



Memorandum

Date: 09.22.16 **RE:** Citizens Advisory Committee
September 28, 2016

To: Citizens Advisory Committee

From: Anna LaForte – Deputy Director for Policy and Programming *all*

Subject: **ACTION** – Adopt a Motion of Support for Approval of the 2017 Prop AA Strategic Plan Policies and Screening and Prioritization Criteria

Summary

Prop AA generates revenues from a \$10 vehicle registration fee on motor vehicles registered in San Francisco to fund local road repairs, pedestrian safety improvements, and transit reliability and mobility improvements throughout the city consistent with the 2010 voter-approved Expenditure Plan. The Prop AA Expenditure Plan requires the Transportation Authority to adopt a Strategic Plan, which shall include a detailed 5-year prioritized program of projects (5YPP) for each of the three Expenditure Plan categories prior to the allocation of funds. We have reached the last year of 5YPP programming (covering Fiscal Years 2012/13 to 2016/17) in the 2012 Strategic Plan, and are preparing to release a call for projects for approximately \$23.2 million in Prop AA funds for the next 5-year period (Fiscal Years 2017/18 to 2021/22). The funds will be programmed in the 2017 Strategic Plan update. To guide this first update, we are recommending minor revisions to two key documents that inform the programming and administration of the Prop AA program: the Prop AA Strategic Plan Policies which provide guidance to staff and project sponsors on the various aspects of managing the program, including the allocation and expenditure of funds (see Attachment 1); and the Prop AA Screening and Prioritization Criteria which provide the mechanism to evaluate and prioritize projects for funding within the three programmatic categories (see Attachment 2). We anticipate releasing a call for projects for the 2017 5YPP updates following Board approval of the Policies and Screening and Prioritization Criteria next month.

BACKGROUND

San Francisco voters approved Proposition AA (Prop AA) on November 2, 2010. Prop AA uses revenues collected from an additional \$10 vehicle registration fee on motor vehicles registered in San Francisco for local road repairs, pedestrian safety improvements, and transit reliability and mobility improvements throughout the city consistent with the Prop AA Expenditure Plan. Given its small size – less than \$5 million in annual revenues – one of Prop AA's guiding principles is to focus on small, high-impact projects that will provide tangible benefits to the public in the short-term. Thus, Prop AA only funds design and construction phases of projects and places a strong emphasis on timely use of funds.

The Prop AA Expenditure Plan allocated funds to just three programmatic categories. Over the life of the Expenditure Plan, the percentage allocation of vehicle registration fee revenues assigned to each category is as follows: Street Repair and Reconstruction – 50%, Pedestrian Safety – 25%, and Transit Reliability and Mobility Improvements – 25%.

The Prop AA Expenditure Plan requires development of a Strategic Plan to guide the implementation of

the program, and specifies that the Strategic Plan include a detailed 5-year prioritized program of projects (5YPP) for each of the Expenditure Plan categories as a prerequisite for allocation of funds. The intent of the 5YPP requirement is to provide the Transportation Authority Board, the public, and Prop AA project sponsors with a clear understanding of how projects are prioritized for funding. Having a transparent and well-documented prioritization methodology in place allows for an open and inclusive project development process, intended to result in a steady stream of projects that are ready to compete for Prop AA, Prop K half-cent transportation sales tax, and other discretionary (i.e., competitive) fund sources for implementation. In addition, a robust prioritization methodology helps to ensure that projects programmed for Prop AA funds can deliver near-term, tangible benefits to the public as intended by the Expenditure Plan. Finally, it allows project sponsors to better take advantage of coordination opportunities with other transportation projects funded by Prop AA and other funding sources that should result in efficiencies and minimize disruption caused by construction activities.

In 2012 the Transportation Authority approved the first Prop AA Strategic Plan, which, as amended, programmed \$27.1 million in Prop AA funds for 22 projects in the first five years of the Prop AA Strategic Plan (Fiscal Years 2012/13 to 2016/17). We are pleased to report that allocations are on-track with the Strategic Plan: to date approximately \$23 million in Prop AA funds has been allocated and we anticipate the two final allocations will be requested in Fiscal Year 2016/17 for San Francisco Public Works repaving and San Francisco Municipal Transportation Agency transit improvements, both on Geary Boulevard. Attachment 5 is a fact sheet with information on the progress of all Prop AA projects funded to date.

We are in the last year of the 2012 5YPPs and are preparing to release a call for projects to program funds for the 2017 5YPPs as part of the 2017 Strategic Plan update.

DISCUSSION

The purpose of this memorandum is to present the updated policies and prioritization criteria to guide the development of the 2017 Prop AA Strategic Plan and to seek a motion of support for their approval. The 2017 Strategic Plan will program approximately \$23.2 million in Prop AA funds to specific projects in the 2017 5YPPs spanning Fiscal Years 2017/18 to 2021/22.

The Prop AA Strategic Plan Policies provide guidance to staff and project sponsors on the various aspects of managing the program, including the allocation and expenditure of funds. Attachment 1 shows the recommended changes to the adopted policies, which are primarily focused on streamlining and clarifying language. The Prop AA Strategic Plan Screening and Prioritization Criteria are the mechanism to evaluate and prioritize projects for funding within the three programmatic categories. Attachment 2 details recommended changes to the criteria, which are minor and include references to initiatives such as Vision Zero.

Funds Available: In February 2016, we updated the Prop AA revenue forecast based on actual revenues to date, producing a slightly higher estimate of approximately \$4.83 million per year. We recommend maintaining the same projected revenue forecast for the 2017 Strategic Plan update, which will result in approximately \$23 million in funds available in the 5YPP period, net five percent for administrative expenses. In addition to new revenues, there is about \$520,000 in deobligated funds from projects completed under budget that is available for programming.

We recommend setting aside \$260,000 in additional program reserves to restore the program reserve to \$500,000, or roughly 10% of annual revenues. Prop AA is a pay as you go program so the capital reserve is helpful as a buffer against fluctuations in revenues. Thus, based on expected new revenues (new plus deobligations), netting out administrative costs and restoring the program reserve, the amount of Prop

AA funds we expect to be available for programming is approximately \$23.2 million over the five-year period of the 2017 5YPPs. See Attachment 3 for further details.

Call for Projects: We anticipate releasing a call for projects for the 2017 5YPPs covering Fiscal Years 2017/18 to 2021/22 following Board approval of the Policies and Screening and Prioritization Criteria next month. Attachment 4 shows the schedule by which we propose soliciting projects from sponsors, evaluating applications, and returning to the Citizens Advisory Committee and Board with programming recommendations in March 2017. Project sponsors could then submit Fiscal Year 2017/18 Prop AA allocation requests for Board approval in June 2017.

ALTERNATIVES

1. Adopt a motion of support for approval of the 2017 Prop AA Strategic Plan Policies and Screening and Prioritization Criteria, as requested.
2. Adopt a motion of support for approval of the 2017 Prop AA Strategic Plan Policies and Screening and Prioritization Criteria, with modifications.
3. Defer action, pending additional information or further staff analysis.

FINANCIAL IMPACTS

Approval of the 2017 Prop AA Strategic Plan Policies and Screening and Prioritization Criteria does not allocate any funds to projects. Allocation approvals are the subject of separate actions by the Transportation Authority Board.

There are no impacts to the Transportation Authority's adopted Fiscal Year 2016/17 budget associated with the recommended action.

RECOMMENDATION

Adopt a motion of support for approval of the 2017 Prop AA Strategic Plan Policies and Screening and Prioritization Criteria.

Attachments (5):

1. Prop AA Strategic Plan Policies
2. Prop AA Strategic Plan Screening and Prioritization Criteria
3. Summary of Funds Available
4. Draft 2017 Prop AA Strategic Plan Adoption Timeline
5. Prop AA Fact Sheet

Attachment 1.

Prop AA Vehicle Registration Fee Strategic Plan Policies (~~adopted 12.11.12~~ draft update 09.20.16)

The Strategic Plan policies and procedures provide guidance to both Transportation Authority staff and project sponsors on the various aspects of managing the Prop AA program. The Strategic Plan policies and procedures highlighted here address the allocation and expenditure of funds, in the policy context of the Transportation Authority's overall revenue structure, as well as clarifying the Transportation Authority's expectations of sponsors to deliver their projects. ~~As part of this first Prop AA Strategic Plan,~~ We have written the policies based on the experience of the Prop K program, but tailored to the smaller size of the program and to reflect the guiding principles that were used to develop the Expenditure Plan.

This Expenditure Plan identifies eligible expenditures for three programmatic categories: Street Repair and Reconstruction; Pedestrian Safety; and Transit Reliability and Mobility Improvements.

The Prop AA policies are detailed below.

Project Readiness

- Prop AA funds will be allocated to phases of a project based on demonstrated readiness to begin the work and ability to complete the product. Any impediments to completing the project phase will be taken into consideration, including, but not limited to, failure to provide evidence of necessary inter- and/or intra-agency coordination, or any pending or threatened litigation.
- Allocations of Prop AA funds for specific project phases will be contingent on the prerequisite milestones shown in Table 1 (found at the end of this attachment). Exceptions will be considered on a case-by-case basis. Allocation requests will be made prior to advertising for services or initiating procurements which will utilize Prop AA funds.
- Projects with complementary funds from other sources will be given priority for allocation if there are timely use of funds requirements outside of the Transportation Authority's jurisdiction applied to the other fund sources.
- The sponsor will provide certification at the time of an allocation request that all complementary fund sources are committed to the project. Funding is considered committed if it is included specifically in a programming document adopted by the governing board or council responsible for the administration of the funding and recognized by the Transportation Authority as available for the phase at the time the funds are needed.

Programming

- The Expenditure Plan assigns the percentage allocation of vehicle registration fee revenues over its 30-year life to each category is as follows: Street Repair and Reconstruction – 50%, Pedestrian Safety– 25%, and Transit Reliability and Mobility Improvements – 25%. The Strategic Plan reserves the flexibility to assign annual Prop AA revenues across the three categories with considerations including project readiness and policy direction (e.g., focus on pedestrian safety). As a part of Strategic Plan updates, the amount programmed and allocated to each category will be reconciled to ensure the program is on-track to allocate funds in the proportions prescribed by the Expenditure Plan.
- Prop AA funds will be programmed and allocated to phases of projects emphasizing the leveraging of other fund sources.

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- In establishing priorities in the Strategic Plan updates, the Transportation Authority will take into consideration the need for Prop AA funds to be available for matching federal, state, or regional fund sources for the project or program requesting the allocation or for other projects in the Expenditure Plan.
- On the occasion of each Strategic Plan update or major amendment, envisioned no less frequently than every four years, the ability of sponsors to deliver their committed projects and programs and comply with timely-use-of-funds requirements will be taken into consideration when updating the programming of funds.

Project Delivery and Timely Use of Funds Requirements

- To support timely and cost-effective project delivery, Prop AA funds will be allocated one project phase at a time, except for smaller, less complex projects, where the Transportation Authority may consider exceptions to approve multi-phase allocations. Phases eligible for an allocation:
 - Design Engineering (PS&E)¹
 - ~~Procurement (e.g. accessible pedestrian signals)~~
 - Construction, including procurement (e.g. accessible pedestrian signals)
- ~~Prop AA funds will be allocated for one project phase at a time, except for smaller, less complex projects, where the Transportation Authority may consider exceptions to approve multi-phase allocations.~~
- Project phases for which Prop AA funds will be allocated will be expected to result in a complete work product or deliverable. Table 2 located in the following section demonstrates the products expected to accompany allocations.
- Implementation of project phase must occur within 12 months of date of allocation. Implementation includes issuance of a purchase order to secure project components, award of a ~~consultant~~ contract, or encumbrance of staff labor charges by project sponsor. Any project that does not begin implementation within 12 months of the date of allocation may have its sponsor request a new timely-use-of-funds deadline with a new project schedule, subject to the approval of the Transportation Authority. If denied, the sponsor may request that the Transportation Authority Board determine if funds should be deobligated to be included in a competitive call for projects. Sponsors will have the opportunity to reapply for funds through these competitive calls, but will not be guaranteed any priority if other eligible, ready-to-go project applications are received.
- ~~At the end of the project, Prop AA final reimbursement requests and allocations for the construction, construction engineering and equipment purchase phases must be drawn down project closeout requests must be submitted within 12 months of the date of contract acceptance project completion. Exceptions will be considered on a case-by-case basis.~~
- It is imperative to the success of the Prop AA program that project sponsors of Prop AA-funded projects work with Transportation Authority representatives in a cooperative

¹ As defined in the Code of Federal Regulations (23 CFR §636.103), final design means any design activities following preliminary design and expressly includes the preparation of final construction plans and detailed specifications for the performance of construction work, and other activities constituting final design include final plans, project site plan, final quantities, and final engineer's estimate for construction.

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process. It is the project sponsor's responsibility to keep the Transportation Authority apprised of significant issues affecting project delivery and costs. Ongoing communication resolves issues, facilitates compliance with Transportation Authority policies and contributes greatly toward ensuring that adequate funds will be available when they are needed.

- Timely-use-of-funds requirements will be applied to all Prop AA allocations to help avoid situations where Prop AA funds sit unused for prolonged periods of time given Prop AA's focus on delivering tangible benefits in the short term.² Any project programmed within the Prop AA Strategic Plan that does not request allocation of funds in the year of programming may, at the discretion of the Transportation Authority Board, have its funding deobligated and reprogrammed to other projects through a competitive calls for Prop AA projects. Sponsors will have the opportunity to reapply for funds through these competitive calls, but will not be guaranteed any priority if other eligible, ready-to-go project applications are received.

Project Performance

- The Transportation Authority and project sponsors shall identify appropriate performance measures, milestone targets, and a timeline for achieving them, to ensure that progress is made in meeting the goals and objectives of the project or program. These performance measures shall be consistent with the Transportation Authority's Congestion Management Program requirements and shall be used to inform future Strategic Plan amendments and updates.
- Performance and project delivery reports of Prop AA-funded projects will be brought to the Transportation Authority Board on a regular basis to highlight the delivery of open projects.

Administration

- Prior to allocation of any Prop AA funds to projects, projects must be programmed in the 5-Year Prioritization Program (5YPP)/Strategic Plan. To become programmed, projects may either be submitted by project sponsors for Transportation Authority review at the time of Strategic Plan adoption, periodic update, or through periodic competitive calls for projects that will be amended into the 5YPP/Strategic Plan.
- Within the Strategic Plan, 5YPPs shall establish a clear set of criteria for prioritizing or ranking projects, and include clearly defined budgets, scopes and schedules for individual projects within the program, consistent with the Strategic Plan ~~for use of Prop AA funds~~, for review and adoption by the Transportation Authority Board as provided for in the Expenditure Plan. Allocations may be made simultaneous to approval of the 5YPPs/Strategic Plan.
- Allocations of Prop AA funds will be based on an application package prepared and submitted by the lead agency for the project. The package will be in accordance with application guidelines and formats as outlined in the Transportation Authority's allocation request procedures, with the final application submittal to include sufficient detail and

² One of the six guiding principles in the Prop AA Expenditure Plan calls for the Prop AA program to focus on smaller, high-impact projects that provide tangible benefits in the short-term.

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supporting documentation to facilitate a determination that the applicable conditions of these policies have been satisfied.

- Under the approved Transportation Authority Fiscal Policy, Cash Flow Distribution Schedules are adopted simultaneous to the allocation action. The allocation resolution will spell out the maximum reimbursement level per year, and only the reimbursement amount authorized in the year of allocation will count against the Capital Expenditures line item for that budget year. The Capital Expenditures line item for subsequent year annual budgets will reflect the maximum reimbursement schedule amounts committed through the original and any subsequent allocation actions. The Transportation Authority will not guarantee reimbursement levels higher than those adopted in the original and any subsequent allocation actions.
- Prop AA funds will be spent down at a rate proportional to the Prop AA share of the total funds programmed to that project phase or program. The Transportation Authority will consider exceptions on a case-by-case basis (e.g. another fund source is not immediately available or cannot be used to cover certain expenses). Project sponsors should notify the Transportation Authority of the desire for an exception to this policy when requesting allocation of funds.
- Unexpended portions of allocated amounts remaining after final reimbursement for that phase will be returned to the project's programmed balance if the project is not yet completed and has future funds programmed in the Strategic Plan(e.g. ~~future phases remain~~).
- Upon completion of the project, including any expected work product shown in Table 2, the Transportation Authority will deem that any remaining programmed balance for the project is available for programming with first priority to another project within the same category as listed in the Expenditure Plan or second priority, to any other ready-to-go Prop AA projects. Final project selection will be determined through a competitive call for projects.
- Retroactive expenses are ineligible. No expenses will be reimbursed that are incurred prior to Board approval of the vehicle allocation for a particular project or program. The Transportation Authority will not reimburse expenses incurred prior to fully executing a Standard Grant Agreement (SGA).
- Indirect expenses are ineligible. Reimbursable expenses will include only those expenses directly attributable to the delivery of the products for that phase of the project or program receiving a Prop AA allocation.
- Projects shall be consistent with the Regional Transportation Plan (RTP).

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Table 1

Prerequisite Milestones for Allocation

Allocations of Prop AA funds for specific project phases will be contingent on the prerequisite milestones shown in the table below. Exceptions will be considered on a case-by-case basis. Allocation requests will be made prior to advertising for services which will utilize Prop AA funds.

Phase	Prerequisite Milestone(s) for Allocation
Design Engineering (PS&E)	<ul style="list-style-type: none"> ● Inclusion in 5YPP/Strategic Plan ● Conceptual Engineering Report, <u>if applicable</u> ● Approved environmental document ● Capital construction funding in adopted plan, including RTP and Countywide Transportation Plan
Construction, <u>including procurement (e.g. accessible pedestrian signals)</u>	<ul style="list-style-type: none"> ● Inclusion in 5YPP /Strategic Plan ● Approved environmental document ● Right of way certification (if appropriate) ● 100% PS&E ● <u>All applicable permits</u>
Procurement (e.g. accessible pedestrian signals)	<ul style="list-style-type: none"> ● Inclusion in 5YPP /Strategic Plan ● Approved environmental document ● Right of Way Certification (if appropriate) ● 100% PS&E

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Table 2

Expected Work Products/Deliverables by Phase

The phase for which Prop AA funds are allocated ~~shall be~~ ~~reasonably~~ expected to result in a complete work product or deliverable. The expected work product for each phase is described in the table below. Upon approval of a request for allocation, the Transportation Authority on a case-by-case basis may approve a work product/deliverable other than that shown in the table below (e.g. for Transportation Demand Management projects).

~~Requests for allocations that are expected to result in a work product/deliverable other than that shown in the table below for a specific phase shall include a description of the expected work product/deliverable. Prior to approval of a request for allocation that is expected to result in a work product/deliverable other than that shown in the table below for the specific phase, the Transportation Authority shall make a determination that the expected work product is consistent with a cost effective approach to delivering the project or program as required in the Expenditure Plan.~~

Phase	Expected Work Product/Deliverable ¹
Design Engineering (PS&E)	Final design package including contract documents
Construction, <u>including procurement</u>	Constructed improvement or minimum operating segment, <u>or equipment in service</u>
<u>Procurement (e.g. rolling stock)</u>	<u>Equipment in service</u>

¹The Transportation Authority will specify required deliverables for an allocation in the Allocation Request Form, typically requiring evidence of completion of the above work products/deliverables such as a copy of the signed certifications page as evidence of completion of PS&E or digital photos of a completed construction project.

Attachment 2

Prop AA Vehicle Registration Fee

Strategic Plan Screening and Prioritization Criteria (~~adopted 12.11.12~~ draft update 09.20.16)

The Prop AA Expenditure Plan requires that the Strategic Plan include a prioritization mechanism to rank projects within each of the three programmatic categories. The intent of this requirement is to provide the Transportation Authority Board, the public, and Prop AA project sponsors with a clear understanding of how projects are prioritized for funding within program. Having a transparent and well-documented prioritization methodology in place allows for an open, inclusive and predictable project development process, intended to result in a steady stream of projects that are ready to compete for Prop AA, Prop K, and other discretionary (i.e., competitive) fund sources for implementation. In addition, a robust prioritization methodology helps to ensure that projects programmed for Prop AA funds can deliver near-term, tangible benefits to the public as intended by the Expenditure Plan. Finally, it allows project sponsors to better take advantage of coordination opportunities with other transportation projects funded by Prop AA and other funding sources that should result in efficiencies and minimize disruption caused by construction activities.

I. SCREENING

Projects must meet all screening criteria in order to be considered further for Prop AA funding. The screening criteria focus on meeting the eligibility requirements for Prop AA funds and include, but are not limited to, the following factors:

- Project sponsor is an eligible administering agency per the Prop AA Expenditure Plan guidelines.
- Project is eligible for funding from one or more of Prop AA's three programmatic categories.
- Project is seeking Prop AA funds for design, construction and/or procurement phases only.
- Project is consistent with the regional transportation plan.
- Project is consistent with ~~citywide board~~ agency adopted plans; existing and planned land uses; and adopted standards for urban design and for the provision of pedestrian amenities; and supportiveness of planned growth in transit friendly housing, employment and services.

II. GENERAL PRIORITIZATION

Projects that meet all of the Prop AA screening criteria will be prioritized for Prop AA funding based on, but not limited to the factors listed below. Neither the general prioritization criteria listed below nor category-specific criteria listed in Section III are in any particular order nor are they weighted. In general, the more criteria a project satisfies and the better it meets them, the higher a project will be ranked.

- **Project Readiness:** Priority shall be given to projects that can implement the funded phase(s) within twelve months of allocation. Implementation includes issuance of a purchase order to secure project components, ~~date of awarding~~ a consultant contract, or encumbrance of staff labor charges by project sponsor.
- ~~Relative Level of Need or Urgency~~ **Time Sensitivity:** ~~Priority shall be given to projects that address known safety issues.~~ Priority shall be given to projects that are

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trying to take advantage of time sensitive construction coordination opportunities and whether the project would leverage other funding sources with timely-use-of-funds requirements.

- **Community Engagement/Support:** Priority shall be given to projects with clear and diverse community support and/or developed out of a community-based planning process (e.g., community based transportation plan, the #Neighborhood #Transportation Improvement Program-plan, corridor improvement study, campus master plan, station area plans, etc.).
- **Fund Leveraging:** Priority shall be given to projects that can demonstrate leveraging of Prop AA funds, or that can justify why they are ineligible, have very limited eligibility, or compete poorly to receive Prop K or other discretionary funds.
- **Geographic Equity:** Prop AA programming will reflect fair geographic distribution that takes into account the various needs of San Francisco's neighborhoods. This factor will be applied program-wide and to individual projects, as appropriate.
- **Project Sponsor Priority:** For project sponsors that submit multiple Prop AA applications, the Transportation Authority will consider the project sponsor's relative priority for its applications.
- **Project Delivery Track Record:** The Transportation Authority will consider the project sponsor(s)' past project delivery track record of prior Prop AA and other Transportation Authority-programmed funds when prioritizing potential Prop AA projects. For sponsors that have not previously received Transportation Authority-funds, the Transportation Authority will consider the sponsors' project delivery track record for capital projects funded by other means.

III. PROGRAMMATIC CATEGORY PRIORITIZATION

In addition to the general prioritization criteria detailed in Section II, listed below are prioritization criteria specific to each programmatic category.

Street Repair and Reconstruction

- Priority will be given to projects based on an industry-standard pavement management system designed to inform cost effective roadway maintenance.
- Priority will be given to streets located on San Francisco's bicycle and transit networks.
- Priority will be given to projects that include complete streets elements. Specifically, priority will be given to projects that include at least a minimal level of enhancement over previous conditions and that directly benefit multiple system users regardless of fund source (e.g. Street Repair and Reconstruction category, other Prop AA category or non-Prop AA fund source). Enhancements include complete streets elements for pedestrians, cyclists, or transit passengers that are improvements above and beyond those triggered by the street repair and reconstruction work (i.e., e.g. ADA compliant curb ramps required because of the street repair and reconstruction work).

Pedestrian Safety

- Priority will be given to projects that shorten crossing distances, minimize conflicts with

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other modes, and reduce pedestrian hazards.

- Priority will be given to projects on corridors that are identified through or are consistent with ~~the~~WalkFirst, ~~effort~~Vision Zero, or successor efforts (e.g.; pedestrian master plan).
- Priority will be given to infrastructure projects that improve access to transit and/or schools.

Transit Reliability and Mobility Improvements

- Priority will be given to projects that support existing or proposed rapid transit, including projects identified in transit performance plans or programs such as the San Francisco Municipal Transportation Agency's ~~Transit Effectiveness~~Muni Forward ~~p~~Program and Rapid Network initiative.
- Priority will be given to projects that increase transit accessibility, ~~and~~reliability, and connectivity (e.g. stop improvements, transit stop consolidation and relocation, transit signal priority, traffic signal upgrades, travel information improvements, wayfinding signs, and bicycle parking), including regional transit connections).
- Priority will be given to travel demand management projects that aim to reduce ~~auto~~ congestion and transit crowding and are aligned with San Francisco's citywide travel demand management goals.
- Priority will be given to projects that address documented safety issues.

**Attachment 3.
Prop AA Vehicle Registration Fee
Summary of Funds Available**

Table 1. Summary of Prop AA Funds Available for FYs 2017/18-2021/22	
2017 Strategic Plan (FY2017/18 - FY2021/22) - Estimated New Revenues Available for Projects (Net 5% administration costs)	\$ 22,961,730
Deobligated Funds	\$ 517,561
Additional Program Reserve (to restore to \$500,000)	\$ (260,000)
2017 Strategic Plan Update/ 5-Year Prioritization Programs - Total Estimated Funds Available for Projects	\$ 23,219,292

Table 2. 2012 Prop AA Strategic Plan - FY2012/13 - FY2016/17) Programmed and Allocated Funds by Category (includes revenues collected April 2011 - June 2012)			
Category	Target % Allocation of Funds per Prop AA Expenditure Plan	Actual Programming and Allocations (as of September 2016, net of deobligations)	Actual % of Funds Programmed and Allocated
Street Repair and Reconstruction	50%	\$ 12,979,454	47.8%
Pedestrian Safety	25%	\$ 7,561,460	27.9%
Transit Reliability and Mobility Improvements	25%	\$ 6,599,724	24.3%
Total Programmed and Allocated	100%	\$ 27,140,639	100%

Table 3. 2017 Prop AA Strategic Plan - FY2017/18 - FY2021/22 Estimated Funds Available by Category		
Category	Target % Allocation of Funds per Prop AA Expenditure Plan	Programming Target in 2017 Strategic Plan
Street Repair and Reconstruction	50%	\$ 12,200,511
Pedestrian Safety	25%	\$ 5,028,522
Transit Reliability and Mobility Improvements	25%	\$ 5,990,258
Total Estimated Funds Available for Programming	100%	\$ 23,219,292

Attachment 4.

**Prop AA Vehicle Registration Fee
Draft 2017 Strategic Plan Adoption Timeline
(Updated 9.20.16)**

Wednesday, September 28, 2016	Citizens Advisory Committee Meeting – ACTION Strategic Plan Policies and Prioritization Criteria
October 2016	Plans and Programs Committee – ACTION (Tuesday, October 18th) Strategic Plan Policies and Prioritization Criteria Technical Working Group Meeting (Thursday, October 20th) Present draft Call for Projects materials Transportation Authority Board – ACTION (Tuesday, October 25th) Strategic Plan Policies and Prioritization Criteria Release Call for Projects (By November 1st)
November 2016	Workshop for potential applicants (tentative: following Technical Working Group Meeting, Thursday, November 17th)
January 2017	Applications due (tentative: Tuesday, January 17th) Technical Working Group (Thursday, January 19th) Present applications received
February 2017	Technical Working Group (February 16th) Present draft programming recommendations Citizens Advisory Committee – ACTION (February 22nd) 2017 Strategic Plan adoption (includes 5-Year Prioritization Programs)
March 2017	Plans and Programs Committee – ACTION (March 21st) 2017 Strategic Plan adoption Transportation Authority Board – ACTION (March 28th) 2017 Strategic Plan adoption
April 25, 2017	Sponsors may submit Fiscal Year 2017/18 Prop AA allocation requests for consideration at the May Citizens Advisory Committee meeting and June Transportation Authority Board meeting

For the latest information on Transportation Authority meeting dates, please see the Transportation Authority’s website at www.sfcta.org under Meetings, Agendas, and Events



Proposition AA Additional Vehicle Registration Fee for Transportation Improvements



San Francisco voters approved Proposition AA (Prop AA) on November 2, 2010. Prop AA uses revenues collected from an additional \$10 vehicle registration fee on motor vehicles in San Francisco for local road repairs, pedestrian safety improvements, and transit reliability and mobility improvements throughout the city.



State legislation adopted in 2009 enabled Congestion Management Agencies to establish up to a \$10 countywide vehicle registration fee to fund transportation projects or programs having a relationship or benefit to the people paying the fee. Prop AA designated the Transportation Authority as the administrator of Prop AA and approved a 30-year Expenditure Plan specifying the use of the revenues (see chart below). Revenue collection began in May 2011.



The Prop AA Vehicle Registration Fee is a key part of an overall strategy to develop a balanced, well thought-out program to improve transportation for San Francisco residents, and generates nearly \$5 million per year.

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The Proposition AA Expenditure Plan: Guiding Principles

In 2010, the Transportation Authority worked with numerous stakeholders to develop an Expenditure Plan to articulate how revenues would be used. It was developed with the following guiding principles:

- Provide a documentable benefit or relationship to those paying the fee
- Limit the Expenditure Plan to a few programmatic categories, given the relatively small revenue stream
- Focus on small, high-impact projects that will provide tangible benefits in the short-term
- Provide a fair geographic distribution that takes into account the various needs of San Francisco's neighborhoods
- Ensure accountability and transparency in programming and delivery

Contact Us for More Information

Phone: 415.522.4800
Email: propAA@sfcta.org
Web page: www.sfcta.org/PropAA

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San Francisco County
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1455 Market St., 22nd Floor
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What does Prop AA fund?

The voter-approved Prop AA Expenditure Plan allocates vehicle registration fee revenues to three types of projects in the percentage allocations seen below.

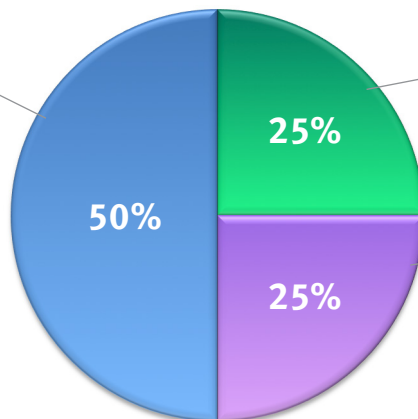
STREET REPAIR AND RECONSTRUCTION

Reconstruction of city streets with priority given to streets located on:

- Bicycle network
- Transit network

Priority to projects that include complete streets elements, including:

- Pedestrian improvements
- Traffic calming
- Bicycle infrastructure



PEDESTRIAN SAFETY

- Crosswalk maintenance
- Sidewalk repair and widening
- Sidewalk bulbouts
- Pedestrian lighting, signals, and median islands

TRANSIT RELIABILITY AND MOBILITY IMPROVEMENTS

- Transit station/stop improvements
- Transit signal priority
- Travel information improvements
- Parking management pilots
- Transportation demand management

What specific projects does Prop AA fund?

The table below provides a listing of allocated projects to date. For a full listing of approved Prop AA projects, with project detail and corresponding funding levels, visit www.sfcta.org/proposition-aa-strategic-plan. To view the locations and for additional information on Prop AA-funded projects, visit the Transportation Authority's online interactive project map, MyStreetSF, at www.sfcta.org/mystreetsf-map.

Prop AA Vehicle Registration Fee Funds Allocated to Date

PROJECT NAME	PHASE	SPONSOR*	PROP AA FUNDS ALLOCATED	TOTAL PROJECT COST	STATUS
STREET REPAIR AND RECONSTRUCTION					
9th Street Pavement Renovation	Construction	Public Works	\$2,216,627	\$2,781,543	Open for Use
28th Ave Pavement Renovation	Construction	Public Works	\$1,169,843	\$2,369,167	Open for Use
Chinatown Broadway Street	Design	Public Works	\$650,000	\$8,199,591	Design funds allocated in November 2013, construction funds allocated in April 2016. Construction in progress. Anticipated open for use in summer 2017.
Mansell Corridor Improvement Project	Design, Construction	SFMTA	\$2,527,852	\$6,955,706	Design funds allocated in November 2013, construction funds allocated in December 2014 and April 2016. Construction in progress. Anticipated open for use in fall 2016.
McAllister St Pavement Renovation	Construction	Public Works	\$1,995,132	\$2,763,663	Open for Use
Dolores St Pavement Renovation	Construction	Public Works	\$2,210,000	\$3,230,263	Open for Use
Subtotal			\$10,769,454	\$26,299,933	
PEDESTRIAN SAFETY					
Arguello Gap Closure	Construction	Presidio Trust	\$350,000	\$1,015,715	Open for Use
Mid-Block Crossing on Natoma/8th	Design, Construction	SFMTA	\$365,000	\$365,000	Open for Use
Ellis/Eddy Traffic Calming	Design	SFMTA	\$337,450	\$1,709,925	Design funds allocated in February 2014. Environmental review completed in winter 2016. Anticipated open for use by September 2017.
Franklin and Divisadero Signal Upgrades	Design, Construction	SFMTA	\$896,750	\$5,485,080	Design funds allocated in May 2014, construction funds allocated in February 2015. Construction began Summer 2015 with all signals being operational by Fall 2016.
Pedestrian Countdown Signals	Construction	SFMTA	\$1,380,307	\$1,946,298	Open for Use
McAllister Street Campus Streetscape	Design, Construction	UC Hastings	\$1,845,206	\$2,485,345	Open for Use
Webster Street Pedestrian Signals	Design	SFMTA	\$401,794	\$1,760,000	Design funds allocated in November 2014, construction funds allocated July 2016. Design anticipated to be completed in fall 2016, followed by construction, with signals operational in fall 2017.
Gough St Pedestrian Signals	Design	SFMTA	\$300,000	\$3,350,000	Design funds allocated in November 2015. Anticipated open for use in Winter 2018.
Broadway Chinatown Streetscape Improvements	Construction	Public Works	\$1,029,839	\$8,199,591**	Design funds allocated in November 2013, construction funds allocated in April 2016. Construction in progress. Anticipated open for use in summer 2017.
Mansell Streetscape Improvements	Construction	Public Works	\$163,358	\$6,955,706**	Design funds allocated in November 2013, construction funds allocated in December 2014 and April 2016. Construction in progress. Anticipated open for use in fall 2016.
Bulb-outs at WalkFirst Locations	Design	SFMTA	\$491,757	\$5,491,757	Design funds allocated in April 2016. Design anticipated to be complete by December 2017, construction anticipated to begin in Summer 2018. All locations anticipated open for use by Fall 2020.
Subtotal			\$7,561,460	\$23,609,120	
TRANSIT RELIABILITY AND MOBILITY IMPROVEMENTS					
Civic Center BART/Muni Bike Station	Construction	BART	\$248,000	\$915,000	Open for Use
City College Pedestrian Connector	Design, Construction	SFMTA	\$933,000	\$991,000	Design funds allocated in June 2014, construction funds allocated in January 2015. Construction complete September 2016. Open for use October, 1 2016.
24th St Mission SW BART Plaza and Pedestrian Improvements	Construction	BART	\$713,831	\$4,216,014	Open for Use
Elevator Safety and Reliability Upgrades	Construction	SFMTA	\$287,000	\$2,734,500	Construction funds allocated in March 2016. All locations anticipated open for use in Spring 2018.
Muni Bus Layover Area at BART Daly City Station	Construction	SFMTA	\$507,980	\$550,000	Construction funds allocated in March 2016. Anticipated open for use in Winter 2016.
Hunters View Transit Connection	Construction	MOHCD	\$1,844,994	\$1,844,994	Construction funds allocated in March 2014. Anticipated open for use in early 2017.
Subtotal			\$4,534,805	\$10,701,508	
TOTAL			\$22,865,719	\$60,610,561	

* Sponsor abbreviations include: Bay Area Rapid Transit District (BART); Mayor's Office of Housing and Community Development (MOHCD); San Francisco Municipal Transportation Agency (SFMTA); University of California Hastings College of the Law (UC Hastings).

**Project has also received allocations from Street Repair and Reconstruction category, so total project cost is excluded from Pedestrian Safety category subtotal to prevent double counting.