

# Plan Bay Area 2040 Update

Citizens Advisory Committee  
Agenda Item 14



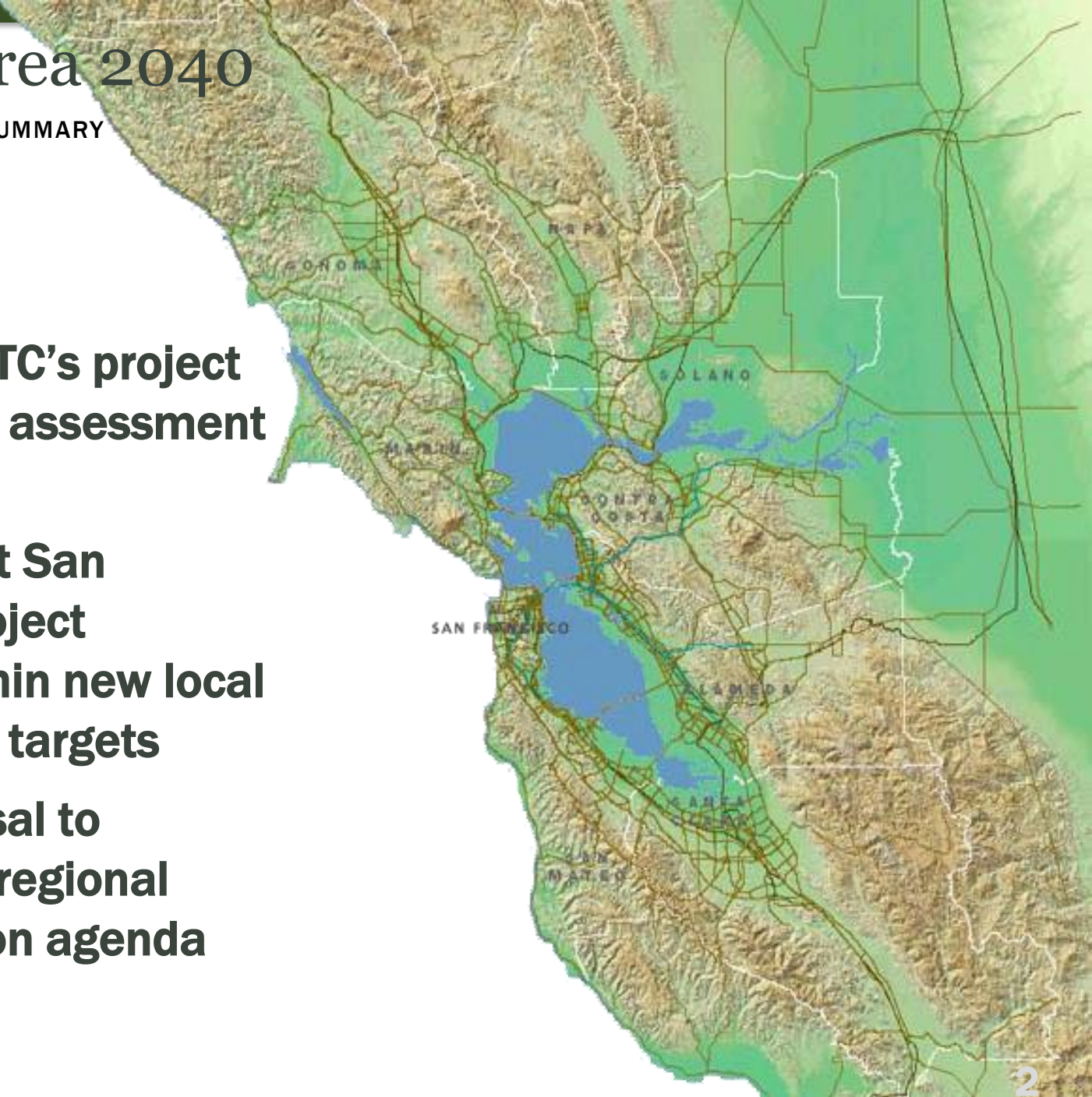
**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY**  
**May 25, 2016**

# Plan Bay Area 2040

PLAN BAY AREA 2040 > SUMMARY

## Today's Update:

- ▶ Update on MTC's project performance assessment results
- ▶ Strategy to fit San Francisco project priorities within new local discretionary targets
- ▶ MTC's proposal to advance the regional housing action agenda

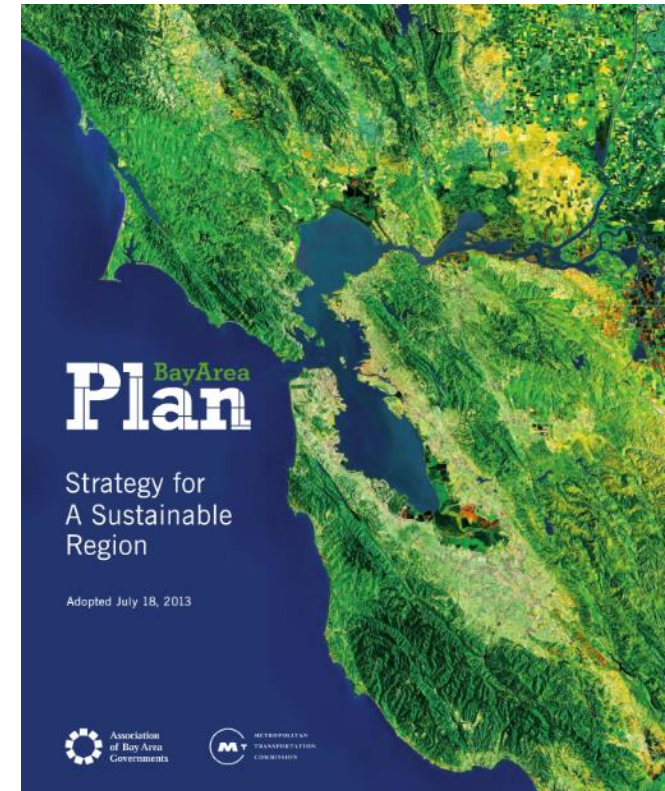


# What is Plan Bay Area 2040?



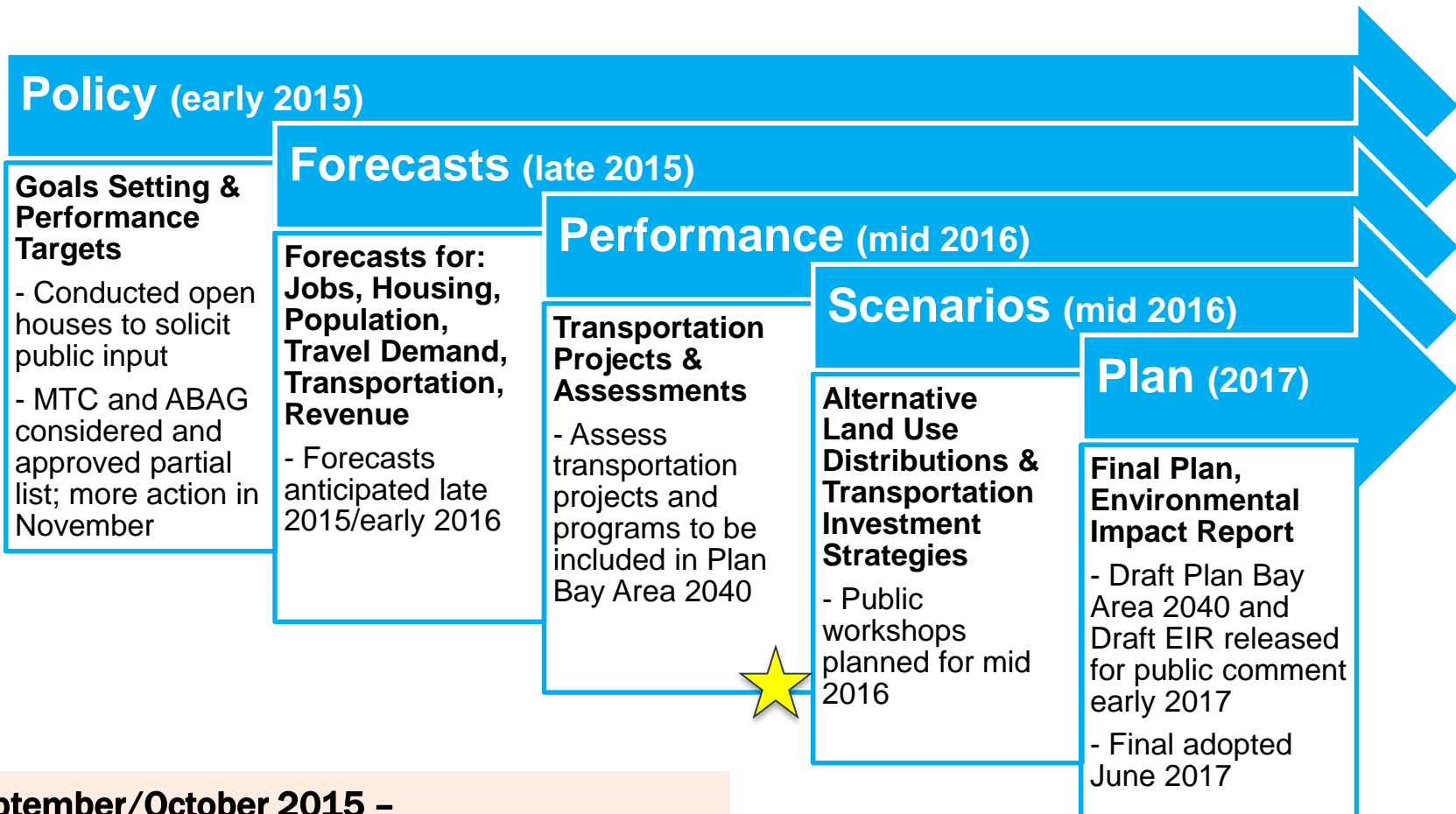
## PLAN BAY AREA 2040 > SUMMARY

- ▶ **Blueprint for the region's transportation investment for the 9 Bay Area counties through 2040**
- ▶ **Regional strategy to meet greenhouse gas reduction targets**
- ▶ **Plan to accommodate the need for new growth**



# Plan Bay Area 2040 Timeline

PLAN BAY AREA 2040 > SUMMARY



**September/October 2015 –**  
SFCTA approved list of projects and programs to submit to MTC for consideration for inclusion in PBA 2040

**May/June 2016 –**  
SFCTA revises project priorities to reflect modified discretionary funding target



# Investment Performance Assessment

PLAN BAY AREA 2040 > PROJECT PERFORMANCE ASSESSMENT



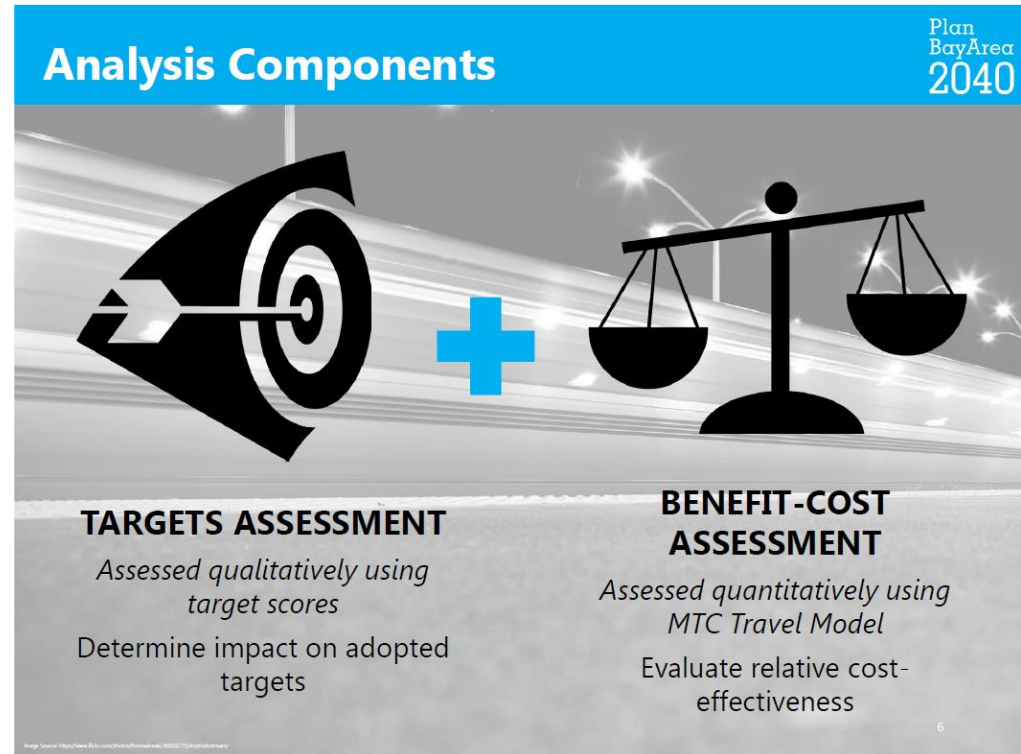
- ▶ **Projects - evaluate only largest capacity increasing projects that are seeking discretionary revenue**

- ▶ **Doesn't include:**

- ▶ **Projects under \$100 million**
- ▶ **Programmatic categories**
- ▶ **Committed projects**

- ▶ **Purpose: Identify outliers – both high and low performers**

- ▶ **High – Eligible for regional discretionary funding**
- ▶ **Low – Have to justify why to include in PBA 2040**



# San Francisco Project Performance

PLAN BAY AREA 2040 > PROJECT PERFORMANCE ASSESSMENT



- ▶ **San Francisco projects performed worse than prior plan but still have many high performers**
- ▶ **Projects performed much better in Target assessment than Benefit-Cost assessment**

## 2013 Plan Bay Area High Performers:

PROJECT	Quantitative Benefit/Cost ratio	Qualitative (out of 10)
1 BART Metro Program	> 60	8.5
2 Treasure Island Congestion Pricing	59	4.0
3 Congestion Pricing Cordon Pilot	45	6.0
4 AC Transit Grant—MacArthur BRT	18	5.5
5 Freeway Performance Initiative	16	4.0
6 ITS Improvements in San Mateo Co.	16	4.0
7 ITS Improvements in Santa Clara Co.	16	4.0
8 Irvington BART Station	12	5.5
9 SFMTA Transit Effectiveness Project	11	7.5
10 Caltrain Electrification and six trains per hour service	5	7.5
11 BART to San Jose, Phase 2	5	7.0
12 Van Ness Avenue BRT	6	6.5
13 Better Market Street	6	6.0

Source: Metropolitan Transportation Commission

## Plan Bay Area 2040 High Performers:

**BART Metro**

**Treasure Island Congestion Pricing**

**Downtown Congestion Pricing**

**Caltrain Modernization/Downtown Extension**

**NEW - Geary BRT**

**NEW – Rail and Bus Transit Rehabilitation and Maintenance**

# San Francisco Project Performance

PLAN BAY AREA 2040 > PROJECT PERFORMANCE ASSESSMENT



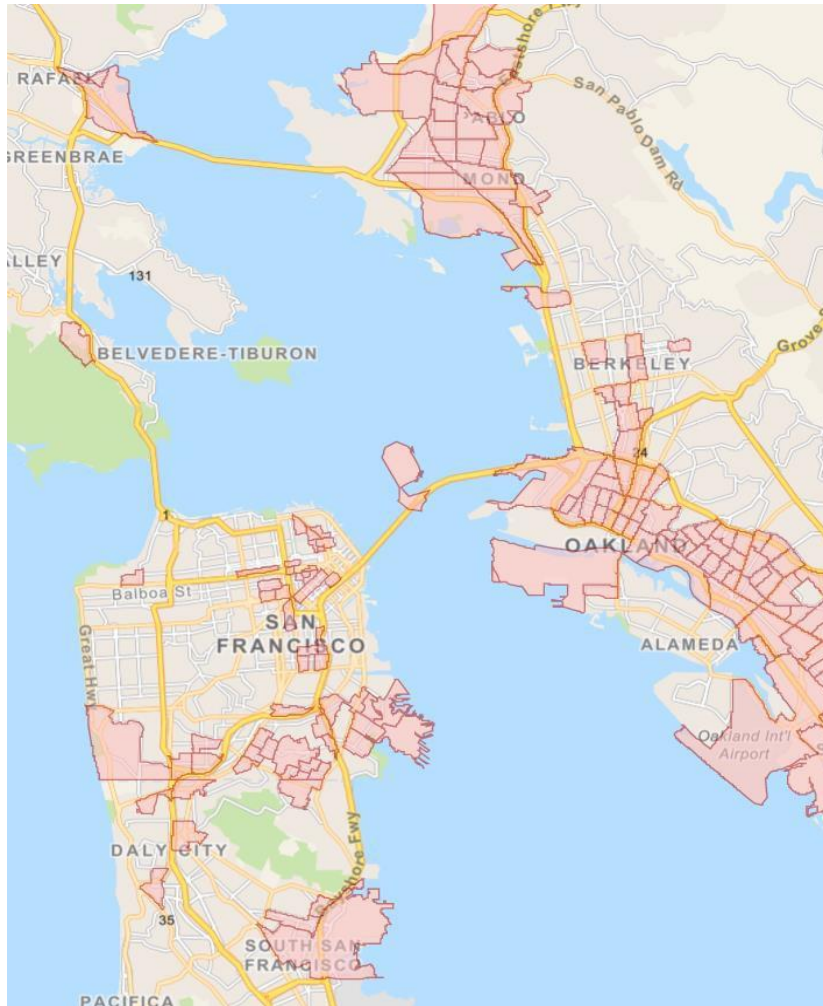
## San Francisco low performers\*:

- ▶ **Southeast Waterfront Transportation Improvements**
- ▶ **Geneva BRT and Corridor Improvements**
- ▶ **Regional projects serving SF:**
  - ▶ **Bay Bridge West Span Pathway**
  - ▶ **Bay Bridge Express Bus Contraflow Lane**
  - ▶ **San Francisco – Redwood City Ferry**
  - ▶ **Antioch – Martinez – Hercules – San Francisco Ferry**

**\*All projects have low benefit-cost scores, but medium performance target scores.**

# Strategy to Advance Low Performers

PLAN BAY AREA 2040 > PROJECT PERFORMANCE ASSESSMENT



- ▶ **Meet MTC’s “compelling case” threshold if:**
  - ▶ **Benefits not captured by the travel model**
  - ▶ **Cost-effective means of reducing carbon dioxide, particulate matter, or ozone precursor emissions**
  - ▶ **Improves transportation mobility/improves air quality in Communities of Concern (CoCs)**
- ▶ **Both of SF low performers improve mobility in a CoC**



# Finalizing San Francisco's PBA 2040 Project Priorities



PLAN BAY AREA 2040 > FINANCIALLY CONSTRAINED SF PROJECT PRIORITIES

- ▶ **What projects need to be called out as stand-alone projects in PBA 2040?**
  - ▶ Any project seeking federal, state, or regional funding before 2021
  - ▶ Any project seeking a federal action before 2021
  - ▶ Large and/or capacity changing projects
- ▶ **Most projects bundled into programmatic categories**
- ▶ **May - September 2015: PBA 2040 call for projects**
  - ▶ Coordinated with project sponsors, regional agencies, members of the public
  - ▶ Initial local discretionary funding target: \$8.4 billion (in anticipation of lower final target)

# Initial SF Project Priorities

PLAN BAY AREA 2040 > FINANCIALLY CONSTRAINED SF PROJECT PRIORITIES



- ▶ **October 2015: Board approved list of project priorities within our discretionary funding target**
- ▶ **Final list included:**
  - ▶ **58 San Francisco projects**
  - ▶ **24 regional projects**
  - ▶ **13 programmatic categories**
- ▶ **Total discretionary funding request:**
  - ▶ **Local discretionary: \$8.4 billion**
  - ▶ **Regional discretionary: \$1.4 billion**



# Revised Final Local Discretionary Funding Targets

PLAN BAY AREA 2040 > FINANCIALLY CONSTRAINED SF PROJECT PRIORITIES



- ▶ **May 2016: MTC released revised local discretionary targets**
- ▶ **Two scenarios in case voters approve November 2016 transportation revenue measure**

	<b>2015 Local Discretionary Funding Requested</b>	<b>2016 Revised Target</b>	<b>2016 Revised Target and New Revenue Measure</b>
Local Discretionary Target Provided by MTC	\$8.4 billion	\$4.2 billion	\$4.2 billion
Additional Local Revenue (estimated)	n/a	\$2.1 - \$2.9 billion	\$2.1 - \$2.9 billion
New Revenue Measure			\$4.0 billion
<b>Total</b>	<b>\$8.4 billion</b>	<b>\$6.3 - \$7.1 billion</b>	<b>\$10.3 - \$11.1 billion</b>

# Strategy to Finalize San Francisco Project Priorities



PLAN BAY AREA 2040 > FINANCIALLY CONSTRAINED SF PROJECT PRIORITIES

- ▶ **Finalize revenue estimates, match to eligible uses**
- ▶ **Make reasonable assumptions about additional regional discretionary funds available for projects**

	<b>2015 Request</b>	<b>2016 Request</b>
<b>Additional Regional Discretionary Funding</b>	<b>\$1.4 billion</b>	<b>TBD</b>

- ▶ **Consider phasing projects that:**
  - ▶ **Have a significant request for discretionary funding**
  - ▶ **Likely won't enter construction before 2021**
  - ▶ **Haven't formally been declared a City priority through a planning or strategy process**
- ▶ **Make a reasonable adjustment to programmatic categories**

# Trade-Off Discussion for a Final Preferred Investment Scenario

PLAN BAY AREA 2040 > FINANCIALLY CONSTRAINED SF PROJECT PRIORITIES



- ▶ **Assignment of remaining regional discretionary funding must consider investment trade-offs:**
  - ▶ **High priority regional projects**
  - ▶ **State of good repair (highways, local streets and roads, transit)**
  - ▶ **Regional programs (e.g. Clipper, Lifeline Transportation Program)**
  - ▶ **Other investments (e.g. regional housing program)**
  - ▶ **Local priorities**
- ▶ **July – MTC releases draft preferred investment scenario**
- ▶ **September – MTC/ABAG approves final preferred transportation and land use scenario for PBA 2040**



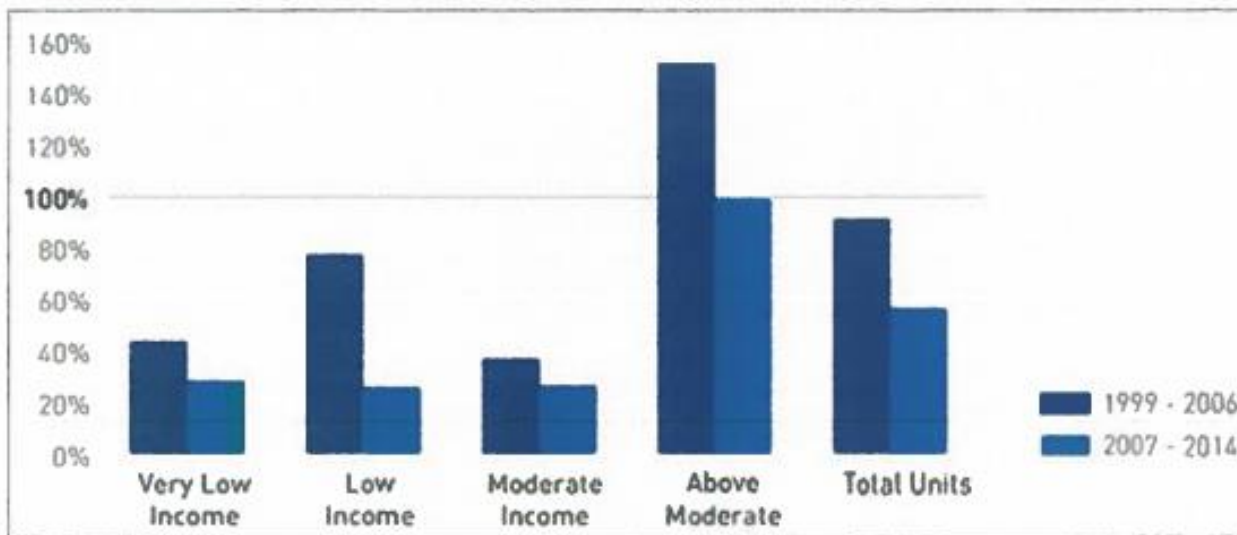
# Regional Housing Crisis

PLAN BAY AREA 2040 > REGIONAL HOUSING ACTION AGENDA



- ▶ **Most expensive housing market in the country**
- ▶ **Since 2010 region has added 1 housing unit for every 5 new jobs**
- ▶ **\$1.2 billion/year housing funding gap**

**Chart 2: Share of Regional Housing Needs Allocation Permitted 1999-2014  
San Francisco Bay Area (Source: ABAG)**



# Broad Strategies to Address Crisis

PLAN BAY AREA 2040 > REGIONAL HOUSING ACTION AGENDA



- ▶ **Build new housing**
  - ▶ **Special attention to low- and moderate-income housing**
- ▶ **Protect existing affordable units at risk of displacement through programs and/or policies, e.g.**
  - ▶ **Rent control**
  - ▶ **Inclusionary housing**
  - ▶ **Direct subsidies**
- ▶ **Advocate for new funding**
  - ▶ **Local self-help strategies (e.g. San Francisco's \$300 million bond)**
  - ▶ **New/replacement state and federal resources**

# Near Term Strategy – OBAG 2

PLAN BAY AREA 2040 > REGIONAL HOUSING ACTION AGENDA



- ▶ **One Bay Area Grant Program (OBAG) Cycle 2**
  - ▶ **\$790 million over 5 years**
  - ▶ **Program adopted in November 2015**
  - ▶ **\$72 million in additional funds available through federal transportation bill**
  
- ▶ **Possible investment proposals**
  - ▶ **Housing-related programs**
  - ▶ **Core capacity transportation investments**
  - ▶ **County programs**



# OBAG 2 Housing Program Options

PLAN BAY AREA 2040 > REGIONAL HOUSING ACTION AGENDA



- ▶ **Reward Jurisdictions**  
Bonus for cities/counties (2015 – 2019)
- ▶ **Direct Investment**  
Pilot preservation loan fund
- ▶ **Regulatory Approach**  
Additional funds conditioned on adopted housing policies, affordable housing production, and/or current affordability



Photo: Bridge Housing, Armstrong Place

- ▶ **MTC Action in July 2016**

# Proposed Medium Term Strategies

PLAN BAY AREA 2040 > REGIONAL HOUSING ACTION AGENDA



- ▶ **Infrastructure finance fund**
  - ▶ **Similar to existing Transit Oriented Affordable Housing (TOAH) program**
  - ▶ **Could include new Naturally Occurring Affordable Housing (NOAH) program**
  - ▶ **MTC has existing authority, just needs funding**
- ▶ **Regional jobs-housing linkage fee**
- ▶ **Regional housing bond/fee and trust fund**





# What's Next? (Estimated Schedule)



## PLAN BAY AREA 2040 > NEXT STEPS

<b>May 2016</b>	ABAG releases draft scenario performance assessment
<b>May CAC / June Plans and Programs (anticipated)</b>	SFCTA revises project priorities according to new discretionary funding target
<b>June 14, 2016 6:30-8:30pm</b>	<b>Plan Bay Area 2040 San Francisco Open House</b> Hotel Whitcomb (1231 Market St)
<b>June 2016</b>	MTC approves final list of high and low performing projects
<b>June CAC / July Plans and Programs</b>	SFCTA information item evaluating progress toward meeting PBA 2040 goals and objectives and advocacy strategy for preferred scenario
<b>July 2016</b>	MTC/ABAG release draft preferred scenario, approves OBAG 2 funding distribution
<b>September 2016</b>	MTC/ABAG adopt preferred transportation investment and land use scenario
<b>September 2016 through June 2017</b>	MTC/ABAG perform environmental review of preferred scenario
<b>June 2017</b>	MTC/ABAG adopt Plan Bay Area 2040

# Questions?

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