

FILE NO.

[Municipal Transportation Agency: Equity Analysis, Supplemental Appropriation to the Transportation Fund, MTA Inspector General, Limits on Fare Increases, Free Muni for Youth, Transit Impact Fee.]

CHARTER AMENDMENT
PROPOSITION _____

Describing and setting forth a proposal to the qualified voters of the City and County of San Francisco to amend the Charter of the City and County of San Francisco by amending Sections 8A.100, 8A.101, 8A.103, 8A.105, 8A.107, 8A.108, and 8A.109 to: make improving equity a core goal of the Municipal Transportation Agency; require public hearings and written contracts for any contracts between the MTA and other City departments; require an annual Equity Analysis evaluating MTA services; allocate a Supplemental Appropriation to the Transportation Fund prioritized to mitigating deficiencies identified in the Equity Analysis; establish an office of the MTA Inspector General; limit increases in fares to the increase in the Consumer Price Index; not charge youth age 18 and under to ride the Municipal Railway; and adopt a Transit Impact Fee.

The Board of Supervisors hereby submits to the qualified voters of the City and County, at an election to be held on November 4, 2014, a proposal to amend the Charter of the City and County by amending Sections 8A.100, 8A.101, 8A.103, 8A.105, 8A.107, 8A.108, and 8A.109 to read as follows:

NOTE: Additions are single-underline italics Times New Roman;
deletions are ~~strike-through italics Times New Roman~~.

Section 1. The San Francisco Charter is hereby amended by amending Sections 8A.100, 8A.101, 8A.103, 8A.105, 8A.107, 8A.108, and 8A.109 to read as follows:

/ / /

SEC. 8A.100. PREAMBLE.

(a) An effective, efficient, and safe transportation system is vital for San Francisco to achieve its goals for quality of life, environmental sustainability, public health, social justice, and economic growth. The Municipal Transportation Agency must manage San Francisco's transportation system — which includes automobile, freight, transit, bicycle, and pedestrian networks — to help the City meet those goals. Through this measure, the voters seek to provide the Municipal Transportation Agency with improved resources and expanded independence and authority in order to create a transportation system that is among the best in the world.

(b) This article requires the Municipal Transportation Agency to develop clear, meaningful and quantifiable measures of its performance and goals and to regularly publicize those standards. This article also recognizes that the workers of the Municipal Transportation Agency are vital to the success of the Agency and to achieving the improvements voters seek. Therefore, it authorizes incentives for excellence and requires accountability for both managers and employees.

(c) Specifically, San Francisco residents require:

1. Reliable, safe, timely, frequent, and convenient transit service to all neighborhoods;
2. A reduction in breakdowns, delays, over-crowding, preventable accidents;
3. Clean and comfortable transit vehicles and stations, operated by competent, courteous, and well trained employees;
4. Support and accommodation of the special transportation needs of the elderly and the disabled;
5. *A focus on reducing the socio-economic inequities in the City's transportation system.*

65. Protection from crime and inappropriate passenger behavior on the Municipal Railway;

76. Responsive, efficient, and accountable management;

87. Roads that are not gridlocked with congestion;

98. A safe and comprehensive network of bicycle lanes;

109. A safe and inviting environment for pedestrians;

11+0. Efficient movement of goods and deliveries;

12+1. A transportation sector that promotes environmental sustainability and does not contribute to global warming; and

13+2. A well-managed and well-coordinated transportation system that contributes to a livable urban environment.

Through this measure, the voters seek to provide the transportation system with the resources, independence and focus necessary to achieve these goals.

(d) The voters find that one of the impediments to achieving these goals in the past has been that responsibility for transportation has been diffused throughout City government. Accordingly, this Article places within the Municipal Transportation Agency the powers and duties relating to transit now vested in other departments, boards, and commissions of the City and County. This Article further requires that, to the extent other City and County agencies provide services to the Municipal Transportation Agency, those departments must give the highest priority to the delivery of such services.

(e) At the same time, this Article is intended to ensure sufficient oversight of the Municipal Transportation Agency by, among other things, preserving the role of the City's Controller as to financial matters, the City Attorney as to legal matters, ~~and~~ the Civil Service Commission, as to merit system issues, and the San Francisco County Transportation Authority ("Authority") as to measurement of service performance and equity.

In addition, this Article promotes accountability through the creation of an Office of Inspector General for the Agency and through the requirement ~~requires~~ that the Inspector General perform independent audits of Agency functions and operations ~~outside audits be performed~~ to ensure that required service levels are obtained with a minimum of waste.

(f) Finally, this Article is intended to strengthen the Municipal Transportation Agency's authority to: 1) manage its employees; 2) establish efficient and economical work rules and work practices that maximize the Agency's responsiveness to public needs; and 3) protect the Agency's right to select, train, promote, demote, discipline, layoff and terminate employees, managers, and supervisors based upon the highest standards of customer service, efficiency and competency.

(g) The effective management of traffic flow and parking are vital to the operation of the Municipal Railway. Congestion on city streets causes delays in transit operations. Therefore, the Municipal Transportation Agency must manage parking and traffic flow to ensure that transit vehicles move through City streets safely and efficiently.

(h) In addition, the residents of San Francisco require that the Agency: 1) value and protect the safety of pedestrians and bicyclists; 2) reduce congestion and air pollution through efficient use of the streets; and 3) protect the City's economic health by giving priority to commercial deliveries and access to local businesses.

(i) The voters find that reducing the carbon emissions from San Francisco's transit sector is fundamental to the City's health and wellbeing and shall be among the Agency's policy priorities. Because the Agency has significant influence on San Francisco's transportation sector, which is responsible for fully half of the carbon emissions produced within the City, the voters direct the Agency to develop and implement strategies for substantially reducing those emissions. The voters further affirm the goals of the City's Climate Action Plan.

(j) This Article shall be interpreted and applied in conformance with the above goals.

SEC. 8A.101. MUNICIPAL TRANSPORTATION AGENCY

There shall be a Municipal Transportation Agency. The Agency shall include a Board of Directors and a Director of Transportation. The Agency shall include the Municipal Railway and the former Department of Parking and Traffic, as well as any other departments, bureaus or operating divisions hereafter created or placed under the Agency. There shall also be a Citizens Advisory Committee to assist the Agency.

(b) The Board of Supervisors shall have the power, by ordinance, to abolish the Taxi Commission created in Section 4.133, and to transfer the powers and duties of that commission to the Agency under the direction of the Director of Transportation or his or her designee . In order to fully integrate taxi-related functions into the Agency should such a transfer occur, the Agency shall have the same exclusive authority over taxi-related functions and taxi-related fares, fees, charges, budgets, and personnel that it has over the Municipal Railway and parking and traffic fares, fees, charges, budgets, and personnel. Once adopted, Agency regulations shall thereafter supercede all previously-adopted ordinances governing motor vehicles for hire that conflict with or duplicate such regulations.

(c) Any transfer of functions occurring as a result of the above provisions shall not adversely affect the status, position, compensation, or pension or retirement rights and privileges of any civil service employees who engaged in the performance of a function or duty transferred to another office, agency, or department pursuant to this measure.

(d) Except as expressly provided in this Article, the Agency shall comply with all of the restrictions and requirements imposed by the ordinances of general application of

the City and County, including ordinances prohibiting discrimination of any kind in employment and contracting, such as Administrative Code Chapters 12B et seq., as amended from time to time. The Agency shall be solely responsible for the administration and enforcement of such requirements.

(e) The Agency may contract with ~~existing~~ a City and County departments when it finds, after a public hearing, that such a contract is necessary to carry out or support any of its powers ~~and~~ or duties. Any such contract shall be in writing and shall establish performance standards for the department providing the services to the Agency, including measurable standards for the quality, timeliness, and cost of the services provided. All City and County departments must give the highest priority to the delivery of such services to the Agency.

(f) The Agency may not exercise any powers and duties of the Controller or the City Attorney and shall contract with the Controller and the City Attorney for the exercise of such powers and duties.

SEC. 8A.103. SERVICE STANDARDS AND ACCOUNTABILITY.

(a) The Municipal Railway shall provide a level of service measured in service hours which is not less than that provided under the schedule of service published in the April 1996 timetable, although not necessarily in that configuration.

(b) By July 1 of each year, the Agency shall adopt mile-stones toward achievement of the goals specified in subsections (c) and (d). Milestones shall be adopted for each mode of transportation of the Municipal Railway, and for the Municipal Railway as a whole, with the goal of full achievement of the standards set in subsection (c).

(c) The standards for the Agency with respect to the services provided by the Municipal Railway shall include the following minimum standards for on-time performance and service delivery:

1. On-time performance: at least 85 percent of vehicles must run on-time, where a vehicle is considered on-time if it is no more than one minute early or four minutes late as measured against a published schedule that includes time points; and

2. Service delivery: 98.5 percent of scheduled service hours must be delivered, and at least 98.5 percent of scheduled vehicles must begin service at the scheduled time.

(d) The Board of Directors shall adopt Agency rules setting additional measurable standards for system reliability, system performance, staffing performance, and customer service, including:

1. Passenger, public, and employee safety and security;
2. Coverage of neighborhoods and equitable distribution of service;
3. Level of crowding;
4. Frequency and mitigation of accidents and breakdowns;
5. Improvements in travel time, taking into account adequate recovery and lay-over times for operators;
6. Vehicle cleanliness, including absence of graffiti;
7. Quality and responsiveness of customer service;
8. Employee satisfaction;
9. Effectiveness of the preventive maintenance program; and
10. Frequency and accuracy of communications to the public.
11. The Agency's duties related to parking and traffic functions and any other functions that may be added to the Agency's responsibilities.

12. An Equity Analysis set forth in Section 8A.103(f)

(e) The Board of Directors shall adopt Agency rules setting forth the methods by which performance shall be measured with respect to each standard established pursuant to subsections (c) or (d) above in accordance with industry best practices to enhance the Agency's ability to compare its performance to that of other comparable transit systems. The Agency shall regularly publish reports documenting the Agency's performance for each standard. Each performance report shall note any changes in the rules governing the methods by which performance is measured so as to inform interpretation of performance trends over time. Nothing herein shall prohibit the Agency from using additional performance measures.

(f) In consultation with the Agency, the Authority shall establish a standard set of Equity Performance Metrics in order to create a baseline Equity Analysis of existing municipal railway services and transportation infrastructure on or before February 1, 2015. The baseline Equity Analysis shall identify any deficiencies in municipal railway service and transportation infrastructure to low-income and transit dependent communities as compared to the rest of the city as a whole. The baseline Equity Analysis shall also set forth an expenditure plan to mitigate such deficiencies. The expenditure plan shall identify the amount of the Supplemental Appropriation, as defined in Section 8A.105(b)(4) that is required to implement the plan. The Agency Board of Directors and Authority Board of Commissioners, or subcommittees of their respective bodies, shall hold a joint hearing to review the Equity Analysis and associated expenditure plan. The Equity Analysis and expenditure plan shall then be approved first by the Agency Board of Directors and then by the Authority Board of Commissioners. Should the Authority Board of Commissioners vote to reject the Equity Analysis and associated expenditure plan on or before March 1, the Board of Commissioners shall, by March 1, adopt findings to support its decision. The Agency shall respond to the finding adopted by the Board of Commissioners and shall re-submit an Equity Analysis and expenditure plan to the Board of Commissioners by April 1.

In consultation with the Agency, the County Transportation Authority shall annually update the Equity Analysis on or before February 1.

The updated Equity Analysis shall be based on the Equity Performance Metrics, and measure progress made toward mitigating existing service and infrastructure deficiencies in low-income and transit-dependent communities, identify any new service or infrastructure deficiencies in low-income and transit-dependent communities, and set forth an expenditure plan to mitigate any such new deficiencies in low-income and transit-dependent communities. The expenditure plan shall identify the amount of the Supplemental Appropriation, as defined in Section 8A.105(b)(4) that is required to implement the plan.

The Agency Board of Directors and Authority Board of Commissioners, or subcommittees of their respective bodies, shall hold a joint hearing to review the updated Equity Analysis and associated expenditure plan. The updated Equity Analysis shall then be approved first by the Agency Board of Directors and then by the Authority Board of Commissioners. Should the Authority Board of Commissioners vote to reject the Equity Analysis and associated expenditure plan on or before March 1, the Board of Commissioners shall, by March 1, adopt findings to support its decision. The Agency shall respond to the finding adopted by the Board of Commissioners and shall re-submit an Equity Analysis and expenditure plan to the Board of Commissioners by April 1.

Nothing contained herein this Section 8A.103(f) shall be interpreted or applied so as to conflict with Title VI of the Civil Rights Act of 1964.

(fg) The Agency shall issue a Climate Action Plan to the Board of Supervisors and the Commission on the Environment by January 1, 2009, and every two years thereafter. The plan shall describe measures taken and progress made toward the goal of reducing greenhouse gas emissions from San Francisco's transportation sector to

80% of 1990 levels by 2012 and shall further address progress toward the following goals:

1. Zero greenhouse gas emissions for Municipal Railway transit vehicles;
2. Lowering energy consumption in Agency facilities and by non-transit vehicles;
3. Maximizing waste reduction in Agency operations;
4. Increasing transit trips and reducing private vehicle trips within the City;
5. Increasing the use of bicycling and walking as alternate forms of transportation; and
6. Improving regional transit connections to reduce private vehicle use by commuters.

No later than January 1, 2010, and no less than every ten years thereafter, the Board of Supervisors shall adopt legislation setting goals for reducing greenhouse gas emissions from San Francisco's transportation sector, and other climate action measures set forth above, for periods after 2012.

SEC. 8A.105 MUNICIPAL TRANSPORTATION FUND.

(a) There is hereby established a fund to provide a predictable, stable, and adequate level of funding for the Agency, which shall be called the Municipal Transportation Fund. The fund shall be maintained separate and apart from all other City and County funds. Monies therein shall be appropriated, expended, or used by the Agency solely and exclusively for the operation including, without limitation, capital improvements, management, supervision, maintenance, extension, and day-to-day operation of the Agency, including any division subsequently created or incorporated

into the Agency and performing transportation-related functions. Monies in the Fund may not be used for any other purposes than those identified in this Section.

(b) Beginning with the fiscal year 2000-2001 and in each fiscal year thereafter, there is hereby set aside to the Municipal Transportation Fund the following:

1. An amount (the "Base Amount") which shall be no less than the amount of all appropriations from the General Fund, including all supplemental appropriations, for the fiscal year 1998-1999 or the fiscal year 1999-2000, whichever is higher (the "Base Year"), adjusted as provided in subsection (c), below, for (1) the Municipal Railway; and (2) all other City and County commissions, departments and agencies providing services to the Municipal Railway, including the Department of Human Resources and the Purchasing Department, for the provision of those services. The Base Amount for the Department of Parking and Traffic and the Parking Authority shall be established in the same fashion but using fiscal years 2000-2001 and 2001-2002 for the services being incorporated into the Agency.

2. Subject to the limitations and exclusions in Sections 4.113, the revenues of the Municipal Railway, and, upon their incorporation into the Agency, the revenues of the Department of Parking and Traffic, and the Parking Authority; and

3. All other funds received by the City and County from any source, including state and federal sources, for the support of the Agency.

4. In the fiscal year 2015-2016 budget, the City shall appropriate to the Transportation Fund an additional amount ("Supplemental Appropriation") of \$70 million. The Supplemental Appropriation shall be adjusted for each year after fiscal year 2015-2016 by the Controller based on calculations consistent from year to year, by the percentage increase or decrease in aggregate City and County discretionary revenues. In determining aggregate City and County discretionary revenues, the Controller shall only include revenues received by the City which are unrestricted and may be used at the option of the Mayor and the Board of

Supervisors for any lawful City purpose. Errors in the Controller's estimate of discretionary revenues for a fiscal year shall be corrected by adjustment in the next year's estimate.

For each Fiscal Year between 2015-2016 and 2030-2031, the agency shall allocate funds from the Supplemental Appropriation by first allocating funds for mitigation of service deficiencies in low-income and transit-dependent communities pursuant to the Equity Analysis set forth in Section 8A.103(f). All remaining funds in the Supplemental Appropriation shall then be allocated according to the following formula:

(A) Forty four percent (44%) for Municipal Railway service including a portion for ridership incentives, funding for the Free Muni For Youth Program, and other discounts for low-income for seniors, people with disabilities and other adults;

(B) Twenty eight percent (28%) for vehicle procurement, overhauls and maintenance; and

(C) Twenty eight percent (28%) for street repairs and reconstruction, giving priority to streets with Municipal Railway and bicycle routes, bicycle infrastructure, and pedestrian safety improvements.

Should the Authority Board of Commissioners vote to reject the Equity Analysis as insufficient pursuant to Section 8A.103(f), funds from the Supplemental Appropriation shall not be spent on any allocation under Section 8A.105(b)(4)(A, B, or C) but may be spent on mitigation of service deficiencies to low-income and transit-dependent communities.

When submitting the Agency budget to the Board of Supervisors, the Agency shall include a separate accounting of the allocations of the Supplemental Appropriation to demonstrate that the funds are not being used to supplant other funding in the Agency's budget.

Revenues obtained thereby shall be in addition to, and not in place of, any sums otherwise required to be deposited in the Transportation Fund.

This subsection shall become effective only if the Board of Supervisors, by motion within thirty days of the certification of the November 4, 2014 election by the Director of

Elections, determines that the Supplemental Appropriation is fiscally feasible. Before finding that the Supplemental Appropriation is fiscally feasible, the Board of Supervisors shall consult with the Mayor's Budget Director and Controller, and take into account the City's projected revenues and expenditures in the City's financial plans. If the Board of Supervisors fails to pass such a motion within thirty days of the certification of the November 4, 2014 election, the entire Section 8A.105(b)(4) shall be irrevocably terminated and after such date shall have no force or effect and the City Attorney is authorized to take all steps necessary to remove this subsection 8A.105(b)(4) from the Charter.

(c) The Base Amount shall initially be determined by the Controller. Adjustments to the Base Amount shall be made as follows:

1. The Base Amount shall be adjusted for each year after fiscal year 2000-2001 by the Controller based on calculations consistent from year to year, by the percentage increase or decrease in aggregate City and County discretionary revenues. In determining aggregate City and County discretionary revenues, the Controller shall only include revenues received by the City which are unrestricted and may be used at the option of the Mayor and the Board of Supervisors for any lawful City purpose. Errors in the Controller's estimate of discretionary revenues for a fiscal year shall be corrected by adjustment in the next year's estimate.

2. An adjustment shall also be made for any increases in General Fund appropriations to the Agency in subsequent years to provide continuing services not provided in the Base Year, but excluding additional appropriations for one-time expenditures such as capital expenditures or litigation judgments and settlements and excluding the Supplemental Appropriation.

(d) The Treasurer shall set aside and maintain the amounts required to be set aside by this Section, together with any interest earned thereon, in the Municipal Transportation Fund, and any amounts unspent or uncommitted at the end of any fiscal

year shall be carried forward, together with interest thereon, to the next fiscal year for the purposes specified in this Article.

(e) It is the policy of the City and County of San Francisco to use parking-related revenues to support public transit. To that end, the following parking-related revenues deposited in the Transportation Fund shall be used to support the capital and operating expenses arising from the Agency's transit functions:

1. Revenues from parking meters, except those amounts collected from parking meters operated by the Recreation and Park Department and the Port Commission and except to the extent that they are required by law to be dedicated to other traffic regulation and control functions;

2. Revenues from off-street parking facilities under the jurisdiction of the Agency (excluding facilities owned by the Parking Authority), including facilities leased to private owners and non-profit corporations, except those amounts generated from any parking on or below any land or facilities under the jurisdiction of the Recreation and Park Department and except those amounts obligated by contract executed before 1993 to pay debt service;

3. Revenues from fines, forfeited bail, or penalties for parking violations, except those amounts to be credited to the courthouse construction funds as provided in Administrative Code Section 10.117-35.

(f) In addition, there is hereby set aside from the general revenues of the City and County and deposited in the Transportation Fund to support the Agency's transit services an amount equivalent to 80 percent of the revenues received from the City's tax on occupation of parking spaces. Additional amounts appropriated as a result of this subsection after July 1, 2008 which were not previously available to support transit service shall be used exclusively to:

1. support implementation of the transit service improvements recommended by the Transit Effectiveness Project or any subsequent system-wide route and service evaluation, with first priority given to the hiring of full time on-going staff and expansion of training for Agency employees, supervisors and managers; and

2. support the creation of a Labor-Management Implementation and Service Improvement Committee consisting of the Director of Transportation and a designated representative of each union representing Agency employees. This committee shall meet quarterly to discuss implementation of this Section and ongoing system challenges.

SEC. 8A.107. INSPECTOR GENERAL MUNICIPAL TRANSPORTATION QUALITY REVIEW.

(a) In consultation with the Controller, the MTA Board of Directors shall appoint or reappoint an Inspector General who shall serve a five year term. The Inspector General may only be removed by the Board of Directors or Controller for cause. The inspector general shall be compensated at a salary at least equivalent to the average compensation paid to managers who report directly to the Director of Transportation.

(b) The purpose of the Office of Inspector General is to provide an independent unit, reporting directly to the Controller, to conduct and supervise audits, reviews and analyses relating to the effectiveness, efficiency, and equity of MTA programs, operations, contracts and internal controls; to produce the annual Equity Analysis Report; to receive and investigate complaints from any source of alleged fraud, waste, or abuse of MTA resources; and to detect, investigate, deter, and prevent fraud, waste, or abuse in MTA programs and operations. Notwithstanding the provisions of Section 3.105(c), 8A.101(f) and Appendix F of the Charter, the MTA Inspector General shall perform the functions and exercise the powers of the City Services Auditor with respect to the MTA, including, but not limited to: (a) conducting management and performance audits of MTA programs and operations; (b) reviewing and reporting on MTA

management practices; and (c) assessing the MTA's progress towards meeting Agency performance, equity, and customer service standards.

(c) Nothing in this Section shall be construed to affect, limit or conflict with the authority of the Controller to: (a) provide financial oversight and control for the MTA according to any provision of Section 3.105 other than subsection (c); (b) conduct consumer satisfaction surveys; (c) receive and investigate whistleblower complaints regarding the MTA under Section F1.107 of Appendix F; (d) provide technical assistance requested by the MTA; or (e) conduct any audits of MTA programs or operations requested by the Mayor, the Board of Supervisors, the MTA Board of Directors or as determined by the Controller.

(d) The Inspector General shall have full, free and unrestricted access to all MTA records, facilities, equipment, officers, employees and contractors as may be necessary to carry out the responsibilities of the Inspector General. Further, notwithstanding the authority of the Director of Transportation as appointing authority for MTA employees, the Inspector General shall have authority to select, appoint, discipline and remove such employees as may be necessary to carry out the functions, powers, and duties of the OIG in accordance with the budget approved by the Board of Directors.

(e) When, according to the terms of Section 8A.106, the Board approves a two year budget in each even-numbered year or any budget amendment that may be required in any odd-numbered year, the Board shall approve a rolling two year audit plan ("Performance Audit Plan") and a budget sufficient to enable the Inspector General and his or her staff to perform the audits included in the Performance Audit Plan and any other duties assigned by the Board of Directors. The budget shall include any revenues that may be available in accordance with subsection (f) of this Section as well as any additional revenues from the Transportation Fund. Among other matters selected by the Board of Directors after considering recommendations of the Citizens Advisory Committee, at least once in each two year period, the Performance Audit Plan shall include a detailed analysis of:

(1) The extent to which the Agency has met the goals, objectives, and performance standards established by or in accordance with Section 8A.103 and the accuracy of the Agency's reported performance under such goals, objectives and performance standards;

(2) The extent to which the Agency has addressed the deficiencies in municipal railway service and transportation infrastructure to low-income and transit dependent communities identified in the annual Equity Analysis, defined in Section 8A.103(f);

(3) the extent to which services provided to the MTA by one or more other City departments have met the requirements set forth in Section 8A.101(e); and

(f) Notwithstanding the provisions of Section 3.105(b) and Appendix F of the Charter, 50% per cent of the revenues that are apportioned to the Controller's Audit Fund from the Transportation Fund shall be appropriated by the Controller to support the functions of the Office of the Inspector General.

~~(a) The Agency shall biennially contract with a nationally recognized management or transportation consulting firm with offices in the City and County for an independent review of the quality of its operations. The contract shall be competitively bid and approved by the Controller and Board of Supervisors. The review shall contain:~~

~~1. A detailed analysis of the extent to which the Agency has met the goals, objectives, and performance standards it is required to adopt under Section 8A.103, and the extent to which the Agency is expected to meet those goals, objectives, and performance standards in the two fiscal years for which the review is submitted, and independent verification of the Agency's reported performance under the performance measures adopted pursuant to Section 4 of this measure; and~~

~~2. Such recommendations for improvement in the operation of the Agency as the firm conducting the review deems appropriate.~~

~~(b) The results of the review shall be presented promptly to the Citizens' Advisory Council, the Agency, the Board of Supervisors, and the Mayor by the reviewing firm; and the~~

~~Citizens' Advisory Council, the Agency, and the Board of Supervisors shall each promptly hold at least one public hearing thereon.~~

SEC. 8A.108. FARE CHANGES AND ROUTE ABANDONMENTS.

(a) Except as otherwise provided in this Section, any proposed change in fares or route abandonments shall be submitted to the Board of Supervisors as part of the Agency's budget or as a budget amendment under Section 8A.106, and may be rejected at that time by a seven-elevenths vote of the Board on the budget or budget amendment. Any changes in fares or route abandonments proposed by the Agency specifically to implement a program of service changes identified in a system-wide strategic route and service evaluation such as the Transit Effectiveness Project may only be rejected by a single seven-elevenths' vote of the Board of Supervisors on the budget or budget amendment.

(b) No fare increase shall be approved as part of the Agency's budget or as a budget amendment unless:

1. The Controller certifies that the increase in the amount of the fare since January 1, 2015 would not exceed the rate of increase in the "transportation" expenditure category of the Consumer Price Index (CPI) for All Urban Consumers in the San Francisco-Oakland-San Jose Region since January 1, 2015, based on data made available by the United States Department of Labor; or

2. The Controller certifies that the fare increase is necessary to comply with state fare box recovery requirements.

(c) The Agency shall base any proposed change in Municipal Railway fares on the following criteria:

1. The Municipal Railway's need for additional funds for operations and capital improvements and optimal maintenance of assets.

2. The extent to which the increase is necessary to meet the goals, objectives, and performance standards previously established by the Agency pursuant to Section 8A.103.

3. The extent to which the Agency has diligently sought other sources of funding for the operations and capital improvements of the Municipal Railway.

4. The need to keep Municipal Railway fares low to encourage maximum patronage.

5. The need to increase fares gradually over time to keep pace with inflation and avoid large fare increases after extended periods without a fare increase.

(de) For purposes of this Article, a "route abandonment" shall mean the permanent termination of service along a particular line or service corridor where no reasonably comparable substitute service is offered. If the Agency proposes to abandon a route at any time other than as part of the budget process as provided in Section 8A.106, it shall first submit the proposal to the Board of Supervisors. The Board of Supervisors may, after a noticed public hearing, reject the proposed route abandonment by a seven-elevenths vote of its members taken within 30 days after the proposal is submitted by the Agency.

(e) Beginning fiscal year 2015-2016 the Agency shall not charge youth age 18 and under who reside in the City and County of San Francisco to ride the Municipal Railway.

SEC. 8A.109 ADDITIONAL SOURCES OF REVENUE.

(a) To the extent allowed by law, the Board of Supervisors may, by ordinance, dedicate to the Agency revenues from sources such as gas taxes, motor vehicle licensing taxes or other available motor vehicle-related revenue sources.

(b) The Mayor, the Board of Supervisors, and the Agency diligently shall seek to develop new sources of funding for the Agency's operations, including sources of funding dedicated to the support of such operations, which can be used to supplement or replace that portion of the Municipal Transportation Fund consisting of appropriations from the General Fund of the City and County. Unless prohibited by preemptive state law, the Agency may submit any proposal for increased or reallocated funding to support all or a portion of the operations of the Agency, including, without limitation, a tax or special assessment directly to the electorate for approval, or to the owners of property or businesses to be specially assessed, or to any other persons or entities whose approval may be legally required, without the further approval of the Mayor or the Board of Supervisors. The Agency shall be authorized to conduct any necessary studies in connection with considering, developing, or proposing such revenue sources.

(c) The Board of Supervisors shall adopt a transit impact fee on new developments to mitigate the impacts of new developments on the Municipal Railway and the City's transportation system, provided that the fee shall not be charged on developments for health, human service, permanently affordable housing or other community-serving development projects by agencies funded by the City and County to provide such services to low, fixed, and moderate income San Franciscans.

Section 4. The Office of the MTA Inspector General created by this measure shall commence operations July 1, 2015.

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By: _____
Deputy City Attorney