

San Francisco Transportation Task Force 2045

December 18, 2017 Meeting



Today's Meeting Objectives & Agenda

Agenda

Time	Agenda Item
15 min.	Welcome, task force updates
5 min.	Public Comment
45 min.	Revenue Scenarios & Discussion
10 min.	Expenditure Plan Scenarios
15 min.	TTF Report, Next Steps, Thanks & Close



Task Force Work to Date

- June - Convene, overview, 2030 Refresh
- July - Needs & expenditure plan updates, Equity discussion
- August - Survey results on needs, revenue criteria discussion, revenue measure list introduced
- September - Survey results on revenue criteria, Poster stations with detail on transportation needs categories, ballot landscape discussion
- October - Revenue measure detail discussion, “dot” voting for priorities, survey results on expenditure plans
- November - Revenue priorities discussion, revenue package discussion, revenue proposals (Transit Justice Coalition), expenditure plan allocation to categories, constraints



Welcome from the Chairs

- Welcome
- The goals of today's agenda are;
 - Outline Task Force recommendations for a revenue package and expenditure plan
 - Discuss broadening agreement on recommendations
 - Understand the process leading to 2018 ballot measures
 - Lay out the Task Force reporting process & closing steps



Ballot Landscape and Process

- Transportation considerations for June 2018 ballot
 - Gross Receipts - Commercial Rent Tax for transportation
 - Regional Measure 3
 - MTA Reorganization

- General considerations for June 2018 ballot
 - Mayoral election
 - Competing tax measures
 - Timing and processes

- Questions and comments from Taskforce members



Public Comment



Revenue Scenarios



Package of Revenue Measures – Survey Results

- The survey was distributed after the November meeting. Task Force members were asked:
 - Rank choice (1,2, 3) their priority revenue measures for 2018
 - Give conditions or concerns for support of those measures
 - Choose a preferred expenditure plan scenario
 - Indicate position on each of the top six revenue measures previously prioritized for part of a revenue 'package'
 - Indicate position on a City GO bond for transportation in 2024
 - Provide other feedback or questions
- 40 Responses received = 70% of expected voting members

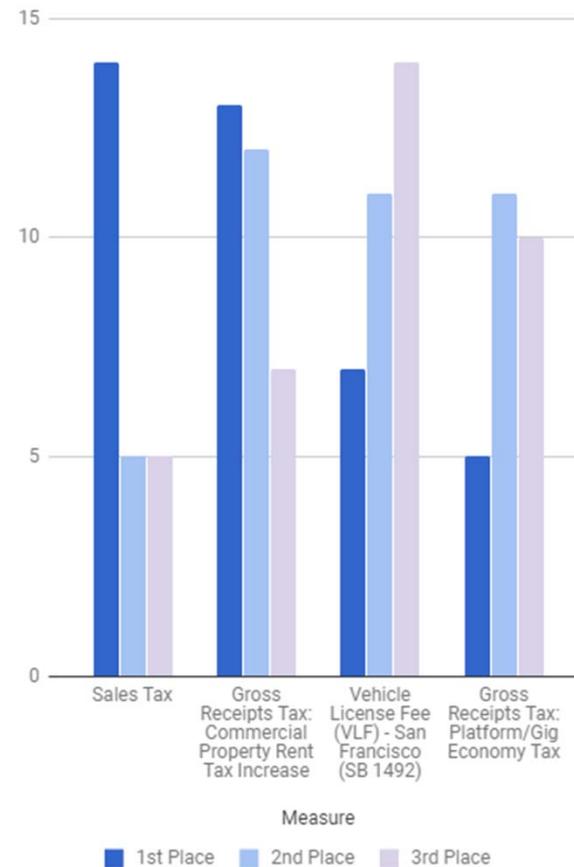


Revenue Scenarios – Survey Results

Ranked Choice Votes for 2018

- **Gross Receipts: Commercial Property Rent Tax** received the winning vote in the ranked-choice voting
- **Sales Tax** had the highest number of first choice votes, but fewer 2nd & 3rd choice votes
- **VLF** and **Gross Receipts: Platform/ Gig Economy Tax** had 7 and 5 first choice votes, respectively

Ranked Choices for 2018 - Round 1



Revenue Scenarios – Survey Results

Conditions for Support - Gross Receipts: Comm. Rent

Frequent conditions from members in support:

- Should be combined with Gross Receipts Platform/Gig Economy Tax (4 mentions)
- Should have exemptions for small businesses, non-profits and other entities (5)
- Should be dedicated to transportation (2)

Frequent comments from members opposed:

- Will drive rent increases & impact small businesses (5)



Revenue Scenarios – Survey Results

Conditions for Support - Sales Tax

Frequent conditions from members in support:

- Should be combined or paired with a more progressive measure, and/or include mitigation efforts/spending in the measure (6 mentions)
- Should be dedicated to transportation (6)

Frequent comments from members opposed:

- Regressive and/or must be combined or paired with a more progressive measure (5)



Revenue Scenarios – Survey Results

Conditions for Support - Vehicle License Fee

Frequent conditions from members in support:

- Would appropriately affect road users most (2)
- Should have exemptions for disabled, low income (2)

Frequent comments from members opposed:

- Should be reviewed after SB 1 is clear (3)
- Cannot get enough voter support, either as a general or dedicated tax (3)



Revenue Scenarios – Survey Results

Conditions for Support - GR Platform/Gig Economy

Frequent conditions from members in support:

- Should be combined with Gross Receipts Commercial Rent Tax Increase (5)

Frequent comments from members opposed:

- Too many unknowns-practical, legal, etc. (3)



Revenue Scenarios – Survey Results

Other Frequent Comments

- Package should include increase to Transportation Sustainability Fee (TSF) per 2015 study and allow TSF uses for transit operations (5)
- Package should include full cost recovery program for large corporate events that increase transit demand (5)
- City should act on local VLF depending on what happens with SB1 (4)

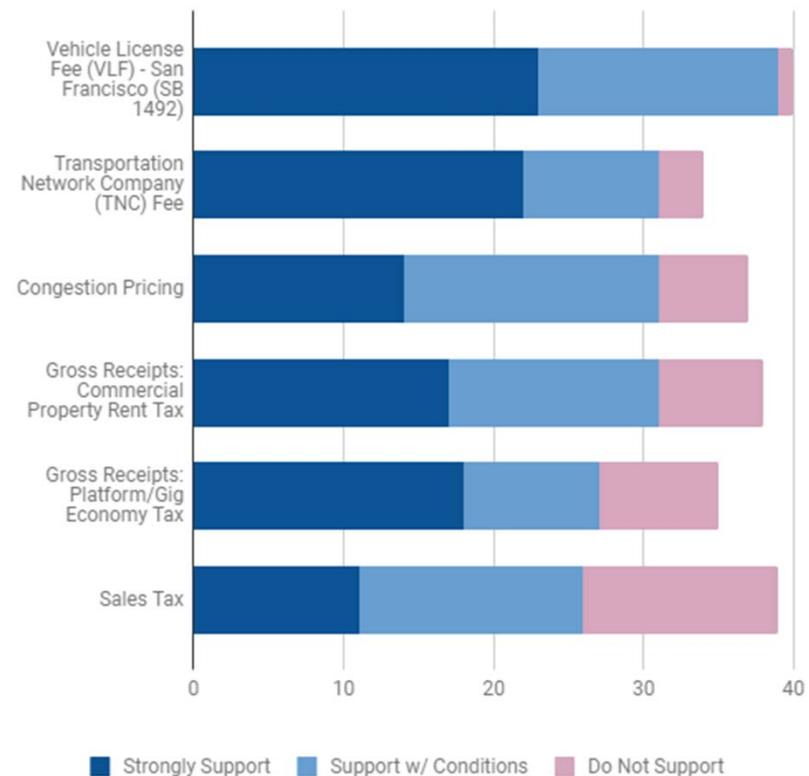


Revenue Scenarios – Survey Results

Support for Revenue Measures in a Package

- **All of the revenue sources** received majority support (alone or with conditions) for inclusion in a revenue package
- The top scoring source was the **Vehicle License Fee (VLF)**

Support for Revenue Package Items

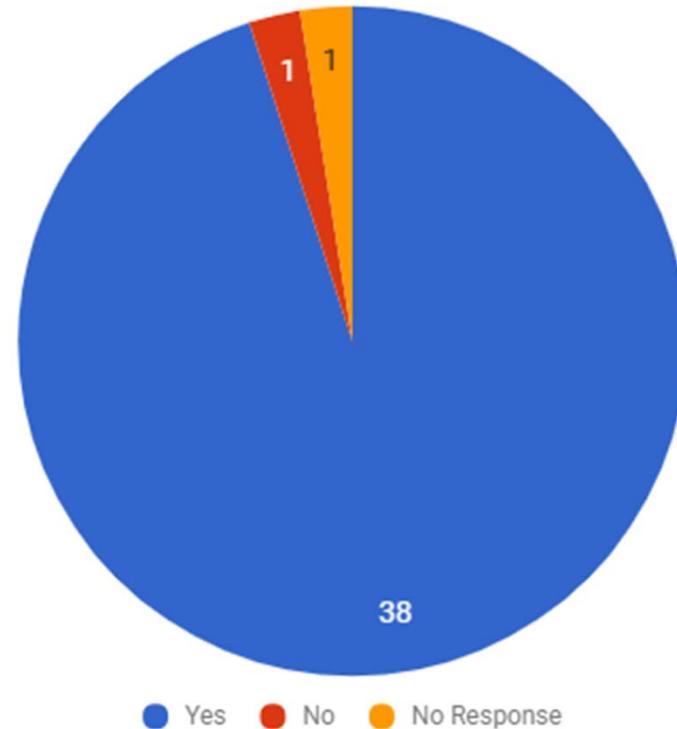


Revenue Scenarios – Survey Results

Support for GO Bond in 2024

- The **General Obligation bond for Transportation**, as included in the City’s Capital Budget for 2024, received overwhelming support

Do you generally support the City's GO Bond approach?



Revenue Scenarios

Discussion Questions

- Would you be able to support all of the measures that received majority support on the survey?
- Would you be able to support a GR commercial rent tax in 2018?
- Are there proposals or changes that would help you be able to support a transportation revenue measure for 2018?
- If clarification is needed, we will do a show of hands for any measure or proposal on the floor



Voter Opinion Survey



Survey Methodology

- 1,013 online and telephone interviews with registered voters likely to cast ballots in November 2018 in San Francisco
- Interviews conducted December 1-7, 2017
- Interviews in English, Spanish, and Chinese and on landlines and cell phones
- Margin of sampling error of $\pm 3.1\%$ at the 95% confidence level
- Some percentages may not sum to 100% due to rounding

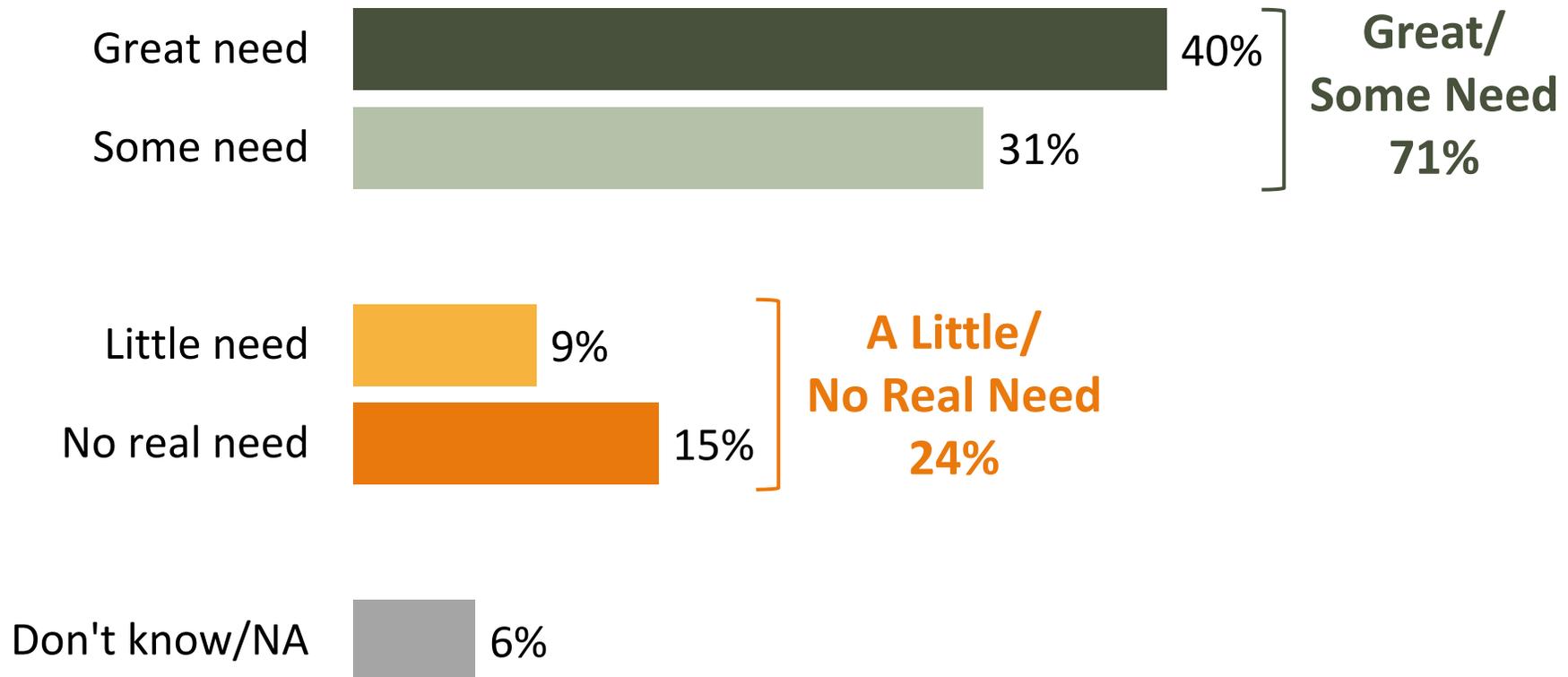


CAUTION

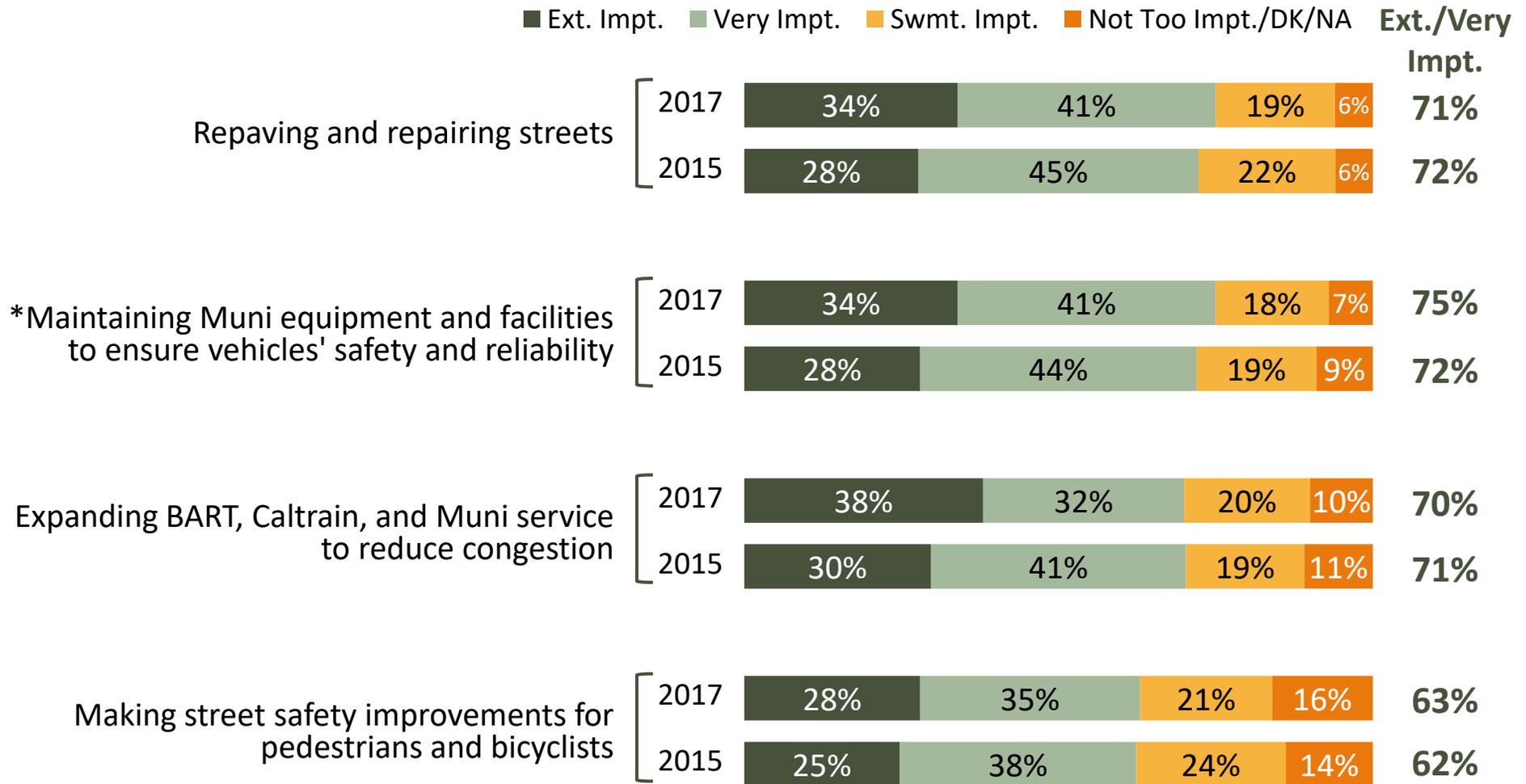
- » This survey was designed to assess community priorities for transportation funding, and to gauge the relative appeal of four distinct funding mechanisms.
- » It was not designed to make a final determination of a funding measure's viability, and firm conclusions about viability cannot be derived from the data.
- » Subsequent research should gauge support for the policy details of a more specific plan, as well as the impact of a range of pro and con arguments, before conclusions are drawn about viability.

Seven in ten see a need for additional funding for transportation in San Francisco.

In your personal opinion, do you think there is a great need, some need, a little need, or no real need for additional funds to improve the transportation system in San Francisco?

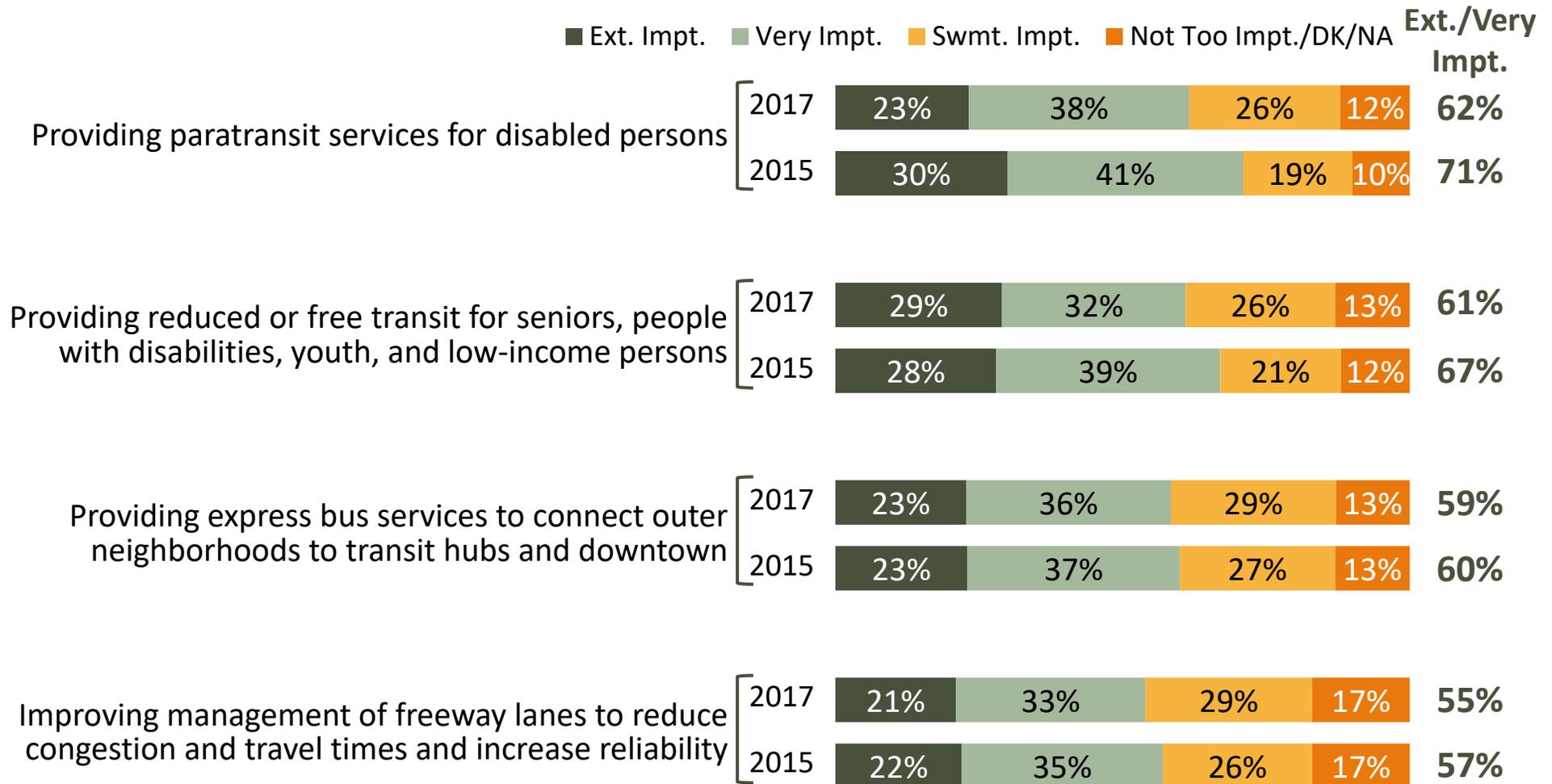


Voters place highest priority on repaving streets, maintaining Muni and expanding public transportation service.



Q7. I am going to read you a list of ways that money from a measure like the one I just described might be used. Please tell me how important it is to you that money from the measure be used to pay for each of the following—is it extremely important, very important, somewhat important, or not too important? *Wording varies slightly from that in 2015

Paratransit services and reduced transit fares were also important to voters, but lower-tier overall.



Q7. I am going to read you a list of ways that money from a measure like the one I just described might be used. Please tell me how important it is to you that money from the measure be used to pay for each of the following—is it extremely important, very important, somewhat important, or not too important? *Wording varies slightly from that in 2015

Ballot Language Tested

The San Francisco Transportation Improvement and Safety Measure

In order to:

- expand BART and Muni vehicle fleets;
- fix potholes and repair deteriorating streets;
- update infrastructure to keep BART, Muni, and Caltrain safe and prevent breakdowns;
- improve bicycle and pedestrian facilities; and
- improve transportation for seniors and the disabled,

(Group 1:) shall the San Francisco sales tax rate be increased by ½-cent bringing the total tax to 9%,

(Group 2:) shall San Francisco add an annual assessment to the Vehicle License Fee equal to 1.35% of the vehicle's value,

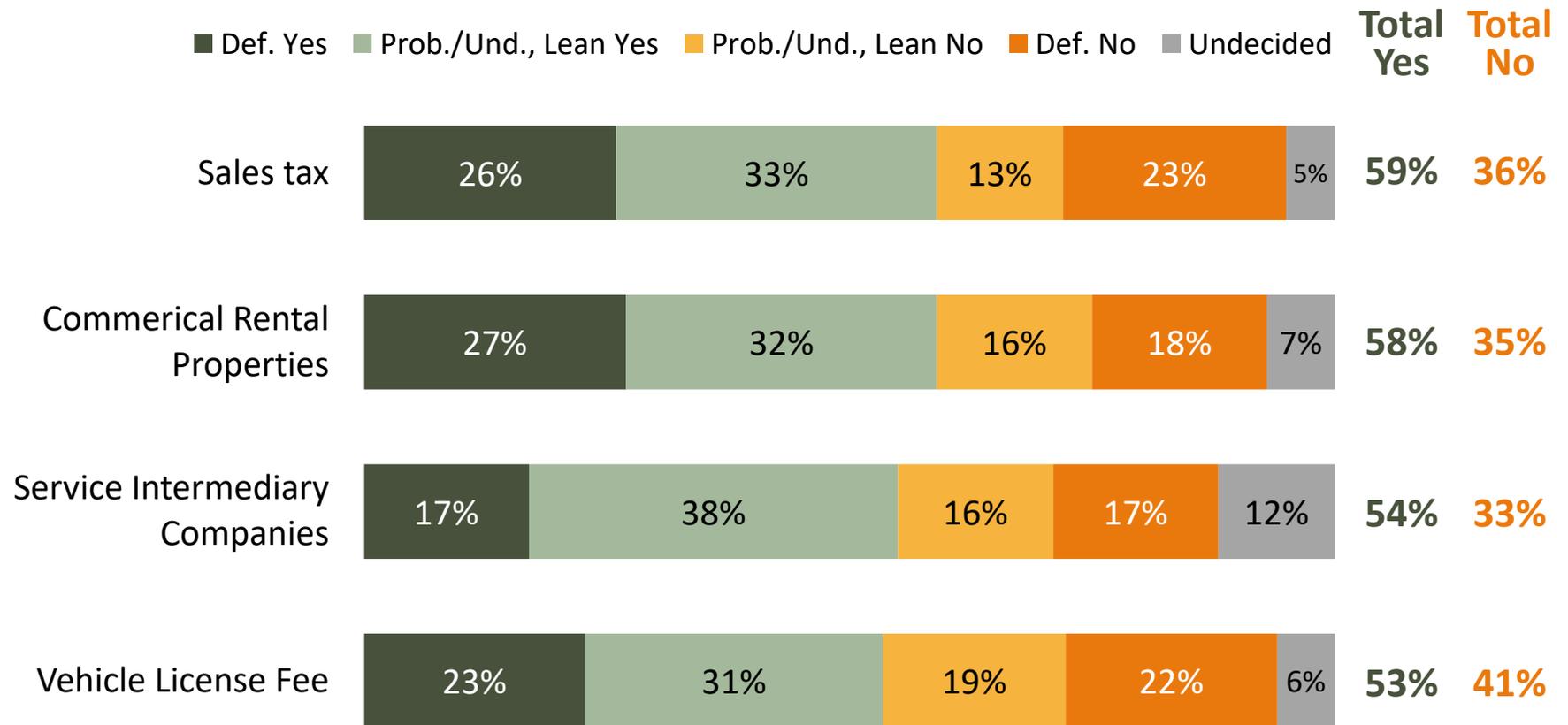
(Group 3:) shall San Francisco increase the business tax rate on revenues from commercial rental properties up to 2.5%,

(Group 4:) shall San Francisco establish a 2% tax on revenues retained by third-party service intermediary companies,

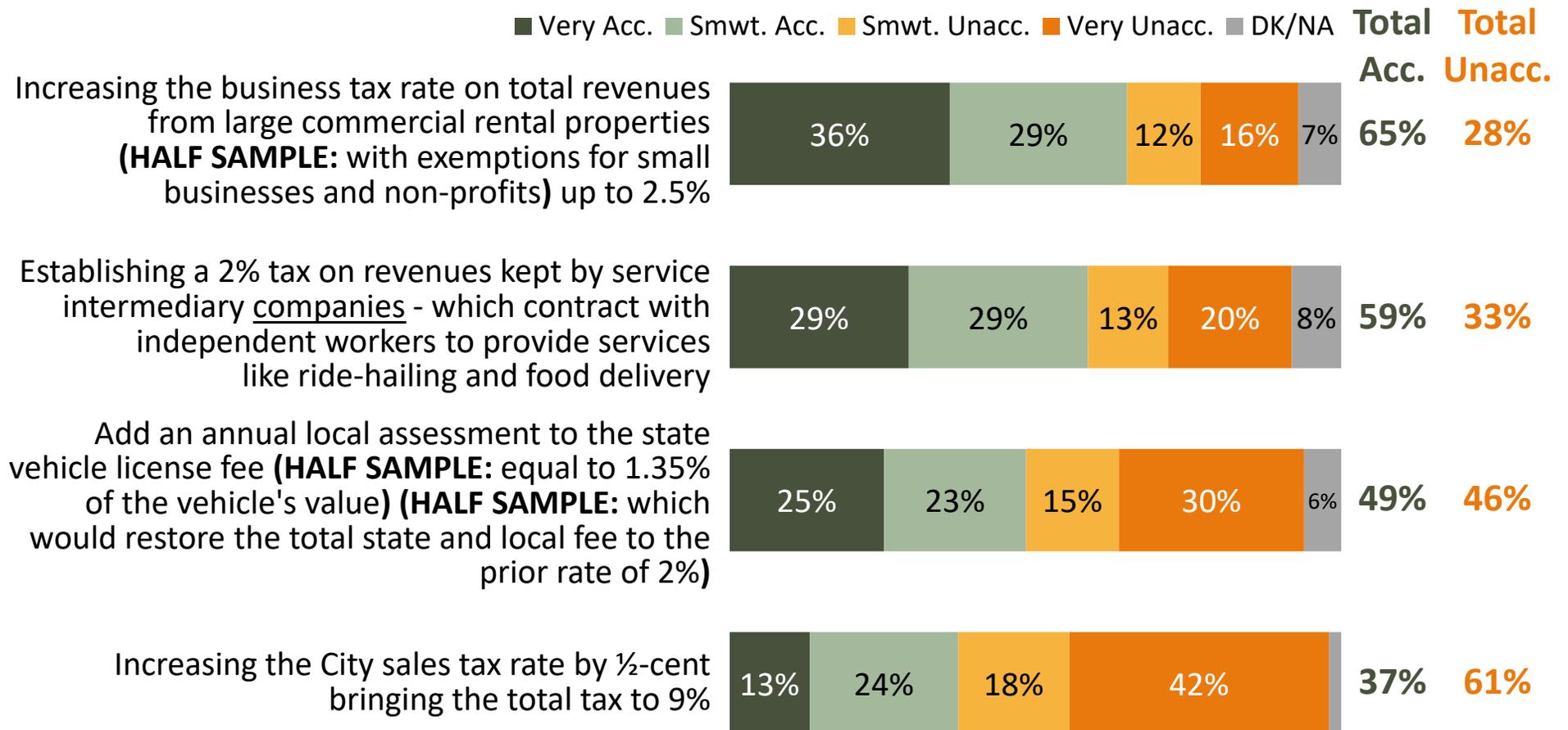
subject to independent audits and public oversight?

The sales tax and business taxes receive the strongest initial support when read in isolation as a sample revenue measure.

If there were an election today, do you think you would vote “yes” in favor of this measure or “no” to oppose it?



Upon hearing all four mechanisms individually, the two Gross Receipts Tax measures were most acceptable to voters



Q6 (Total). The final structure of the San Francisco transportation funding ballot measure I just described has not been determined. I am going to read you several different potential sources of funding for the transportation improvements described in that measure. Please tell me whether you would find it acceptable or unacceptable as a way of raising money for these purposes.

Findings

- San Francisco voters see a need for additional funding for public transportation and a majority are willing to support a funding measure to provide additional funding for public transportation and traffic improvements.
- Among the potential funding mechanisms, a sales tax and a business tax on commercial rents receive the strongest initial support.
- However, after balanced pro and con arguments describing each funding mechanism, the proposed commercial rental property tax and service intermediary tax are seen as most acceptable to voters.
- Voters view repairing streets and investing in public transit, including BART, Muni and Caltrain, as the most important spending areas for the measure.

Expenditure Plan Scenarios



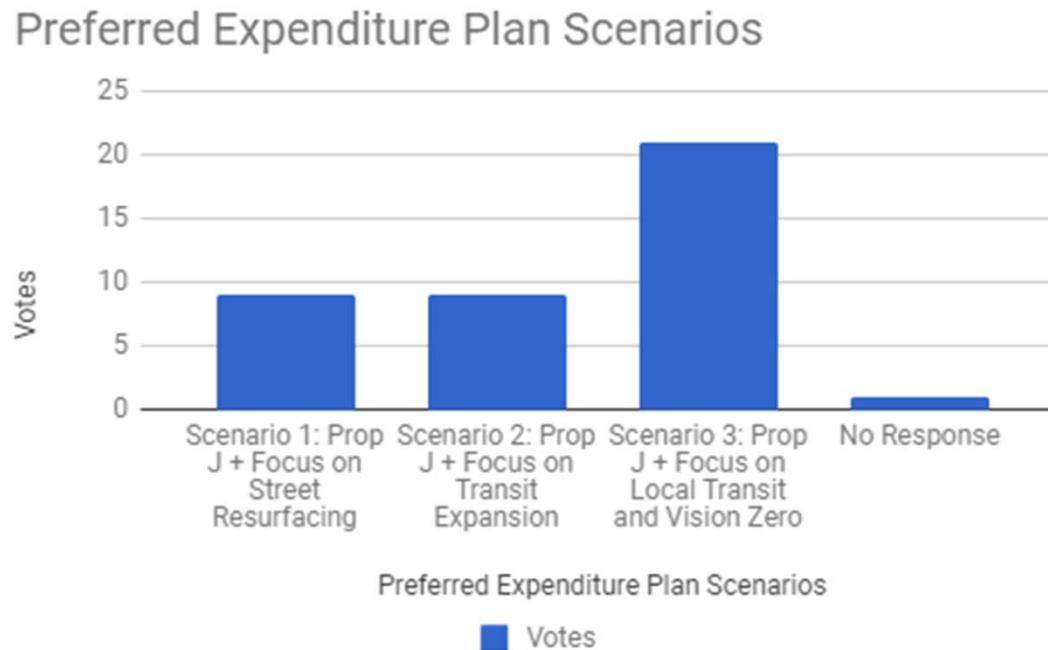
Expenditure Plan Scenarios

- The three scenarios each assumes \$100 million per year in new revenues for ease of comparison
- Revenues are directed to various combinations of the six categories to illustrate different policy choices about where to invest local funds.
- Each assumes funding to achieve a Pavement Condition Score (PCI) of 70 (“good”) with General Fund revenues assumed to fill the \$29 million annual funding gap for street resurfacing.



Expenditure Plan Scenarios – Survey Results

- **Scenario 3: Prop J + Focus on Local Transit & Vision Zero** received 53% of the vote
- Scenarios 1 and 2 each received about 23% of the vote



Expenditure Plan Scenarios – Survey Results

Scenario 3: Prop J + focus on Local Transit and Vision Zero

- Assumes \$9 million/year for street resurfacing from general fund
- Directs more funding to categories 1, 2 and 5, focusing on supporting Muni operations, local transit state of good repair and safety improvements on local streets for all users

2018 Expenditure Plan Category	Million \$	Percentage
1. Transit Service and Affordability	\$16	16%
2. Muni Fleet, Facilities and Infrastructure	\$22	22%
3. Transit Optimization and Expansion	\$11	11%
4. Regional Transit and Smart Systems Management	\$16	16%
5. Vision Zero, Safer and Complete Streets	\$15	15%
6. Street Resurfacing	\$20	20%
TOTAL	\$100	100.0%



Expenditure Plan Scenarios – Survey Results

Scenario 3: Prop J + focus on Local Transit and Vision Zero

- **Is the Task Force comfortable with this as the recommendation?**
- **The ultimate allocations may vary given the size of the revenue source and as needed to ensure broad support.**

SCENARIO 3 - 2018 Expenditure Plan Category	Million \$	Percentage
1. Transit Service and Affordability	\$16	16%
2. Muni Fleet, Facilities and Infrastructure	\$22	22%
3. Transit Optimization and Expansion	\$11	11%
4. Regional Transit and Smart Systems Management	\$16	16%
5. Vision Zero, Safer and Complete Streets	\$15	15%
6. Street Resurfacing	\$20	20%
TOTAL	\$100	100.0%



Task Force Recommendations and Next Steps



Draft T2045 Task Force Report

- Distributed by email
- Hard copies distributed today
- Final Recommendations Chapter to be revised after today's meeting, and emailed to the Task Force by the end of the week
- Comments on the report will be accepted until **January 5** please email Michelle@SFCTA.org
- *Quotes requested about funding priorities*
- Final Report will be available to the Task Force by the **end of January**



Next Steps

- Submit **T2045 Task Force Report** to the Mayor, the Board of Supervisors / Transportation Authority Board, and the SFMTA Board of Directors.
- Communicate the goals and recommendations of the Task Force to the public and interested parties.
- Continue advocacy for the Task Force's recommendations.

The Controller's Office will ask for one last survey
Please give feedback on the Task Force process!



WRAP UP AND THANK YOU!

- **Thank you!** to all Task Force members for your time and thoughtful consideration of these complex issues
- City leadership and agencies very highly value the the fact that the Task Force and stakeholders updated and worked together to understand the revenue measures and transportation needs
- Our work in the Task Force is part of building a comprehensive, smart approach to transportation funding and planning in San Francisco.



Thank you!

Please send comments and feedback to
SFtransportation2045@sfgov.org

<http://SFtransportation2045.com>

