WHEREAS, On April 17, 2012, the SFMTA Board of Directors will be considering a revised Capital Budget totaling \$582.3 million for FY2012-13 and \$477.8 million for FY 2013-14; and

WHEREAS, The revenue and expense assumptions in the proposed operating and capital budgets considered by the SFMTA Board of Directors on April 3, 2012, were consistent with the staff recommendation to implement a pilot program providing Free Muni for Low Income Youth pilot program; and

WHEREAS, Approval of a Free Muni for All Youth pilot program would require modifications to the proposed operating and capital budgets; and

WHEREAS, On April 3, 2012, the SFMTA Board of Directors tied 3-3 on a motion to approve Free Muni for All Youth and tied 3-3 on a motion to approve Free Muni for Low Income Youth; and



WHEREAS, On April 3, 2012, in the absence of a majority to support either option, the SFMTA Board of Directors asked staff to identify the operating and capital budget modifications that would be required to fund a 22-month pilot program to provide free Muni for all youth, ages 5-17, who use a Clipper® card from August 1, 2012 through May 31, 2014; and,

WHEREAS, In compliance with the Charter Section 16.112 requirement, an advertisement ran in the San Francisco Chronicle for a five-day period beginning on April 6, 2012, for the April 17, 2012 hearing; and,

WHEREAS, Section 10 of the SFMTA Board Rules of Order requires the SFMTA to publish a notice before adopting or revising fares for five days ending at least fifteen days before adopting such fares, and the San Francisco Chronicle ad was last published less than fifteen days before April 17, 2012; now, therefore, be it;

RESOLVED, Since a newspaper advertisement was run less than fifteen days prior to the April 17th hearing, the SFMTA Board waives the requirements of Section 10 of the Board's Rules of Order; and, be it further

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors authorizes the Director of Transportation to implement Free Muni for All Youth, ages 5-17, who use a Clipper® card for a monthly pass for a 22-month pilot program beginning August 1, 2012 through May 31, 2014, after which date youth fares will return to the regular indexed value on June 1, 2014 absent explicit future SFMTA Board action; and, be it further

RESOLVED, That the implementation of Free Muni for All Youth, ages 5-17, who use a Clipper® card for a monthly pass for a 22-month pilot program beginning August 1, 2012 through May 31, 2014, is contingent on approvals from the MTC, SFCTA, Caltrans, and SFUSD, and is contingent on ensuring the funds are received by the SFMTA during FY 2013 and FY 2014; and, be it further

RESOLVED, Assuming that all conditions are satisfied for implementation of the pilot program to provide Free Muni for All Youth , ages 5-17, who use a Clipper® card, the SFMTA Board of Directors authorizes the Director of Transportation to make required modifications to the FY 2013 and FY 2014 Proposed Operating Budget to reduce expenditures for bus maintenance by \$3.8 million and the FY 2013 and FY 2014 Proposed Capital Budget to reduce expenditures for transit projects in low income neighborhoods such as the Mission Mobility project by \$2.1 million.

I certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at their meeting of April 17, 2012.

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Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency

**REVISED RESOLUTION  
FREE MUNI FOR LOW INCOME YOUTH**

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
RESOLUTION No. \_\_\_\_\_

WHEREAS, On April 6, 2010, the San Francisco Board of Supervisors (BOS) approved Resolution Number 141-10 requesting that the SFMTA create a discounted Lifeline Pass for qualified, low-income youth; and

WHEREAS, On April 20, 2010, The SFMTA Board of Directors approved providing the San Francisco Unified School District (SFUSD) up to 12,000 discounted Youth Lifeline monthly passes to low-income youth at a rate of fifty percent off the current monthly fee which equated to \$10 per month as part of the Fiscal Year 2011 and 2012 budget; and,

WHEREAS, On March 1, 2011, the SFMTA Board authorized providing up to 12,000 discounted Youth Lifeline monthly passes for April through June 2011, to the SFUSD for distribution to low-income students at no cost; and,

WHEREAS, On August 18, 2011, the SFMTA Board received a presentation on Youth Fares findings prepared by the Board of Supervisors' Budget Analyst; and,

WHEREAS, The San Francisco Youth Commission unanimously passed Resolution 1112-AL-01 on September 19, 2011, urging various City agencies to work together to create a plan to make MUNI free for young San Franciscans; and,

WHEREAS, On October 12, 2011, the SFUSD Board approved Resolution Number 1110-11A2 supporting the "idea of Free Muni" and urging SFUSD to work with others to implement a "three-year pilot program for free MUNI for all youth in San Francisco including the exploration of providing free MUNI for 18 year old full time students"; and

WHEREAS, On October 18, 2011, the Board of Supervisors approved Resolution Number 0445-11 urging "government agencies to work together to develop a free MUNI Fast Pass for San Francisco youth"; and,

WHEREAS, During FY 2012, there have been additional requests for the SFMTA to consider providing free passes to youth for a pilot period based on new funds identified to cover lost revenue and incremental Clipper® costs; and,

WHEREAS, Modifications to fares are subject to the California Environmental Quality Act (CEQA). CEQA provides a statutory exemption from environmental review for the establishment, modification, structuring, restructuring or approval of rates, tolls, and other charges pursuant to California Public Resources Code section 21080(b)(8) and CEQA implementing guidelines, Title 14 of the California Code of Regulations section 15273 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; and,

WHEREAS, It has been determined that the proposed change to youth fares is statutorily exempt from environmental review under California Public Resources Code section 21080(b)(8) and CEQA implementing guidelines, Title 14 of the California Code of Regulations section 15273 because the anticipated revenues will be used to meet SFMTA operating expenses, including employee wage rates and fringe benefits, or to purchase or lease supplies, equipment, or materials as documented in the SFMTA's FY2013 and FY2014 proposed Operating Budget which is enclosed with the FY2012-2013 and FY2013-2014 Operating Budget MTA Board calendar item; and

WHEREAS, Said CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by this reference; and,

WHEREAS, Pursuant to the requirements contained in the Federal Transit Administration's (FTA) Circular 4702.1A, "Title VI and Title VI-Dependent Guidelines for FTA Recipients," the SFMTA has conducted an evaluation of proposed options for youth fare reductions and has determined that any potential disparate impacts to youth who continue to pay with cash is mitigated by the availability of free Clipper cards; and,

WHEREAS, The Metropolitan Transportation Commission (MTC), the San Francisco Transportation Authority (SFCTA), and the San Francisco Unified School District (SFUSD) must approve the allocation of funds required to implement Free Muni for Low Income Youth; and

WHEREAS, Pursuant to Section 10 of the SFMTA Rules of Order and Charter Section 16.112, duly noticed public hearings concerning fines, fees, fares, rates and charges were conducted on March 6, 2012 and April 3, 2012 including changes to youth fares; and,

WHEREAS, On April 3, 2012, the SFMTA Board of Directors considered various options regarding youth Muni fares; and,

WHEREAS, On April 3, 2012, the SFMTA Board of Directors considered a proposed two year operating budget totaling \$821.0 million for FY 2012-13 and \$840.5 million for 2013-14 and a proposed Capital Budget totaling \$550.5 million for FY2012-13 and \$472.8 million for FY 2013-14; and

WHEREAS, The revenue and expense assumptions in the proposed operating and capital budgets considered by the SFMTA Board of Directors on April 3, 2012, were consistent with the staff recommendation to implement a pilot program providing Free Muni for Low Income Youth; and

WHEREAS, On April 3, 2012, the SFMTA Board of Directors tied 3-3 on a motion to approve Free Muni for All Youth and tied 3-3 on a motion to approve Free Muni for Low Income Youth; and

WHEREAS, On April 3, 2012, in the absence of a majority to support either option, the SFMTA Board of Directors asked staff to identify the operating and capital budget modifications that would be required to fund a 22-month pilot program to provide Free Muni for All Youth; and,

WHEREAS, In compliance with the Charter section 16.112 requirement, an advertisement ran in the San Francisco Chronicle for a five-day period beginning on April 6, 2012, for the April 17, 2012 hearing; and,

WHEREAS, Section 10 of the SFMTA Board Rules of Order requires the SFMTA to publish a notice before adopting or revising fares for five days ending at least fifteen days before adopting such fares, and the San Francisco Chronicle ad was last published less than fifteen days before April 17, 2012; now, therefore, be it;

RESOLVED, Since a newspaper advertisement was run less than fifteen days prior to the April 17th hearing, the SFMTA Board waives the requirements of Section 10 of the Board's Rules of Order; and, be it further

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors authorizes the Director of Transportation to implement Free Muni for Low Income Youth, ages 5-17, who use a Clipper® card for a 22-month pilot program beginning August 1, 2012 through May 31, 2014, after which date youth fares will return to the regular indexed value on June 1, 2014 absent explicit future SFMTA Board action; and, be it further

RESOLVED, That the implementation of Free Muni for Low Income Youth, ages 5-17, who use a Clipper® card for a monthly pass for a 22-month pilot program beginning August 1, 2012 through May 31, 2014, is contingent on approvals from the MTC, SFCTA, and SFUSD, and is contingent on ensuring the funds as received by the SFMTA during FY 2013 and FY 2014.

I certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at their meeting of April 17, 2012.

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Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency