



AGENDA

SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY
Meeting Notice

Date: Tuesday, June 27, 2017; 10:00 a.m.
Location: Legislative Chamber, Room 250, City Hall
Commissioners: Peskin (Chair), Tang (Vice Chair), Breed, Cohen, Farrell, Fewer, Kim, Ronen, Safai, Sheehy and Yee

Clerk: Steve Stamos

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1. Roll Call
2. Chair’s Report – **INFORMATION**
3. Executive Director’s Report – **INFORMATION**

Consent Agenda

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| 4. Approve the Minutes of the June 13, 2017 Meeting – ACTION* | 5 |
| 5. [Final Approval] Adopt Positions on State Legislation – ACTION* | 15 |
| Support: Assembly Bill (AB) 17 (Holden)
Oppose Unless Amended: AB 1625 (Rubio) | |
| 6. [Final Approval] Allocate \$55,989,751 in Prop K Funds for Ten Requests and \$2,052,000 in Prop AA Funds for One Request, with Conditions, and Appropriation of \$75,000 in Prop K Funds for One Request – ACTION* | 21 |
| Allocations: Transbay Transit Center - Electrical, Communications, Security & Integrated Networks (\$5,449,859); Replace 100 40-ft Trolley Coaches (\$28,915,153); Replace 19 60-ft Trolley Coaches (\$6,637,580); 1570 Burke Avenue Facility Renovation (\$902,200); Paratransit (\$10,193,010); Public Sidewalk and Curb Repair (\$561,682); Application-Based Residential Street Traffic Calming (Implementation) (\$727,325); Application-Based Residential Street Traffic Calming (Planning) (\$213,525); Tree Planting and Establishment (\$1,141,166); Haight Street Resurfacing and Pedestrian Lighting (Prop K \$1,248,251, Prop AA \$2,052,000) | |
| Appropriation: NTIP Program Support (\$75,000) | |
| 7. [Final Approval] Relocate the Geary Corridor Bus Rapid Transit Westbound Bus Lane Transition One Block West and Update the Locally Preferred Alternative – ACTION* | 35 |

Board Meeting Agenda

8. **[Final Approval]** Adopt the Proposed Fiscal Year 2017/18 Budget and Work Program – **ACTION*** 55

9. **[Final Approval]** Execute Contract Renewals and Options for Various Annual Professional Services in an Amount Not to Exceed \$1,409,230 – **ACTION*** 79

Contracts: Office of the City Attorney (\$100,000); Department of Technology (\$50,000); Nixon Peabody and Squire Patton Boggs LLP (\$355,000); Nossaman LLP and Wendel, Rosen, Black & Dean LLP (\$250,000); SPTJ Consulting (\$200,000); Civic Edge Consulting and Davis & Associates Communications, Inc. (\$185,000); KNN Public Finance (\$185,000); Vavrinek, Trine, Day & Co., LLP (\$83,430)

End of Consent Agenda

10. Approve the Fiscal Year 2017/18 Transportation Fund for Clean Air Program of Projects – **ACTION*** 91

Projects: Emergency Ride Home (\$41,832); Bike Share Phase 4 Expansion (\$255,000); Alternative Fuel Taxicab Incentive Program (\$79,964); Paratransit Sedans (\$270,000); Short Term Bicycle Parking (\$79,964)

Other Items

11. Introduction of New Items – **INFORMATION**

During this segment of the meeting, Commissioners may make comments on items not specifically listed above, or introduce or request items for future consideration.

12. Public Comment

13. Adjournment

*Additional Materials

Items considered for final approval by the Board shall be noticed as such with **[Final Approval]** in the item title.

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Board Meeting Agenda

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DRAFT MINUTES

SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

Tuesday, June 13, 2017

1. Roll Call

Chair Peskin called the meeting to order at 10:06 a.m.

Present at Roll Call: Commissioners Breed, Fewer, Kim, Peskin, Ronen, Sheehy and Tang (7)

Absent at Roll Call: Commissioners Farrell (entered during Item 2), Cohen, Safai and Yee (entered during Item 10) (4)

2. Citizens Advisory Committee Report – INFORMATION

Chris Waddling, Chair of the Citizens Advisory Committee, reported that on Item 5, the CAC asked for clarification regarding the Transbay Transit Center allocation and why it was not included as part of the original project scope. He said staff from the Transbay Joint Powers Authority replied that the requested items had been removed from the original scope to focus on the transit-oriented elements of the project but that they always intended to add them to a later scope.

Regarding Item 6, Mr. Waddling said the CAC asked for more detail regarding the projects in the Transportation Fund for Clean Air program, particularly regarding paratransit and the addition of clean air vehicles. He added that the CAC hoped the new shuttles would be clean air vehicles. Regarding Item 7, Mr. Waddling said the CAC was satisfied that the Geary Bus Rapid Transit (BRT) modification was a minor change and would not adversely impact the project. He said the District 1 CAC member was briefed on the item and felt comfortable with it, however several members of the CAC reiterated the long-standing community desire for it to be a light-rail instead of a BRT system. Mr. Waddling added that given the cost associated with a BRT system, most of the CAC members understood the difficulty in achieving a [more costly] light-rail system in the near term.

There was no public comment.

3. Approve the Minutes of the May 23, 2017 Meeting – ACTION

There was no public comment.

Commissioner Farrell moved to approve the minutes, seconded by Commissioner Tang.

The minutes were approved without objection by the following vote:

Ayes: Commissioners Breed, Farrell, Fewer, Kim, Peskin, Ronen, Sheehy and Tang (8)

Absent: Commissioners Cohen, Safai and Yee (3)

Chair Peskin called Item 4 after Item 10

4. Adopt Positions on State Legislation – ACTION

Amber Crabbe, Assistant Deputy Director for Policy and Programming, and Michelle Beaulieu, Senior Transportation Planner, presented the item.

There was no public comment.

Commissioner Kim moved to approve the item, seconded by Commissioner Sheehy.

The item was approved without objection by the following vote:

Ayes: Commissioners Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Sheehy and Yee (9)

Absent: Commissioners Safai and Tang (2)

5. Allocate \$55,989,751 in Prop K Funds for Ten Requests and \$2,052,000 in Prop AA Funds for One Request, with Conditions, and Appropriate \$75,000 in Prop K Funds for One Request – ACTION

Anna LaForte, Deputy Director for Policy and Programming, presented the item per the staff presentation.

There was no public comment.

Commissioner Cohen moved to approve the item, seconded by Commissioner Yee.

The item was approved without objection by the following vote:

Ayes: Commissioners Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen and Yee (8)

Absent: Commissioners Safai, Sheehy and Tang (3)

6. Approve the Fiscal Year 2017/18 Transportation Fund for Clean Air Program of Projects – ACTION

Mike Pickford, Transportation Planner, presented the item per the staff presentation.

Commissioner Fewer asked regarding the Emergency Ride Home project whether people could use transportation network companies (TNC) for that. Mr. Pickford replied that was currently the case.

Commissioner Fewer commented that as the city learned more about the impacts of TNCs, it may want to modify that policy since it involved city funds. She asked regarding the bike share expansion project if there was a list of station locations for District 1. Mr. Pickford replied it was his understanding that the station locations were still an active discussion and that public workshops were recently held where residents could suggest locations, but that previously the locations had been distributed based on a grid to ensure an even distribution. He added that people could submit suggestions for locations through the website suggest.bayareabikeshare.com. Commissioner Fewer asked if there was data on what the responses for District 1 had been so far, and whether the public workshops offered interpretation into Chinese and Russian. Mr. Pickford replied that he could follow up regarding the data. He clarified that the workshops were being held by the bike share operator, Motivate.

Commissioner Fewer commented that staff should coordinate with Motivate to ensure that there was diversity in the age groups being targeted, as the largest population of District 1 residents was seniors. She added that she considered proper outreach to include language accessibility and diversity of age groups participating. Mr. Pickford commented that he would follow up with

Motivate and the San Francisco Municipal Transportation Agency (SFMTA).

Chair Peskin asked if a condition could be added to the Emergency Ride Home project to require that the funds only be used for taxis within San Francisco or other non-TNC vehicles. Mr. Pickford replied that the Emergency Ride Home program was managed by San Francisco Environment and that they currently did not have a policy regarding TNCs. Anna LaForte, Deputy Director for Policy and Programming, requested that staff should confirm with the Bay Area Air Quality Management District if it was possible to restrict the usage to not include TNCs, and pending that confirmation a condition could be added. She suggested that the item as whole could be continued to the following meeting.

There was no public comment.

Commissioner Fewer moved to continue the item to June 27 Board meeting, seconded by Commissioner Yee. The item was continued without objection.

7. Relocate the Geary Corridor Bus Rapid Transit Westbound Bus Lane Transition One Block West and Update the Locally Preferred Alternative – ACTION

Colin Dentel-Post, Senior Transportation Planner, presented the item.

Commissioner Fewer thanked staff for the flexibility in accommodating the change, as the constituents at the Russian Orthodox Church were not content with the original plan. She asked if there was a timeline for Phase 2 of the project. Mr. Dentel-Post replied that staff could follow up with a more accurate timeline, but essentially the design of Phase 2 would be getting underway later in the year. He added that it would take a couple years for Phase 1 to be constructed, followed by a couple years for Phase 2.

Commissioner Fewer asked for an update on funding for Phase 2, and said she understood there was a deficit of approximately \$90 million. Mr. Dentel-Post replied that there were a couple different pieces to the funding picture. He said the SFMTA was currently working with Federal Transit Administration on a \$100 million Small Starts grant, and that the project ranked well for the grant compared to similar projects across the country. He said there was also a \$90 million funding gap for which staff was considering several additional sources of funding which needed to be narrowed down, but it could include a future ballot measure.

During public comment, Vitali Troyan stated that he was the Treasurer for the Holy Virgin Community Church. He thanked staff for accommodating the proposed change and said the Church had two major concerns with the project. He said the first was regarding safety, but that this change to the design addressed that and therefore they supported the change. He said the second concern was about traffic and the impact on church attendance of eliminating 20 parking spaces. He said that he had asked Director of Transportation Reiskin to see SFMTA could accelerate efforts to make parking available in the near term, as San Francisco Public Works would also be replacing sewer lines on multiple sides of the church over the next several years, making the parking situation even more difficult.

Winston Parsons commented that he was a former Geary BRT CAC member and that he believed the project change responded to community concerns while retaining the pedestrian, transit and environmental benefits of project. He noted that the CAC had unanimously approved the project change.

Rachel Hydan commented that she was the Executive Director of the San Francisco Transit Riders which supported the modified Environmental Impact Report and urged the Board's approval of

the project modification. She said it addressed community concerns but still met the goals of improving reliability and safety in the area. She said the Transit Riders were eager to see the first phase of the project delivered, in particular the transit-only lane extension to Stanyan Street. She said she rode the 38 and 38-R for two years and recalled how effective the red transit-only lanes were when they were first introduced, and that they would be a cost-effective and proven treatment for the 50,000 riders along Geary Boulevard each day.

Commissioner Fewer moved to approve the item, seconded by Commissioner Kim.

The item was approved without objection by the following vote:

Ayes: Commissioners Breed, Cohen, Fewer, Kim, Peskin, Ronen and Yee (7)

Absent: Commissioners Farrell, Safai, Sheehy and Tang (4)

Chair Peskin called Item 8 after Item 3

8. Adopt the Proposed Fiscal Year 2017/18 Budget and Work Program – ACTION

Cynthia Fong, Deputy Director for Finance and Administration, presented the item.

There was no public comment.

Commissioner Tang moved to approve the item, seconded by Commissioner Farrell.

The item was approved without objection by the following vote:

Ayes: Commissioners Breed, Farrell, Fewer, Kim, Peskin, Ronen, Sheehy and Tang (8)

Absent: Commissioners Cohen, Safai and Yee (3)

9. Execute Contract Renewals and Options for Various Annual Professional Services in an Amount Not to Exceed \$1,409,230 – ACTION

Cynthia Fong, Deputy Director for Finance and Administration, presented the item.

There was no public comment.

Commissioner Kim moved to approve the item, seconded by Commissioner Cohen.

The item was approved without objection by the following vote:

Ayes: Commissioners Breed, Cohen, Fewer, Kim, Peskin and Ronen (6)

Absent: Commissioners Farrell, Safai, Sheehy, Tang and Yee (5)

Chair Peskin called Item 10 after Item 8

10. Update on Emerging Mobility Services and Technologies, Including Transportation Network Companies – INFORMATION

Jeff Hobson, Deputy Director for Planning, and Joe Castiglione, Deputy Director for Technology, Data & Analysis, presented the item per the staff presentations.

Commissioner Cohen ask what qualified a community to be a community of concern. Mr. Castiglione replied that there were several criteria used to define the communities, including race, ethnicity, income and age.

Commissioner Cohen asked what the map in the presentation indicated about the communities of concern. Mr. Castiglione replied that the data showed a mixed story. He said that one of the maps suggested that some communities of concern were better served due to TNCs, while

another map showed that there was low utilization in other areas of the city. He said he hoped future research would allow a better understanding of whether these maps showed that drivers were purposefully not serving certain areas of the city leading to high wait times for users, or whether there was just a lack of demand, potentially due to demographics such as age and income.

Commissioner Cohen commented that the low utilization also could be the result of high car ownership in those areas of the city where people rely on personal vehicles due to challenges with access to public transportation. She asked if the data was cross-referenced with another database such as the California Department of Motor Vehicles to see if there was a correlation between the number of registered vehicles versus the demand for TNCs. Mr. Castiglione replied that it was not included in this phase of the research but was something that would be included in future research. He added that there were detailed geographic-level estimates on vehicle ownership from the census.

Commissioner Farrell noted the extensive lack of cooperation from the TNC companies regarding the data and asked if this had been an ongoing challenge. Mr. Castiglione stated that the lack of cooperation was challenging. He continued by noting that the goal was to not conduct the research with an agenda, but instead to remain objective and neutral. He said it should be stated that TNCs did provide a benefit and increased mobility for certain areas of the city and at certain times of day, but that it was impossible to provide any kind of analysis or guidance to the Board in the complete absence of data. He noted that TNCs were relatively new but expanded very quickly, which was a motivating factor for conducting the research. He said while the city sought cooperation and participation from the TNC companies in the study, it was not successful which necessitated the atypical data collection and methodology for the report.

Commissioner Farrell commented that the Board should support the Transportation Authority and other agencies obtaining more information on the impact of TNCs. He said there were a few aspects that should be incorporated in future research and ongoing discussions, the first of which was safety. He said it appeared that many TNC drivers operating in San Francisco traveled from far away to work for the weekend and he was concerned about passenger safety if drivers were sleep deprived or overworked, according to the California Vehicle Code. He said while the TNC companies had the ability to regulate that through the application it appeared they were not, and wanted to know what the California Public Utilities Commission (CPUC) was doing about it. He said the second aspect was congestion, which appeared to be the worst it had ever been in San Francisco and was felt by everyone. He said the last aspect was equity in that he was alarmed by the reported business practices of the TNC companies. He noted that a survey of Uber drivers showed that 57% had bought, leased or made substantial investments to their vehicles specifically to drive for Uber, but only 23% said that working for Uber was a stable source of income. He said it was suggested that minority and immigrant communities were being targeted as drivers and that the lending practices of TNC companies could affect communities. Mr. Castiglione replied that the scope of work for the research was developed collaboratively with the SFMTA and that they would be looking at the safety issue. He said in terms of congestion, while each additional vehicle on the road added to congestion and travel delay, there were other aspects to be considered such as the tremendous population and employment growth. He said that the next phase of research would seek to quantify the contribution of each of these factors on congestion and travel delay. Commissioner Farrell commented that he supported that approach.

Commissioner Tang commented that she supported Commissioner Farrell's remarks and suggested that in a future phase staff look into other companies that used vehicles for delivery of services such as meals or groceries. She said it seemed that they were possibly contributing to

congestion as much if not more than TNCs.

Commissioner Cohen commented that the Transportation Authority should explore becoming a party to the CPUC rulemaking process on applying existing transit regulations to TNCs and the emerging mobility services and technologies. She said currently the city did not have any input on how these automated transit services impacted the city's streets and therefore the city should prepare and submit comments to the CPUC to elevate its concerns regarding the various impacts and unintended consequences. Mr. Hobson replied that staff anticipated the request and was already in the process of becoming a party to the rulemaking, and therefore the Board should expect an update on this at an upcoming meeting.

Commissioner Safai commented that with some data now available hopefully the TNC companies would want to cooperate and share information, otherwise the City Attorney's Office was currently pursuing the legal route to require that the data be shared. He noted that in New York City data had been extensively shared which showed that TNCs were attracting riders from public transit and taxis, and asked that future research look into that for San Francisco. He said that according to the report, District 11 had the lowest access to TNCs but noted the large monolingual and immigrant communities as well as elderly population, and so he wanted to see how the data connected to the usage by those demographics. He said that many District 11 constituents, especially those no longer able to drive, expressed support for the TNC companies due to the ease of access and quickness and reliability of the service. He asked if the Transportation Authority could provide a recommendation for the appropriate number of TNCs operating at a given time relative to congestion and demand, similar to the number of taxi medallions given out. He noted that if there were 45,000 TNCs registered in San Francisco, there could be approximately 5-7,000 operating at any given time.

Commissioner Kim said there was a bill moving through the state legislature, Senate Bill 182, that would prohibit municipalities from requiring business licenses. She said it was important that the city continue to advocate against the bill as it was appropriate for municipalities to require drivers to obtain business licenses if they were operating there, and especially if they were operating in multiple municipalities. She said her office had begun exploring a fee that could be applied per ride, which could become a tiered fee and highest during peak hours or depending on the geography of the pickup or drop-off location, such as the downtown core where there was a high level of public transit services. She acknowledged the complications given state law and the CPUC's jurisdiction over the TNC industry but that it was worth exploring. She added that Massachusetts had recently passed a 20-cent per ride fee. Commissioner Kim said her office was also exploring a fine for drivers that did not operate with a business license within the city's jurisdiction, and noted that most of the TNC ridership was within District 3. She said there was a role for TNCs in the transportation network as they filled a gap that was not addressed by taxis, as evidenced by the often extensive wait times for taxis or at night when public transit was less frequent. She said however that TNCs had become oversaturated and were most often used during peak hours when public transit was the most frequent and available. She added that the data showed a significant decrease in usage of the BART extension to the San Francisco International airport, so the city needed to ensure that all of the transportation options were kept at optimal levels to be most effective. Mr. Castiglione replied that the planned future phases of the research would hopefully provide the Board with the information it needed to make more informed policy decisions.

Commissioner Ronen commented that the data reflected what people were experiencing throughout the city and agreed that TNCs were useful in filling a gap in the transportation network.

She said however it was ironic that in a transit first city the TNC industry relied upon single occupancy vehicles roaming the streets and adding to congestion. She said hopefully the state delegation would enable the city to have greater regulation over the industry in order to ensure that it complemented the public transportation systems. She said she was interested in the fee per ride and how that could infuse additional funds into the city's public transportation systems and congestion management work, but that that the fee should fall on the companies and not the drivers. She noted that she recently spoke with a driver for Lyft who was barely making minimum wage when costs were factored in and that there was a culture of not tipping the drivers. She said while the TNC industry would eventually phase out the workforce in favor of autonomous vehicles, in the interim the 'TNC companies' treatment of their drivers was concerning. Mr. Castiglione replied that the context was really important, as there were places and times of day where people benefited from improved mobility options from TNCs, but that it was not uniform and at times the extra vehicles on the streets created a cost for many more people. He said regarding prioritization, the information would not only lead to policy choices but also investment decisions, as certain investments such as the BART extensions to the airports were being under-utilized and therefore less cost-effective. He said regarding automation, if the city was unable to manage the issues surrounding TNCs it would be even more challenging for it to manage the future issues surrounding autonomous vehicles.

Commissioner Fewer commented that the data represented a conservative estimate and cautioned analyzing the data only in terms of impacts on the transportation network, as it should also incorporate the social costs surrounding the type of enterprise and unregulated business. She said the city needed to look at the employment practices, congestion costs, the impact on Vision Zero goals and emergency response times, as well as the wear and tear on the city's streets. She noted that the city spent millions repaving the streets while the companies were making a profit on them. She said the District Attorney's Office could also provide information on what people were filing regarding the TNC companies and their experiences dealing with them. She questioned the accessibility of the service for immigrant communities as it appeared it was only accessible in English. She said she was reluctant to require fees on the drivers themselves, as they could also be victims of the unregulated market. She said in order to develop recommendations, the approach needed to be all encompassing including how it was affecting the city's public transportation system which was currently undergoing significant investment. Mr. Castiglione replied that future research would seek to address a broad range of questions including issues of equity, and that if the Board had additional questions about the content of the report or had additional questions that should be addressed, staff would work with them on that.

Chair Peskin commented that the data provided a good starting point and hopefully would allow the state legislature to push for regulatory reforms that provided the city with the ability to control the public streets and act in the public interest.

There was no public comment.

Tilly Chang, Executive Director, thanked the Board for the input and guidance, and said the issues and suggestions mentioned would be addressed in future research. She said this was just the beginning of the work and that while it represented only a partial view of TNC activity, hopefully the TNC companies or other research partners would help fill in the gaps in the data, such as regional trip making and trips inside and outside the city. She said it would also be helpful to gather information about ride occupancy, as in whether most trips were by a single occupancy or several people.

11. Update on the Kearny Street Multimodal Implementation Plan [NTIP Planning] – INFORMATION

Sean Kennedy, Transit Planning Manager at the San Francisco Municipal Transportation Agency, presented the item.

There was no public comment.

Other Items

12. Introduction of New Items – INFORMATION

Chair Peskin stated that the city's Transportation 2045 Task Force held its first meeting the week prior, and that stakeholders from across the city and region provided input on San Francisco's needs, both geographically and across trip modes. He said one of the issues that was specifically requested by the Task Force to be studied was the impact by TNCs on local transportation infrastructure. He said the New York Times had a recent article on the New York City Metropolitan Transportation Authority's report linking the tripling of TNCs in the city to the historic decline in subway ridership. Chair Peskin requested that the TNC report presented during Item 10 be included in the materials and discussion at the Task Force as it determined how to prioritize transportation infrastructure investments and geographic equity and access, particularly in underserved neighborhoods. He also requested that Transportation Authority and SFMTA staff conduct an analysis and breakout of the mode split, and examine the impact on the city's current transit infrastructure ridership. He said the city was already aware that Uber and Lyft had requested data from the city on Muni routes that were the busiest with the intent of running parallel privatized transit lanes not subject to regulation or oversight. He said in looking at the TNC heat map included in the presentation for Item 10, the ridership was happening along all of the city's major transit lines, from downtown to out in the Richmond district. He said the fact that the highest trip levels were in the densest and most transit-rich neighborhoods in the city such as District 6 was especially concerning.

There was no public comment.

13. Public Comment

During public comment, Andrew Yip spoke about the origin of wisdom.

Christine Hansen commented that she was a student at the City College of San Francisco and a long-time resident of the Excelsior neighborhood. She urged the Board to reject the Nelson/Nygaard Transportation Demand Management (TDM) report for the Balboa Reservoir area. She said that TDM was being used as a planning tool but would exert a disastrous and permanent effect on the ability of working students and City College staff to access the Ocean Campus. She said it was the only campus close to a freeway and therefore it provided access to working students, the importance of which was not reflected in the report. She said TDM instead equated car use with parking access, but that the data used by the city to reflect parking use at the campus was collected during the last week of class which was historically quiet, while other data showed a different picture. She added that the report included no parking data for evening classes. She said that students had taken a random sampling of 100 parking lot users and found that 62 of the respondents had 30 minutes or less to commute between work and school. She requested that the Board halt TDM and start over with more accurate data to consider the effect on working students to access an affordable education.

14. Adjournment

The meeting was adjourned at 11:48 a.m.



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RESOLUTION ADOPTING POSITIONS ON STATE LEGISLATION

WHEREAS, The Transportation Authority approves a set of legislative principles to guide transportation policy advocacy in the sessions of the Federal and State Legislatures; and

WHEREAS, With the assistance of the Transportation Authority's legislative advocate in Sacramento, staff has reviewed pending legislation for the current Legislative Session and analyzed it for consistency with the Transportation Authority's adopted legislative principles and for impacts on transportation funding and program implementation in San Francisco; now, therefore, be it

RESOLVED, That the Transportation Authority hereby adopts a new support position on Assembly Bill (AB) 17 (Holden), and a new oppose unless amended position on AB 1625 (Rubio); and be it further

RESOLVED, That the Executive Director is directed to communicate these positions to all relevant parties.

Attachment:

1. New Bills and Recommended Positions

State Legislation – Proposed New Positions and Updates on Activity This Session

To view documents associated with the bill, click the bill number link.

Staff is recommending a new support position on Assembly Bill (AB) 17 (Holden) and a new oppose unless amended position on AB 1625 (Rubio) as shown in **Table 1**, which also includes two new bills to watch. The Board does not need to take an action to add bills to watch. **Table 2** provides updates on several bills we have been tracking this session and **Table 3** indicates the status of bills on which the Board has already taken a position this session.

Table 1. Recommendation for New Positions and Select New Bills to Watch

Recommended Positions	Bill # Author	Bill Title and Description
Support	AB 17 Holden D	Transit Pass Pilot Program: free or reduced-fare transit passes. The bill would create a new Transit Pass Program to be administered by Caltrans that would establish a free or reduced transit pass program to qualified middle school, high school, community college, and University of California and California State University schools. This bill would appropriate \$20 million from the Public Transportation Account to fund the program, which sunsets January 1, 2022. A performance evaluation report is due to the Legislature on or before January 1, 2020.
Oppose Unless Amended	AB 1625 Rubio D	Inoperable parking meters. This bill would change existing law by prohibiting a local authority from enacting an ordinance or resolution prohibiting or restricting the parking of a vehicle in a space that is regulated by an inoperable meter or payment center. This would impede the ability to enforce time limit restrictions at inoperable meters and may provide incentives to disable meters in order to secure unlimited parking. SFMTA has recommended opposing this bill unless it is amended to limit free parking at broken meters to two hours to eliminate these incentives.
Watch	AB 390 Santiago D Ting D	Pedestrian crossing signals. Under existing law, a pedestrian facing a “WALK” or approved “Walking Person” symbol may proceed across the roadway in the direction of the signal, but the law is unclear regarding pedestrian use of countdown signals. This bill would authorize a pedestrian facing a countdown signal to proceed across the roadway in the direction of the signal if there is sufficient time left on the countdown to reasonably complete the crossing safely.
Watch	AB 544 Bloom D	Vehicles: high occupancy vehicle (HOV) lanes. This bill would provide an additional extension of the state’s sticker program that allows certain clean air vehicles access to HOV lanes even with a solo driver. Despite supporting incentives for the purchase of low-emission vehicles, the Metropolitan Transportation Commission has continued to adopt oppose unless amended positions to bills extending the sticker program over concern about the impact on the functionality of the region’s HOV lane network. Recent MTC data collection has shown that violation rates are a more significant source of congestion in HOV lanes and are therefore proposing amendments to the bill to increase resources for enforcement and monitoring activities.

San Francisco County Transportation Authority
June 2017

Table 2. Select Updates on Tracked Bills

Note that unless bills made it out of their house of origin by June 2, most will now be held over as two-year bills. Only some of the bills we have been monitoring will remain active through the end of the year.

Current Position	Bill # Author	Bill Title and Description	Update
Support	SB 595 Beall D	Metropolitan Transportation Commission: toll bridge revenues. If approved, this bill would require the nine Bay Area counties to conduct a special election on a proposed increase in the toll rate on the seven state-owned toll bridges in an amount TBD to finance TBD projects and programs to improve mobility and enhance travel options on the bridges and bridge corridors.	This bill passed out of the Senate and is waiting for referral to committee in the Assembly. We, along with other agencies, advocates, legislators, and members of the public are actively involved in the process to define the measure (Regional Measure 3) and its expenditure plan, guided by the advocacy principles approved by the Transportation Authority Board and SFMTA last month.
Oppose	SB 182 Bradford D	Transportation network company: participating drivers: single business license. This bill would allow Transportation Network Company (TNC) drivers to obtain only a single business license to operate in all local jurisdictions statewide, irrespective of where they operate their business. SFMTA and the City have registered their opposition to this bill on the basis that it would hinder our ability to collect information from the approximately 45,000 TNC drivers that cause an estimated \$2-4 million per year in wear and tear on our local streets and an increased burden on traffic enforcement resources.	This bill passed out of the Senate by the statutory deadline and was referred to the Assembly Committee on Privacy and Consumer Protections.
	SB 493 Hill D	Vehicles: right-turn violations. This bill would reduce the violation fine for failing to stop before making a right hand turn from \$100 to \$35. Reducing penalties for drivers committing safety violations is not consistent with the City's Vision Zero goals.	This bill was unanimously approved in the Senate and is now being considered by the Assembly.

San Francisco County Transportation Authority
June 2017

Watch	AB 378 Garcia, Cristina D	<p>California Global Warming Solutions Act of 2006: regulations.</p> <p>The bill would authorize the State Air Resources Board to extend the Cap and Trade program from 2020 to 2030. Prior language in the bill would have provided additional revenue for transportation and would have helped stabilize auction outcomes. However, recent amendments have altered it substantially. As revised it would completely change the way the state manages greenhouse gas emissions and shift important oversight responsibilities from local air districts to the state Air Resources Board. It is also likely to see further amendments.</p>	<p>This bill failed to make it out of the Assembly. It is a two-year bill as it was granted reconsideration.</p>
	AB 1121 Chiu D	<p>San Francisco Bay Area Water Emergency Transportation Authority (WETA).</p> <p>This bill would increase WETA Board membership from five to nine members, with five members appointed by the Governor, two members appointed by the Senate Committee on Rules and two members appointed by the Speaker of the Assembly.</p>	<p>This bill has passed out of the Assembly and is now in the Senate Committee on Transportation and Housing.</p>
	SB 35 Wiener D	<p>Planning and zoning: affordable housing: streamlined approval process.</p> <p>This bill would provide for streamlined approvals of multifamily developments that meet a series of conditions in cities that are falling short of local housing needs. This would represent a significant strengthening of the state's role in monitoring local land use decisions.</p>	<p>This bill earned bipartisan support in the Senate and is now before the Assembly.</p>

San Francisco County Transportation Authority
June 2017

Table 3. Bill Status for Active Positions Taken This Session

Adopted Positions	Bill # Author	Bill Title	Bill Status (as of 6/5/17)
Support	AB 1 Frazier D	Transportation Funding.	Assembly Two-Year
	AB 28 Frazier D	Department of Transportation: environmental review process: federal pilot program.	Chaptered
	AB 87 Ting D	Autonomous vehicles.	Assembly Two-Year
	AB 342 Chiu D	Vehicles: automated speed enforcement: five-year pilot program.	Assembly Two-Year
	SB 1 Beall D	Transportation Funding.	Chaptered
	SB 422 Wilk R	Transportation projects: comprehensive development lease agreements: Public Private Partnerships.	Senate Two-Year
	SB 595 Beall D	Metropolitan Transportation Commission: toll bridge revenues.	Assembly First Reading
	SB 768 Allen , Wiener D	Transportation projects: comprehensive development lease agreements: Public Private Partnerships.	Senate Two-Year
Oppose	AB 65 Patterson R	Transportation bond debt service.	Assembly Two-Year
	SB 182 Bradford D	Transportation network company: participating drivers: single business license.	Assembly Privacy and Consumer Protections
	SB 423 Cannella R	Indemnity: design professionals.	Senate Two-Year
	SB 493 Hill D	Vehicles: right-turn violations.	Assembly First Reading



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RESOLUTION ALLOCATING \$55,989,751 IN PROP K FUNDS FOR TEN REQUESTS AND \$2,052,000 IN PROP AA FUNDS FOR ONE REQUEST, WITH CONDITIONS, AND APPROPRIATING \$75,000 IN PROP K FUNDS FOR ONE REQUEST

WHEREAS, The Transportation Authority received eleven Prop K requests totaling \$56,064,751 and one Prop AA allocation request for \$2,052,000, as summarized in Attachments 1 and 2 and detailed in the enclosed allocation request forms; and

WHEREAS, The requests seek funds from the following Prop K Expenditure Plan categories: Downtown Extension to Rebuilt Transbay Terminal, Vehicles–Muni, Facilities–Muni, Paratransit, Street Resurfacing, Pedestrian and Bicycle Facility Maintenance, Traffic Calming, Tree Planting and Maintenance and Transportation/ Land Use Coordination; and from the Pedestrian Safety category of the Prop AA Expenditure Plan; and

WHEREAS, As required by the voter-approved Expenditure Plans, the Transportation Authority Board has adopted a Prop K or Prop AA 5-Year Prioritization Program (5YPP) for all of the aforementioned Expenditure Plan programmatic categories and the named projects (such as Paratransit) have funds programmed to them in the Prop K Strategic Plan; and

WHEREAS, Seven of the eleven requests are consistent with the relevant strategic plans and/or 5YPPs for their respective categories; and

WHEREAS, The Transbay Joint Powers Authority's (TJPA's) request for Transbay Transit Center – Electrical, Communications, Security & Integrated Networks requires a concurrent Prop K Strategic Plan amendment to re-program unneeded funds from prior TJPA allocations to the subject project; and

WHEREAS, The San Francisco Municipal Transportation Agency's (SFMTA's) request for



the 1570 Burke Avenue Facility Renovation project and San Francisco Public Works' (SFPW's) requests for Haight Street Resurfacing and Pedestrian Lighting and Tree Planting and Establishment require 5YPP amendments as detailed in the enclosed allocation request forms; and

WHEREAS, After reviewing the requests, Transportation Authority staff recommended allocating a total of \$55,989,751 in Prop K funds for ten requests and \$2,052,000 in Prop AA funds for one request, with conditions, and appropriating \$75,000 in Prop K funds for one request, as described in Attachment 3 and detailed in the enclosed allocation request forms, which include staff recommendations for Prop K and Prop AA allocation amounts, required deliverables, timely use of funds requirements, special conditions, and Fiscal Year Cash Flow Distribution Schedules; and

WHEREAS, There are sufficient funds in the Capital Expenditures line item of the Transportation Authority's approved Fiscal Year 2017/18 budget to cover the proposed actions; and

WHEREAS, At its May 24, 2017 meeting, the Citizens Advisory Committee was briefed on the subject request and adopted a motion of support for the staff recommendation; now, therefore, be it

RESOLVED, That the Transportation Authority hereby amends the Prop K Strategic Plan to re-program unneeded funds from prior TJPA allocations to the Transbay Transit Center – Electrical, Communications, Security & Integrated Networks project as detailed in the enclosed allocation request form; and be it further

RESOLVED, That the Transportation Authority hereby amends the Prop K Facilities–Muni, Street Resurfacing, Rehabilitation and Maintenance, and Tree Planting and Maintenance 5YPPs, as detailed in the enclosed allocation request forms; and be it further

RESOLVED, That the Transportation Authority hereby allocates \$55,989,751 in Prop K funds for ten requests and \$2,052,000 in Prop AA funds for one request, and appropriates \$75,000

in Prop K funds for one request, as summarized in Attachment 3 and detailed in the enclosed allocation request forms; and be it further

RESOLVED, That the Transportation Authority finds the allocation of these funds to be in conformance with the priorities, policies, funding levels, and prioritization methodologies established in the Prop K and Prop AA Expenditure Plans, the Prop K and Prop AA Strategic Plans, and the relevant 5YPPs; and be it further

RESOLVED, That the Transportation Authority hereby authorizes the actual expenditure (cash reimbursement) of funds for these activities to take place subject to the Fiscal Year Cash Flow Distribution Schedules detailed in the enclosed allocation request forms; and be it further

RESOLVED, That the Capital Expenditures line item for subsequent fiscal year annual budgets shall reflect the maximum reimbursement schedule amounts adopted and the Transportation Authority does not guarantee reimbursement levels higher than those adopted; and be it further

RESOLVED, That as a condition of this authorization for expenditure, the Executive Director shall impose such terms and conditions as are necessary for the project sponsors to comply with applicable law and adopted Transportation Authority policies and execute Standard Grant Agreements to that effect; and be it further

RESOLVED, That as a condition of this authorization for expenditure, the project sponsors shall provide the Transportation Authority with any other information it may request regarding the use of the funds hereby authorized; and be it further

RESOLVED, That the Capital Improvement Program of the Congestion Management Program, the Prop K and Prop AA Strategic Plans and the relevant 5YPPs are hereby amended, as appropriate.



Attachments (4):

1. Summary of Applications Received
2. Project Descriptions
3. Staff Recommendations
4. Prop K Allocation Summary – FY 2017/18

Enclosure:

1. Prop K/Prop AA Allocation Request Forms (11)

Attachment 1: Summary of Applications Received

Source	EP Line No./Category ¹	Project Sponsor ²	Project Name	Current Prop K Request	Current Prop AA Request	Total Cost for Requested Phase(s)	Leveraging		Phase(s) Requested	District	
							Expected Leveraging by EP Line ³	Actual Leveraging by Project Phase(s) ⁴			
Prop K	5	TJPA	Transbay Transit Center - Electrical, Communications, Security & Integrated Networks	\$ 5,449,859		\$ 117,625,646	86%	95%	Construction	6	
Prop K	17M	SFMTA	Replace 100 40-ft Trolley Coaches	\$ 28,915,153		\$ 144,575,765	84%	80%	Construction	Citywide	
Prop K	17M	SFMTA	Replace 19 60-ft Trolley Coaches	\$ 6,637,580		\$ 33,502,124	84%	80%	Construction	Citywide	
Prop K	20M	SFMTA	1570 Burke Avenue Facility Renovation	\$ 902,200		\$ 35,502,200	90%	97%	Construction	10	
Prop K	23	SFMTA	Paratransit	\$ 10,193,010		\$ 27,476,772	27%	63%	Operations	Citywide	
Prop K, Prop AA	34, Ped	SFPW	Haight Street Resurfacing and Pedestrian Lighting	\$ 1,248,251	\$ 2,052,000	\$ 9,472,073	79%	65%	Construction	5	
Prop K	37	SFPW	Public Sidewalk and Curb Repair	\$ 561,682		\$ 809,469	48%	31%	Construction	Citywide	
Prop K	38	SFMTA	Application-Based Residential Street Traffic Calming (Implementation)	\$ 727,325		\$ 727,325	51%	0%	Design, Construction	Citywide	
Prop K	38	SFMTA	Application-Based Residential Street Traffic Calming (Planning)	\$ 213,525		\$ 213,525	51%	0%	Planning	Citywide	
Prop K	42	SFPW	Tree Planting and Establishment	\$ 1,141,166		\$ 1,141,166	57%	0%	Construction	Citywide	
Prop K	44	SFCTA	NTIP Program Support	\$ 75,000		\$ 75,000	40%	0%	Planning	Citywide	
TOTAL						\$ 56,064,751	\$ 2,052,000	\$ 371,121,065	80%	84%	

Footnotes

¹ "EP Line No./Category" is either the Prop K Expenditure Plan line number referenced in the 2014 Prop K Strategic Plan or the Prop AA Expenditure Plan category referenced in the 2012 Prop AA Strategic Plan, including: Street Repair and Reconstruction (Street), Pedestrian Safety (Ped), and Transit Reliability and Mobility Improvements (Transit).

² Acronyms: SFCTA (San Francisco County Transportation Authority); SFMTA (San Francisco Municipal Transportation Agency); SFPW (San Francisco Public Works); TJPA (Transbay Joint Powers Authority).

³ "Expected Leveraging By EP Line" is calculated by dividing the total non-Prop K funds expected to be available for a given Prop K Expenditure Plan line item (e.g. Pedestrian Circulation and Safety) by the total expected funding for that Prop K Expenditure Plan line item over the 30-year Expenditure Plan period. For example, expected leveraging of 90% indicates that on average non-Prop K funds should cover 90% of the total costs for all projects in that category, and Prop K should cover only 10%.

⁴ "Actual Leveraging by Project Phase" is calculated by dividing the total non-Prop K or non-Prop AA funds in the funding plan by the total cost for the requested phase or phases. If the percentage in the "Actual Leveraging" column is lower than in the "Expected Leveraging" column, the request (indicated by yellow highlighting) is leveraging fewer non-Prop K dollars than assumed in the Expenditure Plan. A project that is well leveraged overall may have lower-than-expected leveraging for an individual or partial phase.

Attachment 2: Brief Project Descriptions ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Prop AA Funds Requested	Project Description
5	TJPA	Transbay Transit Center - Electrical, Communications, Security & Integrated Networks	\$5,449,859		Requested Prop K funds will support the \$117.6 million Electrical, Communications, Security & Integrated Networks construction trade package for the Transbay Transit Center. Major scope elements of the contract include systems for power distribution, lighting, communications infrastructure, emergency power and communications, fire and life-safety, security, public information, building controls and energy management. The award amount for this construction trade package contract when it was certified in 2015 was \$93.4 million. Change orders totaling \$24.2 million have been issued to-date, primarily for work that was included in the Phase 1 Program budget but not included in a trade package when bid such as the Rooftop Park electrical at \$19.8 million. Work will be substantially complete by March 2018 when the new terminal is open for use.
17M	SFMTA	Replace 100 40-ft Trolley Coaches	\$28,915,153		Prop K funds will provide the local match to \$115.66 million in federal funds for the procurement of 100 40-foot New Flyer Inc. electric trolley coaches, replacing 40-foot trolley coaches that have reached the end of their useful lives. These new vehicles constitute the first of two tranches to replace the SFMTA's fleet of 185 40-foot trolleys to be procured from New Flyer under Contract Amendment 2 at a total cost of \$245 million. Prop K funding for the 40-foot trolley coach replacement will total \$53.1 million or about 21.6% of the cost, including this request and a future request for additional local match when Fiscal Year (FY) 2017/18 federal funds are programmed by the Metropolitan Transportation Commission (anticipated in early 2018). SFMTA expects delivery of the 100th 40-foot trolley coach by January 2019.
17M	SFMTA	Replace 19 60-ft Trolley Coaches	\$6,637,580		The SFMTA has requested Prop K funds to provide the local match to federal, state, and regional funds for the procurement of 19 60-foot articulated New Flyer electric trolley coaches, replacing 60-foot trolley coaches that have reached the end of their useful lives. The trolley coaches constitute the third and final tranche of 93 60-foot trolleys that the SFMTA is procuring from New Flyer at a total cost of \$163.4 million. Prop K funding for 60-foot trolley coach fleet replacement, including this request, totals \$31.9 million or about 20% of the cost. The SFMTA expects delivery of the last vehicle by February 2018.

Attachment 2: Brief Project Descriptions ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Prop AA Funds Requested	Project Description
20M	SFMTA	1570 Burke Avenue Facility Renovation	\$902,200		Prop K funds will leverage \$34.6 million in Prop A General Obligation (GO) Bond funds to renovate the 45 year old, SFMTA-owned 103,231 square-foot Central Warehouse at 1570-1580 Burke Avenue. The project includes seismic and structural work, tenant improvements to house the SFMTA overhead lines maintenance division, and to modernize and optimize the facility as the central store and distribution center for parts and supplies for the bus and trolley maintenance divisions. Previous Prop K allocations totaling almost \$5 million supported the original purchase of the building as well as planning and design phases for this project. Prop K is needed for the construction phase to cover costs that are ineligible for GO bonds, including the short-term storage of materials during construction (\$634,000), two new forklifts (\$80,000) to assist in moving materials during construction, and contingency (\$188,200). The SFMTA expects that construction will be complete by September 2018.
23	SFMTA	Paratransit	\$10,193,010		Prop K funds will provide approximately 37% of the budget to support contract costs associated with the \$27.5 million FY 2017/18 Paratransit program. The SFMTA provides paratransit services to persons with disabilities via a broker contract. The contract includes procuring and managing subcontracts with paratransit service providers, monitoring service quality and client interface, administering client eligibility, managing the sale of fare instruments, and acting as the principal customer service representative on behalf of the SFMTA.
34, Ped	SFPW	Haight Street Resurfacing and Pedestrian Lighting	\$1,248,251	\$ 2,052,000	SFPW is requesting Prop K and Prop AA funds for the street resurfacing and pedestrian lighting elements of the multi-agency Upper Haight Transit Improvement and Pedestrian Realm project. Prop K funds would support resurfacing on Haight Street from Stanyan to Central, as well as one block of Masonic from Haight to Waller. Prop AA funds would be used to install pedestrian-scale lighting between Stanyan and Clayton. The overall complete streets project also includes 14 pedestrian and/or transit bulbs, lane configurations, curb ramps, signal improvements and sewer replacement. The project is expected to begin construction in early 2018 and be open for use by March 2020.

Attachment 2: Brief Project Descriptions ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Prop AA Funds Requested	Project Description
37	SFPW	Public Sidewalk and Curb Repair	\$561,682		<p>Prop K funds will leverage \$247,790 in state funds to repair approximately 80 sidewalk locations and 5,616 linear feet of curb damaged by trucks, old age, vehicular accidents, and poor original construction. In past years, SFPW has used Prop K funds to repair sidewalks around City street trees. With the passage of Prop E in November 2016, SFPW now has \$19 million from an annual General Fund set aside to maintain all street trees in the public right-of-way, with nearly \$4 million of the funding to be used for repairs of sidewalk damage and buckling caused by the roots of mature City-maintained trees. SFPW has a backlog of more than 640 requested sidewalk repair locations not related to street tree damage. Additional locations will be determined by SFPW inspections, public complaints, and reports of trip-and-fall accidents. All work will be performed in FY 2017/18.</p>
38	SFMTA	Application-Based Residential Street Traffic Calming (Implementation)	\$727,325		<p>Requested Prop K funds will fund the design and construction of approximately 75 traffic calming devices on 42 blocks around the city, including 66 speed humps, 4 speed cushions, 1 traffic circle, 2 raised crosswalks, and 2 areas with striping/signage. Locations were identified through evaluation of the 87 applications submitted to the SFMTA's Application-Based Residential Street Traffic Calming program in summer 2016. Acceptance into the program and prioritization for implementation is based on rankings of speeds, traffic counts, collision data, and land use types within a short proximity to the street (e.g. schools, transit stops, bike lanes, and parks). Construction will begin before the end of the calendar year and be done by June 2018. See page 107 of the enclosure for list of locations.</p>
38	SFMTA	Application-Based Residential Street Traffic Calming (Planning)	\$213,525		<p>Funds will support citywide program outreach, evaluation and prioritization of all eligible applications (up to 100 per year), planning recommendations for traffic calming devices, project development including ballooning and targeted community outreach where needed, and conceptual engineering of traffic calming measures for approximately 50 site-specific locations. Application materials are available in English, Spanish and Chinese at www.sfmta.com, and must be submitted to SFMTA or before June 30, 2017. SFMTA staff will evaluate whether the street is eligible for acceptance into the program (i.e. on a residential street with a demonstrated speeding program). Eligible applications will then be ranked to determine the locations most in need of traffic calming, with the highest ranked locations getting prioritized based on funding availability. See the Implementation phase request (above) for more information about how locations are prioritized.</p>

Attachment 2: Brief Project Descriptions ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Prop AA Funds Requested	Project Description
42	SFPW	Tree Planting and Establishment	\$1,141,166		With these funds, SFPW crews will plant approximately 762 trees and water them regularly for three years to ensure successful establishment. This is an increase of 100% over FY 2016/17 planting levels. Previously, SFPW used Prop K funds for both street tree planting and maintenance of mature trees. With the passage of Prop E, SFPW now has sufficient funding from an annual General Fund setaside for tree maintenance, and will now use Prop K funds exclusively for tree planting. Priority planting sites will focus on neighborhoods with the greatest number of existing empty tree wells and lowest canopy coverage, such as Bayview Hunters Point, the Excelsior and Portola.
44	SFCTA	NTIP Program Support	\$75,000		Prop K funds will enable Transportation Authority staff to support commissioners' efforts to identify potential Neighborhood Transportation Improvement Program (NTIP) planning and capital projects; to develop proposed scope, schedule, and budget information to support allocation of NTIP grants; and to provide ongoing NTIP support as projects are implemented.
TOTAL			\$56,064,751	\$ 2,052,000	

¹ See Attachment 1 for footnotes.

Attachment 3: Staff Recommendations ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Recommended	Prop AA Funds Recommended	Recommendations
5	TJPA	Transbay Transit Center - Electrical, Communications, Security & Integrated Networks	\$ 5,449,859		Prop K Strategic Plan Amendment: The recommended allocation is contingent on an administrative amendment to the Prop K Strategic Plan to re-program unneeded funds from prior allocations to the subject project.
17M	SFMTA	Replace 100 40-ft Trolley Coaches	\$ 28,915,153		
17M	SFMTA	Replace 19 60-ft Trolley Coaches	\$ 6,637,580		
20M	SFMTA	1570 Burke Avenue Facility Renovation	\$ 902,200		5-Year Prioritization Program (5YPP) Amendment: The recommended allocation is contingent on a concurrent Facilities - Muni 5YPP amendment to transfer cost savings of \$902,200 in design phase to items related to the temporary storage of material currently stored in the Burke facility during the construction phase. See attached 5YPP amendment for details. Special Condition: The Transportation Authority will not release the funds for temporary storage (\$634,000) or contingency (\$188,200) until the SFMTA has confirmed the cost of the lease of storage space, and a budget and rationale for release of all or a portion of the contingency.
23	SFMTA	Paratransit	\$ 10,193,010		
34, Ped	SFPW	Haight Street Resurfacing and Pedestrian Lighting	\$ 1,248,251	\$ 2,052,000	5YPP Amendment: The recommended allocation is contingent upon a concurrent amendment to the Street Resurfacing, Rehabilitation and Maintenance 5YPP to add the subject project with funds from the Pavement Renovation Placeholder and unprogrammed capacity. See the enclosed 5YPP amendment for details.
37	SFPW	Public Sidewalk and Curb Repair	\$ 561,682		
38	SFMTA	Application-Based Residential Street Traffic Calming (Implementation)	\$ 727,325		
38	SFMTA	Application-Based Residential Street Traffic Calming (Planning)	\$ 213,525		
38	SFMTA	Tree Planting and Establishment	\$ 1,141,166		5YPP Amendment: The recommended allocation is contingent upon a concurrent amendment to the Tree Planting and Maintenance 5YPP to reprogram \$581,995 from Tree Maintenance to Tree Planting and Establishment. With the passage of Prop E, SFPW will receive \$19 million in FY 2017/18 for tree maintenance, which is sufficient funding to maintain the trees in the public right-of-way. See enclosed 5YPP amendment for details.
42	SFPW	NIIP Program Support	\$ 75,000		
TOTAL \$			56,064,751 \$	2,052,000	

¹ See Attachment 1 for footnotes.

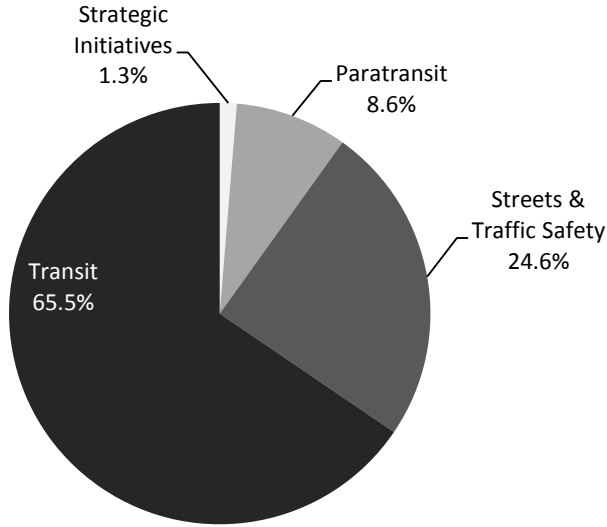
**Attachment 4.
Prop K Allocation Summary - FY 2017/18**

PROP K SALES TAX						
		CASH FLOW				
	Total	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Prior Allocations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Request(s)	\$ 56,064,751	\$ 27,492,079	\$ 27,439,282	\$ 645,389	\$ 97,600	\$ 97,600
New Total Allocations	\$ 56,064,751	\$ 27,492,079	\$ 27,439,282	\$ 645,389	\$ 97,600	\$ 97,600

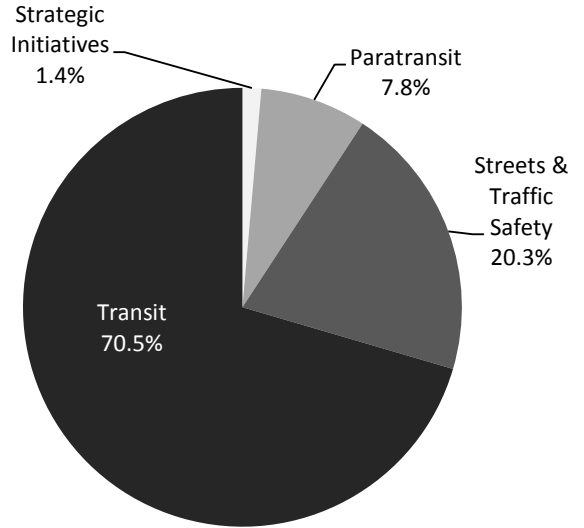
The above table shows maximum annual cash flow for all FY 2017/18 allocations approved to date, along with the current recommended allocation(s).

With these funds, CSDM projects will pl

Investment Commitments, per Prop K Expenditure Plan



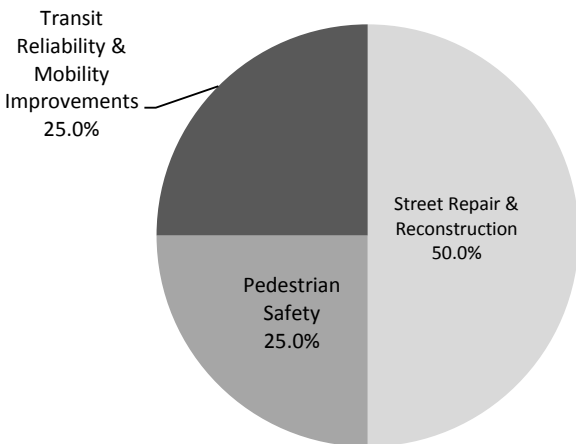
Prop K Investments To Date



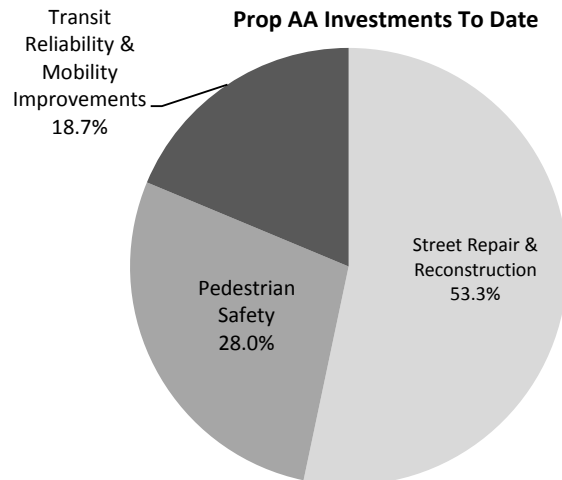
PROP AA VEHICLE REGISTRATION FEE						
	Total	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Prior Allocations						
Current Request(s)	\$ 2,052,000	\$ 500,000	\$ 1,050,000	\$ 502,000	\$ -	\$ -
New Total Allocations	\$ 2,052,000	\$ 500,000	\$ 1,050,000	\$ 502,000	\$ -	\$ -

The above table shows total cash flow for all FY 2017/18 allocations approved to date, along with the current recommended allocation(s).

Investment Commitments, per Prop AA Expenditure Plan



Prop AA Investments To Date





Memorandum

Date: June 6, 2017
To: Transportation Authority Board
From: Anna LaForte – Deputy Director for Policy and Programming
Subject: 06/13/2017 Board Meeting: Allocation of \$55,989,751 in Prop K Funds for Ten Requests and \$2,052,000 in Prop AA Funds for One Request, with Conditions, and Appropriation of \$75,000 in Prop K Funds for One Request

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <p>Allocate \$54,741,500 in Prop K sales tax funds for nine requests:</p> <ul style="list-style-type: none"> • Transbay Transit Center - Electrical, Communications, Security & Integrated Networks (\$5,449,859 to TJPA) • Replace 100 40-ft Trolley Coaches (\$28,915,153 to the SFMTA) • Replace 19 60-ft Trolley Coaches (\$6,637,580 to the SFMTA) • 1570 Burke Avenue Facility Renovation (\$902,200 to the SFMTA) • Paratransit (\$10,193,010 to the SFMTA) • Public Sidewalk and Curb Repair (\$561,682 to SFPW) • Application-Based Residential Street Traffic Calming (Implementation) (\$727,325 to the SFMTA) • Application-Based Residential Street Traffic Calming (Planning) (\$213,525 to the SFMTA) • Tree Planting and Establishment (\$1,141,166 to SFPW) <p>Allocate \$1,248,251 in Prop K sales tax funds and \$2,052,000 in Prop AA vehicle registration fee funds for one request:</p> <ul style="list-style-type: none"> • Haight Street Resurfacing and Pedestrian Lighting (SFPW) <p>Appropriate \$75,000 in Prop K funds for one request</p> <ul style="list-style-type: none"> • NTIP Program Support <p>SUMMARY</p> <p>We have received six Prop K allocation requests from the San Francisco Municipal Transportation Agency (SFMTA), three requests from Public Works (SFPW), one request from the Transbay Joint Powers Authority (TJPA), and we are requesting Prop K funds for one project. The requests total about \$56 million in Prop K funds and \$2.05 million in Prop AA funds. Attachment 1 lists the requests including identifying supervisorial district(s) for each project. Attachment 2 provides a brief description of each project. Attachment 3 contains the staff recommendations including any special conditions.</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Fund Allocation <input type="checkbox"/> Fund Programming <input type="checkbox"/> Policy/Legislation <input type="checkbox"/> Plan/Study <input type="checkbox"/> Capital Project Oversight/Delivery <input type="checkbox"/> Budget/Finance <input type="checkbox"/> Contracts <input type="checkbox"/> Procurement <input type="checkbox"/> Other:
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Agenda Item 6

DISCUSSION

We have received eleven requests totaling \$58,116,751 in Prop K and Prop AA funds that we are recommending for allocation or appropriation. Attachment 1 summarizes the requests, including information on proposed leveraging (i.e. stretching Prop K dollars further by matching them with other fund sources) compared with the leveraging assumptions in the Prop K Expenditure Plan. Attachment 2 includes a brief description of each project. A detailed scope, schedule, budget and funding plan for each project is included in the enclosed Allocation Request Forms. Attachment 3 summarizes the staff recommendations for the requests, highlighting special conditions and other items of interest.

FINANCIAL IMPACT

The recommended action would allocate \$55,989,751 and appropriate \$75,000 in Fiscal Year (FY) 2017/18 Prop K sales tax funds, and allocate \$2,052,000 in FY 2017/18 Prop AA vehicle registration fee funds. The allocations and appropriation would be subject to the Fiscal Year Cash Flow Distribution Schedules contained in the enclosed Allocation Request Forms.

Attachment 4 shows that the recommended allocations and appropriation would be the first of FY 2017/18, and shows the recommended allocation, appropriation and cash flow amounts that are the subject of this memorandum.

Sufficient funds are included in the proposed FY 2017/18 budget to accommodate the recommended actions. Furthermore, sufficient funds will be included in future budgets to cover the recommended cash flow distribution for those respective fiscal years.

CAC POSITION

The CAC was briefed on this item at its May 24, 2017 meeting and unanimously adopted a motion of support for the staff recommendation.

SUPPLEMENTAL MATERIALS

Attachment 1 – Summary of Applications Received
Attachment 2 – Project Descriptions
Attachment 3 – Staff Recommendations
Attachment 4 – Prop K Allocation Summary – FY 2017/18
Enclosure 1 – Prop K/AA Allocation Request Forms (11)



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RESOLUTION MODIFYING THE GEARY CORRIDOR BUS RAPID TRANSIT LOCALLY PREFERRED ALTERNATIVE TO RELOCATE THE WESTBOUND TRANSITION FROM CENTER-RUNNING TO SIDE-RUNNING BUS-ONLY LANES ONE BLOCK WEST, TO THE BLOCK BETWEEN 27TH AND 28TH AVENUES

WHEREAS, The purpose of the Geary Corridor Bus Rapid Transit Project (“Geary BRT” or “Project”) is to improve the speed, reliability, and quality of public transportation service along the Geary corridor while also increasing pedestrian safety, enhancing the streetscape, and maintaining multimodal circulation; and

WHEREAS, On January 5, 2017, through Resolution 17-21, the Transportation Authority certified the Geary Corridor Bus Rapid Transit Project (“Geary BRT” or “Project”) Final Environmental Impact Report (EIR) prepared in compliance with the California Environmental Quality Act (CEQA); adopted findings and conclusions required by CEQA, including a Statement of Overriding Considerations; adopted a Mitigation, Monitoring, and Reporting Program; approved the Hybrid Alternative with modifications as the Geary BRT Project; and selected the Hybrid Alternative with modifications as the Locally Preferred Alternative (LPA); and

WHEREAS, The Federal Transit Administration is the lead agency under the National Environmental Policy Act (NEPA) and is preparing a separate Final Environmental Impact Statement (EIS); and

WHEREAS, The selected LPA includes segments of side-running and center-running dedicated bus lanes with a transition from center-running lanes to side-running lanes between 26th and 27th Avenues; and

WHEREAS, Stakeholders expressed concerns that the proposed outbound bus-only lane transition between 26th and 27th Avenues would compromise the parking supply and access to



loading spaces in front of the Holy Virgin Cathedral; and

WHEREAS, The Transportation Authority and the San Francisco Municipal Transportation Agency (SFMTA) now propose to modify the outbound transition design by moving it one block west to between 27th and 28th Avenues, thereby reducing potential loading conflicts and increasing the parking supply on these blocks while maintaining the project's benefits to transit riders, pedestrians, and other corridor users; and

WHEREAS, The Transportation Authority and SFMTA have notified stakeholders on the affected blocks of Geary Boulevard of the proposed change via mail, door-to-door merchant outreach, and meetings with stakeholder organizations, and affected stakeholders did not identify any concerns with the proposed design modification; and

WHEREAS, In response to the proposed modification to the location of the transition, on May 19, 2017, the Transportation Authority completed an Addendum to the project EIR under CEQA, finding that the proposed modification would not cause any new significant environmental impacts, would not increase the severity of any previously identified significant effects, and does not provide new information of substantial importance that would change the conclusions set forth in the FEIR; and

WHEREAS, Selection of an LPA is required under NEPA and the proposed design change would constitute a modification to the previously selected LPA; and

WHEREAS, At its May 24, 2017 meeting, the Citizens Advisory Committee was briefed on the subject request and unanimously adopted a motion of support for the staff recommendation; now, therefore, be it

RESOLVED, That the Transportation Authority has reviewed and considered the Geary Final EIR, the Addendum to the Geary BRT EIR published on May 19, 2017, and the record as a whole, and finds that the Geary EIR is adequate for use by the Transportation Authority for the actions taken

herein, and incorporates the CEQA Findings contained in Resolution 17-21 as though fully set forth herein; and be it further

RESOLVED, The Transportation Authority further finds that since the Final EIR was finalized, there have been no substantial project changes and no substantial changes in project circumstances that would require major revisions to the Final EIR due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the Final EIR; and be it further

RESOLVED, That the Transportation Authority hereby modifies the Geary BRT LPA to relocate the westbound transition from center-running to side-running bus-only lanes one block west, to the block between 27th and 28th Avenues.

Attachment:

1. Addendum to the Geary BRT EIR

Addendum to Environmental Impact Report

Addendum Date: May 19, 2017

Project Title: Geary Corridor Bus Rapid Transit Project

EIS/EIR: Geary Corridor Bus Rapid Transit Project, EIR Certified January 5, 2017

Project Sponsor: San Francisco Municipal Transportation Agency (SFMTA)

Project Sponsor Contact: Liz Brisson, (415) 701-4791

Lead Agency: San Francisco County Transportation Authority (SFCTA)

Staff Contact: Colin Dentel-Post, (415) 522-4836

Background

The Geary Corridor Bus Rapid Transit (BRT) Project comprises a package of transit and pedestrian improvements along 6.5 miles of City streets referred to herein as “the Geary corridor.” The Geary corridor encompasses the entirety of Geary Boulevard/Geary Street from Market Street west to 48th Avenue. The corridor also includes portions of Market, Mission, 1st, Fremont, and Beale Streets (to connect to the Transbay Terminal) as well as the one-way portion of O’Farrell Street between Van Ness and Market Street.

The Geary BRT Project would add dedicated bus lanes, upgraded bus stops/shelters, improved pedestrian crossing features, transit and traffic signal upgrades, and other features intended to provide faster, more reliable bus service and a safer pedestrian environment on the Geary corridor as well as on adjacent portions of intersecting side streets.

The purpose of the Geary BRT Project is to:

- Improve transit performance on the corridor as a key link in the City’s rapid transit network to improve the passenger experience and promote high transit use
- Improve pedestrian conditions and pedestrian access to transit
- Enhance transit access and the overall passenger experience, while maintaining general vehicular access circulation

Project Description

The Project would implement physical roadway and lane changes between Market and 34th Streets, but would also implement bus service amenities and improvements between the Transbay Transit Center and 48th Avenue. The Project would result in bus-only lanes along the Geary corridor from the Transbay Terminal to 34th Avenue. Bus-only lanes, currently installed on Geary and O’Farrell Streets between Market and Gough Streets enhance transit service by separating bus traffic from regular (mixed-flow) traffic. This separation would reduce bus delays and improve reliability. In addition to bus-only lanes, the Project includes numerous transit and pedestrian supportive elements, including but not limited to bus and pedestrian bulb outs and pedestrian safety zones to help expedite access and loading, traffic signal upgrades, upgraded station amenities, and resurfacing of mixed-flow traffic lanes.

Approval Actions

On January 5, 2017, SFCTA certified a Final Environmental Impact Report (EIR) for the Geary Corridor BRT Project. In addition to certifying the EIR, SFCTA approved the Geary BRT project and selected a locally preferred alternative (LPA), hereafter referred to as the “BRT Project” or “Project.” SFCTA filed a Notice of Determination on January 6, 2017.

Previously, in October 2015, SFCTA and the Federal Transit Administration (FTA) had jointly published a Draft Environmental Impact Statement (EIS)/EIR. The certified Final EIR responded to several hundred public comments on the Draft EIS/EIR.

Although the Draft EIS/EIR had been prepared as a joint document to meet requirements of both federal and state environmental laws, SFCTA and FTA agreed in December 2016 to prepare separate final documents. A Final EIS and Record of Decision (ROD) for the Geary Corridor BRT Project are expected to be issued by FTA in 2017.

Since certification of the Final EIR and selection of the LPA, one project modification related to the location of the transition from center-running to side running bus-only lanes, and one project refinement related to construction phasing have been identified. The remainder of this document describes these changes, and evaluates their potential for environmental impacts not previously addressed in the Draft or Final EIR.

Proposed Modification: Outer Richmond Transition Area

The Project as described in the Draft EIS/EIR and Final EIR assumed a transition from center- to side-running bus lanes in the Outer Richmond neighborhood between 26th and 27th Avenues (see Figure 1). As shown in Figure 1, both eastbound and westbound buses were proposed to transition to or from center/side-running lanes between 26th and 27th Avenues.

As proposed in the Draft EIS/EIR and Final EIR, this design would eliminate nine of the 18 existing angled on-street parking spaces on the north side of Geary between 26th and 27th Avenues due to a combination of the conversion of existing angled spaces to parallel spaces and installation of buffer areas between spaces. On the north side of Geary between 27th and 28th Avenues, the design as proposed in the Draft EIS/EIR would add one parallel parking space to the existing seven parallel parking spaces (eight parallel spaces would result).

The northern side of the block between 26th and 27th Avenues is occupied by the Holy Virgin Cathedral (6210 Geary Boulevard), a religious and community facility. To better accommodate the parking and loading concerns of the facility, the agencies have proposed to modify the transition, as shown below in Figure 2.

As shown in Figure 2, the *westbound* transition would shift one block to the west, to the block between 27th and 28th Avenues. In other words, the center running bus lane would continue for one additional block west. Buses would therefore transition from center running to side running lanes between 27th and 28th Avenues.

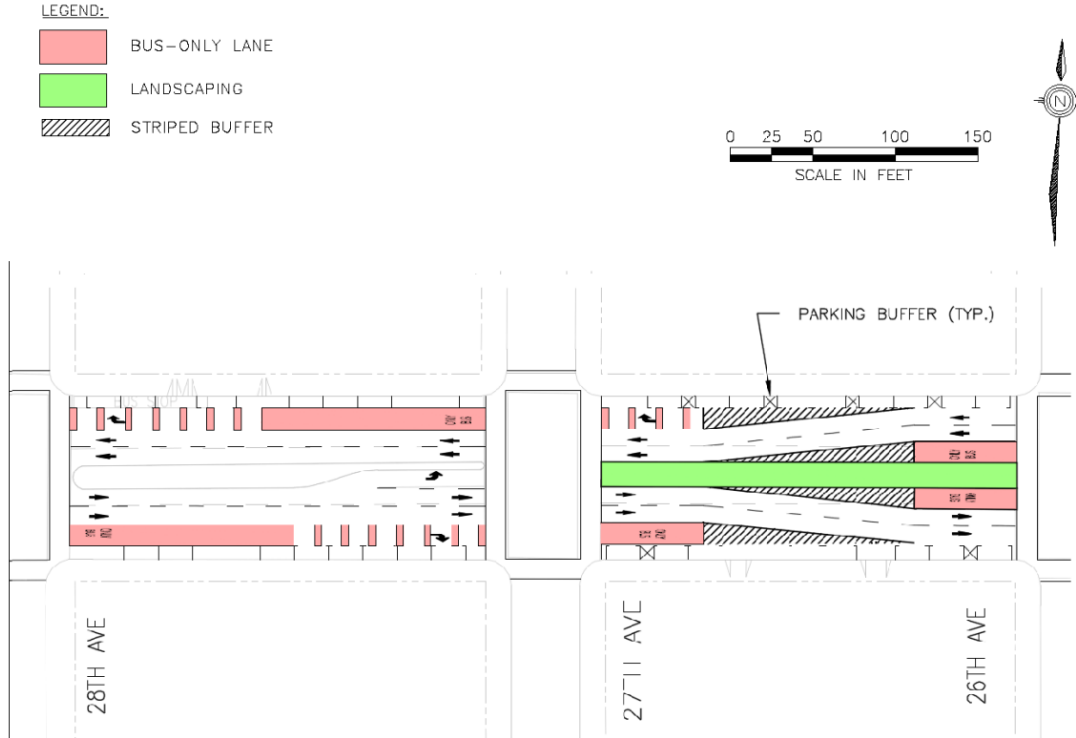


Figure 1. Hybrid Alternative Bus Lane Configuration between 26th and 28th Avenues Proposed in the Draft EIS/EIR and Final EIR

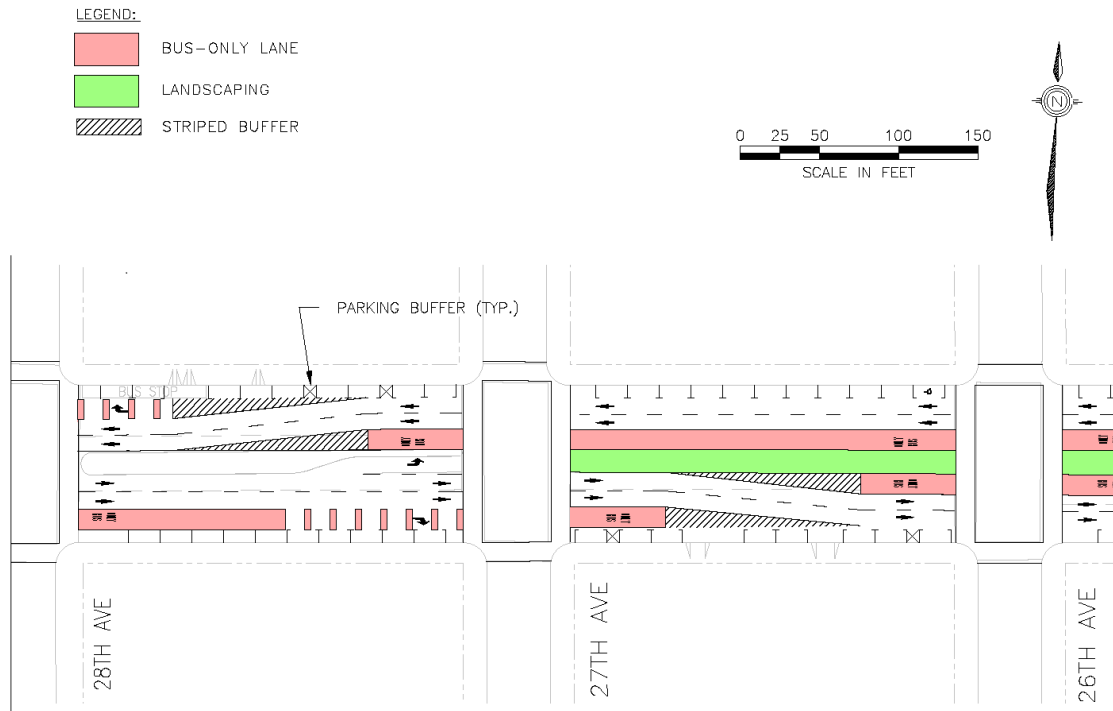


Figure 2. Hybrid Alternative Bus Lane Configuration Change between 26th and 28th Avenues Proposed in the Final EIS

No parking buffer areas would be installed on the north side of Geary (immediately adjacent to the Cathedral) between 26th and 27th Avenues, thus preserving two additional parking spaces (retaining 11 of the existing 18 spaces). With this design, the number of parking spaces remaining on the north side of Geary between 27th and 28th Avenues would not change relative to the project as proposed in the Draft EIS/EIR and the Final EIR: a total of eight parallel spaces, an increase of one space over existing conditions.

See the discussion of Parking and Loading conditions below for a complete accounting of parking changes between the original and revised proposed designs.

The *eastbound* transition would remain as proposed in the Draft EIS/EIR and Final EIR, between 26th and 27th Avenues on the south side of Geary Boulevard. No modification to the eastbound transition is proposed.

To achieve the proposed modification depicted in Figure 2, the following changes to roadway striping aspects of the approved project would be necessary.

- Additional red roadway coloring (denoting a bus-only lane) in the westbound innermost (closest to center) lane for approximately one third of Geary between 27th and 28th Avenues.
- Striping of parking buffers on the north side of Geary between 27th and 28th Avenues, instead of between 26th and 27th Avenues as previously proposed, resulting in the provision of two additional parking spaces between 26th and 27th Avenues.

The proposed modification would retain the existing planted median between 27th and 28th Avenues. The proposed modification would not increase the need for excavation or median removal relative to what was disclosed in the Draft EIS/EIR and Final EIR.

In addition to the proposed physical shift in bus-only lanes, the proposed modification shown in Figure 2 would require operational changes to transit signal timing/queue jumps.

A queue jump is the term used to describe the efficient transition of buses from dedicated, bus-only lanes to mixed-flow traffic lanes. The intent of a queue jump is to use traffic signal timing to allow a bus to enter mixed traffic flow in a priority position so as to reduce delay and improve reliability.

Prior to the proposed modification, the westbound transit signal queue jump was to have been located at 26th Avenue; eastbound, the queue jump was to have been at 27th Avenue. With the proposed modification, both transit signal queue jumps would be located at 27th Avenue. Based on analysis conducted by SFMTA, this change in queue jumps would not require any change to pedestrian signal timing at either 26th or 27th Avenues. Indeed, the consolidation of both queue jumps to one intersection would allow for more efficient signal coordination.

Analysis of Potential Environmental Effects of Project Modification

CEQA Guidelines Section 15164 provides for the use of an addendum to document the basis of a lead agency's decision to not require a Subsequent or Supplemental EIR for a project that is already adequately covered in an existing certified EIR but where one of the conditions listed in CEQA Section 21166 (CEQA Guidelines Section 15162) arises—namely project changes, new information, or changed circumstances. The lead agency's decision to use an addendum must be supported by substantial evidence that the conditions that would trigger the preparation of a Subsequent EIR, as provided in CEQA Guidelines Section 15162, are not present.

This addendum provides analysis to determine whether the modified project would result in any new significant environmental impacts, result in substantial increases in the severity of previously identified effects, or necessitate implementation of additional or considerably different mitigation measures than those identified in the Final EIR.

Transit Conditions: The transition from center- to side-running bus-only lanes would remain operationally the same as described in the Draft EIS/EIR and Final EIR, except that transit vehicles in the westbound direction would change from the center-running transit-only lane to the side-running transit-only lane one block further west. This change would not result in delays to transit operations; westbound transit would have the benefit of one additional block of center bus-only lane, potentially enhancing transit performance beyond what was identified in the Draft EIS/EIR and Final EIR for the Hybrid Alternative/LPA.

Transit travel time variability is a measure of how well buses adhere to their schedule. Factors that affect transit delay also affect transit reliability, including dwell time. The Draft EIS/EIR and Final EIR determined that travel time reliability would improve with all build alternatives as compared to the No Build Alternative. The proposed revision would not substantially change transit travel time variability from what was disclosed in the Draft EIS/EIR and Final EIR for the Hybrid Alternative/LPA, such that a new or worsened transit impact would occur.

Automobile Traffic: The Draft EIS/EIR and Final EIR used several evaluation metrics to measure the performance of the Hybrid Alternative/LPA in future year conditions in order to identify whether any adverse effects related to automobile traffic would occur. These metrics included: auto travel time, intersection delay/level of service (LOS), system-wide multi-modal delay, and vehicle miles traveled (VMT)/vehicle hours traveled (VHT). The methodology, which utilized several analysis tools, is detailed in Section 3.4.3 of the Draft EIS/EIR.

The analysis in the Draft EIS/EIR and Final EIR concluded that none of the build alternatives, including the Hybrid Alternative/LPA, would adversely affect overall circulation or travel times for automobiles in the Geary corridor in 2020 or 2035. In terms of intersection LOS, the Draft EIS/EIR and Final EIR found that the Hybrid Alternative/LPA would result in adverse effects at four study intersections on Geary Boulevard, and four additional locations off the Geary corridor. No feasible mitigation measures were identified to reduce these adverse impacts. All of these intersections were east of Park Presidio Boulevard.

The proposed modification would not inhibit multimodal access in the corridor. Roadway capacity would not change with the shift of the transition point one block west. As such, the proposed modification would not result in worsened LOS at any of the study intersections relative to what was disclosed in the Draft EIS/EIR and Final EIR.

Pedestrian and Bicycle Transportation: The Draft EIS/EIR and Final EIR analyzed the potential for the alternatives to result in adverse impacts to pedestrian and bicycle modes of transportation. The analysis in the Draft EIS/EIR and Final EIR was based on technical reports prepared for the Geary BRT Project, including a Pedestrian Safety Analysis and Recommendations report (Appendix D8 of the Draft EIS/EIR). The Draft EIS/EIR and Final EIR examined the potential for the alternatives to affect pedestrians and persons bicycling in terms of pedestrian delay, sidewalk conditions, pedestrian safety, access for seniors and persons with disabilities, and bicycle delay.

The Draft EIS/EIR determined there would be no adverse effects to pedestrian and bicycle conditions along the Geary corridor as a result of the build alternatives and thus no avoidance, minimization or mitigation measures related to pedestrians or bicycles were identified.

The revised transition point relocation would not change conditions for pedestrians as no change to pedestrian facilities or pedestrian crossing signals would be included.

Bicyclists along the corridor would experience the bus moving from the center- to the side-running lane one block further west when traveling in the westbound direction. This change would not result in any new hazardous conditions for bicyclists. In sum, the proposed modification would not result in additional adverse effects on pedestrian delay, sidewalk conditions, pedestrian safety, access for seniors and persons with disabilities, or bicycle delay.

Parking and Loading Conditions: The Draft EIS/EIR and Final EIR analyzed the potential for the build alternatives to result in adverse parking impacts. The analysis in the Draft EIS/EIR and Final EIR was based on detailed parking studies prepared for the Geary BRT Project. The Draft EIS/EIR and Final EIR examined the potential for the build alternatives to affect parking supply in the project area. The Draft EIS/EIR and Final EIR found no adverse parking effects as a result of the build alternatives and thus did not identify avoidance, minimization or mitigation measures related to parking.

At present, on the block of Geary between 26th and 27th Avenues, immediately fronting Holy Virgin Cathedral (the northern curb face), there are 18 on-street angled parking spaces. Of the 18 on-street angled spaces, six are marked as a white zone for use of passenger loading during certain days/times and one is a parking space for people with disabilities.

On the block of Geary between 27th and 28th Avenues, one block west of the Cathedral, the north side of Geary currently has seven parallel parking spaces and a 38 local bus stop at the corner of Geary and 28th Avenue.

As set forth in the Draft EIS/EIR and Final EIR, the design as originally proposed would have required removal of nine of the 18 on-street spaces on the north face of Geary between 26th and 27th Avenues due to conversion of the spaces from angled to parallel and to accommodate parking buffers. The removed spaces would have been parking spaces, so there would be no change in the number of passenger loading spaces.

The proposed transition relocation would retain 11 of the existing on-street parking spaces and white zones on the north face of Geary between 26th and 27th Avenues. Between 27th and 28th Avenues, the transition relocation would not affect parking from what was assumed in the Draft EIS/EIR: a total of eight parallel spaces, an increase of one space over existing conditions. In other words, the proposed relocation of the transition would result in a gain of two on-street parking spaces relative to what was disclosed in the Draft EIS/EIR and Final EIR. The white zone would remain on the block face in front of the cathedral, leaving loading conditions there the same as the previous design proposal. Therefore, the proposed modification would not result in any adverse parking effects.

Construction-Period Transportation Conditions: The Draft EIS/EIR and Final EIR analyzed the potential for construction impacts, including impacts to traffic, transit, parking, pedestrians, and cyclists, that could result during construction of the build alternatives. The proposed modification would not result in any substantially different or additional construction activities than what was already disclosed in the Draft EIS/EIR and Final EIR. The changes to the westbound transition would generally entail the same type of construction activities as previously described and disclosed in the Draft EIS/EIR and Final

EIR for this area. Construction of the westbound bus only-lane would be extended one block and activities previously anticipated to occur between 26th and 27th avenues would shift to between 27th and 28th Avenues. This would not substantially change any of the construction period transportation conditions described in the Draft EIS/EIR and Final EIR.

Visual Resources: The Draft EIS/EIR and Final EIR analyzed the potential for the build alternatives to result in adverse visual impacts. The Draft EIS/EIR and Final EIR found that construction of the build alternatives would result in temporary declines in visual quality, while operation of the build alternatives would not have adverse visual effects.

The proposed relocation of the transition point would not result in any substantial changes regarding visual resources than what was already disclosed in the Draft EIS/EIR and Final EIR. The only change would be a difference in the color and striping of paint between 26th and 28th Avenues. The 27th Avenue transition shift would not require removal of the median or its landscaping between 27th and 28th Avenues and would have similar visual effects to those described in the Draft EIS/EIR and Final EIR. Therefore, the proposed modification would not result in any new or worsened visual effects relative to what was described in the Draft EIS/EIR.

Cultural Resources: The Draft EIS/EIR and Final EIR analyzed the potential for the alternatives to result in adverse impacts to archaeological resources and historic architecture. The analysis was based on technical reports prepared for the Geary BRT Project, including an Archaeological Sensitivity Assessment and a Historic Resources Inventory and Evaluation Report. The Draft EIS/EIR and Final EIR found that the build alternatives had the potential to encounter previously unrecorded archaeological resources but would have no adverse effects on historic architectural resources.

The westward shift of the westbound bus-only lane center- to side-running transition to the block between 27th and 28th Avenues would not require median removal on that block and, hence, would not require associated excavation which would have the potential to encounter unknown archaeological resources. No historic architectural resources are present at the location of the 27th Avenue center- to side-running bus-only lane transition shift. Therefore, the proposed modification would not result in any new or worsened effects to cultural resources relative to what was described in the Draft EIS/EIR and Final EIR.

Utilities: The Draft EIS/EIR and Final EIR analyzed the potential for the alternatives to affect utilities and service systems, including utility relocations and modifications, stormwater management system capacity, potable and emergency service water supply capacities, solid waste collection capacity, and electricity demand and capacity.

The changes to the westbound transition from center- to side-running bus-only lanes would not require any additional utility relocations, would not change the amount of impervious surfaces, would not change any plans for landscaping or irrigation, and would not substantially affect BRT ridership (and thereby solid waste generation). Therefore, the proposed modification would not result in any new or worsened effects to utilities relative to what was described in the Draft EIS/EIR and Final EIR.

Air Quality and Greenhouse Gases: The Draft EIS/EIR and Final EIR considered the potential for the alternatives to result in increased emissions of air pollutants during both construction and operation (including greenhouse gases [GHGs]) and to conform to pertinent requirements of the Clean Air Act. The Draft EIS/EIR and Final EIR found that construction of any of the build alternatives would generate short-term criteria pollutant emissions; however, these construction-period emissions would not exceed the Bay Area Air Quality Management District (BAAQMD) thresholds for health risk significance.

Project operation was found to result in decreased regional vehicle miles traveled (VMT) and, hence, an associated decrease in air pollutant emissions.

The changes to the westbound transition at 27th Avenue would entail the same construction activities as previously described in the Draft EIS/EIR and Final EIR; construction for the westbound lane would simply be shifted one block further west. The proposed modification would not have any substantial effect on bus operations and would, thus, retain anticipated benefits to air quality over the No Build Alternative. Therefore, no new or worsened effects to air quality relative to what was disclosed in the Draft EIS/EIR and Final EIR would occur.

Noise and Vibration: The Draft EIS/EIR and Final EIR evaluated the potential for construction and operation of the alternatives to result in substantial increases in noise and/or vibration. Use of heavy equipment during construction and demolition and changes in noise from bus activity would have the potential to affect noise and vibration along the Geary corridor. While project construction would temporarily and intermittently increase ambient noise levels over the approximate 90- to 130-week construction schedule, the Draft EIS/EIR and Final EIR found that temporary construction noise effects would not be adverse for the build alternatives with adherence to the San Francisco Noise Ordinance, equipping impact tools with intake and exhaust mufflers, and obtaining a noise permit for nighttime work from Public Works.

The 27th Avenue bus lane transition shift would alter roadway striping and the location of the transit signal queue jump, but would not require additional median removal or other intensive construction activities beyond what was described in the Draft EIS/EIR and Final EIR and, thus, would not create new or worsened noise and vibration effects. Therefore, the proposed modification would not result in any new or worsened effects of noise and vibration relative to what was described in the Draft EIS/EIR and Final EIR.

Energy: The Draft EIS/EIR and Final EIR assessed the direct and indirect effects of the project alternatives on energy consumption. Construction of the build alternatives would require indirect consumption of fossil fuels, labor, and construction materials; while these expenditures would be irrecoverable, they are not in short supply. The build alternatives were found to result in a slight reduction in direct transportation energy use. Thus, the project was found not to have any adverse energy effects.

The proposed modification would involve the same level of construction-period energy consumption as previously analyzed; the location of the transition would simply shift one block west. As this change would not substantially affect bus operations, the same benefits of reduced transportation energy use would still occur. Therefore, no new or worsened effects related to energy use would occur relative to what was described in the Draft EIS/EIR and Final EIR.

Biological Resources: The Draft EIS/EIR and Final EIR analyzed potential effects of the alternatives to biological resources. Construction-period effects to biological resources were found to be limited to trees protected under the Urban Forestry Ordinance, birds, nests, and eggs protected under the Migratory Bird Treaty Act (MBTA), and potential for introduction or increases in noxious weeds associated with ground disturbance. Project operation would not affect biological resources, as the Geary corridor is urbanized with little to no indigenous vegetation and no known special-status species.

The proposed modification would not require removal of any additional trees; the median and trees between 27th and 28th Avenues would remain. The shift would entail the same construction activities, which would be shifted one block further west. Therefore, no new or worsened effects to biological resources would occur relative to what was described in the Draft EIS/EIR and Final EIR.

Cumulative Scenario: Since the proposed modification would not have any additional impacts as described above, this change would not have impacts that would be cumulatively considerable for any of the topics described above.

Other Environmental Topics: The Draft EIS/EIR and Final EIR analyzed the potential for significant impacts in the areas listed below. Under all of these topics, the analysis concluded that there was a less than significant impact or mitigation measures were identified to reduce such impacts to less than significant levels.

Since the proposed modification would be limited to a one-block extension in the length of westbound bus-only lanes and the minor physical and operational changes described herein, the modified project would not result in additional impacts beyond those identified in the Draft EIS/EIR and Final EIR in the following areas.

- Land Use/Population and Housing
- Geology/Soils/Seismic/Topography
- Hazards/Hazardous Materials
- Hydrology and Water Quality
- Public Services and Recreation
- Mineral Resources
- Agriculture/Forest Resources

Further, Section 7.6 of the Draft EIS/EIR noted that the Project would not have any foreseeable capacity to alter wind patterns or result in shadowing effects on public park areas or open spaces. None of the proposed modifications change the nature of the project such that effects to wind patterns or shadowing of public parks/open space might occur.

Conclusion

Based on the foregoing, it is concluded that the analyses conducted and the conclusions reached in the Final EIR, certified on January 5th, 2017, remain valid and unchanged. The proposed modification to the 27th Avenue bus lane transition would not cause new significant impacts not identified in the Final EIR or an increase in the severity of previously identified significant effects. Further, no substantial changes have occurred with respect to circumstances surrounding the Project that will cause significant environmental impacts or a substantial increase in the severity of previously identified significant effects. Finally, no new information has become available that shows that (1) the Project will cause significant environmental impacts not discussed in the previous Final EIS/EIR, (2) significant effects will be substantially more severe, or (3) new or different feasible mitigation measures or alternatives from those adopted will substantially reduce one or more significant effects of the project. Therefore, no supplemental environmental review is required beyond this addendum.

Proposed Refinement: Construction Phasing

In Section 4.15 of the Draft EIS/EIR, SFCTA and SFMTA disclosed that any of the build alternatives would be of such a scale that some type of phased implementation was anticipated. The Draft EIS/EIR noted that “phased implementation would allow service improvements to be implemented more quickly and over time based on funding availability.”

The Draft EIS/EIR identified elements of a potential phased approach, specifically noting that an initial phase of construction could include traffic signal modifications, construction of bus bulbs, implementation of side-running bus lanes, changes to right-turn pockets, and bus stop relocations.

The Draft EIS/EIR (p. 4.15-10) noted that “construction phasing would depend on the Build Alternative selected, the availability of funding, and other factors. Therefore a detailed phasing plan is unavailable at this stage and would thus be too speculative to analyze.” Since certification of the Final EIR and selection of the Hybrid Alternative as the LPA, SFCTA and SFMTA have refined their plans for construction phasing, and have divided the project into two primary construction phases (Phase I and Phase II) that would occur in succession. The refined construction phasing plans also include anticipated separate utility modifications.

As illustrated in Figure 3 below, Phase I would entail work east of Stanyan Street where BRT would operate in side-running bus-only lanes. Phase II would include work west of Stanyan Street, where BRT operations would be in predominantly center-running bus-only lanes.¹ The project would still be constructed using the Staggered Multiple Block Segment Approach described in Section 4.15 of the Draft EIS/EIR.

The Draft EIS/EIR provided several types of timeframe estimations for the build alternatives.

Table 4.15-3 in the Draft EIS/EIR estimated the total duration of *active* construction periods, assuming continuous construction proceeding along both sides of the corridor in multiple segments simultaneously, to be 100 weeks (approximately 2 years) for the Hybrid Alternative (and now LPA), exclusive of any coordinated separate utility work. (“Coordinated” utility work was assumed to be performed with construction of any of the build alternatives, consistent with the City of San Francisco’s policy to consolidate projects that would require tearing up/replacing streets).

The Draft EIS/EIR also estimated that the total construction duration, including inactive periods, would extend from two to four years, depending on the alternative selected. Alternative 2, featuring side-running bus-only lanes, was assumed to be on the lower end of that schedule, with Alternatives 3 and 3-Consolidated, entailing substantial street reconstruction through the Fillmore area, assumed on the higher end.

The Draft EIS/EIR further noted that for any given block, active construction of the project (not including utility work) was estimated to last between one to five months, depending on construction activities, scheduling, and operations.

¹ Proposed bicycle improvements on Geary between Masonic and Presidio Avenues (construction of Class I bicycle lanes in both directions on this block) would be the one exception to the geographic limits separating the Phase I and Phase II limits. These bicycle improvements include reconfiguring the center median island to accommodate a new dedicated bicycle facility. Due to the longer design schedule for these improvements, they would be implemented through the contracting mechanism used to deliver the Phase II improvements west of Stanyan Street. All transit improvements in this area, including bus-only lanes, bus stop consolidation and a transit signal queue jump, would still be part of Phase I.

As noted in Section 4.15.2.1 of the Draft EIS/EIR, the possibility of construction phasing (which was not specifically determined at the time) would not increase the *intensity* of active construction but would break the active construction into smaller phases that would be implemented over a longer period of time.

The more detailed construction phasing plan that has been developed by SFMTA for the Hybrid Alternative/LPA would still be expected to result in a total construction duration (both active and inactive) of about four years, which is consistent with the higher end of the overall estimate provided in the Draft EIS/EIR.

Phase I and Phase II would *each* be expected to take approximately 100 weeks, including both active and inactive periods and anticipated separate utility work. With more information now available with regard to specific phasing activities and SFMTA's recent experience with similar projects, the duration of construction activities on any given block could take up to 12 months for areas with a larger scope of work inclusive of active and inactive periods, depending on construction scheduling, construction operations, and the extent of the utility work involved. The majority of blocks would have a shorter anticipated construction duration.

As described in the Draft EIS/EIR, this discrete phasing would not increase the intensity of active construction, as the same project elements (e.g., side- and center-running bus-only lanes, BRT stops) would be constructed. In fact, the modifications to the Hybrid Alternative/LPA described in the Final EIR have removed some of the previously proposed construction activities that would have been more intensive—specifically, no longer demolishing the Webster Street bridge and no longer constructing block-long BRT bus bulbs between Spruce and Cook Streets. As a result of these changes to the Hybrid Alternative/LPA, localized construction impacts anticipated in the Draft EIS/EIR, such as noise associated with bridge demolition and temporary lane modifications to construct bus bulbs, would not occur in these areas.

Overall, the refined construction phasing for the Hybrid Alternative/LPA would not result in any different construction-period environmental effects, other than clarification as to when and where such effects would occur. In general, construction activities during Phase I would be less intensive than those in Phase II—Phase I primarily would involve roadway restriping for side-running bus-only lanes and construction of pedestrian improvements, while Phase II would entail median removal to accommodate center-running bus-only lanes. Accordingly, air quality effects would be localized, first occurring in the geographic area of Phase I (i.e., east of Stanyan), and later in Phase II (i.e., west of Stanyan).

Overall air pollutant emissions from construction activities would be similar to those described in the Draft EIS/EIR. Construction emissions thresholds are based on daily emissions. In the Draft EIS/EIR, it was noted that the Hybrid's emissions of criteria pollutants would fall well below the thresholds. Given that the scope of improvements is similar to what was described in the Draft EIS/EIR and Final EIR, no exceedance of daily emissions thresholds would be anticipated. Estimated daily construction emissions described in Table 4.15-6 of the Draft EIS/EIR represented anticipated upper limits. With the phasing and project changes, actual emissions would be expected to be similar or lower on a daily basis but could occur over a longer period of time—from five months to 12 months at select locations with coordinated utility work. The project would still adhere to the City's Clean Construction Ordinance (Section 6.25 of the San Francisco Administrative Code) as described in the Draft EIS/EIR.

Similarly, temporary and intermittent construction-period noise and vibration effects would also be localized to the geographic areas where active construction was occurring, as described in the Draft EIS/EIR. Demolition of the Steiner Street bridge, which would occur during Phase I, would be the

EIS/EIR. Demolition of the Steiner Street bridge, which would occur during Phase I, would be the noisiest project element due to the use of jack hammers and similar impact equipment. Median removal in Phase II would also generate temporary noise and vibration effects, though these would be at a greater distance from sensitive receptors as they would occur in the center of Geary.

With the refined phasing for the Hybrid Alternative/LPA, construction-period transportation impacts described in the Draft EIS/EIR for the corridor as a whole would first be concentrated in Phase I (Market to Stanyan). During Phase II, all construction work, with the exception of bicycle improvements between Masonic and Presidio, would occur west of Stanyan. The Transportation Management Plan (TMP) described in Section 4.15.5 of the Draft EIS/EIR would include consideration of the refined construction phasing for the Hybrid Alternative/LPA to manage transportation impacts resulting from construction activities.

In sum, overall construction impacts of the Hybrid Alternative/LPA would be the same as those described in the Draft EIS/EIR. The project would still include similar construction activities as described in the Draft EIS/EIR, with the project modifications to retain the Webster Street bridge and to not construct block-long bus bulbs on the block of Geary between Spruce and Cook Streets resulting in a slightly lower overall level of construction activity. The refined construction phasing plans would simply spread out the construction of project improvements over time and space. No new avoidance, minimization, or mitigation measures would be required.

Notification

This addendum shall be made available on the SFCTA website through substantial completion of project construction. The SFCTA shall send an email to the Project list notifying interested parties of the addendum.

Determination

I do hereby certify that the above determination has been made pursuant to State and Local requirements.

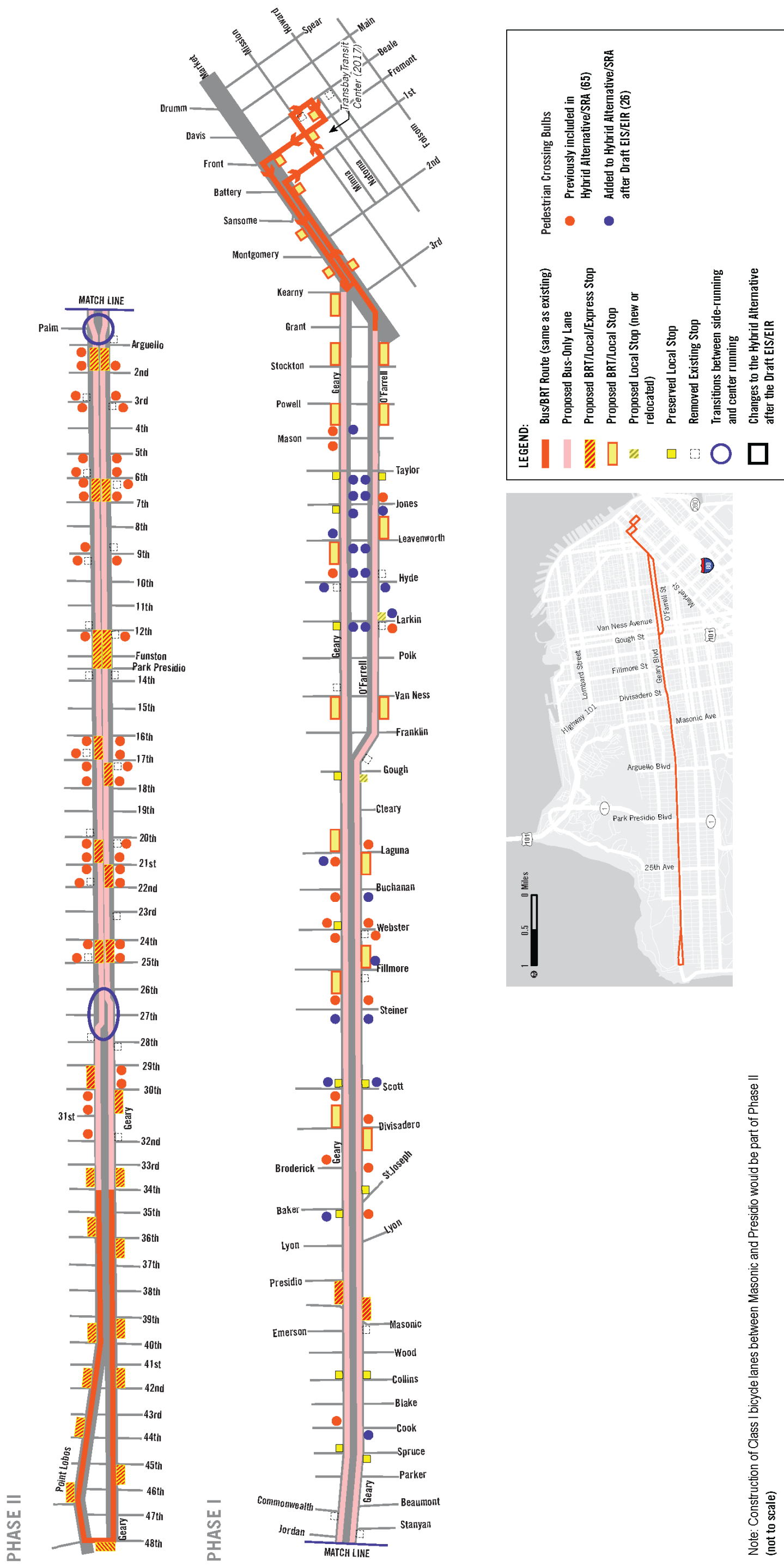


 Tilly Chang
 Executive Director

5/19/17
 Date

cc: E. Reiskin, L. Brisson – SFMTA
 A. Pearson – City Attorney’s Office
 EC, CDP

Figure 3: Proposed Construction Phasing





Memorandum

Date: June 6, 2017
To: Transportation Authority Board
From: Eric Cordoba – Deputy Director for Capital Projects
Subject: 06/13/17 Board Meeting: Relocation of the Geary Corridor Bus Rapid Transit Westbound Bus Lane Transition One Block West and Update of the Locally Preferred Alternative

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <p>Relocate the Geary Corridor Bus Rapid Transit (BRT) Westbound Bus Lane Transition One Block West and Update the Locally Preferred Alternative</p> <p>SUMMARY</p> <p>In response to concerns that the design for a westbound bus-only lane transition from the center of the street to the side of the street between 26th and 27th Avenues would compromise parking and loading access in front of the Holy Virgin Cathedral, the Transportation Authority and San Francisco Municipal Transportation Agency now propose to modify the transition design by moving it one block west to between 27th and 28th Avenues. Outreach to other area stakeholders has not identified any concerns with the proposed design modification. Revising the design as proposed requires approval of a modification to the adopted LPA.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Fund Allocation <input type="checkbox"/> Fund Programming <input type="checkbox"/> Policy/Legislation <input type="checkbox"/> Plan/Study <input type="checkbox"/> Capital Project Oversight/Delivery <input type="checkbox"/> Budget/Finance <input type="checkbox"/> Contract/Agreement <input type="checkbox"/> Procurement <input checked="" type="checkbox"/> Other: Environmental Review
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DISCUSSION

Background.

The purpose of the Geary Corridor BRT Project is to improve the speed, reliability, and quality of public transportation service along the Geary corridor while also increasing pedestrian safety, enhancing the streetscape, and maintaining multimodal circulation. It is a signature project in the voter-approved Prop K Expenditure Plan.

The 6.5-mile Geary corridor is served by the Muni 38 Geary Local, Rapid, and Express bus routes and includes Geary Boulevard, Geary Street, O’Farrell Street, and portions of other streets the routes traverse. Physical improvements are proposed along the corridor generally between Market Street and 34th Avenue. The Geary BRT project would add dedicated bus lanes, upgraded bus stops, improved pedestrian safety features, transit and traffic signal upgrades, and other features intended to provide faster, more reliable bus service and a safer pedestrian environment along the Geary corridor.

As lead agency under the California Environmental Quality Act (CEQA), on January 5, 2017 the Transportation Authority certified the Final Environmental Impact Report (EIR) for the Project and adopted the Hybrid Alternative with modifications as the Locally Preferred Alternative (LPA).

Previously, in October 2015, the Transportation Authority and the Federal Transit Administration

(FTA) had jointly published a Draft Environmental Impact Statement (EIS)/EIR. Although the Draft EIS/EIR had been prepared as a joint document to meet requirements of both federal and state environmental laws, SFCTA and FTA agreed in December 2016 to prepare separate final documents. A Final EIS and Record of Decision (ROD) for the Geary Corridor BRT Project are expected to be issued by FTA in 2017.

Proposed Design Change.

The adopted LPA for the Geary BRT project includes bus-only lanes along the side of the street between Market Street and Palm Avenue, center-running bus-only lanes between Palm Avenue and 26th Avenue, and side-running bus-only lanes between 27th Avenue and 34th Avenue. At the western end of the center-running segment, the bus-only lanes would transition between the center and the side of the street in the block between 26th Avenue and 27th Avenue. This movement would be accomplished with the assistance of an exclusive bus signal phase, or queue jump.

During public outreach in 2016, after the release of the Draft EIS/EIR and close of the public comment period, neighborhood stakeholders in the block between 26th and 27th Avenues raised concerns about outbound buses transitioning to the side of the street and the potential for compromised access to passenger loading zones on the north side of the street in front of the Holy Virgin Cathedral. In addition, stakeholders have requested that BRT designs be optimized in this area to retain as many parking spaces as possible.

In response, the project team developed and vetted a revised design which moves the outbound bus-only lane transition west to the block between 27th Avenue and 28th Avenue, resulting in one additional block of outbound center-running bus-only lane. There are no loading zones on the north side of this block, so there is less potential for conflicts between transitioning buses and curbside activity. In addition, the revised design preserves two additional parking spaces in this area.

Outreach.

In early 2017, the project team conducted outreach to share the revised design with residents, businesses, and others on the affected blocks. Outreach to the affected blocks included a multilingual mailer sent to all addresses on Geary Boulevard between 26th Avenue and 28th Avenue, door-to-door visits to merchants, and meetings with community institutions such as Holy Virgin Cathedral and the Richmond Senior Center. Although stakeholders' views on the Geary BRT project as a whole varied, the outreach did not identify any concerns with the proposed design modification and many stakeholders were supportive of the change due to the additional parking it would preserve.

Environmental Review.

The Transportation Authority has completed an Addendum to the project EIR under CEQA, finding that the proposed modification would not cause any new significant environmental impacts or increase the severity of any previously identified significant effects. Among other topic areas considered, the proposed change would not substantially change transit or traffic travel times or pedestrian conditions in the corridor.

Refined Construction Phasing.

Separate from the proposed design change, the CEQA Addendum also includes a discussion of refined plans for construction phasing of the Geary BRT project. Although the Draft EIS/EIR and Final EIR anticipated phased construction of the project, the project team has continued to refine the proposed phasing plan. Phase I would entail work east of Stanyan Street, where BRT would operate in side-running bus-only lanes. Phase II would include work west of Stanyan Street, where BRT

Agenda Item 7

operations would be in predominantly center-running bus-only lanes, as well as bicycle improvements between Masonic Avenue and Presidio Avenue.

As noted in the Draft EIS/EIR, phased construction would not increase the intensity of active construction but would break the active construction into smaller phases that would be implemented over a longer period of time. The overall duration of construction in the corridor is still planned to occur within four years, consistent with the higher end of the estimate provided in the Draft EIS/EIR, including both active construction periods and inactive periods. Phase I and Phase II would each be expected to take approximately 100 weeks, including both active and inactive periods and anticipated separate utility work. The Draft EIS/EIR stated that for any given block, the active construction period of the project (not including utility work) was estimated to last between one to five months, depending on construction activities, scheduling, and operations. With more information now available, the duration of construction activities on any given block could take up to 12 months for areas with a larger scope of work, inclusive of active and inactive periods and any utility work. Most blocks would have a shorter anticipated construction duration.

As described in the Draft EIS/EIR, phased construction would not increase the intensity of active construction, as the same project elements would be constructed. The refined construction phasing described in the Addendum would simply spread out the construction of project improvements over time and space. Thus, the refined phasing would not result in any different construction-period environmental effects, other than clarification as to when and where effects would occur.

FINANCIAL IMPACT

The recommended action would not have an impact on the adopted Fiscal Year 2016/17 budget, and would not have any significant effect on the project cost.

CAC POSITION

The CAC will was briefed on this item at its May 24, 2017 meeting and unanimously adopted a motion of support for the staff recommendation.

SUPPLEMENTAL MATERIALS

Attachment 1 – Addendum to the Geary BRT Environmental Impact Report



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RESOLUTION ADOPTING THE SAN FRANCISCO COUNTY TRANSPORTATION
AUTHORITY FISCAL YEAR 2017/18 ANNUAL BUDGET AND WORK PROGRAM

WHEREAS, Pursuant to State statutes (PUC Code Sections 131000 et seq.), the Transportation Authority must adopt an annual budget for Fiscal Year (FY) 2017/18 by June 30, 2017; and

WHEREAS, As called for in the Transportation Authority's Fiscal Policy (Resolution 16-56) and Administrative Code (Ordinance 16-01), the Board shall set both the overall budget parameters for administrative and capital expenditures, the spending limits on certain line items, as well as to adopt the budget prior to June 30 of each year; and

WHEREAS, The Transportation Authority's proposed FY 2017/18 Work Program includes activities in four major functional areas: 1) Plan, 2) Fund, 3) Deliver and 4) Transparency and Accountability; and

WHEREAS, These categories of activities are organized to efficiently address the Transportation Authority's designated mandates, including overseeing the Prop K Sales Tax Expenditure Plan, functioning as the Congestion Management Agency (CMA) for San Francisco, acting as the Local Program Manager for the Transportation Fund for Clean Air (TFCA) program, and administering the \$10 Prop AA vehicle registration fee; and

WHEREAS, The agency's organizational approach also reflects the principle that all activities at the Transportation Authority contribute to the efficient delivery of transportation plans and projects, even though many activities are funded with a combination of revenue sources and in coordination with a number of San Francisco agencies as well as and federal, state and regional agencies; and

WHEREAS, Attachment 1 contains a description of the Transportation Authority's proposed



Work Program for FY 2017/18; and

WHEREAS, Attachment 2 displays the proposed budget in a format described in the Transportation Authority's Fiscal Policy; and

WHEREAS, Total revenues are projected to be \$130.8 million and sales tax revenues, net of interest earnings, are projected to be \$106.5 million, or 81.5% of FY 2017/18 revenues; and

WHEREAS, Total expenditures are projected to be about \$360.6 million, and of this amount, capital project costs are \$273.4 million, or 75.8% of total projected expenditures, with 2.7% of expenditures budgeted for administrative operating costs, and 21.5% for debt service and interest costs; and

WHEREAS, The estimated level of sales tax capital expenditures will likely trigger the need to issue a fixed rate sales tax revenue bond up to a maximum of \$300 million in the beginning of FY 2017/18, and the issuance of the proposed sales tax revenue bond will be the subject of a separate Transportation Authority Board action; and

WHEREAS, Anticipated debt service costs of \$77.6 million are related to the continuation of the Revolving Credit Agreement and for a proposed \$300 million sales tax revenue bond that includes re-financing \$46 million of the \$140 million Revolving Credit Agreement with a sales tax revenue bond; and

WHEREAS, The division of revenues and expenditures into the sales tax program, CMA program, TFCA program, and Prop AA program on Attachment B reflects the four distinct Transportation Authority responsibilities and mandates; and

WHEREAS, At its May 24, 2017 meeting, the Citizens Advisory Committee was briefed on the subject request and unanimously adopted a motion of support for the staff recommendation; now, therefore, be it

RESOLVED, That the attached San Francisco County Transportation Authority FY 2017/18

Budget and Work Program are hereby adopted.

Attachments (2):

1. FY 2017/18 Work Program
2. FY 2017/18 Budget



The Transportation Authority's proposed Fiscal Year (FY) 2017/18 Work Program includes activities in five major divisions overseen by the Executive Director: 1) Policy and Programming, 2) Capital Projects, 3) Planning, 4) Technology, Data and Analysis, and 5) Finance and Administration. The Executive Director's office is responsible for directing the agency in keeping with the annual Board-adopted goals, for the development of the annual budget and work program, and for the efficient and effective management of staff and other resources. Further, the Executive Director's office is responsible for regular and effective communications with the Board, the Mayor's Office, San Francisco's elected representatives at the state and federal levels and the public, as well as for coordination and partnering with other city, regional, state and federal agencies.

The agency's work program activities address the Transportation Authority's designated mandates and functional roles. These include: serving as the transportation sales tax administrator and Congestion Management Agency (CMA) for San Francisco, acting as the Local Program Manager for the Transportation Fund for Clean Air (TFCA) program and administering the \$10 Prop AA vehicle registration fee. The Transportation Authority is also operating as the Treasure Island Mobility Management Agency (TIMMA). The TIMMA FY 2017/18 Work Program will be presented to the TIMMA Board as a separate item. Our work program also reflects the multi-disciplinary and collaborative nature of our roles in planning, funding and delivering transportation projects and programs across the city, while ensuring transparency and accountability in the use of taxpayer funds.

PLAN

Long-range, countywide transportation planning and CMA-related policy, planning and coordination are at the core of the agency's planning functions. In FY 2017/18, we will continue to implement recommendations from the 2013 San Francisco Transportation Plan (SFTP), while we advance Connect SF (previously known as the Long-Range Transportation Planning Project) as part of our multi-agency partnership with the San Francisco Municipal Transportation Agency (SFMTA), Planning Department, and others. This will include transit and freeway modal studies, as well as a continued emphasis on demand management policies. We will also continue to further corridor, neighborhood and community-based transportation plans under our lead, while supporting efforts led by others.

We will undertake new planning efforts meant to inform and respond to emerging trends and policy areas (e.g. transportation network companies and autonomous vehicles). This strategic area of focus for our planning work includes planning for mobility as a service (MaaS) and "active congestion management," such as the mobility management work on Treasure Island. Active congestion management encompasses the planning, design, implementation, and potentially regulation or operation of infrastructure or operational tools to optimize travel demand across modes for a given area in real time.

Most of the FY 2017/18 activities listed below are strong multi-divisional efforts, often lead by the Planning Division in close coordination with Transportation, Data and Analysis; Capital Projects; and the Policy and Programming Divisions. Proposed activities include:

Active Congestion Management:

- Freeway Corridor Management Study (FCMS) Phase 2: Complete Phase 2 corridor planning study in close coordination with city, regional and state agencies to advance a feasible set of near-term freeway management projects for US 101 and I-280 corridors, including potential managed lanes connecting San Francisco to San Mateo and Santa Clara counties along US 101. Advance initial SF corridor through Caltrans project development process and initiate environmental review Participate in the Metropolitan Transportation Commission's (MTC's) Managed Lanes Implementation Study and position SF's corridor for Regional Measure 3 (RM3) and Senate Bill 1 (SB1) funds (e.g. Congested Corridor

Program).

- Bay Area Rapid Transit (BART) Perks: Complete an evaluation of the travel incentives pilot program conducted in partnership with BART. The pilot program tested the use of incentives to shift peak period travel demand into San Francisco on BART, using gamification and technology to generate changes in travel patterns.

SFTP Implementation and Board Support:

- Geary Corridor Bus Rapid Transit (BRT) Environmental Clearance and Design Support: Complete federal environmental review of the Geary Corridor BRT Final Environmental Impact Statement (FEIS), transition project lead to the SFMTA, support the SFMTA's efforts to enter the project into the Federal Transit Administration's Small Starts program to secure federal funds, and provide engineering support and oversight as the SFMTA advances design of the near-term and core BRT projects.
- Neighborhood Transportation Improvement Program: Continue implementation of the sales tax-funded Neighborhood Transportation Improvement Program (NTIP), identified as a new equity initiative in the 2013 SFTP. We will continue to work closely on identification and scoping of new NTIP planning and capital efforts, including advancing recommendations from recently completed plans, in coordination with Board members and SFMTA's NTIP Coordinator, as well as to monitor and provide support to underway NTIP efforts led by other agencies.
- Vision Zero Ramps Study: Complete Phase 1 and continue Phase 2 of the Freeway Ramp Vision Zero Safety Assessment of pedestrian, bicycle, and vehicle conflicts and road safety on local San Francisco streets associated with I-80 on- and off- ramps, including developing recommendations for 10 ramps. Phase 1 is funded by a District 6 NTIP Planning grant. Phase 2 is funded by a Caltrans Partnership Planning grant.
- Late Night Transportation Study Phase II: In partnership with the San Francisco Entertainment Commission and the Office of Economic and Workforce Development (OEWD), we have led several elements of the Late Night Transportation Study Phase II. This year we will advance service recommendations and support transit operators and stakeholders in advocating for funding (RM3, SB1, MTC Lifeline Transportation Program (LTP)) to implement needed services. We will also explore ways to potentially partner with private mobility services to serve late-night needs.

Long Range, Countywide, and Inter-Jurisdictional Planning:

- SFTP Update: In collaboration with San Francisco agencies and regional partners, complete a minor update of the 2013 SFTP in parallel with the completion of Plan Bay Area 2040 and as one of the early deliverables of Connect SF. This work includes, reporting on relevant transportation and demographic trends, progress implementing recommendations since the last update, incorporating new sector work performed by the Transportation Authority and others, and updating project costs and funding.
- Emerging Mobility Services & Technologies: This year we will complete our policy study in collaboration with the SFMTA, to establish a policy framework, objectives, and metrics to evaluate potential impacts and assess whether and how new mobility services and transportation technologies, including autonomous vehicles, are helping San Francisco meet its primary SFTP goals related to healthy environment, livability, economic competitiveness, and state of good repair in addition to other transportation lenses such as equity and affordability. The outputs of this project will serve



as a policy memorandum supporting Connect SF and the next update of the SFTP, as well as shaping current policy initiatives in this area.

- Support Statewide and Regional Planning Efforts: Continue to support studies at the state and regional levels including the California High-Speed Rail Authority's Environmental Impact Report, the California State Transportation Agency's Statewide Rail Plan, Caltrans' Transportation Plan and Statewide Bicycle Plan and Transit Plans.

Transportation Forecasting and Analysis:

- Travel Forecasting and Analysis for Transportation Authority Studies: Provide modeling, data analysis, technical advice and graphics services to support efforts such as SFTP, subsequent phases of FCMS, Treasure Island program, the Congestion Management Program (CMP), Emerging Mobility Services and Technology transit ridership and traffic congestion impact studies, and Travel Demand Management strategy effectiveness research.
- Modeling Service Bureau: Provide modeling, data analysis, and technical advice to city agencies and consultants in support of many projects and studies. Expected service bureau support this year for partner agencies and external parties is to be determined.
- Data Warehouse and Research Support: Continue to serve as a data resource for city agencies, consultants, and the public and enhance data management and dissemination capabilities by initiating implementation of a data warehouse and visualization tools to facilitate easy access to travel data, review and querying of datasets, and supporting web-based tools for internal and external use. Analyze and publish important results from the 2012 California Household Travel Survey. Support researchers working on topics that complement and enhance our understanding of travel behavior. Potential topics include: gather and analyze trip data on Transportation Network Companies and acquire or partner with private big data sources; explore the fusion of multiple geographic data sources such as cell phone data with transit fare card, vehicle location, and passenger data; investigate bicycle route choice data before and after the implementation of bicycle infrastructure projects.
- Model Consistency/Land Use Allocation: Complete the requirements for model consistency in coordination with MTC as a part of the CMP update. Participate in Bay Area Model Users Group. Continue supporting the refinement of the Bay Area land use growth allocation model with the Planning Department, the Association of Bay Area Governments (ABAG) and MTC. Coordinate land use analysis activities in cooperation with these same agencies.
- Travel Demand Model Enhancements: Continue to implement SF-CHAMP and Dynamic Traffic Assignment model improvements, with special emphasis on transit reliability and model performance. In conjunction with MTC and the Puget Sound Regional Council, continue development of a dynamic transit assignment model that will enhance our ability to analyze the impacts of service reliability and crowding on transit trip-making. In collaboration of MTC, the San Diego Association of Governments, Puget Sound Regional Council, and ARC, continue development of an open-source activity-based travel demand model platform.

FUND

The agency was initially established to serve as the administrator of the Prop B half-cent transportation sales tax (superseded by the Prop K transportation sales tax in 2003). This remains one of the agency's core functions, which has been complemented and expanded upon by several other roles which have

Attachment 1
Proposed Fiscal Year 2017/18 Annual Work Program



subsequently been taken on including acting as the administrator for Prop AA and the TFCA County Program, and serving as CMA for San Francisco. We serve as a funding and financing strategist for San Francisco projects; we advocate for discretionary funds and legislative changes to advance San Francisco project priorities; provide support to enable sponsors to comply with timely-use-of-funds and other grant requirements; and seek to secure new sources of revenues for transportation-related projects and programs. The work program activities highlighted below are typically led by the Policy and Programming Division with support from all agency divisions.

Fund Programming and Allocations: Administer the Prop K sales tax, Prop AA vehicle registration fee, and TFCA programs, which the agency directly allocates or prioritizes projects for grant funding; oversee calls for projects and provide project delivery support and oversight for the LTP, One Bay Area Grant (OBAG), and county share State Transportation Improvement Program in our role as CMA. Provide technical, strategic and advocacy support for a host of other fund programs, such as the new revenues to be generated and distributed under SB1, the State's Cap-and-Trade and Active Transportation Programs, and federal competitive grant programs. Notable efforts planned for FY 2017/18 include:

- Prop K Strategic Plan Model Update: The Prop K Strategic Plan model is the financial planning tool that guides implementation of the sales tax program. In preparation for the 2018 Strategic Plan and 5-Year Prioritization Program quadrennial updates, we will be exploring the potential to fund another cycle of Neighborhood Transportation Improvement Program grants and administration, as well as upgrading the model to increase functionality and make it more user friendly and easier to maintain for Policy and Programming Division staff.
- Prop K Customer Service and Efficiency Improvements: This ongoing multi-division initiative will continue to improve the Transportation Authority's processes to make them more user friendly and efficient for both internal and external customers, while maintaining a high level of transparency and accountability appropriate for administration of voter-approved revenue measures. Planned improvements include design and implementation of an online allocation request form, upgrades to mystreetsf.com – our interactive project map, and ongoing enhancements to the Portal – our web-based grants management database used by our staff and project sponsors.
- Implement the 2017 Prop AA Strategic Plan: We will work closely with project sponsors and continue to support delivery of projects underway, as well as advance new projects with funds programmed in the 2017 Prop AA Strategic Plan (pending approval by the Board in May)..
- OBAG Cycle 2: In March 2017 we released a call for projects for \$42.3 million in OBAG 2 funds. Project applications were due to us in April 2017, and we anticipate our programming recommendations will be submitted to MTC in mid-2017. In the fall, we will work to advance our project priorities through the MTC approval process and work with project sponsors to obligate the FY 2017/18 federal funds.
- LTP and Community Based Transportation Plans (CBTPs): In late summer 2017 we anticipate MTC will approve LTP guidelines enabling us to program an estimated \$2.5 million in LTP funds through a competitive call for projects, with project priorities due to MTC by the end of 2017. MTC will also embark upon a new round of CBTP funding, and we anticipate we will receive approximately \$175,000 to update some of our existing CBTPs in Communities of Concern or to implement new ones.
- Federal-Aid Sponsor Support and Streamlining Advocacy: Our staff will continue to provide expertise in grants administration for federally funded projects and to play a leadership role in supporting regional

Attachment 1
Proposed Fiscal Year 2017/18 Annual Work Program



efforts to streamline the current federal-aid grant processes and provide input to new guidelines being promulgated as a result of the federal Fixing America's Surface Transportation (FAST) Act.

Capital Financing Program Management: Jointly led by the Finance and Administration Division and the Policy and Programming Division, and in close coordination with our Financial Advisors, we will continue to provide effective and efficient management of our debt program to enable accelerated delivery of sales-tax funded capital projects at the lowest possible cost to the public. We anticipate issuing a sales tax revenue bond in the first half of the fiscal year, and using the bond to re-finance the recent \$46 million Revolver draw and to finance anticipated capital expenditures over the next three years.

Plan Bay Area 2040: As CMA, continue to coordinate San Francisco's input to Plan Bay Area 2040 during the final stage of project approval in summer 2017. After Plan adoption, engage in subsequent implementation efforts around affordable housing, economic vitality, and resilience. This involves close coordination with San Francisco agencies, the Mayor's office, and our ABAG and MTC Commissioners, as well as coordination with Bay Area CMAs, regional transit agencies and other community stakeholders.

SB1: Engage with state and regional agencies to coordinate advocacy as the program guidelines are developed in order to ensure a fair distribution of revenues that is beneficial to San Francisco's interests. Seek discretionary funding for our agency's priorities, particularly with regard to our Treasure Island work and US 101/280 Express Lanes, and support other City and regional agencies' applications. Ensure our Board and MTC Commissioners are engaged in the process of prioritizing funds.

New Revenue Advocacy: Advocate for San Francisco priorities and new local, regional, state and federal funds by providing Board member staffing, issue advocacy at various venues (such as at MTC committees, Bay Area CMA meetings, and SPUR) and ongoing coordination with, and appearances before, the MTC, California Transportation Commission, and federal agencies. Notable efforts planned for FY17/18 include:

- **RM3:** We will continue to lead efforts to set priorities for an additional bridge toll on state owned bridges to fund projects that alleviate congestion on bridge corridors.
- **Task Force 2045:** Work closely with our Board members, the Mayor's Office, the SFMTA and key stakeholders to target the 2018 ballot for consideration of a new local revenue measure.

Legislative Advocacy: We will continue to monitor and take positions on state legislation affecting San Francisco's transportation programs, and develop strategies for advancing legislative initiatives beneficial to San Francisco's interests and concerns at the state and federal level. Working with other toll operators through the California Toll Operations Committee, we will identify and engage in legislative efforts to support our future Treasure Island work and other managed lanes efforts. Our advocacy builds off of SFTP recommendations, the agency's adopted legislative program (e.g. includes Vision Zero, new revenue, and project delivery advocacy), and is done in coordination with the Mayor's Office, the Self-Help Counties Coalition, and other city and regional agencies.

Funding and Financing Strategy: Provide funding and financing strategy support for Prop K signature projects, many of which are also included in MTC's Regional Transit Expansion Agreement. Examples include: Caltrain Electrification, Central Subway, Transbay Transit Center/Downtown Extension and Van Ness Avenue and Geary Corridor BRT. Continue to serve as a funding resource for all San Francisco project sponsors, including brokering fund swaps, as needed.

DELIVER

Attachment 1
Proposed Fiscal Year 2017/18 Annual Work Program



The timely and cost-effective delivery of Transportation Authority-funded transportation projects and programs requires a multi-divisional effort, led primarily by the Capital Projects Division with support from other divisions. As in past years, the agency focuses on providing engineering support and overseeing the delivery of the Prop K sales tax major capital projects, such as the Presidio Parkway, the SFMTA's Central Subway, Radio Replacement and facility upgrade projects; the Transbay Transit Center/Caltrain Downtown Extension; and Caltrain Electrification. The agency is also serving as lead agency for the delivery of certain projects, such as the I-80/Yerba Buena Island (YBI) Interchange Improvement Project and I-280/Balboa Park Area Freeway Ramps projects, which typically are multi-jurisdictional in nature and often involve significant coordination with the Caltrans. Key delivery activities for FY 2017/18 include the following:

Transportation Authority – Lead Construction:

- I-80/YBI West Bound (WB) On-Off Ramps Project and YBI Bridge Structures: Continue to lead construction of new I-80/YBI WB on-off ramps on the east side of YBI. Construction activities for the I-80/East Side YBI Ramps Improvement Project began in February 2014 and are anticipated to be complete in late 2017. Work with Caltrans, BATA, Treasure Island Development Authority (TIDA), and the U.S. Coast Guard on implementation (supplemental environmental analysis, final design and right of way certification) of the YBI west bound on-off ramps (Phase 2) Southgate Road Realignment project. Continue supplemental environmental analysis, final engineering and design of the West Side Bridges and prepare for construction. Prepare for Construction Manager/General Contractor (CM/GC) implementation of the West Side Bridges project. Continue coordination activities with Caltrans, BATA, the OEWD and TIDA.
- Presidio Parkway Project: Continue supporting Caltrans through the final stages of project delivery of the Phase 2 project, including landscaping components. Work with Caltrans to ensure compliance with conditions associated with prior allocations of federal economic stimulus funds; actively assist Caltrans with oversight of the public-private partnership (P3) contract including implementation of various programs outlined in the contract such as the Workforce Development Program and the Underutilized Disadvantaged Business Enterprise Program. In FY 2017/18, we anticipate completing the P3 study that is comparing the effectiveness of delivering Phase 1 of the project using the more traditional design-bid-build model, with Phase 2 which is being delivered as a P3. We anticipate construction close-out for Phase 2 by spring 2018.

Transportation Authority – Lead Project Development:

- Quint-Jerrold Connector Road: Coordinate with city agencies on right of way issues with Union Pacific Railroad and Caltrain and advance design and support the Quint Street Bridge Replacement project.

Transportation Authority – Project Delivery Support:

- Caltrain Early Investment Program and California High-Speed Rail Program: Coordinate with the California High-Speed Rail Authority (CHSRA) and city agencies on high-speed rail issues affecting the city; work with Caltrain, MTC, the Mayor's Office and other Peninsula and regional stakeholders to monitor and support delivery of the Caltrain Early Investment Program including the Communications Based Overlay Signal System and Electrification projects. Continue to work closely with aforementioned stakeholders to fully fund electrification and support delivery of the blended system to the Peninsula corridor that extends to the new Transbay Transit Center.
- Central Subway: Project management oversight; scope/cost/schedule and funding assessment and strategy.
- Transbay Transit Center/Caltrain Downtown Extension: Project management oversight and provide support for



Board member participation on other oversight bodies (Transbay Joint Powers Authority, Board of Supervisors), assist with funding assessment and strategy and participate on Planning Department-led Railyard Alternatives and I-280 Boulevard Feasibility Study.

- Van Ness Avenue BRT: Oversee SFMTA construction efforts including environmental compliance and general project oversight. Work closely with SFMTA and an inter-agency project team to maintain project integrity and quality while controlling budget and schedule.
- Vision Zero: Continue to support the Vision Zero Committee and agency staff in delivering the program of projects that will enable San Francisco to achieve the goal of Vision Zero.
- Engineering Support: Provide engineering support, as needed, for other Transportation Authority-led planning and programming efforts.

TRANSPARENCY & ACCOUNTABILITY

This section of the work program highlights ongoing agency operational activities, and administrative processes to ensure transparency and accountability in the use of taxpayer funds. It includes ongoing efforts lead by the Finance and Administration Division (e.g. accounting, human resources, procurement support), by the Transportation, Data and Analysis Division (e.g. Information Technology and systems integration support), and by the Executive Office (e.g. Board operations and support, budgeting and communications) as listed below:

- Board Operations and Support: Staff Board meetings including standing and ad hoc committees, Vision Zero Committee and Treasure Island Mobility Management Agency meetings.
- Audits: Prepare, procure, and manage fiscal compliance and management audits.
- Budget, Reports and Financial Statements: Develop and administer Transportation Authority budget, including performance monitoring, internal program and project tracking. Monitor internal controls and prepare reports and financial statements.
- Accounting and Grants Management: Maintain payroll functions, general ledger and accounting system, including paying, receiving and recording functions. Manage grants and prepare invoices for reimbursement.
- Debt Management and Oversight: Monitor financial and debt performance, analyze finance options and develop recommendations, issuing and managing debt.
- Systems Integration: Ongoing enhancement and maintenance of the enterprise resource planning system (business management and accounting software) to improve accounting functions, general ledger reconciliations and financial reporting, as well as enabling improved data sharing with the Portal (web-based grants management database used by agency staff and project sponsors).
- Contract Support: Oversee procurement process for professional consultant contracts, prepare contracts, and manage compliance for contracts and associated Memoranda of Agreement and Understanding.
- Disadvantaged Business Enterprise and Local Business Enterprise: Administer program, review and update policy for any new state and federal requirements, conduct outreach and review applications and award certifications.
- Communications and Community Relations: Execute the agency's communications strategy with the general

Attachment 1
Proposed Fiscal Year 2017/18 Annual Work Program



public, the agency's board, various interest groups and other government agencies. This is accomplished through various means, including fostering media and community relations, developing strategic communications plans for projects and policy initiatives, disseminating agency news and updates through 'The Messenger' newsletter, supporting public outreach and helping coordinate events to promote the agency's work. This year the agency plans to develop an agency-wide strategic communications plan to institutionalize best practices. We will also continue participating in racial equity training and multi-agency working groups.

- **Website Maintenance:** Update content and maintain and enhance interactive project delivery reporting features such as the mystreetsf.com project map.
- **Policies:** Maintain and update Administrative Code, Rules of Order, fiscal, debt, procurement, investment, travel, and other policies.
- **Human Resources:** Administer recruitment, personnel and benefits management and office procedures. Conduct or provide training for staff. Advance agency workplace excellence initiatives through staff working groups, training and other means.
- **Office Management and Administrative Support:** Maintain facilities and provide procurement of goods and services and administration of services contracts. Staff front desk reception duties. Provide assistance to the Clerk of the Board as required with preparation of agenda packets and minutes, updates to website and clerking meetings.
- **Legal Issues:** Manage routine legal issues, claims and public records requests.
- **Information Technology:** Provide internal development and support; maintain existing technology systems including phone and data networks; develop new collaboration tools to further enhance efficiency and technological capabilities; and expand contact management capabilities.

**San Francisco County Transportation Authority
Attachment 2
Proposed Fiscal Year 2017/18 Annual Budget**



	Proposed Annual Budget by Fund						Amended Budget Fiscal Year 2016/17
	Sales Tax Program	Congestion Management Agency Programs	Transportation Fund For Clean Air Program	Vehicle Registration Fee For Transportation Improvements Program	Proposed Budget Fiscal Year 2017/18	Increase/(Decrease)	
Revenues:							
Sales Tax Revenues	\$ 106,530,189	\$ -	\$ -	\$ -	\$ 106,530,189	\$ (1,688,950)	\$ 108,219,139
Vehicle Registration Fee	-	-	-	4,834,049	4,834,049	-	4,834,049
Interest Income	201,748	-	1,698	84,125	287,571	(47,135)	334,706
Federal/State/Regional Revenues	-	18,396,590	737,931	-	19,134,521	(4,783,609)	23,918,130
Other Revenues	2,000	-	-	-	2,000	(65,207)	67,207
Total Revenues	106,733,937	18,396,590	739,629	4,918,174	130,788,330	(6,584,901)	137,373,231
Expenditures:							
Capital Project Costs	250,472,242	16,493,328	645,660	5,757,300	273,368,530	39,991,051	233,377,479
Administrative Operating Costs	6,486,127	2,954,049	46,003	197,772	9,683,951	691,295	8,992,656
Debt Service	77,590,968	-	-	-	77,590,968	55,264,301	22,326,667
Total Expenditures	334,549,337	19,447,377	691,663	5,955,072	360,643,449	95,946,647	264,696,802
Other Financing Sources (Uses):							
	328,888,704	1,050,787	-	-	329,939,491	283,603,656	46,335,835
Net Change in Fund Balance	\$ 101,073,304	\$ -	\$ 47,966	\$ (1,036,898)	\$ 100,084,372	\$ 181,072,108	\$ (80,987,736)
Budgetary Fund Balance, as of July 1	\$ (45,667,323)	\$ -	\$ (47,966)	\$ 5,064,419	\$ (40,650,870)	N/A	\$ 40,382,935
Budgetary Fund Balance, as of June 30	\$ 55,405,981	\$ -	\$ -	\$ 4,027,521	\$ 59,433,502	N/A	\$ (40,604,801)

Note: As of July 1, 2017, TIMMA will be a separate legal and financial entity from the Transportation Authority. The TIMMA FY2017/18 Budget will be presented to the TIMMA Board as a separate item at its June 2017 meeting.



Memorandum

Date: June 6, 2017
To: Transportation Authority Board
From: Cynthia Fong – Deputy Director for Finance and Administration
Subject: 06/13/17 Board Meeting: Adoption of the Proposed Fiscal Year 2017/18 Budget and Work Program

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <p>Adopt the proposed Fiscal Year 2017/18 Budget and Work Program</p> <p>SUMMARY</p> <p>The purpose of this memorandum is to present the Transportation Authority's proposed Fiscal Year (FY) 2017/18 annual budget and work program and seek its adoption. The June 13 Board meeting will serve as the official public hearing prior to final consideration of the Annual Budget and Work Program at the June 27 Board meeting.</p>	<p><input type="checkbox"/> Fund Allocation</p> <p><input type="checkbox"/> Fund Programming</p> <p><input type="checkbox"/> Policy/Legislation</p> <p><input type="checkbox"/> Plan/Study</p> <p><input type="checkbox"/> Capital Project Oversight/Delivery</p> <p><input checked="" type="checkbox"/> Budget/Finance</p> <p><input type="checkbox"/> Contracts</p> <p><input type="checkbox"/> Procurement</p> <p><input type="checkbox"/> Other:</p> <hr/>
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DISCUSSION

Update. Since the presentation of the preliminary FY 2017/18 annual budget at the April CAC meeting and based on continued discussions with project sponsors, we have increased the Prop K capital projects budget by \$25 million. This change is primarily due to the delay in what were anticipated to be FY 2016/17 expenditures for the San Francisco Municipal Transportation Agency's (SFMTA) Radio Communications System & Computer-Aided Dispatch Replacement (\$18.8 million) and Central, Control and Communications (\$4.7 million) projects. The SFMTA is using other funding sources first, therefore pushing these expenditures into FY 2017/18. The impact of this change will increase our total capital projects cost to \$273.4 and decrease our fund balance to \$59.4 million. We will continue to monitor capital spending closely during the upcoming year through a combination of cash flow needs for allocation reimbursements, progress reports, and conversations with project sponsors, particularly for our largest grant recipient, the SFMTA.

Background. Pursuant to State statutes (California Public Utilities Code Sections 131000 et seq.) the Transportation Authority must adopt an annual budget by June 30 of each year. As called for in the Transportation Authority's Fiscal Policy (Resolution 16-56) and Administrative Code (Ordinance 16-01), the Board shall set both the overall budget parameters for administrative and capital expenditures, the spending limits on certain line items, as well as adopt the budget prior to June 30 of each year.

Organization. The Transportation Authority's proposed FY 2017/18 Work Program includes activities in four major functional areas: 1) Plan, 2) Fund, 3) Deliver and 4) Transparency and Accountability.

These categories of activities are organized to efficiently address the Transportation Authority's designated mandates, including overseeing the Prop K Sales Tax Expenditure Plan, functioning as the Congestion Management Agency (CMA) for San Francisco, acting as the Local Program Manager for the Transportation Fund for Clean Air (TFCA) program and administering the \$10 Prop AA vehicle registration fee. Our organizational approach also reflects the principle that all activities at the Transportation Authority contribute to the efficient delivery of transportation plans and projects, even though many activities are funded with a combination of revenue sources and in coordination with a number of San Francisco agencies as well as federal, state and regional agencies.

The Transportation Authority is segregating its functions as the Treasure Island Mobility Management Agency (TIMMA) as a separate legal and financial entity effective July 1, 2017. The TIMMA FY 2017/18 Budget and Work Program will be presented to the TIMMA Board as a separate item at its June 20 meeting.

Attachment 1 contains a description of the Transportation Authority's proposed work program for FY 2017/18. Attachment 2 displays the proposed budget in a format described in the Transportation Authority's Fiscal Policy. The division of revenues and expenditures into the Sales Tax program, CMA program, TFCA program and Prop AA program in Attachment 2 reflects the four distinct Transportation Authority responsibilities and mandates. Attachment 3 shows a more detailed version of the proposed budget and Attachment 4 provides additional descriptions of line items in the budget.

Revenues. Total revenues are projected to be \$130.8 million and are budgeted to decrease by an estimated \$6.6 million from the FY 2016/17 Amended Budget, or 4.8%, which is primarily due to the substantial completion of the I-80/Yerba Buena Island Interchange Improvement construction project in October 2016, funded by federal and state grant funds.

Sales tax revenues, net of interest earnings, are projected to be \$106.5 million, or 81.5% of revenues, is a decrease of \$1.7 million from the sales tax revenues expected to be received by the Transportation Authority in FY 2016/17. Sales tax revenues have recovered from the FY 2009/10 low; however, FY 2017/18 is projecting a slight decrease compared to prior year based on indications of a recent slowdown in San Francisco's economy, as well as across the state and nation.

Expenditures. Total expenditures are projected to be about \$360.6 million. Of this amount, capital project costs, most of which are awarded as grants to agencies like the SFMTA are \$273.4 million. Capital projects costs are 75.8% of total projected expenditures, with 2.7% of expenditures budgeted for administrative operating costs, and 21.5% for debt service and interest costs. Capital expenditures in FY 2017/18 of \$273.4 million are budgeted to increase by \$39.9 million, or 17.1%, from the FY 2016/17 Amended Budget, which is primarily due to an anticipated higher capital expenditures for the Prop K program overall.

Debt service costs of \$77.6 million are for costs related to the continuation of the Revolving Credit Agreement and for a proposed \$300 million sales tax revenue bond that includes re-financing \$46 million of the \$140 million Revolving Credit Agreement with a sales tax revenue bond. The intention of re-financing is to preserve our ability to quickly access cash in the Revolving Credit Agreement, if needed. This line item also includes debt issuance costs and related underwriter fees funded from bond proceeds.

Other Sources and Uses. The Other Financing Sources (Uses) section of the Line Item Detail for the FY 2017/18 budget includes inter-fund transfers (for example between the sales tax and CMA funds). These transfers represent the required local match or appropriation of Prop K to federal grants

Agenda Item 8

such as the Surface Transportation Program and South of Market Freeway Ramp Intersection Safety Improvement Study (also known as Vision Zero Ramps). In addition, the estimated level of sales tax capital expenditures for FY 2016/17 and FY 2017/18 will likely trigger the need to issue a fixed rate sales tax revenue bond up to a maximum of \$300 million in the beginning of FY 2017/18. While the 2013 Strategic Plan anticipated the bond, the precise timing of the bond issue will depend on our analyses of Prop K capital project cash needs and our ongoing analysis of credit market conditions. The size and duration of needed financing will be easier to forecast following receipt of FY 2016/17 third quarter invoices. We will bring a separate request for approval to issue the proposed \$300 million sales tax revenue bond in the next few months.

Fund Balance. The budgetary fund balance is generally defined at the difference between assets and liabilities, and the ending balance is based on previous year's audited fund balance plus the current year's budget amendment and the budgeted year's activity. There is a positive amount of \$59.4 million in total fund balances, as a result of the anticipated bond issuance.

Next Steps. A public hearing will precede consideration of the FY 2017/18 Annual Budget and Work Program at the Transportation Authority's June 13 Board meeting. The Board will consider final adoption of the Annual Budget and Work Program at its June 27 meeting.

FINANCIAL IMPACT

As described above.

CAC POSITION

The CAC was briefed on this item at its May 24, 2017 meeting and unanimously adopted a motion of support for the staff recommendation.

SUPPLEMENTAL MATERIALS

- Attachment 1 – Proposed Work Program
- Attachment 2 – Proposed Budget
- Attachment 3 – Proposed Budget – Line Item Detail
- Attachment 4 – Line Item Descriptions

**San Francisco County Transportation Authority
Attachment 3
Proposed Fiscal Year 2017/18 Budget
Line Item Detail**



	Proposed Budget by Fund				Amended Budget Fiscal Year 2016/17
	Congestion Management Agency Programs		Vehicle Registration Fee For Transportation Improvements Program		
	Sales Tax Program	Transportation Fund For Clean Air Program	Registration Fee For Transportation Improvements Program	Proposed Budget Fiscal Year 2017/18	
Revenues:					
Sales Tax Revenues	\$ 106,530,189	\$ -	\$ -	\$ 106,530,189	\$ (1,688,950)
Vehicle Registration Fee	-	-	4,834,049	4,834,049	-
Interest Income	201,748	1,698	84,125	287,571	(47,135)
Federal/State/Regional Revenues					
Federal BART Travel Incentives Program	-	27,822	-	27,822	(191,504)
Federal CMAQ Program: eFleet Carsharing Electrified Project	-	-	-	-	(11,530)
Federal CMAQ Program: Transportation Demand Management Partnership Project	-	28,810	-	28,810	28,810
Federal FHWA Transit Reliability Research	-	-	-	-	(48,500)
Federal Highway Bridge Program - I-80/Yerba Buena Island Interchange Improvement	-	10,612,249	-	10,612,249	6,937,908
Federal Highway Bridge Program - Yerba Buena Island Bridge Structures	-	2,932,097	-	2,932,097	1,725,516
Federal South of Market Freeway Ramp Intersection Safety Improvement Study	-	124,342	-	124,342	47,170
Federal Strategic Highway Research Program	-	77,650	-	77,650	77,392
Federal Surface Transportation Program 3% Revenue	-	1,833,272	-	1,833,272	1,385,317
State Planning, Programming & Monitoring SB45 Funds	-	667,000	-	667,000	447,000
State Seismic Retrofit Proposition 1B - I/80 YBI Interchange Improvement Project	-	1,374,929	-	1,374,929	898,879
Regional Agency Contributions - Model Service Bureau	-	-	-	-	(71,257)
Regional BART - Travel Incentives Program	-	1,800	-	1,800	30,832
Regional BATA - I-80/Yerba Buena Island Interchange Improvement	-	291,619	-	291,619	(526,119)
Regional San Francisco (OEVD) - Late Night Transportation	-	100,000	-	100,000	100,000
Regional San Francisco (Planning, SFMTA) - Travel Demand Modeling Assistance	-	225,000	-	225,000	-
Regional San Francisco (SFMTA) - Alemany Interchange Improvement Study	-	-	-	-	(99,670)
Regional San Francisco (SFMTA) - Commuter Shuttle Hub Study	-	-	-	-	(70,027)
Regional San Francisco (SFMTA) - Lombard Crooked Street Congestion Mgmt System Development	-	100,000	-	100,000	100,000
Regional San Francisco (SFMTA) - School Transportation Survey	-	-	-	-	(45,100)
Regional Vehicle Registration Fee Revenues (TFCA)	-	-	737,931	737,931	(13,393)
Prior Year Program Revenue Carryover	-	-	-	-	(14,183,973)
Other Revenues					
Local Match: City CarShare eFleet Carsharing Electrified	-	-	-	-	(195)
San Francisco Dept of Environment - Shower Facilities	2,000	-	-	2,000	-
SFMTA - Project Management Training	-	-	-	-	(24,800)
Sublease of Office Space	-	-	-	-	(40,212)
Total Revenues	106,733,937	18,396,590	739,629	130,788,330	(6,584,901)

Note: As of July 1, 2017, TIMMA will be a separate legal and financial entity from the Transportation Authority. The TIMMA FY2017/18 Budget will be presented to the TIMMA Board as a separate item at its June 2017 meeting.

**San Francisco County Transportation Authority
Attachment 3
Proposed Fiscal Year 2017/18 Budget
Line Item Detail**



	Proposed Budget by Fund				Amended Budget Fiscal Year 2016/17
	Sales Tax Program	Congestion Management Agency Programs	Transportation Fund For Clean Air Program	Vehicle Registration Fee For Transportation Improvements Program	
					Increase/ (Decrease)
Expenditures:					
Capital Project Costs					
Individual Project Grants, Programs & Initiatives	250,000,000	-	645,660	5,713,370	48,692,191
Technical Professional Services	472,242	16,493,328	-	43,930	(8,701,140)
Administrative Operating Costs					
Personnel Expenditures					
Salaries	2,324,835	1,897,437	31,282	134,485	4,388,039
Fringe Benefits	1,094,040	892,912	14,721	63,287	2,064,960
Pay for Performance	194,965				194,965
Non-personnel Expenditures					
Administrative Operations	2,670,287	163,700	-	-	2,833,987
Equipment, Furniture & Fixtures	150,000	-	-	-	150,000
Commissioner-Related Expenses	52,000	-	-	-	52,000
Debt Service					
Debt Issuance Costs	2,150,000				2,150,000
Interest and Fiscal Charges	7,105,133				7,105,133
Revolving Credit Agreement Repayment	22,000,000				22,000,000
Revolving Credit Agreement Re-finance Repayment	46,335,835				46,335,835
Total Expenditures	334,549,337	19,447,377	691,663	5,955,072	95,946,647
Other Financing Sources (Uses):					
Transfers in - Prop K Match to Grant Funding	-	1,050,787	-	-	1,050,787
Transfers out - Prop K Match to Grant Funding	(1,050,787)	-	-	-	(1,050,787)
Face Value of Debt Issued (\$300 million)	253,664,165				253,664,165
Sales Tax Revenue Bond Proceeds	46,335,835				46,335,835
Revolving Credit Agreement Re-finance	29,939,491				29,939,491
Premium on Issuance of Debt	-	-	-	-	(46,335,835)
Draw on Revolving Credit Agreement	-	-	-	-	-
Total Other Financing Sources (Uses)	328,888,704	1,050,787	-	-	329,939,491
Net Change in Fund Balance	\$ 101,073,304	\$ -	\$ 47,966	\$ (1,036,898)	\$ 181,072,108
Budgetary Fund Balance, as of July 1	\$ (45,667,323)	\$ -	\$ (47,966)	\$ 5,064,419	N/A
Budgetary Fund Balance, as of June 30	\$ 55,405,981	\$ -	\$ -	\$ 4,027,521	N/A

Includes Sales Tax and Vehicle Registration Fee For Transportation Improvements Reserved for Program and Operating Contingency

Fund Reserved for Program and Operating Contingency \$ 10,653,019 \$ - \$ - \$ 483,405 \$ 11,136,424

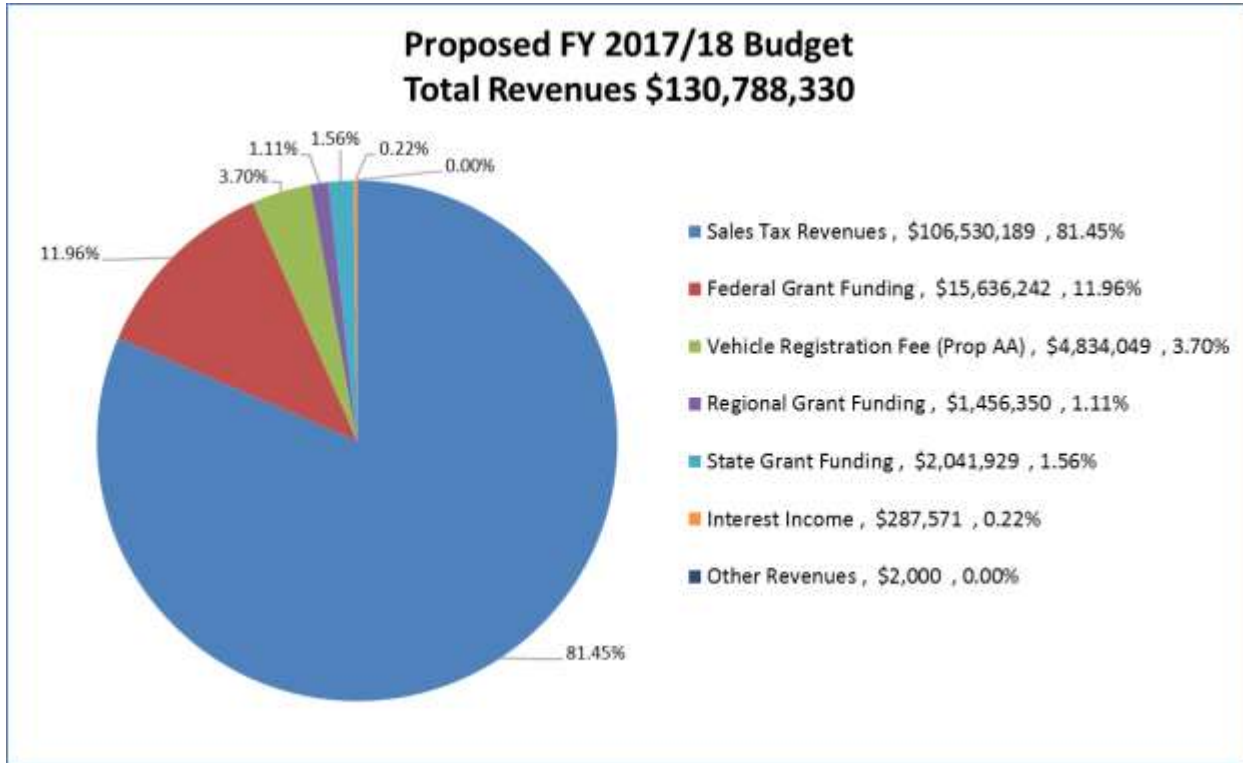
Note: As of July 1, 2017, TIMMA will be a separate legal and financial entity from the Transportation Authority. The TIMMA FY2017/18 Budget will be presented to the TIMMA Board as a separate item at its June 2017 meeting.

Attachment 4
Line Item Descriptions



TOTAL PROJECTED REVENUES\$130,788,330

The following chart shows the composition of revenues for the proposed FY 2017/18 budget.



Prop K Sales Tax Revenues:\$106,530,189

The budgeted revenues for the Sales Tax program are from a voter-approved levy of 0.5% sales tax in the County of San Francisco for transportation projects and programs included in the voter-approved Expenditure Plan. The 2003 Prop K Sales Tax Revenue’s Expenditure Plan includes investments in four major categories: 1) Transit; 2) Streets and Traffic Safety; 3) Paratransit services for seniors and disabled people and 4) Transportation System Management/Strategic Initiatives. Based on Fiscal Year (FY) 2016/17 revenues to date, the Transportation Authority projects FY 2017/18 sales tax revenues to decrease compared to the budgeted revenues for FY 2016/17 by 1.6% or \$1.7 million. The sales tax revenue projection is net of the Board of Equalization’s charges for the collection of the tax and excludes interest earnings budgeted in Interest Income. Sales tax revenues have recovered from the FY 2009/10 low; however, FY 2017/18 is projecting a slight decrease compared to prior year based on indications of a recent slowdown in San Francisco’s economy, as well as across the state and nation.

Vehicle Registration Fee for Transportation Improvements Program (Prop AA) Revenues: \$4,834,049

These revenues (excluding interest earnings budgeted in Interest Income) fund projects that will be delivered under Prop AA’s Expenditure Plan. This measure, approved by San Francisco voters in November 2010, collects an additional \$10 vehicle registration fee on motor vehicles registered in San Francisco. Revenues must be used to fund projects included in the voter-approved Expenditure Plan, such as local road repairs, pedestrian safety improvements, and transit reliability improvements. This

Attachment 4
Line Item Descriptions



amount is net of the Department of Motor Vehicle’s charges for the collection of these fees. Prop AA Revenues for FY 2017/18 are based on the Prop AA Strategic Plan.

Interest Income:..... \$287,571

Most of the Transportation Authority’s investable assets are deposited in the City’s Treasury Pool. Based on the average interest income earned over the past year, the deposits in the Pooled Investment Fund are assumed to earn approximately 0.8% for FY 2017/18. The level of Transportation Authority deposits held in the pool during the year depends on the Prop K capital project reimbursement requests. The budget cash balance consists largely of allocated Prop K funds, which are invested until invoices are received and sponsors are reimbursed. In addition, we are assuming to earn approximately 0.3% interest income on the proposed \$300 million sales tax revenue bond in FY 2017/18.

Congestion Management Agency (CMA) Programs Federal, State and Regional Grant Revenues:\$18,396,590

The CMA program revenues (excluding Other Revenues) for FY 2017/18 will be used to cover ongoing staffing and professional/technical service contracts required to implement the CMA programs and projects, as well as for large projects undertaken in the Transportation Authority’s role as CMA. The FY 2017/18 budget includes \$15.2 million from federal, state and regional funding for work on the I-80/Yerba Buena Island (YBI) Interchange Improvement Project and YBI Bridge structures (collectively known as YBI Project). CMA revenues are also comprised of federal, state and regional grant funds, including funds received from the Federal Highway Administration, Metropolitan Transportation Commission (MTC), and the California Department of Transportation (Caltrans). Several of these grants are project-specific, such as those for the BART Travel Incentives Program, Strategic Highway Research Program, Transit Reliability Research Project, and South of Market Freeway Ramp Intersection Safety Improvement Study (also known as Vision Zero Ramps project). Other funding sources, such as federal Surface Transportation Program and state Planning, Programming, and Monitoring funds, can be used to fund a number of eligible planning, programming, model development, and project delivery support activities, including the Freeway Corridor Management Study and San Francisco Transportation Plan update. Regional CMA program revenues include technical and travel demand model services provided to City agencies in support of various projects.

Transportation Fund for Clean Air (TFCA) Program Regional Revenues: \$737,931

The TFCA Vehicle Registration Fee Revenues (excluding interest earnings included in Interest Income above) are derived from a \$4 surcharge on vehicles registered in the nine Bay Area counties and must be used for cost-effective transportation projects which reduce motor vehicle air pollutant emissions. Budgeted revenues are based on a funding estimate provided by the Bay Area Air Quality Management District, which administers these revenues.

Other Revenues:\$2,000

Other revenues budgeted in FY 2017/18 include a nominal contribution from the San Francisco Department of Environment for shared office space.

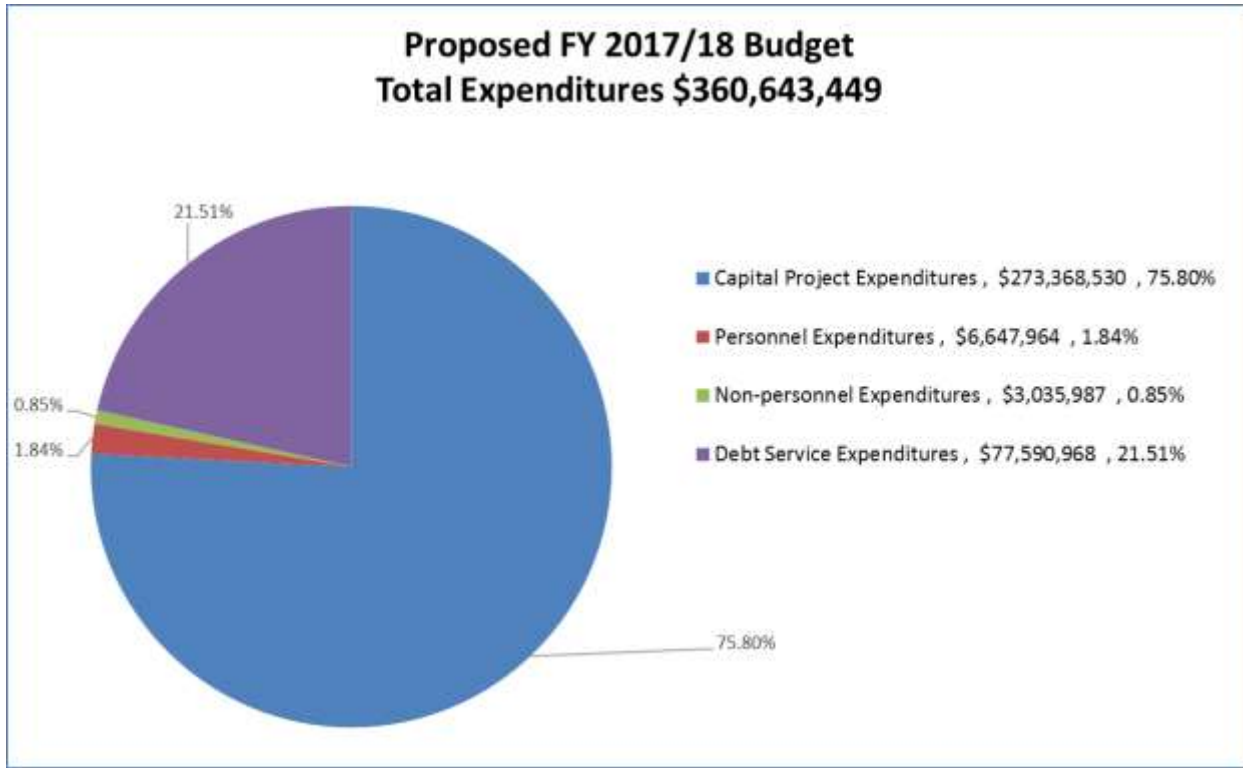
TOTAL PROJECTED EXPENDITURES\$360,643,449

The Transportation Authority’s Total Expenditures projected for the budget year are comprised of Capital Expenditures of \$273.4 million, Administrative Operating Expenditures of \$9.7 million, and Debt Service Expenditures of \$77.6 million.

Attachment 4
Line Item Descriptions



The following chart shows the composition of expenditures for the proposed FY 2017/18 budget.



CAPITAL EXPENDITURES.....\$273,368,530

Capital expenditures in FY 2017/18 are budgeted to increase from the FY 2016/17 Amended Budget by an estimated 17.1%, which is primarily due to an anticipated higher capital expenditures for the Prop K program overall, most of which are awarded as grants to agencies like the San Francisco Municipal Transportation Agency (SFMTA). Project expenditures by Program Fund are detailed below.

Sales Tax Program Expenditures:.....\$250,472,242

The estimate for sales tax capital expenditures reflects a combination of estimated cash flow needs for existing allocations based on review of reimbursements, project delivery progress reports and conversations with project sponsors, as well as anticipated new allocations estimated for FY 2017/18. The anticipated largest capital project expenditures include the SFMTA’s vehicle procurements, Radio Communications System & Computer-Aided Dispatch Replacement and Central, Control and Communications projects.

CMA Programs Expenditures:.....\$16,493,328

This line item includes staff time and technical consulting services such as planning, programming, engineering, design, environmental, or programming services, which are needed in order to fulfill the Transportation Authority’s CMA responsibilities under state law. Included are various planning efforts and projects such as the Geary Corridor Bus Rapid Transit project, Freeway Corridor Management Study, San Francisco Transportation Plan update, Strategic Highway Research Program, South of Market Freeway Ramp Intersection Safety Improvement Study (also known as Vision Zero Ramps),

**Attachment 4
Line Item Descriptions**



and travel demand model services. Also included is the additional construction and engineering activities for the YBI Bridge Structures and YBI Southgate Road Realignment Improvement project, which is supported by federal and state funding.

TFCA Program Expenditures:..... \$645,660

This line item covers projects to be delivered with TFCA funds, a regional program administered by the Bay Area Air Quality Management District, with the Transportation Authority serving as the County Program Manager for San Francisco. These monies must be used for cost-effective transportation projects which reduce motor vehicle air pollutant emissions. The TFCA capital expenditures program includes carryover prior year projects with multi-year schedules as well as projects not anticipated to be completed in FY 2016/17. It also includes an estimate for expenditures for the FY 2017/18 program of projects, which is scheduled to be approved by the Board in June 2017.

Vehicle Registration Fee for Transportation Improvements Program (Prop AA) Expenditures: \$5,757,300

This line item includes projects that will be delivered under the voter-approved Prop AA Expenditure Plan. Consistent with the Expenditure Plan, the revenues will be used for design and construction of local road repairs, pedestrian safety improvements, transit reliability improvements, and travel demand management projects. The Prop AA capital expenditures include new FY 2017/18 projects based on the approved Prop AA Strategic Plan, and carryover prior year projects with multi-year schedules as well as projects not anticipated to be completed in FY 2016/17. The largest capital project expenditures include the Brannan Street Pavement Renovation project, the Broadway Chinatown Streetscape Improvement project, and the Muni Metro Station Enhancements project.

ADMINISTRATIVE OPERATING EXPENDITURES \$9,683,951

Operating expenditures include personnel expenditures, administrative expenditures, Commissioner-related expenditures, and equipment, furniture and fixtures.

Personnel:..... \$6,647,964

Personnel costs are budgeted at a higher level by 3.3% compared to the FY 2016/17 Amended Budget. In December 2016, through Resolution 17-17, the Board approved a staff reorganization plan to address staff capacity and sustainability issues given the ongoing ambitious work programs, Board interest in expanding and enhancing certain aspects of the work program and are needed to support our agency’s role as the Treasure Island Mobility Management Agency. The reorganization plan included adding five new positions, raising the agency’s total staff from 41 to 46 full time equivalents, and reclassification of two positions. The FY 2017/18 budget reflects the addition of two of the five approved new positions and two promotions. Capacity for merit increases is also included in the pay-for-performance and salary categories; however, there is no assurance of any annual pay increase. Transportation Authority employees are not entitled to cost of living increases. All salary adjustments are determined by the Executive Director based on merit only.

Non-Personnel: \$3,035,987

This line item includes typical operating expenditures for office rent, telecommunications, postage, materials and office supplies, printing and reproduction equipment and services, and other administrative support requirements for all Transportation Authority activities, along with all administrative support contracts, whether for City-supplied services, such as the City Attorney legal

Attachment 4
Line Item Descriptions



services and the Department of Technology cablecast services, or for competitively procured services (such as auditing, legislative advocacy, outside computer system support, etc.). Also included are funds for ongoing maintenance and operation of office equipment; computer hardware; licensing requirements for computer software; and an allowance for replacement furniture and fixtures. This line item also includes Commissioner meeting fees, and compensation for Commissioners' direct furniture, equipment and materials expenditures. Non-personnel expenditures in FY 2017/18 are budgeted to increase from the FY 2016/17 Amended Budget by an estimated 18.6%, which is primarily due an increase in office rent, additional legal services related to the Geary Corridor Bus Rapid Transit project, financial advisory services related to the Strategic Plan model update, and independent analysis and oversight services.

DEBT SERVICE EXPENDITURES..... \$77,590,968

In June 2015, the Transportation Authority substituted its \$200 million commercial paper notes (Limited Tax Bonds), Series A and B with a \$140 million tax-exempt revolving credit loan agreement (Revolver Credit Agreement). By 2021, it is expected that the Revolving Credit Loan, which financed past capital expenditures, will be fully repaid. As of April 10, 2017, \$140 million of the Revolving Credit Agreement is outstanding. This line item also assumes a continuation of the current Revolving Loan Agreement and a \$22 million repayment against the outstanding \$140 million balance.

Debt service expenditures in FY 2017/18 are budgeted to increase by \$55.3 million from prior year, which is primarily due to re-financing \$46 million of Revolving Credit Agreement with a proposed sales tax revenue bond. The intention of re-financing is to preserve our ability to quickly access cash in the Revolving Credit Agreement, if needed. This line item also includes debt issuance costs and related underwriter fees funded from bond proceeds.

OTHER FINANCING SOURCES/USES.....\$329,939,491

The Other Financing Sources/Uses section of the Line Item Detail for the FY 2017/18 budget includes inter-fund transfers (for example between the sales tax and CMA funds). These transfers represent the required local match or appropriation of Prop K to federal and state grants such as the Surface Transportation Program and Vision Zero Ramps. In addition, the estimated level of sales tax capital expenditures for FY 2016/17 and FY 2017/18 will likely trigger the need to issue a fixed rate bond up to a maximum of \$300 million in the beginning of FY 2017/18. The proposed \$300 million sales tax revenue bond will be paying approximately \$254 million of planned capital expenditures, based on the 2013 Strategic Plan, and re-financing the \$46 million of Revolving Credit Agreement drawn down in April 2017 per Resolution 17-26. While the 2013 Strategic Plan anticipated the bond, the precise timing of the bond issue will depend on our analyses of Prop K capital project cash needs and our ongoing analysis of credit market conditions. We will continue to monitor and forecast capital spending closely during the upcoming year through a combination of evaluating cash flow needs for allocation reimbursements, project delivery progress reports and conversations with project sponsors, particularly our largest grant recipient, the SFMTA. The size and duration of needed financing will be easier to forecast following receipt of FY 2016/17 third quarter invoices. We will bring a separate request for approval to issue the proposed \$300 million sales tax revenue bond in the next few months.

BUDGETARY FUND BALANCE FOR CONTINGENCIES..... \$11,136,424

The Transportation Authority's Fiscal Policy directs that the Transportation Authority shall allocate not less than five percent (5%) and up to fifteen percent (15%) of estimated annual sales tax revenues as a hedge against an emergency occurring during the budgeted fiscal year. In the current economic climate, a budgeted fund balance of \$10.7 million, or 10% of annual projected sales tax revenues, is

**Attachment 4
Line Item Descriptions**



set aside as a program and operating contingency reserve. The Transportation Authority has also set aside \$483,405 or about 10% as a program and operating contingency reserve respectively for the Prop AA Program.



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RESOLUTION EXECUTING ANNUAL CONTRACT RENEWALS AND OPTIONS FOR VARIOUS ANNUAL PROFESSIONAL SERVICES IN AN AMOUNT NOT TO EXCEED \$1,409,230 AND AUTHORIZING THE EXECUTIVE DIRECTOR TO MODIFY CONTRACT PAYMENT TERMS AND NON-MATERIAL CONTRACT TERMS AND CONDITIONS

WHEREAS, The Transportation Authority annually contracts with City and County of San Francisco departments and outside firms for certain professional support services in areas where factors like cost, work volume, or the degree of specialization required would not justify the use of permanent in-house staff; and

WHEREAS, In order to support its ongoing operations, the Transportation Authority will execute annual professional services contracts with the Office of the City Attorney for general legal counsel for \$100,000, and with the Department of Technology for video production services for Transportation Authority and Treasure Island Mobility Management Agency Board and Committee meetings for \$50,000; and

WHEREAS, In October 2010, through Resolution 11-15, the Transportation Authority awarded three-year consultant contracts, with options to extend for two additional one-year periods, to Nixon Peabody LLP and Squire Patton Boggs LLP, in a combined total amount not to exceed \$400,000 for bond counsel and disclosure counsel services; and

WHEREAS, During Fiscal Year (FY) 2017/18, we anticipate a higher level of effort due to additional bond counsel and disclosure counsel services related to issuance of a proposed \$300 million sales tax revenue bond and a proposal to extend or replace the existing revolving credit loan; and

WHEREAS, The proposed action will exercise the first of two options of the initial contract in an amount not to exceed \$355,000; and



WHEREAS, In August 2015, through Resolution 15-50, the Transportation Authority awarded three-year consultant contracts, with options to extend for two additional one year periods, to Nossaman LLP and Wendel, Rosen, Black & Dean LLP, in an amount not to exceed \$750,000 for general legal counsel services; and

WHEREAS, The proposed action will exercise the first of two options of the initial contract and maintain the annual contract amount of \$250,000; and

WHEREAS, The small staff size of the Transportation Authority does not yet warrant full-time, in-house technical support, so most technical maintenance and support tasks are outsourced to a professional consultant team that comes to the Transportation Authority offices on an as-needed basis; and

WHEREAS, In October 2014, through Resolution 15-11, the Transportation Authority awarded a three-year consultant contract, with two additional one-year extension options, to SPTJ Consulting in an amount not to exceed \$550,000 for computer network and maintenance services; and

WHEREAS, The proposed action will exercise the second of two options of the initial contract and maintain the annual contract amount of \$200,000; and

WHEREAS, The Transportation Authority has regular needs to communicate with the public, the media, policymakers, and key stakeholders in partner agencies, and the private and non-profit sectors on a wide range of agency and project-specific matters; and

WHEREAS, In February 2014, through Resolution 14-54, the Transportation Authority awarded three-year consultant contracts, with options to extend for two additional one-year periods, to Civic Edge Consulting (formerly Barbary Coast Consulting) and Davis & Associates Communications, Inc., in a combined total not to exceed \$525,000, for on-call strategic communications, media and community relations professional services; and

WHEREAS, Since then, the consultant teams have provided development support of an agency-wide communications strategy, ongoing agency-wide external communications, as well as project-specific outreach and communications; and

WHEREAS, For the upcoming year, we forecast continuous need for assistance with strategic communications, media relations and outreach related to various projects; and

WHEREAS, The proposed action will exercise the second of two options of the initial contracts in a combined amount not to exceed \$185,800; and

WHEREAS, In January 2011, through Resolution 11-37, the Transportation Authority awarded a three-year consultant contract, with an option to extend for two additional one-year periods, to KNN Public Finance, Inc. in a total amount not to exceed \$250,000 for financial advisory services; and

WHEREAS, During FY 2017/18, we anticipate a higher level of effort due to additional financial advisory services related to issuance of a proposed \$300 million sales tax revenue bond and a proposal to extend or replace the existing revolving credit loan; and

WHEREAS, The proposed action will exercise the first of two options of the initial contract in an amount not to exceed \$185,000; and

WHEREAS, In June 2015, through Resolution 15-58, the Transportation Authority awarded a three-year consultant contract, with an option to extend for two additional one-year periods, to Vavrinek, Trine, Day & Co., LLP in an amount not to exceed \$300,000 for annual audit services; and

WHEREAS, The proposed action will exercise the first of two options of the initial contract in an amount not to exceed \$83,430; and

WHEREAS, The proposed annual contract renewals for various annual professional services, total to a combined amount not to exceed \$1,409,230, will be funded by a combination of



federal and state grants, funding from other agencies through memoranda of agreement, and Prop K funds; and

WHEREAS, Sufficient funds have been identified for these contracts in the proposed FY 2017/18 budget and work program; and

WHEREAS, At its May 24, 2017 meeting, the Citizens Advisory Committee considered the subject request and unanimously adopted a motion of support for the staff recommendation; now, therefore, be it

RESOLVED, That the Executive Director is hereby authorized to execute annual contract renewals and options for various annual professional services in an amount not to exceed \$1,409,230; and be it further

RESOLVED, That the Executive Director is authorized to modify contract payment terms and non-material contract terms and conditions; and be it further

RESOLVED, That for the purposes of this resolution, “non-material” shall mean contract terms and conditions other than provisions related to the overall contract amount, terms of payment, and general scope of services; and be it further

RESOLVED, That notwithstanding the foregoing and any rule or policy of the Transportation Authority to the contrary, the Executive Director is expressly authorized to execute agreements and agreement amendments that do not cause the total contract value, as approved herein, to be exceeded and that do not expand the general scope of services.



Memorandum

Date: June 6, 2017
To: Transportation Authority Board
From: Cynthia Fong – Deputy Director for Finance and Administration
Subject: 06/13/17 Board Meeting: Execute Contract Renewals and Options for Various Annual Professional Services in an Amount Not to Exceed \$1,409,230

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <p>Execute contract renewals and options for various annual professional services in an amount not to exceed \$1,409,230:</p> <ul style="list-style-type: none"> • Office of the City Attorney (\$100,000) • Department of Technology (\$50,000) • Nixon Peabody and Squire Patton Boggs LLP (\$355,000) • Nossaman LLP and Wendel, Rosen, Black & Dean LLP (\$250,000) • SPTJ Consulting (\$200,000) • Civic Edge Consulting and Davis & Associates Communications, Inc. (\$185,800) • KNN Public Finance (\$185,000) • Vavrinek, Trine, Day & Co., LLP (\$83,430) <p>SUMMARY</p> <p>The purpose of this memorandum is to present the annual contract renewals and options for Fiscal Year (FY) 2017/18 and seek their approval.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Fund Allocation <input type="checkbox"/> Fund Programming <input type="checkbox"/> Policy/Legislation <input type="checkbox"/> Plan/Study <input type="checkbox"/> Capital Project Oversight/Delivery <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Procurement <input type="checkbox"/> Other:
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DISCUSSION

Background. The Transportation Authority manages administrative costs through successful contract negotiations and through the transfer of certain routine professional service tasks to in-house staff. The Transportation Authority annually contracts for certain professional support services in areas where factors like cost, work volume, or the degree of specialization required would not justify the use of permanent in-house staff. Services requested from outside firms include general legal counsel services, video production services for Board and Committee meetings, audit services, financial advisory services, bond and disclosure counsel services, on-call strategic communications, media and community relations professional services, and computer network and maintenance services. The contract amounts proposed are annual limitations, as these professional support services are provided through contracts where costs are incurred only when the specific services are used.

Contracts. Attachment 1 provides summary information for the proposed contracts for FY 2017/18. Below are brief descriptions of the recommended services and amounts.

Office of the City Attorney..... \$100,000

The Office of the City Attorney (City Attorney) provides verbal and written legal representation, advice and counsel on matters related to the routine operations of the Transportation Authority, contracts and interagency agreements, labor matters, Brown Act, and California Public Records Act. The Transportation Authority also utilizes the City Attorney for litigation activities when appropriate.

Department of Technology \$50,000

The Department of Technology records and telecasts all Transportation Authority Board and Committee meetings held at City Hall with a regularly scheduled playback date and time for public review. In FY 2017/18, we will continue to utilize the Department of Technology to provide record and telecast services of Vision Zero Committee meetings to support the City’s efforts to take comprehensive and coordinated actions to improve pedestrian and cyclist safety in the near-term and of the Treasure Island Mobility Management Agency (TIMMA) meetings to implement elements of the Treasure Island Transportation Implementation Plan in support of the Treasure Island/Yerba Buena Island Development Project.

Nixon Peabody and Squire Patton Boggs LLP..... \$355,000

In October 2010, through Resolution 11-15, the Transportation Authority awarded three-year consultant contracts, with options to extend for two additional one year periods, to Nixon Peabody LLP and Squire Patton Boggs LLP, in a combined total amount not to exceed \$400,000 for bond counsel and disclosure counsel services. The proposed action will exercise the first of two options of the initial contract. During FY 2017/18, we anticipate a higher level of effort due to additional bond counsel and disclosure counsel services related to issuance of a proposed \$300 million sales tax revenue bond and a proposal to extend or replace the existing revolving credit loan. Attachment 2 provides brief descriptions of the work assigned to both firms.

Nossaman LLP and Wendel, Rosen, Black & Dean LLP \$250,000

In August 2015, through Resolution 15-50, the Transportation Authority awarded three-year consultant contracts, with options to extend for two additional one year periods, to Nossaman LLP and Wendel, Rosen, Black & Dean LLP, in an amount not to exceed \$750,000 for general legal counsel services. The proposed action will exercise the first of two options of the initial contract. Attachment 3 provides brief descriptions of the work assigned to both legal teams.

SPTJ Consulting \$200,000

The staff size of the Transportation Authority does not warrant full-time, in-house technical support, so most technical maintenance and support tasks are outsourced to a professional consultant team that comes to the Transportation Authority offices on an as-needed basis. In October 2014, through Resolution 15-11 and based on the results of a competitive process, the Transportation Authority awarded a three-year consultant contract with two additional one-year extension options to SPTJ Consulting, in an amount not to exceed \$550,000, for computer network and maintenance services. In addition to maintenance and ongoing tasks, SPTJ Consulting has been instrumental in the

Agenda Item 9

development of a secure and robust hardware and database setup, providing server updates, system maintenance, and security management for the Transportation Authority's Enterprise Resource Planning (accounting) software, Microsoft Dynamics AX. In addition, the team is continuously providing operating system and software updates, and file server and backup system upgrades. Furthermore, the team helped with the implementation of advanced reporting functions and increased office hours on site in order to be more responsive to staff requests. For the upcoming year, SPTJ Consulting will continue to provide similar maintenance and ongoing tasks in addition to several larger system upgrade tasks. The proposed action will exercise the second of two options of the initial contract.

Civic Edge Consulting and Davis & Associates Communications, Inc..... \$185,800

The Transportation Authority has regular needs to communicate with the public, the media, policymakers, and key stakeholders in partner agencies and the private and non-profit sectors on a wide range of agency and project-specific matters. In February 2014, through Resolution 14-54 and based on the results of a competitive process, the Transportation Authority awarded three-year consultant contracts, with options to extend for two additional one year periods, to Civic Edge Consulting (formerly Barbary Coast Consulting) and Davis & Associates Communications, Inc., in a combined total not to exceed \$525,000, for on-call strategic communications, media and community relations professional services. Since then, the consultant teams have provided development support of an agency-wide communications strategy, ongoing agency-wide external communications, as well as project-specific outreach and communications. Attachment 4 provides brief descriptions of the work assigned to both consultant teams. For the upcoming year, we forecast continuous need for assistance with strategic communications, media relations and outreach related to various projects. The proposed action will exercise the second of two options of the initial contracts.

KNN Public Finance \$185,000

In January 2011, through Resolution 11-37, the Transportation Authority awarded a three-year consultant contract, with an option to extend for two additional one year periods, to KNN Public Finance, Inc. in a total amount not to exceed \$250,000 for financial advisory services. The proposed action will exercise the first of two options of the initial contract. During FY 2016/17, we anticipate a higher level of effort due to additional financial advisory services related to issuance of a proposed \$300 million sales tax revenue bond and a proposal to extend or replace the existing revolving credit loan.

Vavrinek, Trine, Day & Co., LLP..... \$83,430

In June 2015, through Resolution 15-58, the Transportation Authority awarded a three-year consultant contract, with an option to extend for two additional one year periods, to Vavrinek, Trine, Day & Co., LLP, in an amount not to exceed \$300,000 for annual audit services. The proposed action will exercise the first of two options of the initial contract.

FINANCIAL IMPACT

The proposed FY 2017/18 budget includes sufficient funds to accommodate the recommended action. The proposed contracts will be funded by a combination of federal and state grants, funding from other agencies through memoranda of agreement, and Prop K funds.

Agenda Item 9

CAC POSITION

The CAC considered this item at its May 24, 2017 meeting and unanimously adopted a motion of support for the staff recommendation.

SUPPLEMENTAL MATERIALS

Attachment 1 – Proposed FY 2017/18 Professional Services Expenditures

Attachment 2 – Bond Counsel and Disclosure Counsel Services Work Assignments

Attachment 3 – General Legal Counsel Services Work Assignments

Attachment 4 – On-Call Strategic Communications, Media and Community Relations Task Orders

**Attachment 1:
Proposed Fiscal Year 2017/18 Professional Services Expenditures**

Professional Services	Annual Services	Previous Year Contract	Increase/ (Decrease)	Proposed Fiscal Year 2017/18 Contract	Procurement Type/Contract Options	Contract Goal	Utilization to Date
CCSF-Office of the City Attorney	General Counsel Services	\$ 100,000	-	\$ 100,000	Sole Source	N/A	N/A
CCSF-Department of Technology	Video Production Services for Transportation Authority Committee and Board Meetings	\$ 50,000	-	\$ 50,000	Sole Source	N/A	N/A
Nixon Peabody and Squire Patton Boggs LLP	Bond Counsel and Disclosure Counsel Services	\$ 133,333	\$ 221,667	\$ 355,000	Competitively bid. First of two renewal options.	N/A	N/A
Nossaman LLP and Wendel, Rosen, Black & Dean LLP	General Legal Counsel Services	\$ 250,000	-	\$ 250,000	Competitively bid. First of two renewal options.	10% DBE	10% DBE
SPTJ Consulting, Inc.	Computer Network and Maintenance Services	\$ 200,000	-	\$ 200,000	Competitively bid. Second of two renewal options.	25% DBE/LBE/SBE	90% DBE/LBE
Civic Edge Consulting and Davis & Associates Communications, Inc.	On-call Strategic Communications, Media and Community Relations	\$ 175,000	\$ 10,800	\$ 185,800	Competitively bid. Second of two renewal options.	17% DBE	28% DBE
KNN Public Finance	Financial Advisory Services	\$ 83,333	\$ 101,667	\$ 185,000	Competitively bid. First of two renewal options.	5% DBE	12% DBE
Vavrinek, Trine, Day & Co., LLP	Annual Audit Services	\$ 81,000	\$ 2,430	\$ 83,430	Competitively bid. First of two renewal options.	10% DBE	14% DBE
	Total	\$ 1,072,666	\$ 336,564	\$ 1,409,230			

**Attachment 2:
Bond Counsel and Disclosure Counsel Services Work Assignments
Completed and Current Task Orders**

Prime Consultant	Work Assignment Description	Amount
Nixon Peabody	General and Bond Counsel	\$319,863
Squire Patton Boggs LLP	Disclosure Counsel ¹	\$0
Total Work Assignments Awarded to Date		\$319,863

¹ Disclosure counsel services will be call upon for activities related to the issuance of a proposed \$300 million sales tax revenue bond.

**Attachment 3:
General Legal Counsel Services Work Assignments
Completed and Current Task Orders**

Prime Consultant	Work Assignment Description	Amount
Nossaman LLP	General Legal Services ²	\$277,230
	Presidio Parkway	\$37,432
	Yerba Buena Island Ramps	\$27,793
	Geary Bus Rapid Transit	\$18,681
	Vision Zero	\$10,000
	San Francisco Transportation Plan	\$6,775
	Treasure Island Mobility Management Agency	\$5,529
	Van Ness Bus Rapid Transit	\$3,002
	Quint-Jerrold Connector Road	\$342
Total Work Assignments Awarded to Nossaman LLP		\$386,784
Wendel, Rosen, Black & Dean LLP	Treasure Island Mobility Management Agency	\$32,760
	General Legal Services ²	\$25,000
	Yerba Buena Island Ramps and Bridge Structures	\$24,500
	I-280 Balboa Park Interchange	\$15,000
Total Work Assignments Awarded to Wendel, Rosen, Black & Dean LLP		\$97,260
Total Work Assignments Awarded to Date		\$484,044

² General legal services encompasses activities such as attending Board and Committee meetings, advising on records requests and personnel matters, as well as providing legal services for Transportation Authority initiatives not covered by separate work assignments.

**Attachment 4:
On-call Strategic Communications, Media and Community Relations Task Orders
Completed and Current Task Orders**

Prime Consultant	Task Order Description	Amount
Civic Edge Consulting (formerly Barbary Coast Consulting)	Overall Communications ³	\$228,650
	Geary Corridor BRT	\$218,975
	BART Travel Incentives Program	\$65,000
	Treasure Island Mobility Management Agency	\$29,125
	Geneva-Harney BRT	\$28,675
	Quint-Jerrold Connector Road	\$7,350
	San Francisco Parking Supply and Utilization Study	\$1,531
Total Task Orders Awarded to Barbary Coast Consulting		\$579,306
Davis & Associates Communications, Inc.	San Francisco Transportation Plan 2050	\$39,988
	Overall Communications ¹	\$20,000
	Communications Assessment	\$16,843
	Chinatown Community-Based Transportation Plan	\$11,417
Total Task Orders Awarded to Davis & Associates Communications, Inc.		\$88,248
Total Task Orders Awarded to Date		\$667,554

³ Overall communications encompasses activities such as overall image development and branding of the Transportation Authority and creating communication materials, including translating documents to comply with Title VI requirements. In addition, consultant teams monitor legislative, community and media activity for various Transportation Authority projects and provide comprehensive support services for Transportation Authority initiatives not covered by separate task orders.

RESOLUTION APPROVING THE FISCAL YEAR 2017/18 TRANSPORTATION FUND FOR CLEAN AIR PROGRAM OF PROJECTS AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A CONTRACT WITH THE BAY AREA AIR QUALITY MANAGEMENT DISTRICT FOR \$772,763 IN FISCAL YEAR 2017/18 FUNDS AND TO ENTER INTO AGREEMENTS WITH APPLICABLE PUBLIC AGENCIES, ESTABLISHING CONDITIONS FOR THE USE OF THESE FUNDS

WHEREAS, On June 15, 1992, the Board of Supervisors of the City and County of San Francisco designated the San Francisco County Transportation Authority (Transportation Authority) as the Program Manager of the local guaranteed portion of the Transportation Fund for Clean Air (TFCA) funds; and

WHEREAS, As County Program Manager, the Transportation Authority is required to file an expenditure plan application with the Bay Area Air Quality Management District (Air District) for the upcoming fiscal year's funding cycle, which was submitted to the Air District on March 17, 2017; and

WHEREAS, After netting out 6.25% (\$46,003) for administrative expenses, as allowed by Air District guidelines, and including deobligated and previously unallocated funds, the Transportation Authority is expected to have \$726,760 in Fiscal Year (FY) 2017/18 TFCA funds to program to eligible projects; and

WHEREAS, On March 7, 2017, the Transportation Authority solicited applications for projects from eligible project sponsors for FY 2017/18 TFCA funds, and by April 28, 2017, received five applications requesting a total of approximately \$1,116,832 in TFCA funds; and

WHEREAS, Transportation Authority staff, working in consultation with project sponsors, reviewed and prioritized the applications for funding based on Air District TFCA guidelines and the Transportation Authority's adopted Local Expenditure Criteria (Resolution 17-28); and



WHEREAS, The Transportation Authority's adopted Local Expenditure Criteria include review of eligibility per the Air District's guidelines, calculation of the cost effectiveness ratio for each project, and other factors; and

WHEREAS, Transportation Authority staff recommended fully funding three projects and partially funding two projects as shown in Attachments 1 and 2; and

WHEREAS, At its May 24, 2017 meeting, the Citizens Advisory Committee was briefed on San Francisco's FY 2017/18 TFCA Program of Programs and unanimously adopted a motion of support for the staff recommendation; now, therefore, be it

RESOLVED, That the Transportation Authority hereby approves the FY 2017/18 TFCA Program of Projects as shown in Attachments 1 and 2; and be it further

RESOLVED, That the Executive Director is authorized to execute any agreements with the Air District necessary to secure \$726,760 for projects and \$46,003 for administrative expenses for a total of \$772,763 in FY 2017/18 TFCA Program Manager funds; and be it further

RESOLVED, That the Executive Director is authorized to execute funding agreements with each implementing agency to pass-through these funds for implementation of projects, establishing such terms and conditions governing cash drawdowns, financial and program audits, and reporting as necessary to comply with the requirements imposed by the Air District for the use of the funds and as required by the Transportation Authority in order to optimize the use of these of fund.

Attachments (2):

1. FY 2017/18 TFCA Program of Projects – Detailed Recommendation
2. FY 2017/18 TFCA Program of Projects – Summary Recommendation

Attachment 1
San Francisco County Transportation Authority
Fiscal Year 2017/18 TFCA Program of Projects – Detailed Staff Recommendation

PROJECTS RECOMMENDED FOR TFCA FUNDS [sorted by cost-effectiveness (CE) ratio]										
No.	Sponsor ¹	Project Description	District	Project Type ²	Prop K Eligible	CE Ratio ³	CO ₂ Tons Reduced ⁴	Total Project Cost	TFCA Amount Requested	TFCA Amount Proposed
1	SFE	Emergency Ride Home - Provides a free or low cost ride home in cases of emergency for employees who use alternative modes to get to work. The ride comes in the form of taxi, carshare or rental car reimbursement to employees of businesses participating in the program when a supervisor-approved unscheduled overtime or an emergency situation occurs. This program provides one year of funding for processing employer registrations and reimbursements.	Citywide	1	Yes	\$13,604	1656.4	\$41,832	\$41,832	\$ 41,832
2	SFMTA	Bike Share Phase 4 Expansion - The SFMTA will review station sites and designs, legislate curb and parking changes if needed, and issue bike share station and special traffic permits for an additional 96 stations/1,350 bikes in San Francisco as part of the Ford GoBike.	1, 2, 4, 5, 7, 11	1	Yes	\$36,202	3708.1	\$318,000	\$255,000	\$ 255,000
3	SFMTA	Alternative Fuel Taxicab Incentive Program - This project is an Alternative Fuel Rebate/Incentive Program for new vehicles. Under this program, taxicab companies will have the opportunity to purchase new alternative fuel vehicles (hybrid, CNG, or electric) and will be able to submit proof of purchase materials to receive a rebate of up to \$3,900. Our recommendation is to partially fund this request. A recent rule change has increased the maximum allowed age and mileage of taxis, resulting in a temporary decrease in demand for new vehicles. The SFMTA has an existing TFCA grant for this program that it is spending down more slowly than anticipated.	Citywide	3	No	\$66,539	973,16188	\$250,000	\$250,000	\$ 79,964
4	SFMTA	Paratransit Sedans - Replace ten (10) aging SF Paratransit diesel and gasoline cutaway vehicles (22' vans) with hybrid sedans. SFMTA's paratransit fleet is currently 100% the larger, wheelchair accessible vehicles; however, approximately 70% of SF Access riders are ambulatory riders who do not require a wheelchair lift, and may actually be more comfortable riding in a sedan. Requires TFCA Policy Waiver - Funding this project requires a waiver from the Bay Area Air Quality Management District to allow the cost-effectiveness ratio to reflect the emissions reductions of replacing the actual, existing cutaway vans, rather than hypothetical gasoline vehicles in the same weight class as the proposed hybrid sedans. A decision on the waiver is expected in Fall 2017.	Citywide	3	Yes	\$108,400	347.3	\$300,000	\$270,000	\$ 270,000
5	SFMTA	Short Term Bicycle Parking - Bicycle parking spaces provide end-of-trip facilities for new bicycle trips thereby replacing vehicle trips and reducing motor vehicle emissions. This project would plan, design, and install 600 previously purchased bicycle parking racks in San Francisco, providing an additional 1200 bicycle parking spaces. Our recommendation is to partially fund this project due to the limited funds available. This would result in 160 racks or 320 parking spaces being installed.	Citywide	1	Yes	\$249,053	130.0	\$511,866	\$300,000	\$ 79,964

TOTAL \$1,421,698 \$1,116,832 \$726,760
Total TFCA Funding Available for Projects: \$726,760
Surplus/(Shortfall) \$ -

No.	Sponsor ¹	Project Description	District	Project Type ²	Prop K Eligible	CE Ratio ³	CO ₂ Tons Reduced ⁴	Total Project Cost	TFCA Amount Requested	TFCA Amount Proposed
TABLE B. PROJECTS RECOMMENDED FOR TFCA FUNDS CONTINGENT ON AVAILABILITY OF ADDITIONAL FUNDS Funding for these projects is contingent upon the Air District rejecting the requested TFCA policy waiver for the Paratransit Sedans project, which would then not be funded.										
1	SFMTA	Short Term Bicycle Parking (Additional Funds) - Fully fund the Short Term Bicycle Parking request (see above). Additional funds would fund the installation of an additional 440 racks, for a grand total of 600 racks/1200 parking spaces.	Citywide	1	Yes	\$249,053	357.6	See above.	See above.	\$ 220,036
2	SFMTA	Alternative Fuel Taxicab Incentive Program (Additional Funds) - Provide additional funds (for a total of up to \$130,000 of the \$300,000 requested) for the Alternative Fuel Rebate/Incentive Program (see above).	Citywide	3	No	\$66,539	608.1	See above.	See above.	\$ 49,964
									Total:	\$ 270,000

¹ Sponsor acronyms include Department of the Environment (SFE) and San Francisco Municipal Transportation Agency (SFMTA).

² Priority based on project type is established in the Local Expenditure Criteria, with zero-emissions non-vehicle projects as the highest priority, followed by shuttle services, followed in turn by alternative fuel vehicle projects, and finally any other eligible project.

³ The TFCA cost effectiveness ratio (CE) is designed to measure the cost effectiveness of a project in reducing motor vehicle air pollutant emissions and to encourage projects that contribute funding from non-TFCA sources. CE ratio limits vary by project type: for FY 2017/18, the limit for Ridesharing Projects, which encompasses transit and transportation demand management projects, including Emergency Ride Home, is \$150,000 per ton of emissions reduced, the limit for the Bicycle Projects and Alternative Fuel Light-Duty Vehicles categories is \$250,000 per ton of emissions reduced and the limit for Bike Share projects is \$500,000 per ton of emissions reduced.

⁴ CO₂ Reduction is based on tons of carbon dioxide reduced over the lifetime of the project. This figure is calculated in the cost effectiveness worksheet.

Attachment 2

San Francisco County Transportation Authority
 Fiscal Year 2017/18 Transportation Fund for Clean Air County Program Manager Fund
 Summary of Recommendations

RECOMMENDED PROJECTS (sorted by cost-effectiveness (CE) ratio)					
Sponsor ¹	Project	Total Project Cost	TFCA Requested	TFCA Recommended	
SFE	Emergency Ride Home	\$41,832	\$41,832	\$41,832	
SFMTA	Bike Share Phase 4 Expansion	\$318,000	\$255,000	\$255,000	
SFMTA	Alternative Fuel Taxical Incentive Program	\$250,000	\$250,000	\$79,964	
SFMTA	Paratransit Sedans	\$300,000	\$270,000	\$270,000	
SFMTA	Short Term Bicycle Parking	\$511,866	\$300,000	\$79,964	
	Totals:	\$1,421,698	\$1,116,832	\$726,760	

Total TFCA Funding Available for Projects: \$726,760

¹See Attachment 2 for acronyms and other notes.



Memorandum

Date: June 6, 2017; Revised June 20, 2017
To: Transportation Authority Board
From: Anna LaForte – Deputy Director for Policy and Programming
Subject: 06/13/17 Board Meeting: Approval of the Fiscal Year 2017/18 Transportation Fund for Clean Air Program of Projects

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <p>Approve the Fiscal Year 2017/18 Transportation Fund for Clean Air (TFCA) Program of Projects</p> <p>SUMMARY</p> <p>Program \$726,760 in TFCA County Program Manager funds for five projects:</p> <ul style="list-style-type: none"> • Emergency Ride Home (\$41,832 to San Francisco Environment) • Bike Share Phase 4 Expansion (\$255,000 to the SFMTA) • Alternative Fuel Taxicab Incentive Program (\$79,964 to the SFMTA) • Paratransit Sedans (\$270,000 to the SFMTA) • Short Term Bicycle Parking (\$79,964 to the SFMTA) <p>As the San Francisco TFCA County Program Manager, the Transportation Authority annually develops the Program of Projects for San Francisco’s share of TFCA funds. Projects come from a portion of a \$4 vehicle registration fee in the Bay Area and are used for projects that reduce motor vehicle emissions. With \$726,760 available for projects, we are recommending fully funding three requests (Bike Share Phase 4 Expansion, Emergency Ride Home, and Paratransit Sedans) and partially funding two requests (Short-Term Bike Parking and the Alternative Fuel Taxicab Incentive Program) as shown in Attachments 2 and 3.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Fund Allocation <input checked="" type="checkbox"/> Fund Programming <input type="checkbox"/> Policy/Legislation <input type="checkbox"/> Plan/Study <input type="checkbox"/> Capital Project Oversight/Delivery <input type="checkbox"/> Budget/Finance <input type="checkbox"/> Contracts <input type="checkbox"/> Procurement <input type="checkbox"/> Other:
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FOLLOW-UP

At its June 13, 2017 meeting, Chair Peskin asked if a condition could be added to the San Francisco Environment’s Emergency Ride Home program to require that the funds only be used for taxis within San Francisco or other non-Transportation Network Company (TNC) vehicles. The Board continued this item to allow time for staff to confirm with the Air District that this condition was acceptable. We have since confirmed with Air District staff that there is nothing in the current TFCA program policies or the overarching legislation that would prevent San Francisco from excluding TNCs from the Emergency Ride Home program. We request that the Board take action on this item at the June

27 meeting to allow project sponsors to execute TFCA Funding Agreements and initiate projects in a timely manner.

DISCUSSION

Background.

The Transportation Fund for Clean Air (TFCA) Program was established to fund the most cost-effective transportation projects that achieve emission reductions from motor vehicles in accordance with the Bay Area Air Quality Management District’s (Air District) Clean Air Plan. Funds are generated from a \$4 surcharge on the vehicle registration fee collected by the Department of Motor Vehicles in San Francisco. 40% of the funds are distributed on a return-to-source basis to Program Managers for each of the nine counties in the Air District. The Transportation Authority is the designated County Program Manager for the City and County of San Francisco. The remaining 60% of the revenues, referred to as the TFCA Regional Fund, are distributed to applicants from the nine Bay Area counties via programs administered by the Air District.

On March 7, 2017 we issued the Fiscal Year (FY) 2017/18 TFCA San Francisco County Program Manager call for projects. We received five project applications by the April 28, 2017 deadline, requesting \$1,116,832 in TFCA funds compared to \$726,760 available.

Available Funds.

As shown in the table below, the amount of available funds is comprised of estimated FY 2017/18 TFCA revenues, interest income, and de-obligated funds from completed and canceled prior-year TFCA projects.

Estimated TFCA Funds Available for Projects FY 2017/18	
Estimated TFCA Revenues (FY 2017/18)	\$736,049
Interest Income	\$1,882
De-obligated Funds from Prior Cycles	\$34,832
Total Funds	\$772,763
6.25% Administrative Expense	(\$46,003)
Total Available for Projects	\$726,760

Unused funds from earlier projects were de-obligated and made available for the 2017/18 call for projects. These funds came from four projects that were completed under budget over the past year and one project that was cancelled without any expenses having been reimbursed. The cancelled project, the San Francisco Environment sponsored University of San Francisco (USF) Bike Chalet, could not move forward because the revised project cost estimate exceeded funds available. We will remain in contact with USF as they develop alternate bike parking concepts. After netting out 6.25% for Transportation Authority staff administrative expenses as allowed by the Air District, the estimated amount available to program to projects is \$726,760.

Prioritization Process.

We evaluated the TFCA project applications following the Board adopted prioritization process for developing the TFCA Program of Projects shown in Attachment 1. The first step involved screening

projects to ensure eligibility according to the Air District's TFCA guidelines. One of the most important aspects of this screening was ensuring a project's cost effectiveness (CE) ratio was calculated correctly and was low enough to be eligible for consideration. The Air District's CE ratio, described in detail in Attachment 1, is designed to measure the cost effectiveness of a project in reducing air pollutant emissions and to encourage submittal of projects that leverage funds from non-TFCA sources. CE ratio limits vary by project type: for 2017/18 the limit for Ridesharing Projects, which encompasses transit and transportation demand management projects, is \$150,000 per ton of emissions reduced, the limit for the Bicycle Projects and Alternative Fuel Light-Duty Vehicles categories is \$250,000 per ton of emissions reduced and the limit for Bike Share projects is \$500,000 per ton of emissions reduced.

We performed our review of the CE ratio calculations in consultation with project sponsors and the Air District. The focus was to ensure that the forms were completed correctly, that values other than default values had adequate justification, and that assumptions were consistently applied across all project applications for a fair evaluation. Inevitably, as a result of our review, we had to adjust some of the submitted CE worksheets. In these cases, we worked with the project sponsor to determine the correct CE ratio and whether or not it exceeded the Air District's CE threshold.

We then prioritized projects that passed the eligibility screening using factors such as project type (e.g., first priority to zero emission projects), cost effectiveness, program diversity, project delivery (i.e., readiness), and other considerations (e.g., a sponsor's track record for delivering prior TFCA projects). Our prioritization process also considered carbon dioxide (CO₂) emissions reduced by each project. CO₂ emissions are estimated in the Air District's CE worksheets, but are not a factor in the CE calculations.

Staff Recommendation.

Attachment 2 shows the five candidate projects and other information including a brief project description, total project cost, and the amount of TFCA funds requested. We are recommending fully funding three of the five candidate projects and partially funding the other two. Three of the five projects recommended for funding are zero emissions non-vehicles projects, which is the top priority project type in the Transportation Authority's prioritization criteria.

We are recommending full funding for Bike Share Phase 4 Expansion, Emergency Ride Home and Paratransit Sedans. We are recommending partial funding for Short Term Bike Parking, which is scalable and the least cost effective application, and for Alternative Fuel Taxicab Incentive Program, which is also scalable, a lower priority project type, and because a recent rule change has increased the maximum age and mileage of taxis, resulting in a temporary decline in demand for new vehicles.

TFCA Policy Waiver Required: The Paratransit Sedans project application for \$270,000 from the San Francisco Municipal Transportation Agency (SFMTA) requires the Air District to waive certain TFCA policies so that the cost effectiveness of the project can reflect the air quality benefits of replacing existing medium-duty "cutaway" paratransit vehicles with light-duty hybrid vehicles. As written, the TFCA policies only provide for counting the emissions benefits of purchasing an alternative fuel vehicle in the same weight class as a gasoline vehicle that could hypothetically have been purchased instead, which would show a much smaller emissions reduction than the proposed project. We expect the Air District Board to decide whether to waive TFCA policy as requested sometime this fall. Should the Air District not grant the TFCA policy waiver, the SFMTA would not be able to move forward with the project. For this reason, we are recommending a contingency list to provide funds to fully fund Short Term Bike Parking and provide additional funds for the Alternative Fuel Taxicab Incentive Program, should the waiver not be granted.

Schedule for Funds Availability.

We expect to enter into a master funding agreement with the Air District by July 2017 after which we will issue grant agreements for the recommended FY 2017/18 TFCA funds. Pending timely review and execution of the grant agreements by the Air District and project sponsors, we expect funds to be available for expenditure beginning in August or September 2017.

FINANCIAL IMPACT

The estimated total budget for the recommended FY 2017/18 TFCA program is \$772,763. This includes \$726,760 for the five proposed projects and \$46,003 for administrative expenses. The latter is consistent with Air District rules, which allow the Transportation Authority to set aside up to 6.25% of each year's annual income to use for administrative expenses. Revenues and expenditures for the TFCA program are included in the proposed Transportation Authority's FY 2017/18 budget, which will be considered for adoption by the Transportation Authority Board in June 2017.

CAC POSITION

The CAC was briefed on this item at its May 24, 2017 meeting and unanimously adopted a motion of support for the staff recommendation.

SUPPLEMENTAL MATERIALS

Attachment 1 - FY 2017/18 TFCA Local Expenditure Criteria

Attachment 2 - FY 2017/18 TFCA Program of Projects – Detailed Staff Recommendation

Attachment 3 - FY 2017/18 TFCA Program of Projects – Summary of Staff Recommendation



Attachment 1

Fiscal Year 2017/18 Transportation Fund for Clean Air (TFCA)

LOCAL EXPENDITURE CRITERIA (Adopted 2/28/17)

The following are the Fiscal Year 2017/18 Local Expenditure Criteria for San Francisco's TFCA County Program Manager Funds.

ELIGIBILITY SCREENING

In order for projects to be considered for funding, they must meet the eligibility requirements established by the Air District's TFCA County Program Manager Fund Policies for Fiscal Year 2017/18. Consistent with the policies, a key factor in determining eligibility is a project's cost effectiveness (CE) ratio. The TFCA CE ratio is designed to measure the cost effectiveness of a project in reducing motor vehicle air pollutant emissions and to encourage projects that contribute funding from non-TFCA sources. TFCA funds budgeted for the project are divided by the project's estimated emissions reduction. The estimated reduction is the weighted sum of reactive organic gases (ROG), oxides of nitrogen (NOx), and particulate matter (PM) emissions that will be reduced over the effective life of the project, as defined by the Air District's guidelines.

TFCA CE is calculated by inputting information provided by the applicant into the Air District's CE worksheets. Transportation Authority staff will be available to assist project sponsors with these calculations, and will work with Air District staff and the project sponsors as needed to verify reasonableness of input variables. The worksheets also calculate reductions in carbon dioxide (CO₂) emissions, which are not included in the Air District's official CE calculations, but which the Transportation Authority considers in its project prioritization process.

Consistent with the Air District's Guidelines, in order to be eligible for Fiscal Year 2017/18 TFCA funds, a project must meet the CE ratio for emissions (i.e., ROG, NOx, and PM) reductions as specified in the guidelines for each project type. Projects that do not meet the appropriate CE threshold cannot be considered for funding.

PROJECT PRIORITIZATION

Candidate projects that meet the cost effectiveness thresholds will be prioritized for funding based on the two-step process described below:

Step 1 - TFCA funds are programmed to eligible projects, as prioritized using the Transportation Authority Board-adopted Local Priorities (see next page).

Step 2 - If there are TFCA funds left unprogrammed after Step 1, the Transportation Authority will work with project sponsors to develop additional TFCA candidate projects. This may include refinement of projects that were submitted for Step 1, but were not deemed eligible, as well as new projects. This approach is in response to an Air District policy that does not allow County Program Managers to rollover any unprogrammed funds to the next year's funding cycle. If Fiscal Year 2017/18 funds are not programmed by November 2017, funds can be redirected (potentially to non-San Francisco projects) at the Air District's discretion. New candidate projects must meet all of the TFCA

eligibility requirements, and will be prioritized based on the Transportation Authority Board's adopted Local Priorities.

Local Priorities

The Transportation Authority's Local Priorities for prioritizing TFCA funds include the following factors:

Project Type – In order of priority:

- 1) Zero emissions non-vehicle projects including, but not limited to, bicycle and pedestrian facility improvements, transit priority projects, traffic calming projects, and transportation demand management projects;
- 2) Shuttle services that reduce vehicle miles traveled (VMT);
- 3) Alternative fuel vehicles and alternative fuel infrastructure; and
- 4) Any other eligible project.

Emissions Reduced and Cost Effectiveness – Priority will be given to projects that achieve high CE (i.e. a low cost per ton of emissions reduced) compared to other applicant projects. The Air District's CE worksheet predicts the amount of reductions each project will achieve in ROG, NO_x, PM, and CO₂ emissions. However, the Air District's calculation only includes the reductions in ROG, NO_x, and PM per TFCA dollar spent on the project. The Transportation Authority will also give priority to projects that achieve high CE for CO₂ emission reductions based on data available from the Air District's CE worksheets. The reduction of transportation-related CO₂ emissions is consistent with the City and County of San Francisco's 2013 *Climate Action Strategy*.

Project Delivery – Priority will be given to projects that are ready to proceed and have a realistic implementation schedule, budget, and funding package. Projects that cannot realistically commence in calendar year 2018 or earlier (e.g. to order or accept delivery of vehicles or equipment, begin delivery of service, award a construction contract, start the first TFCA-funded phase of the project) and be completed within a two-year period will have lower priority. Project sponsors may be advised to resubmit these projects for a future TFCA programming cycle.

Program Diversity – Promotion of innovative TFCA projects in San Francisco has resulted in increased visibility for the program and offered a good testing ground for new approaches to reducing motor vehicle emissions. Using the project type criteria established above, the Transportation Authority will continue to develop an annual program that contains a diversity of project types and approaches and serves multiple constituencies. The Transportation Authority believes that this diversity contributes significantly to public acceptance of and support for the TFCA program.

Other Considerations – Projects that are ranked high in accordance with the above local expenditure criteria may be lowered in priority or restricted from receiving TFCA funds if either of the following conditions applies or has applied during Fiscal Years 2015/16 or 2016/17:

- **Monitoring and Reporting** – Project sponsor has failed to fulfill monitoring and reporting requirements for any previously funded TFCA project.
- **Implementation of Prior Project(s)** – Project sponsor has a signed Funding Agreement for a TFCA project that has not shown sufficient progress; the project sponsor has not implemented the project by the project completion date without formally receiving a time extension from the Transportation Authority; or the project sponsor has violated the terms of the funding agreement.