



Memorandum

Date: March 21, 2018
To: Transportation Authority Board
From: Anna LaForte – Deputy Director for Policy and Programming
Subject: 4/10/2018 Board Meeting: Allocation of \$17,008,851 in Prop K Funds for Four Requests, with Conditions

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <ul style="list-style-type: none"> • Allocate \$350,000 in Prop K funds to Caltrain for one request: <ul style="list-style-type: none"> ○ Caltrain Business Plan • Allocate \$13,809,851 in Prop K funds to the San Francisco Municipal Transportation Agency for two requests: <ul style="list-style-type: none"> ○ Central Subway – RTIP Fund Exchange (\$13,752,000) ○ Bayview Community Based Transportation Plan (\$57,851) • Allocate \$2,849,000 in Prop K funds to San Francisco Public Works for one request: <ul style="list-style-type: none"> ○ Parkmerced/ Twin Peaks/ Mt. Davidson Manor Residential Street Resurfacing <p>SUMMARY</p> <p>We are presenting four requests totaling \$17,008,851 in Prop K sales tax funds to the Board for approval. Attachment 1 lists the requests, including requested phase(s) and supervisorial district(s) for each project. Attachment 2 provides a brief description of each project. Attachment 3 contains the staff recommendations. Albert Hoe, Acting Program Director for the Central Subway project, will provide an update on the project as part of this item.</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"/> Other: <hr/>
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DISCUSSION

Attachment 1 summarizes the subject allocation requests, including information on proposed leveraging (i.e. stretching Prop K sales tax 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. Attachment 3 summarizes the staff recommendations for the requests, highlighting special conditions and other items of interest. An Allocation Request Form for each project is included in Attachment 5, with more detailed information on scope, schedule, budget and funding.

FINANCIAL IMPACT

The recommended action would allocate \$17,008,851 in Fiscal Year (FY) 2017/18 Prop K sales tax funds. The allocation would be subject to the Fiscal Year Cash Flow Distribution Schedules

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contained in the attached Allocation Request Forms.

Prop K Attachment 4 shows the total approved FY 2017/18 allocations and appropriations to date, with associated annual cash flow commitments as well as the recommended allocations and cash flow amounts that are the subject of this memorandum.

Sufficient funds are included in the 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 will consider this item at its March 28, 2018 meeting.

SUPPLEMENTAL MATERIALS

Attachment 1 – Summary of Applications Received

Attachment 2 – Project Descriptions

Attachment 3 – Staff Recommendations

Attachment 4 – Prop K Allocation Summaries – FY 2017/18

Enclosure – Prop K/AA Allocation Request Forms (4)

Attachment 1: Summary of Applications Received

Source	EP Line No./ Category ¹	Project Sponsor ²	Project Name	Current Prop K Request	Total Cost for Requested Phase(s)	Leveraging		Phase(s) Requested	District(s)
						Expected Leveraging by EP Line ³	Actual Leveraging by Project Phase(s) ⁴		
Prop K	7	PCJPB	Caltrain Business Plan	\$ 350,000	\$ 5,000,000	69%	93%	Planning	6, 10
Prop K	22M	SFMTA	Central Subway - RTIP Fund Exchange	\$ 13,752,000	\$ 1,226,547,988	78%	93% including previous Prop K allocations	Construction	3, 6
Prop K	34	SFPW	Parkmerced/ Twin Peaks/ Mt Davidson Manor Residential Street Resurfacing	\$ 2,849,000	\$ 4,998,284	79%	43%	Construction	7
Prop K	44	SFMTA	Bayview Community Based Transportation Plan	\$ 57,851	\$ 350,000	38%	83%	Planning	10
TOTAL				\$ 17,008,851	\$ 1,236,896,272	78%	99%		

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 2017 Prop AA Strategic Plan, including: Street Repair and Reconstruction (Street), Pedestrian Safety (Ped), and Transit Reliability and Mobility Improvements (Transit).
- ² Acronyms: PCJPB (Caltrain); SFMTA (San Francisco Municipal Transportation Agency); SFPW (San Francisco Public Works).
- 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	Project Description
7	PCJPB	Caltrain Business Plan	\$350,000	The Business Plan will define how both the Caltrain service and corridor should grow and change in the future. It includes a service vision for operating an electrified railroad as part of a blended system with High Speed Rail in the peninsula corridor, an organizational assessment identifying changes needed to support the long-range service vision, and a community interface strategy to promote development and leverage opportunities while addressing local impacts particularly at grade crossings.
22M	SFMTA	Central Subway - RTIP Fund Exchange	\$13,752,000	The SFCTA has long-standing, Board-adopted Regional Transportation Improvement Program (RTIP) priorities which designate the Central Subway as the highest priority for the next \$75.5 million in RTIP funds. However, RTIP funds cannot be directly given to the Central Subway because all contracts have been awarded. Therefore, in October 2017 the Board honored the commitment by programming \$13.752 million in RTIP funds to the SFMTA's Restoration of Light Rail Lines - Axle Counters project and approving a RTIP/ Prop K fund exchange to partially fund the Central Subway's budgeted contingency. The fund exchange action concurrently amended the Prop K Strategic Plan and the Muni-Guideway 5-Year Prioritization Program (5YPP) to advance \$13.752 million and program the funds to the Central Subway RTIP Fund Exchange project. The subject request is for allocation of the aforementioned Prop K funds.
34	SFPW	Parkmerced/ Twin Peaks/ Mt Davidson Manor Residential Street Resurfacing	\$2,849,000	Street resurfacing of 2.8 miles of residential streets (43 blocks) in the Parkmerced, Twin Peaks, and Mt Davidson Manor neighborhoods. The project consists of repairs to the road base, paving work, construction of 76 curb ramps, and sidewalk and curb repairs. See the attached Allocation Request Form for specific locations. Prop K funds will leverage \$2,106,000 in SB 1 Local Partnership Program funds programmed by the Transportation Authority Board in December 2017. Construction is expected to start in late summer 2018 and be completed by December 2019.

Attachment 2: Brief Project Descriptions ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Project Description
44	SFMTA	Bayview Community Based Transportation Plan	\$57,851	Funds will leverage a Caltrans Planning Grant to engage residents, businesses, local stakeholders, and the District 10 Supervisor’s office in identifying transportation priorities for the Bayview District that improve mobility in this historically underserved area. Recommendations that emerge from this community-based planning process could be eligible for up to \$500,000 in Lifeline Transportation Program implementation funds from the Metropolitan Transportation Commission's Participatory Budgeting (PB) pilot. Through this PB process, residents will directly engage with the SFMTA to identify, develop, and ultimately prioritize projects through a voting process. A final report is expected by February 2020.

TOTAL	\$17,008,851	
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¹ See Attachment 1 for footnotes.

Attachment 3: Staff Recommendations ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Recommended	Recommendations
7	PCJPB	Caltrain Business Plan	\$ 350,000	Additional project delivery support and oversight will be consistent with the anticipated Project Charter for the Business Plan. Caltrain is developing a project charter that will identify the 11 agencies (including SFCTA) that have an elevated roll in the Business Plan because they are funding the Business Plan itself, and/or are PCJPB members, and/or are involved in terminal planning processes. The Charter will also set up committees that include representatives from these 11 organizations to meet monthly to review and provide feedback on Business Plan progress, as well as an executive level group that will meet (anticipated quarterly), and larger stakeholder meetings that will include peer agencies, business and advocacy groups.
22M	SFMTA	Central Subway - RTIP Fund Exchange	\$ 13,752,000	Recommendation is conditioned compliance with Ground Rules for Financial Management of the Central Subway Project approved through Resolution 2010-051 and with the oversight protocols currently in place.
34	SFPW	Parkmerced/ Twin Peaks/ Mt Davidson Manor Residential Street Resurfacing	\$ 2,849,000	5-Year Prioritization Program (5YPP) Amendment: The recommended allocation is contingent upon an amendment the Street Resurfacing 5YPP to reprogram \$55,000 in deobligated funds from projects completed under budget to the subject project. See attached 5YPP amendment for details.
44	SFMTA	Bayview Community Based Transportation Plan	\$ 57,851	Project will comply with the requirements of the Metropolitan Transportation Commission's Participatory Budgeting (PB) pilot program. This will allow the SFMTA to qualify for up to \$500,000 in Lifeline Transportation Program funds to implement the priorities identified through the PB process.
TOTAL			\$ 17,008,851	

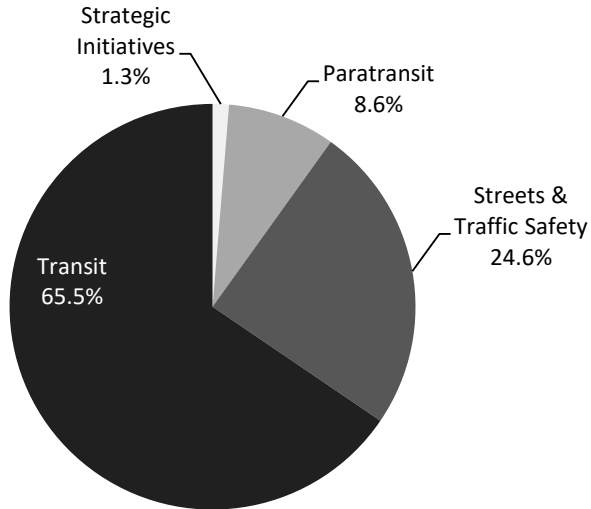
¹ See Attachment 1 for footnotes.

**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	\$ 89,622,085	\$ 35,467,298	\$ 49,535,887	\$ 1,584,777	\$ 920,651	\$ 786,830
Current Request(s)	\$ 17,008,851	\$ 53,120	\$ 15,996,949	\$ 958,782	\$ -	\$ -
New Total Allocations	\$ 106,630,936	\$ 35,520,418	\$ 65,532,836	\$ 2,543,559	\$ 920,651	\$ 786,830

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

Investment Commitments, per Prop K Expenditure Plan



Prop K Investments To Date

