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In Celebration of Transit Week, City Leaders Announce Major Funding For Transportation Improvements

Passage of AB 1184 first step to securing $30 million from TNC Impact Tax to fund transit operations & infrastructure

San Francisco - City leaders kicked-off Transit Week Monday with the news that Governor Brown has signed Assembly Bill 1184, the first step in securing critical funding for San Francisco transportation projects. This past July, Supervisor Aaron Peskin withdrew his Private Transportation Tax from the November ballot, after negotiating a deal with ride-share companies to pursue an alternate tax on TNC net ride revenue through state and local processes. The City’s Chief Economist estimates the tax will generate $30 million annually, which would be dedicated to transportation infrastructure and operations. Assemblymember Phil Ting authored AB 1184 to affirm San Francisco’s agreement with the private transportation industry to become the first city in California to levy a TNC impact tax.

"As San Francisco’s economy grows, it must find ways to move people around safely. The Governor’s signature on AB 1184 is an important first step to raise much-needed revenue that’ll improve roads, bike lanes, public transit and other transportation projects,” said Assemblymember Phil Ting (D-San Francisco.)

Supervisor Peskin co-chaired a six-month long Transportation Task Force 2045 (TTF2045) in his capacity as Chair of the San Francisco County Transportation Authority (SFCTA). The Task Force, comprised of a diverse cross-section of business, resident and advocate representatives, identified a $22 billion funding need over the next 27 years, without sustained local sources of funding to cover the need. One of the recommendations of the Task Force was to levy a TNC impact tax to mitigate the impacts of TNCs on congestion, declining public transit revenue and general wear-and-tear on City infrastructure. The negotiated agreement caps the proposed tax at 3.25 percent of net ride revenue for TNCs and driverless passenger vehicles, and 1.5 percent for shared rides. With the State-affirming legislation passed, the next step will be to put the TNC Impact Tax onto the November 2019 ballot.

"I am grateful for the leadership and collaboration of our State Legislature - particularly Assemblymember Ting - and for the willingness of the TNC industry to step up and work with (not against) our local government to mitigate the congestion and mobility issues on our
streets," said **Supervisor Aaron Peskin.** "We brought together stakeholders from all across the city, and now we're implementing their input. They want to see DTX constructed, they want pedestrian safety in Chinatown and the Tenderloin, they want better transit connectivity to public housing and outer neighborhoods like the Sunset and Visitacion Valley, and they want well-trained bus drivers. San Francisco is once again modeling how to creatively meet these needs, and it's because everyone from the TNC companies to the Mayor is unified."

"I represent communities that depend daily on safe, reliable and affordable public transit," said **Queena Chen,** co-director of transportation advocacy organization Chinatown TRIP and a representative on the SFMTA Citizens Advisory Committee. "Over 67,000 seniors and 39,000 youth are currently enrolled in Free Muni programs, which are always the first things to be cut when revenue dries up. We know that balancing the City's needs on the backs of our most vulnerable residents doesn't work, and that a truly world-class public transit system prioritizes equity and invests deeply in people."

"The Transportation Task Force recognized that San Francisco has regional commitments that we must fund in order to accommodate access to good jobs," said **Janice Li,** who served on the TTF2045, in addition to her work on the Transportation Justice Coalition. "The TTF2045 Expenditure Plan identifies funding gaps in transit optimization and expansion (including Muni rail extensions), BART improvements to escalators and elevators, the construction of a Downtown Caltrain extension and even Light Rail Vehicle service to the soon-to-be-opened Central Subway. Funding all of these competing needs will require a citywide effort to pass a TNC Impact Tax next November - and stakeholders are ready to make this our top priority to push!"

The San Francisco County Transportation Authority's July 2017 "TNCs Today" report confirmed the significant impact of TNCs on city streets, with TNC vehicles making up 26% of congestion in the City's transit-rich core during peak hours, and accounting for 5,700 individual vehicle trips during the same peak period. The dedicated revenue from the TNC Impact Tax would be apportioned between SFCTA and SFMTA for Vision Zero capital improvements and transit service respectively.

"We thank Assemblyman Ting, the legislature and Governor Brown for passage of AB 1184, which enables the TNC industry to partner with San Francisco to maintain and improve our transportation system, which is straining to meet the challenges of growth and renewal," said **SFCTA Executive Director Tilly Chang.**

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