



**Pacific
Avenue
Neighborhood
Association**



**Russian
Hill
Community
Association**



October 6, 2021

Rachel Hiatt, Assistant Deputy Director, Planning
San Francisco County Transportation Authority
1455 Market Street, 22nd Floor
San Francisco, CA 94103
(Via email: rachel.hiatt@sfcta.org)

Re: Concerns About SFCTA's Downtown Congestion Pricing Study

Dear Ms. Hiatt,

We understand that the San Francisco County Transportation Authority (SFCTA) is conducting a Downtown Congestion Pricing Study to explore use of a fee on drivers to reduce downtown congestion. Seeking to reduce peak car trips downtown by at least 15%, SFCTA is considering charging that fee to drivers who cross the boundary of a congestion pricing zone during rush hours. We further understand that SFCTA is now extending the timeline of the study for developing recommendations into next year and plans to conduct further community outreach. We hope that this letter will contribute to that outreach.

Traffic congestion in the downtown area affects us all, and we strongly support efforts to address and reduce its negative social and economic impacts on our city. Pre-pandemic traffic, significantly intensified by Uber and Lyft, became intolerable. Nonetheless, our organizations represent neighborhoods and businesses within the northeast portion of San Francisco included within the larger of the two currently proposed congestion pricing zones and closely adjacent to the other (see the SFCTA map attached as Figure 1). As a result, the residents and businesses we represent are among the most affected by SFCTA's proposal.

On behalf of the Telegraph Hill Dwellers, the North Beach Business Association, the Russian Hill Community Association, the Pacific Avenue Neighborhood Association, the Discover Polk Community Benefit District, and the Nob Hill Association, we want to express our serious concerns about the SFCTA study, including the following.

Need For More Substantive Engagement In The Most Impacted Areas

While we are pleased with plans to conduct further community outreach, we are concerned that to date SFCTA has not engaged in a policy-substantive manner with many of the community groups representing residents and businesses within or in close proximity to the proposed congestion pricing zones, the most impacted geographical areas. Thus far, SFCTA presentations to community groups have seemed to summarize what SFCTA has done, rather than soliciting ongoing, meaningful, and timely policy input.

To provide ongoing guidance to the study, SFCTA established a Policy Advisory Committee. Of the 34 current member organizations, only one is based north of Broadway and just three are north of Pine Street. None of the members represents residents or businesses in North Beach, Telegraph Hill, or the northeast waterfront, including Fisherman's Wharf. Only one is based on Russian Hill. This means that, through all of the work done thus far, many of the most impacted people and businesses have been among the least represented on this policy guidance body.

RECOMMENDATION: We urge SFCTA to engage more substantively and interactively with those who would be most affected by the implementation of congestion pricing.

Residents And Businesses Unaware Of Large Financial Impacts

We are concerned that most residents and businesses are unaware of the potentially large financial impact that congestion pricing would have on their everyday lives. While we understand that SFCTA is considering low income and other discounts, at the full \$6.50 per trip currently being considered, a vehicle traveling through the congestion pricing zone 5 days per week for 50 weeks per year would pay \$1,625 per year ($=\$6.50 \times 5 \text{ days/week} \times 50 \text{ weeks/year}$) or \$135 per month.

According to SFCTA, approximately 280,000 people drive to work downtown during rush hour. At \$6.50 per trip, congestion pricing fees could total nearly *half a billion dollars* each and every year. Even allowing for the discounted prices under consideration by SFCTA for moderate, low, and very low-income families, congestion pricing fees still would total *hundreds of millions of dollars* a year.

Notwithstanding further discounts and changes in commuter behavior, whatever the final total will be, it seems clear that the financial impact of congestion pricing on residents and businesses would be significant.

RECOMMENDATION: We urge SFCTA to more fully quantify and publicize these fees and costs.

Major Impacts On Residents and Businesses Within And Near The Congestion Pricing Zone

We are concerned that congestion pricing would have major financial and personal impacts on residents and businesses without commensurate benefits to offset those impacts. Congestion pricing could well cause a range of unintended consequences, almost certainly interfering with daily life for many. For those living within the congestion pricing zone and working outside it, the meter would be running, even if they do not contribute to downtown congestion. Moreover, even crossing a zone boundary during rush hour for ordinary errands, such as doctor appointments, shopping, or taking children to school, would incur a fee.

Congestion pricing fees would also impact businesses located in the congestion pricing zone. People make choices. If customers from outside the zone were to find that patronizing a business within the zone would trigger a congestion pricing fee, they might well avoid that

business. Similarly, congestion pricing fees could discourage working in the zone, making it more difficult for businesses within or in close proximity to the zone to attract employees.

Costs to residents and businesses are already high, and congestion fees would be new expenses, over and above the current cost of living. The benefits to residents and businesses of being included within the congestion pricing zone are unclear, and the extent to which any benefits offset the new fees needs to be demonstrated.

RECOMMENDATION: We urge SFCTA to provide an updated (post-pandemic, post-Uber/Lyft) cost-benefit comparison for public discussion and comment.

Fee Revenue and Expenditure Plans Needed

SFCTA says that the Downtown Congestion Pricing Study will “include an estimate of how much revenue will be generated and a proposed investment plan for how the money will be spent.” We are not aware that such a study, including its promised investment plan, has been produced. According to SFCTA, the investment plan “will be vetted through a robust community engagement process and Policy Advisory Committee.” As noted above, many community and business groups are not members of that committee.

We are also unaware of any current analysis or comparison of congestion pricing costs and benefits. Financial analysis of congestion pricing was published in 2010, more than ten years ago, pre-pandemic and pre-Uber/Lyft. We strongly urge that appropriate current (post-pandemic, post-Uber/Lyft) financial, expenditure, and cost-benefit analyses be published to demonstrate how the large cumulative cost of congestion pricing fees would be offset by equal or greater benefits to the community.

For a range of congestion pricing plans, SFCTA should provide comparison charts showing estimated revenue and expenditure possibilities for post-pandemic conditions. The costs and benefits of such plans should be analyzed and the results made available for public discussion and comment, particularly by those most affected, including those living or doing business in northeastern neighborhoods.

The cost-benefit analysis should include a plan containing such measures as reduction or elimination of MUNI or BART fares in order to encourage travel by bus or subway into and out of the zone, as well as major improvements to make transit services a viable alternative. Also, the range of relative differences between MUNI/BART fares and congestion pricing fees should be analyzed to gauge relative impacts on traffic congestion and transit enhancements.

In addition, the use of other planning tools to reduce traffic congestion and greenhouse gas emissions should be considered, either in tandem with congestion pricing or in place of it. These should include such measures as carpooling, penalties for single-occupant vehicles, fee increases for transportation network companies, higher parking garage rates, telecommuting, flexible work hours, car-free zones, and technology-based traffic management.

RECOMMENDATION: We urge SFCTA to present for public discussion and comment updated fee revenue and expenditure plans, as well as a plan to restore and improve transit services and to implement other congestion management tools.

Intrusion On Privacy

A congestion pricing fee program will require extensive photographic surveillance and tracking of millions of daily movements of hundreds of thousands of people. The more than 280,000 people that SFCTA estimates travel downtown during rush hour would generate many millions of hourly location-interaction data points. In addition, data points would be generated by residents within a congestion pricing zone who leave and/or re-enter the zone for any reason during rush hour.

Moreover, the pricing structure as currently proposed is complex, varying according to income levels, and may also consider whether a person lives within the zone or whether one pays a bridge toll. Those claiming low-income discounts could be required to divulge private income information. All of these would intrude on the personal privacy of many San Franciscans and others.

RECOMMENDATION: We urge SFCTA to avoid data collection policies that could become an intrusion on people's personal privacy.

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We look forward to discussing our recommendations with you. And, as organizations representing residents and businesses within or near the proposed congestion pricing zones, we stand ready to work with SFCTA regarding its study and recommendations.

Sincerely,

Telegraph Hill Dwellers

North Beach Business Association

Russian Hill Community Association

Pacific Avenue Neighborhood Association

Discover Polk Community Benefit District

Nob Hill Association

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cc: Tilly Chang, Executive Director, SFCTA info@sfcta.org

Members of the Board, SFCTA

Supervisor Rafael Mandelman (Chair) MandelmanStaff@sfgov.org

Supervisor Aaron Peskin (Vice Chair) Aaron.Peskin@sfgov.org

Supervisor Connie Chan (Member) ChanStaff@sfgov.org

Supervisor Matt Haney (Member) Matt.Haney@sfgov.org

Supervisor Gordon Mar (Member) Gordon.Mar@sfgov.org

Supervisor Myrna Melgar (Member) MelgarStaff@sfgov.org

Supervisor Dean Preston (Member) Dean.Preston@sfgov.org

Supervisor Hillary Ronen (Member) Hillary.Ronen@sfgov.org

Supervisor Ahsha Safai (Member) Ahsha.Safai@sfgov.org

Supervisor Catherine Stefani (Member) Catherine.Stefani@sfgov.org

Supervisor Shamann Walton (Member) Shamann.Walton@sfgov.org

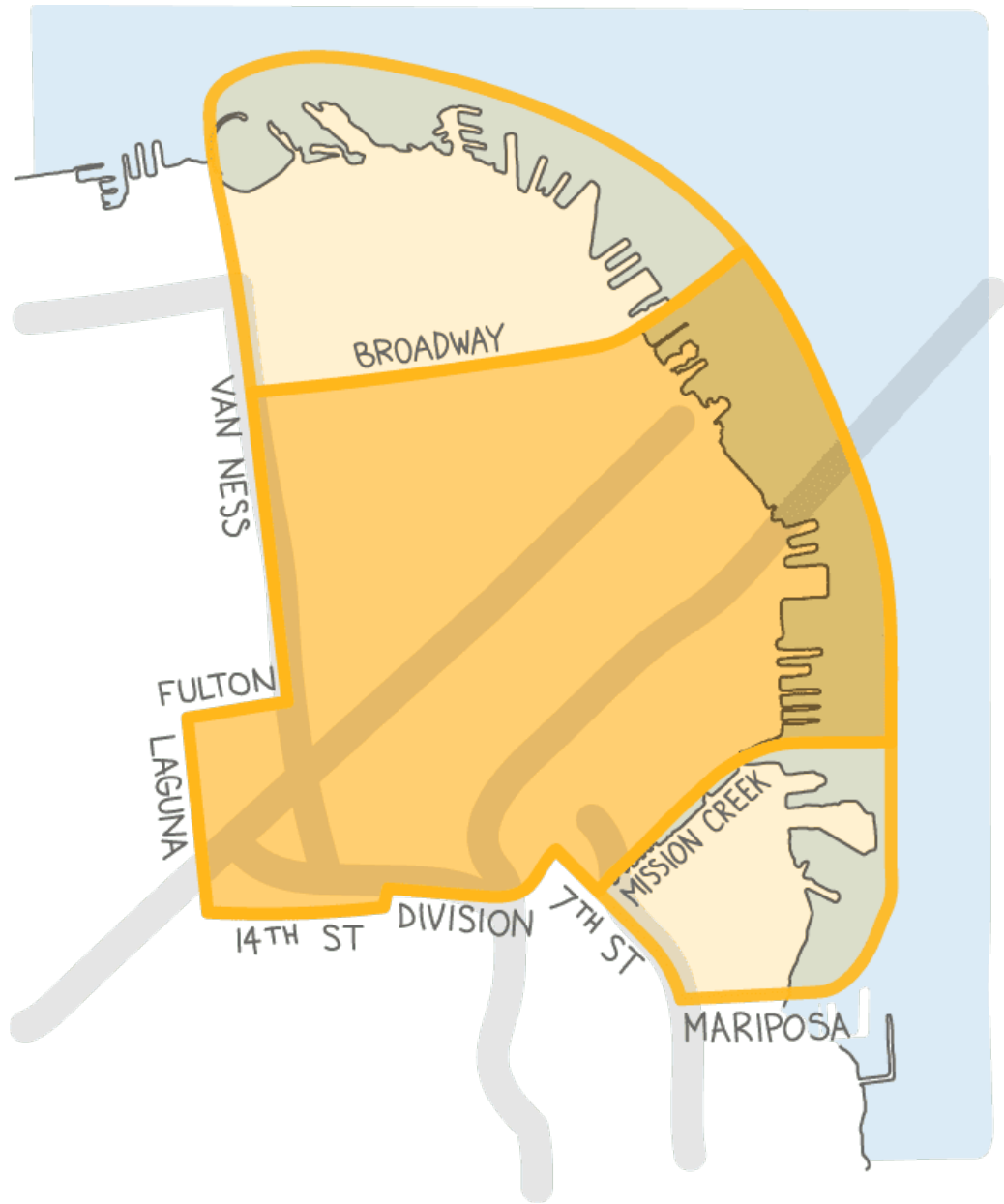


Figure 1. According to SFCTA, “The congestion pricing zone under consideration is in northeastern San Francisco.” SFCTA is currently exploring options with “either a larger zone or smaller zone.”