

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 12-055

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, The Board of Directors has been greatly impressed by the compelling case for providing Muni service for free for low income youth, the Board also recognizes the merit in pursuing the goal of being able to provide service free to all youth as a way of getting young people into the Muni system and as a step toward broadening the appeal of Muni to all and thereby creating a lifelong commitment to the City's "Transit First" policy; 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; and, be it further

RESOLVED, That the SFMTA Board supports exploring new revenue options to support broadening the base of those eligible for service without charge and further that the Board directs staff to pursue all possible revenue streams that do not negatively impact the overall service delivery system of the SFMTA; and, be it further

RESOLVED, That the staff is further directed to report back to the Board on such prospects in a timely fashion with the clear intent of implementing the program for all youth at any time during the trial period should revenues be found exclusively for, that purpose; and, be it further

RESOLVED, That the Director of Transportation begin the process of dealing with the larger issue of fare equity and present a proposal for the Board's consideration for the next budget cycle or sooner if practical.

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

R. Bowmer

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency