



AGENDA

PLANS AND PROGRAMS COMMITTEE Meeting Notice

Date: Tuesday, June 21, 2016; 10:30 a.m.
Location: Committee Room 263, City Hall
Commissioners: Tang (Chair), Farrell (Vice Chair), Avalos, Breed, Peskin and Wiener (Ex Officio)

Clerk: Steve Stamos

	Page
1. Roll Call	
2. Citizens Advisory Committee Report – INFORMATION*	5
Consent Calendar	
3. Approve the Minutes of the May 17, 2016 Meeting – ACTION*	11
4. Recommend Programming \$360,000 in Supplemental Regional Safe Routes to School (SR2S) Funds to San Francisco Department of Public Health’s SR2S Program, and Reprogramming \$52,251 in One Bay Area Grant Funds and \$548,388 in Congestion Management Agency Block Grant Funds to San Francisco Public Works’ Second Street Improvement Project – ACTION*	17
<p>The purpose of this memorandum is to seek a recommendation for some programming changes related to two Cycle 1 One Bay Area Grant (OBAG) projects. In June 2013, as Congestion Management Agency (CMA) for San Francisco, the Transportation Authority Board programmed \$1.439 million in Regional Safe Routes to School (SR2S) funds to the San Francisco Department of Public Health’s (SFDPH’s) SR2S Program and \$35 million in Cycle 1 OBAG block grant funds to seven projects, including San Francisco Public Works’ (SFPW’s) Second Street Improvement Project. Since then, the Metropolitan Transportation Commission extended Cycle 1 OBAG by 1 year and, as a result, generated supplemental funds for the Regional SR2S program. We are proposing to program San Francisco’s modest share (\$360,000) of these funds to expand SFDPH’s SR2S Program, particularly the communication, coordination, outreach, and evaluation efforts. The second recommended action is to reprogram unneeded funds from the ER Taylor SR2S (\$52,251 in Cycle 1 OBAG) and the Folsom Streetscape Improvement (\$548,388 in CMA Block Grant funds, the predecessor to OBAG) projects to SFPW’s Second Street project. The Second Street project has experienced cost increases due to the rising cost of construction since the project was originally funded in 2013, and the community’s request for the inclusion of pedestrian lighting.</p>	
5. San Francisco Revised Project List and Preferred Scenario Advocacy Strategy for Plan Bay Area 2040 – INFORMATION*	31

The Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG) are close to finalizing the preferred scenario for Plan Bay Area (PBA) 2040, which sets policy and transportation investment priorities and housing and jobs projections across the nine Bay Area counties through 2040. The Transportation Authority coordinates San Francisco’s priorities for PBA 2040, and has been asked to revise the list of financially constrained project priorities we submitted to MTC last year to fit within a smaller target of available

local discretionary funding. MTC also requested that we and other counties with potential November 2016 revenue measures submit a supplemental project list so that MTC can evaluate both project lists in the PBA environmental documents. Attachment 1 details the proposed adjustments to our initial list to meet the revised local target, shows how new local revenues could be distributed based on the proposed San Francisco charter amendment creating among other things, a transportation set aside in the general fund (which has the same six programs as the back-up measure for an additional transportation sales tax), and identifies the projects for which we are seeking regional discretionary funding. Since we prepared our original list of project priorities in anticipation of eventually receiving a reduced target, we only had to make limited changes to fit the lower target. We expect to be able to accommodate all the projects that need to be included in this PBA cycle and can't wait for adoption of the next update in 2021. Since MTC and ABAG are finalizing the Plan's preferred land use and transportation investment scenario, we have also developed a set of advocacy strategies to inform our work and advance San Francisco's interests between now and adoption of the preferred scenario, anticipated in September.

End of Consent Calendar

6. Recommend Allocation of \$6,004,645 in Prop K Funds, with Conditions, and Appropriation of \$75,000 in Prop K Funds, for Eight Requests, Subject to the Attached Fiscal Year Cash Flow Distribution Schedules – ACTION* 47

As summarized in Attachments 1 and 2, we have eight requests totaling \$6,079,645 in Prop K funds to present to the Plans and Programs Committee. The San Francisco Municipal Transportation Agency (SFMTA) is requesting about \$1.03 million for rail grinding of all tracks in the Muni Metro tunnel to extend the useful life of the rails, reduce the risk of derailment, and improve ride quality. The SFMTA has also requested \$150,000 for a Neighborhood Transportation Improvement Program (NTIP) planning project to develop conceptual designs for multimodal improvements to the Geneva-San Jose intersection, including passenger access to the M-Ocean View Line. San Francisco Public Works (SFPW) has requested \$64,734 for the design phase of the Great Highway Reroute (Permanent Restoration) and \$1.5 million to leverage One Bay Area Grant funds for construction of complete street improvements on 2nd Street between Market and Townsend Streets. SFPW has also requested funds for three programs funded annually by Prop K: Public Sidewalk Repair (\$537,494), Tree Planting and Maintenance (\$1,092,025) and Street Repair and Cleaning Equipment (\$1,499,408). The latter request is for replacement of five street sweepers which have exceeded their useful lives and will be out of compliance with California and Bay Area emissions standards after December 31, 2016. As a result, SFPW is requesting a Prop K Strategic Plan amendment to advance funds to meet Bay Area Air Quality Management District requirements. Finally, we are requesting \$150,000 jointly with the SFMTA for planning work to support commissioners' efforts to identify potential NTIP planning and capital projects and develop associated scopes, schedules and budgets.

7. Recommend Approval of the Fiscal Year 2016/2017 Transportation Fund for Clean Air Program of Projects – ACTION* 57

The Transportation Fund for Clean Air (TFCA) Program was established to fund the most effective transportation projects that achieve emission reductions from motor vehicles in accordance with the Bay Area Air Quality Management District's (Air District's) Clean Air Plan. Funds are generated from a \$4 surcharge on the vehicle registration fee collected by the Department of Motor Vehicles. As the San Francisco TFCA County Program Manager, the Transportation Authority annually develops the Program of Projects for the TFCA Program Manager funds. In February we issued the call for Fiscal Year 2016/2017 TFCA applications. We received six project applications by the April 29, 2016 deadline, requesting \$1,476,415 in TFCA funds compared to \$972,257 in available funds. Two applications were subsequently withdrawn to allow for additional project development. We reviewed the remaining projects for eligibility, then evaluated eligible projects following the Board-adopted local expenditure criteria which include project type (e.g., first priority to zero emission projects), cost effectiveness of emissions reduced, program diversity, project readiness, and other considerations (e.g., a sponsor's track record for delivering prior TFCA projects). Based on this review, we are recommending full funding for the Gator Pass Implementation Project, Alternative Fuel Taxicab Incentive Program, and Emergency Ride Home. We are recommending partial funding for Short Term Bike Parking which is scalable to fit the amount of funds available.

8. Recommend Authorizing the Executive Director to Execute, with Conditions, a Seven Party Supplement to the 2012 Memorandum of Understanding that Adopted an Early Investment Strategy Pertaining to the Peninsula Corridor Electrification Project – ACTION* 65

The Caltrain Early Investment Program consists of three components: the Communications Based Overlay Signal System (CBOSS) to provide Positive Train Control; the electrification of the Caltrain line between San Jose and San Francisco; and the purchase of electric-multiple unit (EMU) vehicles to operate on the electrified railroad. It is one of Prop K's signature projects. In April 2012, the Transportation Authority Board authorized the Executive Director to execute a Memorandum of Understanding (MOU) with the California High-Speed Rail Authority, the Metropolitan Transportation Commission, and six other local and regional entities to establish a funding framework for a High-Speed Rail Early Investment Strategy for a blended system in the Peninsula Corridor. At the time, local contribution from each of the three Peninsula Corridor Joint Powers Board (PCJPB) member counties (San Francisco, San Mateo and Santa Clara) was \$60 million. The total Early Investment Program budget, established in 2009 and the basis of the 2012 nine-party MOU, was estimated at \$1.456 billion. That budget was based on a 2008 estimate. Subsequently, the initial budget was updated by Caltrain staff to reflect a cost estimate study conducted in 2014 and to account for received bids, resulting in a new projected cost of \$1.22 billion, an increase of \$755 million. The majority of the cost increase is attributable to the cost estimate study and the remainder from bid results. The new estimate includes \$316 million in contingency. This cost increase has triggered a need for a supplemental MOU to address the funding gap, which is the subject of this request. The supplemental MOU will increase each PCJPB members' contribution by \$20 million, to a total of \$80 million. In San Francisco, the Transportation Authority and the City would jointly cover the increase. We have \$3.9 million in Prop K funds remaining in the electrification line item. The source of the remaining funds is to be determined, but could include a potential new sales tax measure under consideration for the November 2016 ballot or City funds. This memo also provides an update on the overall program.

9. Development of a Potential Local Transportation Revenue Measure and Expenditure Plan – INFORMATION* 79

The Mayor and several members of the San Francisco Board of Supervisors have collaborated on a Transportation Expenditure Plan that would direct approximately \$100 million a year for 25 years to critical transit services and transportation improvements in every neighborhood, including safer, well-maintained streets, transit maintenance and expansion, and Muni equity and affordability programs. The Expenditure Plan is described in a charter amendment that would create General Fund set-asides for homelessness programs and for transportation (Attachment 1). The budget set-asides would be funded by the City's General Fund. A general sales tax increase of 0.75% has also been proposed for the November ballot. If approved, this measure would generate additional revenues to the General Fund. While the two measures are not legally linked, if both measures were approved, they would result, at least initially in approximately equivalent increase in General Fund revenues and expenditures. A separate 'back-up' option under consideration for the November ballot, should the Charter Amendment not move forward, is a dedicated 0.5% sales tax increase ordinance for transportation only (Attachment 3). The Expenditure Plans of both measures have identical expenditure plans. The proposed expenditures build and expand on the recommendations of the 2013 San Francisco Transportation Plan (SFTP) and 2014 Transportation 2030 Task Force. Over the next several weeks as we move closer to the late July/early August deadlines for placing measures on the November 2016 ballot, we will continue to seek input from city and regional transit agencies serving San Francisco, members of the public, and other key stakeholders through a variety of outreach tools and strategies including a telephone town hall as described in the memo. A hearing on the Charter Amendment legislation has also been scheduled for the June 30 Rules Committee at the Board of Supervisors. We are seeking input on the Charter Amendment Measure and Transportation Expenditure Plan from the Plans and Programs Committee.

10. Transportation Demand Management Ordinance – INFORMATION* 123

The Transportation Sustainability Program (TSP) is a joint effort between the San Francisco Planning Department, the Transportation Authority, the Office of Economic and Workforce Development, and the San Francisco Municipal Transportation Agency. Two of the three pieces, a Transportation Impact Fee on new development (Invest) and a shift in the metric to determine traffic impacts for environmental review (Align) were legislated earlier this winter. The final piece of the program (Shift) is a transportation demand management (TDM) program for new development. The TDM Program would establish a framework of TDM requirements for new land use development projects, making sure these projects are designed to make it easier for new residents, tenants, employees, and visitors to get around by sustainable modes of travel such as transit, walking, and bicycling. Each measure that would be included in the TDM program is intended to reduce vehicle miles traveled from new development. On April 28, 2016 the Planning Commission unanimously voted to initiate a TDM ordinance to establish the new program. The Planning Commission is scheduled to consider adoption of the ordinance at its July 7, 2016 hearing.

11. Introduction of New Items – INFORMATION

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

12. Public Comment**13. Adjournment**

* Additional materials

Please note that the meeting proceedings can be viewed live or on demand after the meeting at www.sfgovtv.org. To know the exact cablecast times for weekend viewing, please call SFGovTV at (415) 554-4188 on Friday when the cablecast times have been determined.

The Legislative Chamber (Room 250) and the Committee Room (Room 263) in City Hall are wheelchair accessible. Meetings are real-time captioned and are cablecast open-captioned on SFGovTV, the Government Channel 26. Assistive listening devices for the Legislative Chamber and the Committee Room are available upon request at the Clerk of the Board's Office, Room 244. To request sign language interpreters, readers, large print agendas or other accommodations, please contact the Clerk of the Authority at (415) 522-4800. Requests made at least 48 hours in advance of the meeting will help to ensure availability.

The nearest accessible BART station is Civic Center (Market/Grove/Hyde Streets). Accessible MUNI Metro lines are the F, J, K, L, M, N, T (exit at Civic Center or Van Ness Stations). MUNI bus lines also serving the area are the 5, 6, 7, 9, 19, 21, 47, and 49. For more information about MUNI accessible services, call (415) 701-4485.

There is accessible parking in the vicinity of City Hall at Civic Center Plaza and adjacent to Davies Hall and the War Memorial Complex. Accessible curbside parking is available on Dr. Carlton B. Goodlett Place and Grove Street.

In order to assist the Transportation Authority's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at all public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the Transportation Authority accommodate these individuals.

If any materials related to an item on this agenda have been distributed to the Plans and Programs Committee after distribution of the meeting packet, those materials are available for public inspection at the Transportation Authority at 1455 Market Street, Floor 22, San Francisco, CA 94103, during normal office hours.

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Campaign & Governmental Conduct Code Sec. 2.100] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the San Francisco Ethics Commission at 25 Van Ness Avenue, Suite 220, San Francisco, CA 94102; telephone (415) 252-3100; fax (415) 252-3112; website www.sfethics.org.



DRAFT MINUTES

CITIZENS ADVISORY COMMITTEE

Wednesday, May 25, 2016

1. Committee Meeting Call to Order

John Larson called the meeting to order at 6:09 p.m.

CAC members present were Myla Ablog, Becky Hogue, John Larson, Santiago Lerma, Jacqualine Sachs, Peter Tannen and Bradley Wiedmaier.

Transportation Authority staff members present were Michelle Beaulieu, Amber Crabbe, Cynthia Fong, Anna LaForte, Maria Lombardo, Mike Pickford, Steve Rehn, Michael Schwartz and Luis Zurinaga (Consultant).

John Larson nominated himself to serve as Chair Pro Tem. There were no further nominations.

The motion to elect John Larson as Chair Pro Tem was approved by the following vote:

Ayes: CAC Members Ablog, Hogue, Larson, Lerma, J. Sachs, Tannen and Wiedmaier

Absent: CAC Members Larkin, P. Sachs, Waddling

2. Chair's Report – INFORMATION

Chair Larson announced that John Morrison had resigned from the CAC due to health reasons and that Brian Larkin had notified staff that he would be absent for the meeting, which would be his fourth absence over the last twelve regularly scheduled CAC meetings, requiring an automatic suspension from the CAC. Chair Larson welcomed new CAC member Bradley Wiedmaier, who would be representing District 3. Mr. Wiedmaier said he had been a resident of San Francisco for more than 30 years and was passionate about the history and architecture of the City.

Consent Calendar

3. **Approve the Minutes of the April 27, 2016 Meeting – ACTION**
4. **Adopt a Motion of Support for the Revised Administrative Code, the Revised Rules of Order, and the Revised Debt, Equal Benefits, Fiscal, Investment and Travel, Conference, Training and Business Expense Reimbursement Policies, and Adoption of the Title VI Program – ACTION**
5. **Adopt a Motion of Support to Execute Annual Contract Renewals and Options for Various Annual Professional Services in an Amount Not to Exceed \$835,000 and to Authorize the Executive Director to Modify Contract Payment Terms and Non-Material Contract Terms and Conditions – ACTION**
6. **Adopt a Motion of Support for Programming \$360,000 in Supplemental Regional Safe Routes to School (SR2S) Funds to San Francisco Department of Public Health's SR2S Program, and Reprogramming \$52,251 in One Bay Area Grant Funds and \$548,388 in**

Congestion Management Agency Block Grant Funds to San Francisco Public Works' Second Street Improvement Project – ACTION

7. State and Federal Legislative Update – INFORMATION

There was no public comment on the Consent Calendar.

Peter Tannen moved to approve the Consent Calendar, seconded by Becky Hogue.

The Consent Calendar was approved by the following vote:

Ayes: CAC Members Ablog, Hogue, Larson, Lerma, J. Sachs, Tannen and Wiedmaier

Absent: CAC Members Larkin, P. Sachs and Waddling

End of Consent Calendar

8. Adopt a Motion of Support for Allocation of \$6,004,645 in Prop K Funds, with Conditions, and Appropriation of \$75,000 in Prop K Funds, for Eight Requests, Subject to the Attached Fiscal Year Cash Flow Distribution Schedules – ACTION

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

Jacqueline Sachs asked about the status of paratransit van replacement. Ms. LaForte responded that she was uncertain about the replacement schedule, but that a request was under consideration for paratransit operations that would be presented to the CAC at its June meeting.

Bradley Wiedmaier asked if Second Street was still an option for a train tunnel connecting to the Transbay Terminal. Mike Rieger, Project Manager at San Francisco Public Works (SFPW), replied that the Transbay Joint Powers Authority was still planning to construct a cut and cover tunnel under Second Street and that any street improvements implemented under the current request would be replaced in-kind. Ms. LaForte added that the tunnel would likely not be constructed for some time due to funding challenges.

Santiago Lerma asked how street tree sidewalk repairs were distributed around the city. Carla Short, Urban Forester at SFPW, replied that there were tree basins located in every district, though more were maintained by SFPW in some districts than others. She said that SFPW attempted to respond most quickly to sidewalk repairs requested by neighbors. Mr. Lerma asked how tree species were chosen for specific areas and if factors such as dropping leaves and fruit were considered. Ms. Short replied that SFPW tries not plant trees that shed significant fruit or seedpods, but that there was no perfect tree, as all trees shed leaves, even evergreens. She said that SFPW does consider the amount a tree sheds, especially in windy corridors or near catch basins.

Peter Tannen said that based on his observations of the test cycletrack on Market Street, he was concerned that cyclists might not notice the pavement edge on the Second Street cycletrack and could fall off the edge. He asked what kind of edge treatment and markings were proposed. Mr. Rieger replied that the buffer next to the Second Street cycletrack would be much wider than the one on Market Street and would be much more noticeable. Mr. Tannen also asked whether bicycle and pedestrian access would be maintained during construction on Great Highway. Ms. LaForte replied that there would be a presentation next month on Great Highway. Rachel Alonso, Transportation Finance Analyst at SFPW, said that she expected that access would be maintained, but would need to confirm with the project manager.

John Larson asked what was planned for Great Highway in the long-term and asked for a definition of Complete Streets. Ms. LaForte said that the presentation would address long-term

plans for Great Highway. She said that Complete Streets projects were those that considered the needs of all modes on a street.

Becky Hogue asked whether the Second Street project would include daylighting at corners, where parking was moved away from the corner to improve visibility. Mr. Rieger replied that the project would incorporate right-turn pockets, but that he would need to confirm whether there were locations where daylighting was planned. He said one of the biggest safety features of the project would be restrictions on left-turns.

There was no public comment.

Becky Hogue moved to approve the item, seconded by Myla Ablog.

The item was approved by the following vote:

Ayes: CAC Members Ablog, Hogue, Larson, Lerma, J. Sachs, Tannen and Wiedmaier

Absent: CAC Members Larkin, P. Sachs and Waddling

9. Adopt a Motion of Support for the Adoption of the Proposed Fiscal Year 2016/17 Annual Budget and Work Program – ACTION

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

John Larson asked if the budget gap resulted from the difference between allocation versus cash flow. Ms. Fong replied that the agency had approximately \$100 million in revenues but \$200 million in anticipated expenditures, and because the assets created by the expenditures were not owned by the Transportation Authority, the result was a negative fund balance.

During public comment, Chris Parkes said that he was a fan of transit but that he was concerned that the negative Prop K budget balance would drive up future fees and sales taxes, and was concerned about the \$21 million revision. He also expressed concern about the lack of funding for subway projects and said they should be prioritized. Ms. Fong replied that the \$21 million line item change allowed for a pay-down of existing debt. She said if more funds were needed than what was available from anticipated revenues and short-term debt, the Transportation Authority would issue a revenue bond, though that would incur higher finance costs for the Prop K program.

Jacqueline Sachs moved to approve the item, seconded by Santiago Lerma.

The item was approved by the following vote:

Ayes: CAC Members Ablog, Hogue, Larson, Lerma, J. Sachs, Tannen and Wiedmaier

Absent: CAC Members Larkin, P. Sachs and Waddling

10. Adopt a Motion of Support for the Fiscal Year 2016/2017 Transportation Fund for Clean Air Program of Projects – ACTION

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

Myla Ablog asked whether prioritization criteria considered air quality in specific disadvantaged parts of the city. Mr. Pickford replied that disadvantaged areas were not prioritized in the Local Expenditure Criteria, but that certain project types were eligible with a lower cost effectiveness ratio in Community Air Risk Evaluation (CARE) areas, which were identified by the Bay Area Air Quality Management District (BAAQMD) as locations where populations were most vulnerable to air pollution.

Peter Tannen asked whether the shuttle between the Daly City BART station and San Francisco State University (SFSU) would be cut. Jason Porth, Executive Director at University Corporation with SFSU, replied that there would be no cuts to the shuttle and that SFSU relied heavily on it, as it carried 5,000 passengers between the Daly City BART station and the SFSU campus on a daily basis.

John Larson asked whether Transportation Fund for Clean Air (TFCA) funds could be used for electric vehicle charging stations. Mr. Pickford replied that they could and that the San Francisco TFCA program had funded charging station projects in the past. He said that the Regional TFCA program, administered by BAAQMD, could also fund charging stations.

There was no public comment.

Becky Hogue moved to approve the item, seconded by Myla Ablog.

The item was approved by the following vote:

Ayes: CAC Members Ablog, Hogue, Larson, Lerma, J. Sachs, Tannen and Wiedmaier

Absent: CAC Members Larkin, P. Sachs and Waddling

11. Adopt a Motion of Support to Authorize the Executive Director to Execute, with Conditions, a Seven Party Supplement to the 2012 Memorandum of Understanding that Adopted an Early Investment Strategy Pertaining to the Peninsula Corridor Electrification Project – ACTION

Luis Zurinaga, Consultant for the Transportation Authority, and Casey Fromson, Government Affairs Officer at Caltrain, presented the item.

Peter Tannen asked if, after electrification, riders would have to transfer at Diridon Station to reach destinations south of San Jose. Ms. Fromson responded that vehicle types would be mixed throughout the system, so many passengers would be able to continue south from Diridon without transferring. Mr. Tannen asked how having two sets of doors would affect seating. Ms. Fromson said that initially the higher doors would not be in use and seats could be placed in front of them. She said that there could be a loss of seating if both sets of doors were used and if internal lifts for disabled passengers were necessary.

Jacqueline Sachs asked whether the upper doors would be compliant with the Americans with Disabilities Act (ADA). Ms. Fromson replied that those doors would only be used if platforms were constructed at that height to enable level boarding, which would make them ADA compliant.

Bradley Wiedmaier asked if there would be expanded service south of San Jose. Ms. Fromson replied that it was Caltrain's lowest ridership corridor, but said there had been discussions about the possibility that higher service in the corridor would increase ridership.

Santiago Lerma said that as a Caltrain rider who used the system for long distance trips, he was in favor of continuing to have restrooms on the trains.

John Larson asked why the Communications Based Overlay Signal System (CBOSS) and electrification projects were delayed. Ms. Fromson replied that the delays were about one year, based on 2014 analysis. She said bidding had been completed, so further delays were principally because funding availability had slowed the project. John Larson asked about the competition between Caltrain and other transit agencies for funding from the Core Capacity program. Ms. Fromson replied that the program was a new Federal Transit Administration (FTA) program to fund increased capacity. She said only four projects nationwide were competing for the funds,

and that Caltrain's project was the most advanced of the four. She said that for Fiscal Year 2016/17 the FTA had programmed \$73 million for Caltrain, and for Fiscal Year 2016/17 the FTA had recommended \$125 million but the House Transportation Committee only approved \$100 million. She said the funds would be appropriated once the FTA had approved a Full Funding Grant Agreement with Caltrain.

There was no public comment.

Becky Hogue moved to approve the item, seconded by Peter Tannen.

The item was approved by the following vote:

Ayes: CAC Members Ablog, Hogue, Larson, Lerma, J. Sachs, Tannen and Wiedmaier

Absent: CAC Members Larkin, P. Sachs and Waddling

12. Transportation Demand Management Ordinance – INFORMATION

Michael Schwartz, Principal Transportation Planner, and Wade Wietgreffe, Senior Planner with the San Francisco Planning Department, presented the item.

John Larson commented that the net increase in San Francisco households between 2000 and 2014 that did not own a car (62%) was surprising given the level of congestion in San Francisco. Mr. Schwartz noted that when the level of congestion was very high, even a small increase in the number of vehicles could be felt disproportionately by the network. He said that analysis was supported by journey-to-work data showing that there had been an increase in non-automobile commuters.

Myla Ablog asked if there would be a dynamic menu of measures from which a project could select, given that transportation choices such as bike share were becoming increasingly available. Mr. Wietgreffe replied in the affirmative, and said there would be a full menu on the program website. He said he expected measures to change over time, and could include companies such as Rideshare or Scoop, depending on future data. He said that Rideshare memberships could potentially be a measure rather than the physical facilities to support them.

There was no public comment.

13. Development of a Transportation Sales Tax Expenditure Plan – INFORMATION

Maria Lombardo, Chief Deputy Director, presented the item.

Jacqueline Sachs said she saw no reason to have another sales tax until the projects programmed in the Prop K Strategic Plan were completed and the Prop K sales tax had been re-authorized through a new expenditure plan.

During Public Comment Chris Parkes expressed concern about a new measure and said he felt that the measure was being rushed, as evidenced by the characterization of the proposed expenditure plan as a placeholder. He said the voters should know clearly where the money would be going when asked to approve a tax measure. Mr. Parkes said that there were many transportation projects in the works that the small businesses community was concerned about, including the Bus Rapid Transit (BRT) projects on Van Ness Avenue and Geary Boulevard. He expressed concern that a new measure would initiate many new projects when existing proposals were still being debated. He said the proposal to allow the City to issue debt against the new revenue would further accelerate the pipeline of projects about which most voters were unaware. As an example, he said 75% people in a recent survey were unaware that 45% of the bus stops along Van Ness Avenue would be removed as part of the Van Ness BRT project or that median trees would be lost along the corridor.

14. Bay Area (PBA) 2040 Update – INFORMATION

Amber Crabbe, Assistant Deputy Director for Policy and Programming presented the item.

There was no public comment.

15. Introduction of New Business – INFORMATION

Peter Tannen requested a presentation on bus and train bunching in the Muni system as well as potential solutions. He suggested that the presentation address how initiatives such as new communications systems, transportation demand management and Muni Forward could help in the future.

Jacqueline Sachs said the advisory committee for the Central Subway project would have an open house at the San Francisco Bay Area Planning and Urban Research Association (SPUR), and that there would be a discussion about Stockton Street.

Bradley Wiedmaier commented that documentation and data for Muni Forward focused on regular commute times rather than evenings and weekends. He said that SFMTA should use complete ridership data before closing stops that may be busy off-peak and cited the proposal for the intersection of North Point and Larkin Streets as an example.

Ms. Sachs recommended that the Late Night Transit Working Group present to the CAC for feedback before making decisions about recommendations.

There was no public comment.

16. Public Comment

There was no public comment.

17. Adjournment

The meeting was adjourned at 8:23 p.m.



DRAFT MINUTES

PLANS AND PROGRAMS COMMITTEE

Tuesday, May 17, 2016

1. Roll Call

Chair Tang called the meeting to order at 10:32 a.m. The following members were:

Present at Roll Call: Commissioners Avalos, Breed and Tang (3)

Absent at Roll Call: Commissioners Farrell and Peskin (entered during Item 4) (2)

Chair Tang called Item 2 after Item 4.

2. Citizens Advisory Committee Report – INFORMATION

Chris Waddling, Chair of the Citizens Advisory Committee (CAC), reported that at its January 28 meeting, the CAC considered and unanimously passed Item 5 from the agenda. He said that regarding Item 5, the Prop K grouped allocation, Peter Sachs was assured that the installation of buffered bike lanes instead of barrier-protected bike lanes on Arguello Boulevard was considered a very safe treatment option. Mr. Waddling said that he voiced concerns regarding the amount spent on paint treatments that would need to be reapplied after a year due to an upcoming San Francisco Public Works repaving project. He said that Jackie Sachs was assured that signal timing on crosswalks would be taken into consideration and that all intersections would accommodate the standard pedestrian walking speed of 2.5 miles per hour. He said that during public comment, it was suggested that a more conservative walking speed of 1.5 miles per hour be considered.

Regarding the trolley bus purchases, Mr. Waddling said that Myla Ablog asked for confirmation that the new trolley buses would be able to operate successfully on the city's steep hills. Regarding Item 6, the radio replacement project, he said that Peter Sachs noted an issue in the air traffic control industry where Harris, as a sole-bid contractor on a project, seemed to underbid and expand the scope of the project in order to increase project costs. Mr. Waddling said that unfortunately, Harris was also the only bid for the radio replacement project and came in 40% above the estimate, which caused delays in the negotiation of the contract.

There was no public comment.

3. Approve the Minutes of the April 19, 2016 Meeting – ACTION

There was no public comment.

The minutes were approved without objection by the following vote:

Ayes: Commissioners Avalos, Breed and Tang (3)

Absent: Commissioners Farrell and Peskin (2)

4. Recommend Appointment of Two Members to the Geary Corridor Bus Rapid Transit

Citizens Advisory Committee – ACTION

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

Neal Johnson, Nelson Bonilla, Asher Butnik, Rene Hinojosa, Sanford Kingsley, Thomas Ma and Alexander Post spoke to their interests and qualifications in being appointed to the Geary Corridor Bus Rapid Transit (BRT) Citizens Advisory Committee (CAC).

During public comment, Jackie Sachs said that she supported Brian Larkin's appointment to the Geary BRT CAC. She said that Mr. Larkin also served on the Transportation Authority CAC and had been on the original Geary BRT CAC, and that he had a lot of experience and was very vocal in the Richmond district and regarding the Geary BRT project.

Angelina Yu commented that Commissioner Mar would like to extend his support to recommend appointment of Asher Butnik to the Richmond seat. She said Mr. Butnik was a transit advocate who had worked with transit riders groups as well as bicycle and pedestrian advocates in order to help shape public transit in the Richmond district. She said he was very knowledgeable about the Geary corridor as well as BRT systems in other cities, and that he would bring insight into service gaps, connectivity, reliability and potential displacement.

Commissioner Avalos moved to recommend appointment of Asher Butnik, seconded by Commissioner Farrell.

Commissioner Breed asked Mr. Butnik about the transit projects he had been involved in for the Richmond district. Mr. Butnik responded that he notified residents and received input regarding the Muni Forward changes in the Richmond district and had met with local businesses and residents regarding the Geary BRT project.

Commissioner Breed commented that she would like additional time to review the applications based on the candidates who appeared and spoke at the meeting, and asked that the item be continued to later in the agenda. She said that she would support the recommendation of the District 1 Supervisor for the Richmond seat, but noted that there were a lot of applicants who had lived in the city and taken Muni their entire lives.

Commissioner Farrell commented that he would also support the recommendation of the District 1 Supervisor for the Richmond seat, and noted that for the At-Large seat, Mr. Kinglsey and Mr. Post had both attended the April and May Plans and Programs Committee meetings.

Chair Tang continued Item 4 until after Item 5.

Commissioner Breed moved to recommend appointment of Alexander Post, seconded by Commissioner Farrell.

The motion to recommend appointment of Mr. Butnik and Mr. Post was approved without objection by the following vote:

Ayes: Commissioners Avalos, Breed, Farrell, Peskin and Tang (5)

5. Recommend Allocation of \$9,599,451 in Prop K Funds, with Conditions, for Three Requests, Subject to the Attached Fiscal Year Cash Flow Distribution Schedules – ACTION

Maria Lombardo, Chief Deputy Director, presented the item per the staff memorandum.

Chair Tang asked if a buffered bike lane would be implemented on Arguello Boulevard after the repaving project was completed next year. Ms. Lombardo responded that it would be a paint buffered bike lane rather than a physically separated bike lane. Charlie Ream, Planner at the San Francisco Municipal Transportation Agency (SFMTA), added that the SFMTA had explored the possibility of installing a physically separated or parking separated bike lane but that it was not deemed feasible. He said the new paint buffered bike lane would promote visibility and would narrow down the overly-wide vehicle travel lane.

Chair Tang noted that the repaving project was expected to be completed in 2017 and asked what the cost was to install a temporary paint buffered bike lane. Mr. Ream responded that the cost was \$190,000. He noted that Arguello Boulevard was a bicyclist high-injury corridor and that the temporary paint buffered bike lane would be installed in the near term to improve safety, and that SFMTA would only be installing temporary improvements that were considered necessary.

Chair Tang asked if the temporary bike lane would be evaluated in terms of safety to improve the permanent bike lane. Mr. Ream responded that several improvements would be made along the corridor, including the buffered bike lane, pedestrian islands, and other safety upgrades, and that SFMTA would monitor and evaluate the temporary installations in order to make changes to the designs once the paving project was completed.

There was no public comment.

The item was approved without objection by the following vote:

Ayes: Commissioners Avalos, Breed, Farrell, Peskin and Tang (5)

6. **Major Capital Projects Update – Muni Radio Replacement Project – INFORMATION**

Luis Zurinaga, Project Management Oversight Consultant, presented the item per the staff memorandum.

Commissioner Avalos asked when the cost increase to the project was approved by the Transportation Authority Board. Mr. Zurinaga responded that the budget had increased but not the contribution from Prop K, and that the \$11 million increase was included in the San Francisco Municipal Transportation Agency (SFMTA) revenue bond.

Commissioner Avalos asked if the cost increase would have been approved by the Board of Supervisors, which Mr. Zurinaga confirmed.

Chair Tang noted that the project spanned many years and asked how it would improve the experience for transit riders in the city. Mr. Zurinaga responded that the main benefit of the project would be the reliability of the Muni system. He said that it would allow the control center to know the exact location of vehicles at all times and to monitor the health of vehicles in real time, which would improve SFMTA's ability to prevent vehicle bunching and delays.

Commissioner Avalos commented that he had previously requested a tour of the new SFMTA Transportation Management Center, along with a few other Commissioners.

During public comment, Francisco DaCosta commented that the city's communication system was primitive and that upgrades to the system should be evaluated by experts to ensure safety. He added that some of the new buses that were purchased were operating poorly due to the heat.

7. Update on the San Francisco Municipal Transportation Agency's Bike Program – INFORMATION

Commissioner Avalos commented that as bike share programs were expanding in the city, he wanted to make sure they were building off of the city's bike strategy and existing facilities.

Jamie Parks, Livable Streets Section Leader at the San Francisco Municipal Transportation Agency (SFMTA), presented the item.

Chair Tang asked if the SFMTA was going to improve signage for bicycle routes, as currently a lot of streets in the West Side of the city only had painted sharrows. Mr. Parks responded that the entire bicycle network would be getting 1,200 new wayfinding signs. Chair Tang asked when the new signs would be installed, to which Mr. Parks responded that the first 12 signs had already been installed in the Inner Sunset and were being used as a test case, while the full 1,200 signs would be rolled out over the following 18 months, starting in batches this summer.

Chair Tang asked if there would be improvements in the West Side as well. Mr. Parks responded that certain streets in the West Side were included as near-term priorities in the Capital Improvement Program and would receive significant improvements now, while others would be incorporated in later phases.

Chair Tang commented that her office has sent a list to the SFMTA of commercial corridor spaces in District 4 that could use bike parking facilities in order to encourage bicycling but had not received an update, and noted that the turn-around time to install the facilities was 90-100 days. Mr. Parks responded that the SFMTA had recently started a contract with the San Francisco Bicycle Coalition who was currently doing field work on bicycle racks and that it should reduce the turn-around time.

Commissioner Avalos asked how the public could apply for bicycle parking facilities and if there was a page on the SFMTA website. Mr. Parks responded that requests could be made via email or through a form on the SFMTA website, and that the SFMTA had also created new brochures in multiple languages which described the program and would be distributed to local businesses.

Commissioner Avalos asked if the 20% bicycle ridership goal by 2020 was still realistic. Mr. Parks responded that the SFMTA bicycle strategy identified a number of funding scenarios which corresponded with the ridership goals, and that 20% was the most ambitious but that currently 8-10% by 2020 was more realistic. He noted that 8-10% was not the end goal and that additional work would be done once additional funding became available.

Commissioner Avalos noted that San Francisco was ranked as the third highest bicycle commute in the country, and asked if that was measured by volume or distance. Mr. Parks responded that it was the percentage of San Francisco residents commuting to work by bicycle, and that 4.5% represented the average on a given day, which was slightly behind Portland and Minneapolis.

Chair Tang asked how the city's new or existing bicycle infrastructure would connect with bike share and other mode of transportation such as Muni, and said the city should be explicit regarding the goals for the bike network. Mr. Parks responded that the SFMTA was working closely with Motivate to coordinate the siting and phasing of bike share locations with safety improvements that would support the bike share system, and that it was doing the same with long-term investments to transit.

Chair Tang commented that future updates to bike lane or facility improvements should discuss how they would connect to bike share or transit.

There was no public comment.

8. Update on Project Performance Results for Plan Bay Area 2040 and Regional Housing Agenda – INFORMATION

Amber Crabbe, Assistant Deputy Director for Policy and Programming, presented the item.

Commissioner Avalos commented that the Geneva-Harney Bus Rapid Transit (BRT) project was listed as a low performing project, and asked if it was because the project did not address current needs as much as future needs in that area. He also asked if this represented a flaw in the Metropolitan Transportation Commission's (MTC's) evaluation formula, as there was a large increase in population expected in that area in the near future which would impact transit ridership. Ms. Crabbe responded that the evaluation formula looked at benefits based on what was projected in Plan Bay Area 2013 for the area, which likely had lower assumptions than what was currently anticipated. She said that one issue for the Geneva-Harney BRT project was that a lot of the project costs were related to safety improvements and the extra costs were not reflected in the benefit-cost assessment. She said another issue was that the project was bundled with interchange and road extension improvements in Brisbane which were necessary to complete a later phase of the project, so staff was working to rephrase the project in order to get the evaluation score above one in order to pull it off the list of lower performing projects.

Commissioner Avalos commented that it made sense as the project was connected to priority development areas so it should score well in order to receive funding. Ms. Crabbe commented that this was an example of why the evaluation included compelling case arguments, as MTC recognized the issues in the formula and the importance of serving lower-income communities.

There was no public comment.

9. Introduction of New Items – INFORMATION

There was no public comment.

10. Public Comment

During public comment, Andrew Yip spoke regarding self-actualization.

11. Adjournment

The meeting was adjourned at 12:00 p.m.



This Page Intentionally Left Blank



Memorandum

Date: 06.15.16 **RE:** Plans and Committee
June 21, 2016

To: Plans and Programs Committee: Commissioners Tang (Chair), Farrell (Vice Chair), Avalos, Breed, Peskin and Wiener (Ex Officio)

From: Amber Crabbe – Assistant Deputy Director for Policy and Programming *Ac*

Through: Tilly Chang – Executive Director *TC*

Subject: **ACTION** – Recommend Programming \$360,000 in Supplemental Regional Safe Routes to School (SR2S) Funds to San Francisco Department of Public Health’s SR2S Program, and Reprogramming \$52,251 in One Bay Area Grant Funds and \$548,388 in Congestion Management Agency Block Grant Funds to San Francisco Public Works’ Second Street Improvement Project

Summary

The purpose of this memorandum is to seek a recommendation for some programming changes related to two Cycle 1 One Bay Area Grant (OBAG) projects. In June 2013, as Congestion Management Agency (CMA) for San Francisco, the Transportation Authority Board programmed \$1.439 million in Regional Safe Routes to School (SR2S) funds to the San Francisco Department of Public Health’s (SFDPH’s) SR2S Program and \$35 million in Cycle 1 OBAG block grant funds to seven projects, including San Francisco Public Works’ (SFPW’s) Second Street Improvement Project. Since then, the Metropolitan Transportation Commission extended Cycle 1 OBAG by 1 year and, as a result, generated supplemental funds for the Regional SR2S program. We are proposing to program San Francisco’s modest share (\$360,000) of these funds to expand SFDPH’s SR2S Program, particularly the communication, coordination, outreach, and evaluation efforts. The second recommended action is to reprogram unneeded funds from the ER Taylor SR2S (\$52,251 in Cycle 1 OBAG) and the Folsom Streetscape Improvement (\$548,388 in CMA Block Grant funds, the predecessor to OBAG) projects to SFPW’s Second Street project. The Second Street project has experienced cost increases due to the rising cost of construction since the project was originally funded in 2013, and the community’s request for the inclusion of pedestrian lighting.

BACKGROUND

In June 2013, as Congestion Management Agency (CMA) for San Francisco, the Transportation Authority Board programmed \$1.439 million in Regional Safe Routes to School (SR2S) funds to the San Francisco Department of Public Health’s (SFDPH’s) SR2S Program and \$35 million in One Bay Area Grant (OBAG) Cycle 1 funds to seven competitively selected projects, including San Francisco Public Works’ (SFPW’s) Second Street Improvement Project (see Attachment 1 for the project descriptions and subsequent amendments).

Since then, the Metropolitan Transportation Commission (MTC) has added one more fiscal year to Cycle 1 OBAG, making \$5 million in supplemental funds available for the Regional SR2S program for the extended year. San Francisco’s share of the supplemental Regional SR2S program funds is a modest

\$360,000, which the Transportation Authority is charged with programming.

SFPW has completed ER Taylor SR2S and Folsom Streetscape Improvement projects and identified \$52,251 in the Cycle 1 OBAG County Program funds and \$548,388 in the CMA Block Grant Program (predecessor to the OBAG County Program) funds, respectively, that can be reprogrammed to another OBAG project.

DISCUSSION

The purpose of this memorandum is to seek a recommendation for programming \$360,000 in supplemental Regional SR2S funds to SFDPH's SR2S Program, and reprogramming \$52,251 in Cycle 1 OBAG funds and \$548,388 in CMA Block Grant funds to SFPW's Second Street project to help cover cost increases. Additional details on both sets of recommended programming actions are provided below.

San Francisco SR2S Program: The originally programmed Cycle 2 Regional SR2S funds (\$1.439 million) enabled the San Francisco SR2S Program to expand from 15 elementary schools to 40 schools, including 35 elementary schools, 3 middle schools, and 2 high schools; conduct bilingual outreach to educate and organize parents; offer pedestrian and bicycle safety education during assemblies and school events; and develop and distribute transportation demand management toolkits.

As the lead agency of San Francisco SR2S Coalition (comprised of the San Francisco Unified School District (SFUSD), City agencies, and non-profits), SFDPH proposes using San Francisco's share (\$360,000) of MTC's supplemental SR2S funds to expand communication, coordination, outreach, and evaluation efforts, such as:

- Fully fund an outreach worker at SFUSD to pilot the concept of establishing Neighborhood Hubs to coordinate trips among multiple schools;
- Expand hands-on bike education to middle and high schools;
- Expand the use of social media and website for information sharing key dates and events;
- Ensure all surveys and toolkits are available in all languages and in a hard copy format (not just digitally);
- Evaluate and document lessons learned and develop case studies during summer recess;
- Accommodate unanticipated cost increases, including changes to fringe benefit rates.

SFDPH has received Active Transportation Program (ATP) funds to supplement and extend its SR2S program but has not secured funds beyond summer 2019. See Attachment 2-1 through 2-3 for more detailed program information, a proposed budget, and the ATP-funded scope summary.

Second Street Improvement: The Second Street project has recently received federal environmental clearance and is finalizing the federal authorization process prior to advertising the construction contract. SFPW has added pedestrian lighting as an alternate bid item to accommodate a community request, which turned out to be more expensive than usual due to the presence of sub-sidewalk basements. SFPW also updated the bid prices with the most recent data, which reflected the rising cost of construction.

SFPW proposes reprogramming \$52,251 from ER Taylor SR2S and \$548,388 from the Folsom Streetscape project to partially cover the cost increase and is working to identify other funding sources to fully fund pedestrian lighting. SFPW plans on advertising the Second Street construction contract by July 2016 and awarding it by the end of this year. SFPW's Prop K allocation request for the Second Street project, which is subject of a separate agenda item, provides more detail on the project scope, schedule, and funding plan.

If approved by the Transportation Authority Board, the proposed SR2S programming and OBAG reprogramming actions would then be subject to approval by MTC.

ALTERNATIVES

1. Recommend programming \$360,000 in supplemental Regional SR2S funds to SFDPH's SR2S Program, and reprogramming \$52,251 in Cycle 1 OBAG funds and \$548,388 in CMA Block Grant funds to SFPW's Second Street project, as requested.
2. Recommend programming \$360,000 in supplemental Regional SR2S funds to SFDPH's SR2S Program, and reprogramming \$52,251 in Cycle 1 OBAG funds and \$548,388 in CMA Block Grant funds to SFPW's Second Street project, with modifications.
3. Defer action, pending additional information or further staff analysis.

CAC POSITION

The CAC considered this item at its May 25, 2016 meeting and unanimously adopted a motion of support for the staff recommendation.

FINANCIAL IMPACTS

There is no financial impact to the Transportation Authority's adopted FY 2015/16 budget from the requested action.

RECOMMENDATION

Recommend programming \$360,000 in supplemental Regional SR2S funds to SFDPH's SR2S Program, and reprogramming \$52,251 in Cycle 1 OBAG funds and \$548,388 in CMA Block Grant Program funds to SFPW's Second Street project.

Attachments (2):

1. Cycle 1 OBAG Project List
2. San Francisco SR2S – Fact Sheet, Proposed Budget Change, and ATP-funded Scope Summary

Attachment 1
One Bay Area Grant (OBAG) Cycle 1 Project
List May 2016

Project Name (Sponsor)	Description	Construction Start	Open for Use	Total Project Cost	OBAG Funds as Last Amended	Proposed Change
Chinatown Broadway Street Design (San Francisco Public Works (SFPW))	Design and construct a complete streets project on Broadway from Columbus to the Broadway Tunnel, including bulb-outs, special crosswalk paving, new medians, street trees, bus stop improvements, and repaving. Construction contract is planned for award by July 2016.	July 2016	July 2017	\$7,102,487	\$3,477,802	\$3,477,802 ^{1,3}
ER Taylor Elementary School Safe Routes to School (SFPW)	Design and construct four pedestrian bulb outs at the intersection of Bacon and Gottingen near ER Taylor Elementary School to improve pedestrian safety. The project is open for use.	June 2015	November 2015	\$604,573	\$452,366	\$400,115 ^{3,4}
Longfellow Elementary School Safe Routes to School (SFPW)	Design and construct pedestrian safety improvements at the intersections of Mission & Whittier, Mission & Whipple, and Mission & Lowell near Longfellow Elementary School. The project is open for use.	October 2015	March 2016	\$852,855	\$670,307	\$670,307
Mansell Corridor Improvement (San Francisco Municipal Transportation Agency (SFMTA))	Design and construct of a complete streets project on Mansell Street from Visitacion Avenue to Brazil Street including reduction in number of vehicular lanes and creating a multiuse path for pedestrians and bicyclists. Construction is in progress.	November 2015	September 2016	\$6,807,348	\$1,762,239	\$1,762,239
Masonic Avenue Complete Streets (SFMTA)	Construct complete streets improvements on Masonic Avenue from Fell to Geary, including reallocation of space to calm traffic, dedicated bicycle space (raised cycle track), and pedestrian enhancements. Construction contract was awarded in February 2016.	June 2016	November 2017	\$22,785,900	\$0	\$0 ²
Second Street Streetscape Improvement (SFPW)	Design and construct of a complete streets project on Second Street from Market to Townsend, including pedestrian safety improvements, a buffered cycle track, landscaping, and repaving. Construction contract is planned for advertisement by July 2016.	December 2016	June 2018	\$15,415,115	\$10,515,746	\$10,567,997 ⁴
Transbay Transit Center Bike and Pedestrian Improvements (Transbay Joint Powers Authority)	Construct pedestrian and bicycle projects associated with the Transbay Transit Center, including a pedestrian walkway, sidewalks, path-finding signage, real time passenger information, bike racks and channels, pedestrian lighting, and public art. OBAG work will be implemented as part of various construction contracts for the Transbay Transit Center project.	July 2015	December 2017	\$11,480,440	\$6,000,000	\$6,000,000
Light Rail Vehicle (LRV) Procurement (SFMTA)	Purchase 175 replacement LRVs and 25 expansion LRVs to help meet projected vehicle needs through 2020, including for the Central Subway. The first new LRV is expected to roll out by the end of 2016.	September 2014 (procurement)	Through 2020	\$175,000,000	\$10,227,540	\$10,227,540 ²
Lombard Street US-101 Corridor Improvement (SFPW)	Design and construct safety improvements along Lombard Street between Van Ness Avenue and Richardson Avenue, including curb extensions (pedestrian and transit bulb-outs), daylighting at intersections, signal timing improvements, advance stop bars and high visibility curb crosswalks. SFPW and SFMTA are committed to delivering this project prior to a Caltrans paving project in 2018.	January 2017	March 2018	\$17,465,000	\$1,910,000	\$1,910,000 ¹
				Total OBAG:	\$35,016,000	\$35,016,000

Attachment 1
One Bay Area Grant (OBAG) Cycle 1 Project
List May 2016

¹ \$1.91 million in OBAG funds were swapped with SFMTA local revenue bond funds because the OBAG funds were unavailable when needed. In October 2015, the Transportation Authority Board reprogrammed the OBAG funds to SFPW's Lombard Street US-101 Corridor Improvement via 2016 Regional Transportation Improvement Program, as requested by SFMTA and SFPW.

² In order to minimize risk of losing federal funds due to project delays, in February 2015, the Transportation Authority Board reprogrammed \$10,227,540 in OBAG funds from SFMTA's Masonic Avenue project to the LRV Procurement project, with the condition that SFMTA continue to follow OBAG reporting requirements for the Masonic Avenue project. See the Plans and Programs Committee memo (February 3, 2015) and Resolution 15-42 for more detail.

³ On December 15, 2015, the Transportation Authority Board approved SFPW's request to reprogram \$67,265 cost savings from the recently completed ER Taylor SR2S to Chinatown Broadway, which has received a higher-than-anticipated bid to its original construction contract advertisement.

⁴ [Pending Transportation Authority Board's approval on June 28, 2016] SFPW requests reprogramming additional \$51,215 from the completed ER Taylor SR2S to Second Street to cover the cost of the pedestrian lighting, which has been added per the community's request.



San Francisco 2015-2016 Safe Routes to School Program

Safer, healthier, more fun ways to get to and from school.

www.sfsaferoutes.org

Participating Elementary Schools in 2015-2016

More than 50% of students at these schools live within one mile of their school.

Alamo	Dianne Feinstein	Rosa Parks
Alvarado	Bret Harte	George Peabody
Argonne	Glen Park	Paul Revere
Buena Vista Horace Mann	Grattan	SF Community
Bessie Carmichael	Jefferson	Sherman
George Washington Carver	Lafayette	Commodore Sloat
Cesar Chavez	Gordon Lau	Spring Valley
John Yehall Chin	Lawton	RL Stevenson
Chinese Immersion at de Avila	Longfellow	Sunnyside
Cleveland	Marshall	Sunset
El Dorado	Monroe	ER Taylor
Fairmount	Jean Parker	

Participating Middle and High Schools in 2015-2016

Bessie Carmichael Middle School	Thurgood Marshall High School
Marina Middle School	Washington High School
Martin Luther King Jr Middle School	

San Francisco Safe Routes to School Vision: San Francisco is a healthy community where students and families safely walk, bike, take transit, and carpool to and from school.

Program Goals:

- To promote health and educational opportunities by advancing sustainable modes of transportation and safer environments for the school commute;
- To increase pedestrian, bicycle and traffic safety around schools;
- To decrease traffic congestion around schools;
- To reduce childhood obesity by increasing number of children walking and biking to school; and
- To improve air quality, community safety, and community involvement around school.

Safe Routes to School goals are achieved through the following strategies:

The FIVE E's

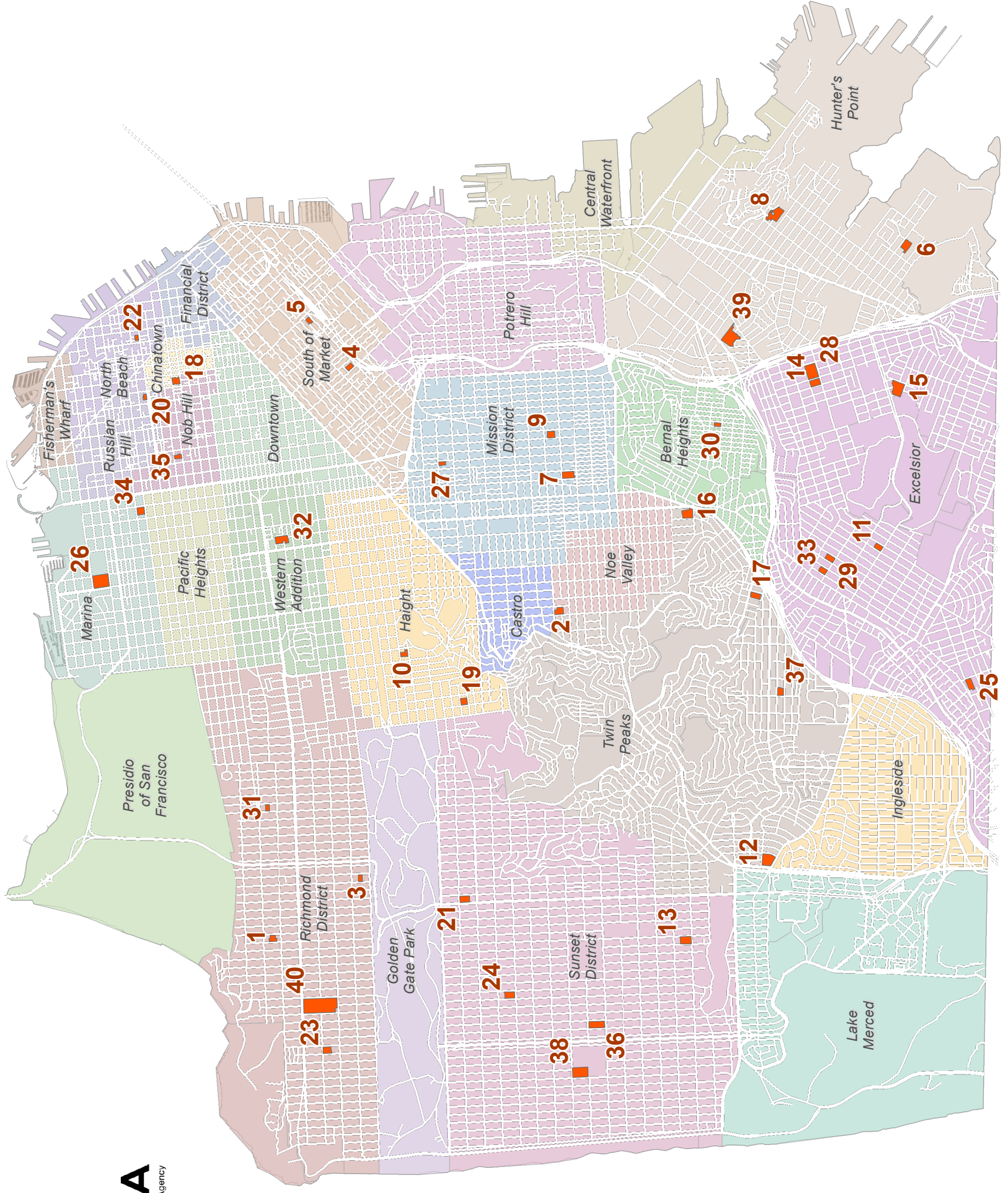
Education	School assemblies for elementary schools on pedestrian and bicycle safety
Encouragement	1) Organize Walk and Roll to School Day and San Francisco Bike to School Week 2) Train and organize parents to form regular walking school buses and bike trains
Engineering	Conduct walk and bike audits at schools
Enforcement	Enforce traffic laws around schools
Evaluation	Collect and analyze how school children get to and from school as well as parent surveys on knowledge and attitudes toward walking and biking


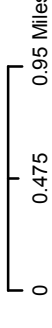
Safe Routes to School Program Partners: The Safe Routes to School Program is led by the SF Department of Public Health and supported by the Presidio YMCA, Shape Up SF, SF Bicycle Coalition; SF Department of Environment; the SF Municipal Transportation Agency; SF Police Department; SF Unified School District; and Walk SF.



2015-2016 San Francisco Safe Routes to School Program

No.	School
1	Alamo
2	Alvarado
3	Argonne
4	Bessie Carmichael Elementary
5	Bessie Carmichael Middle
6	Bret Harte
7	Buena Vista Horace Mann
8	Carver
9	Cesar Chavez
10	Chinese Immersion at De Avila
11	Cleveland
12	Commodore Sloat
13	Diane Feinstein
14	E.R. Taylor
15	El Dorado
16	Fairmount
17	Glen Park
18	Gordon Lau
19	Grattan
20	Jean Parker
21	Jefferson
22	John Yehall Chin
23	Lafayette
24	Lawton
25	Longfellow
26	Marina
27	Marshall
28	Martin Luther King Jr.
29	Monroe
30	Paul Revere
31	Peabody
32	Rosa Parks
33	SF Community
34	Sherman
35	Spring Valley
36	Stevenson
37	Sunnyside
38	Sunset
39	Thurgood Marshall
40	Washington </td



 N

 Participating Schools
 Last modified: 5/19/16



2015-1016 SAFE ROUTES TO SCHOOLS PROGRAM
PARTICIPATING SCHOOLS BY SUPERVISORIAL DISTRICT

DISTRICT 1 | Eric Mar

Alamo Elementary School
 250 23rd Avenue, 8:40-2:40
 Principal: Rosa Fong

Argonne Elementary School
 680 18th Ave, 8:30-2:40
 Principal: Cami Okubo

Lafayette Elementary School
 4545 Anza Street, 7:50-1:50
 Principal: Heath Caceres

George Peabody Elementary School
 251 6th Avenue, 8:40-2:40
 Principal: Willem Vroegh

Washington High School
 599 30th Ave, 7:30-3:30
 Principal: Ericka Lovrin

DISTRICT 2 | Mark Farrell

Sherman Elementary School
 1651 Union Street, 7:50-1:50
 Principal: Sara Shenkan-Rich

Marina Middle School
 3500 Fillmore, 9:10-3:25
 Principal: Joanna Fong

DISTRICT 3 | Aaron Peskin

John Yehall Chin Elementary School
 350 Broadway Street, 9:25-3:35
 Principal: Allen Lee

Gordon Lau Elementary School
 950 Clay Street, 8:40-2:40
 Principal: Nita Mok

Jean Parker Elementary School
 840 Broadway Street, 8:40-2:40
 Principal: Wesley Tang

Spring Valley Elementary School
 1451 Jackson Street, 8:40-2:40
 Principal: Marlene Callejas

DISTRICT 4 | Katy Tang

Dianne Feinstein Elementary School
 2550 25th Avenue, 7:50-1:50
 Principal: Michelle Chang

Jefferson Elementary School
 1725 Irving Street, 8:40-2:40
 Principal: Kimberly Adams

Lawton K-8 School
 1570 31st Avenue, 8:55-3:30
 Principal: Gina Ferrante

RL Stevenson Elementary School
 2051 34th Avenue, 8:40-2:40
 Principal: Diane Lau-Yee

Sunset Elementary School
 1920 41st Avenue, 8:40-2:40
 Principal: Sophie Lee

DISTRICT 5 | London Breed

Chinese Immersion at de Avila Elementary School
 1250 Waller Street, 8:40-2:40
 Principal: Rosina Tong

Grattan Elementary School
 165 Grattan Street, 7:50-1:50
 Principal: Matthew Reedy

Rosa Parks Elementary School
 1501 O'Farrell Street, 7:50-1:50
 Principal: Paul Jacobsen

DISTRICT 6 | Jane Kim

Bessie Carmichael Elementary School
 375 7th Street, 8:40-2:40
 Principal: Rehema Allen

Bessie Carmichael Middle School
 824 Harrison St, 8:30-2:40
 Principal: Rehema Allen



2015-1016 SAFE ROUTES TO SCHOOLS PROGRAM
PARTICIPATING SCHOOLS BY SUPERVISORIAL DISTRICT

DISTRICT 7 | Norman Yee

Commodore Sloat Elementary School
 50 Darien Way, 8:40-2:40
 Principal: Greg John

Sunnyside Elementary School
 250 Foerster Street, 8:40-2:40
 Principal: Renee Marcy

DISTRICT 8 | Scott Wiener

Alvarado Elementary School
 625 Douglas Street, 7:50-1:50
 Principal: Jennifer Kuhr Butterfoss

Fairmount Elementary School
 65 Chenery Street, 8:35-2:40
 Principal: Luis Rodriguez

Glen Park Elementary School
 151 Lippard Ave, 8:40-2:40
 Principal: Jean C. Robertson

DISTRICT 9 | David Campos

Buena Vista Horace Mann K-8 School
 3351 23rd Street, 9:30-3:45
 Principal: Richard Zapien

Cesar Chavez Elementary School
 825 Shotwell Street, 8:40-2:55
 Principal: Catalina Rico

Marshall Elementary School
 1575 15th Street, 8:40-2:40
 Principal: Peter Avila

Paul Revere K-8 School
 555 Tompkins Avenue, 7:50-1:50
 Principal: Stacy-Ann Afflick

ER Taylor Elementary School
 423 Burrows Street, 8:40-2:45
 Principal: Barbara Berman

Martin Luther King Jr. Middle School
 350 Girard St, 9:05-3:30
 Principal: Michael Eissen

DISTRICT 10 | Malia Cohen

George Washington Carver Elementary School
 1360 Oakdale Avenue, 8:30-2:40
 Principal: Emmanuel S. Stewart

El Dorado Elementary School
 70 Delta Street, 7:50-1:50
 Principal: Silvia Cordero

Bret Harte Elementary School
 1035 Gilman Avenue, 8:25-2:40
 Principal: Jeremy Hilinski

Thurgood Marshall High School
 45 Conkling St, 8:00-3:15
 Principal: Martha Torres

DISTRICT 11 | John Avalos

Cleveland Elementary School
 455 Athens Street, 9:30-3:30
 Principal: Mark Sanchez

Longfellow Elementary School
 755 Morse Street, 8:40-2:40
 Principal: Carrie Betti

Monroe Elementary School
 260 Madrid Street, 8:25-2:30
 Principal: Jose Montano

SF Community K-8 School
 125 Excelsior Ave, 9:15-3:30
 Principal: Nora Houseman

Attachment 2-2. Cycle 2 San Francisco Safe Routes to School Program
 Task Summary - Budget by Agency
 Original Budget for 14-17

Task	Agency #1 San Francisco Department of Public Health	Agency #2 San Francisco Bicycle Coalition	Agency #3 Walk San Francisco	Agency #4 Presidio Ybike Program	Agency #5 SF Unified School District	Agency #6 SF Department of the Environment	Agency #5 SF Study Center - Fiscal intermediary fees, assemblies, and curricula	TOTAL
Task 1	SF SRTS grant management per federal transportation aid requirements \$ 158,512.00							\$ 158,512.00
Task 2	SFUSD school coordination and outreach				\$ 93,974.00			\$ 93,974.00
Task 3	Outreach team to provide targeted outreach, education, and encouragement	\$ 61,029.00	\$ 15,972.00					\$ 77,001.00
Task 4	Parent/guardian champions at participating schools	\$ 186,192.00	\$ 96,925.00					\$ 283,117.00
Task 5	In-school assemblies for elementary school						\$ 42,000.00	\$ 42,000.00
Task 6	Bicycle Rodeos at elementary schools			\$ 61,889.00				\$ 61,889.00
Task 7	Bike clubs for 3 middle schools			\$ 134,912.00				\$ 134,912.00
Task 8	Bike shop programs for 2 high schools			\$ 147,154.00				\$ 147,154.00
Task 9	Curriculum for classroom teachers and fiscal intermediary fees						\$ 198,351.00	\$ 198,351.00
Task 10	Regular walk and roll events	\$ 113,788.00	\$ 55,489.00					\$ 169,277.00
Task 12	Annual Walk and Roll to School Day in October	1664	\$ 40,087.00					\$ 41,751.00
Task 13	Annual spring SF SRTS celebration	34956	\$ 1,101.00					\$ 36,057.00
Task 14	Transportation demand management (TDM) toolkits					\$ 77,742.00		\$ 77,742.00
Task 15	Program Evaluation							\$ 103,701.00
	TOTAL	\$ 397,629.00	\$ 209,574.00	\$ 343,935.00	\$ 93,974.00	\$ 77,742.00	\$ 240,351.00	\$ 1,625,438.00

Attachment 2-2. Cycle 2 San Francisco Safe Routes to School Program
 Task Summary - Budget by Agency
 Additional funds for 16-17

Task	Agency #1 San Francisco Department of Public Health	Agency #2 San Francisco Bicycle Coalition	Agency #3 Walk San Francisco	Agency #4 Presidio Ybike Program	Agency #5 SF Unified School District	Agency #6 SF Department of the Environment	Agency #5 SF Study Center - Fiscal intermediary fees, assemblies, and curricula	TOTAL
Task 1	\$ 60,804.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,804.00
Task 2	\$ -	\$ -	\$ -	\$ -	\$ 87,280.00	\$ -	\$ -	\$ 87,280.00
Task 3	\$ -	\$ 24,925.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,925.00
Task 4	\$ -	\$ -	\$ 27,470.00	\$ -	\$ -	\$ -	\$ -	\$ 27,470.00
Task 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,000.00	\$ 29,000.00
Task 6	\$ -	\$ -	\$ -	\$ 59,711.00	\$ -	\$ -	\$ -	\$ 59,711.00
Task 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,898.00	\$ 27,898.00
Task 10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 12	\$ -	\$ -	\$ 10,234.00	\$ -	\$ -	\$ -	\$ -	\$ 10,234.00
Task 13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000.00	\$ -	\$ 15,000.00
Task 15	\$ 2,678.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,678.00
TOTAL	\$ 63,482.00	\$ 24,925.00	\$ 37,704.00	\$ 59,711.00	\$ 87,280.00	\$ 15,000.00	\$ 71,898.00	\$ 360,000.00

Attachment 2-2. Cycle 2 San Francisco Safe Routes to School Program
 Task Summary - Budget by Agency
 Total budget 14-17

Task	Agency #1 San Francisco Department of Public Health	Agency #2 San Francisco Bicycle Coalition	Agency #3 Walk San Francisco	Agency #4 Presidio Ybike Program	Agency #5 SF Unified School District	Agency #6 SF Department of the Environment	Agency #5 SF Study Center - Fiscal intermediary fees, assemblies, and curricula	TOTAL
Task 1	SF SRTS grant management per federal transportation aid requirements	\$ 219,316.00						\$ 219,316.00
Task 2	SFUSD school coordination and outreach				\$ 181,254.00			\$ 181,254.00
Task 3	Outreach team to provide targeted outreach, education, and encouragement	\$ 85,954.00	\$ 15,972.00					\$ 101,926.00
Task 4	Parent/guardian champions at participating schools	\$ 186,192.00	\$ 124,395.00					\$ 310,587.00
Task 5	In-school assemblies for elementary school						\$ 71,000.00	\$ 71,000.00
Task 6	Bicycle Rodeos at elementary schools			\$ 121,600.00				\$ 121,600.00
Task 7	Bike clubs for 3 middle schools			\$ 134,912.00				\$ 134,912.00
Task 8	Bike shop programs for 2 high schools			\$ 147,154.00				\$ 147,154.00
Task 9	Curriculum for classroom teachers and fiscal intermediary fees						\$ 225,811.00	\$ 225,811.00
Task 10	Regular walk and roll events	\$ 113,788.00	\$ 55,489.00					\$ 169,277.00
Task 12	Annual Walk and Roll to School Day in October	1664	\$ 50,321.00					\$ 51,985.00
Task 13	Annual spring SF SRTS celebration	34956	\$ 1,101.00					\$ 36,057.00
Task 14	Transportation demand management (TDM) toolkits					\$ 92,742.00		\$ 92,742.00
Task 15	Program Evaluation	\$ 106,379.00					\$ 15,000.00	\$ 121,379.00
	TOTAL	\$ 325,095.00	\$ 422,554.00	\$ 247,278.00	\$ 403,666.00	\$ 92,742.00	\$ 311,811.00	\$ 1,985,000.00

(rounded)

Attachment 2-3. Active Transportation Program-Funded Scope Summary

The overall purpose of the San Francisco Safe Routes to School (SF SRTS) program is to promote walking and biking to and from San Francisco schools. For school years 2014-2017, SF SRTS delivers an integrated set of services based on four of the five Es – Education, Encouragement, Engineering and Evaluation. SF SRTS currently works with 40 public schools total - 35 elementary, 3 middle and 2 high schools. SF SRTS has received additional funding from the Active Transportation Program, which as describes below:

Active Transportation Program Cycle 1 – September 1, 2015 to August 31, 2017

This funding would supplement current MTC Regional SRTS Cycle 2 funding. For 2015-2017 school years, SF SRTS will implement the following:

Policy: By 2017, SFUSD will adopt a new resolution supporting all modes of transportation to and from school, especially walking and biking. In addition, policies at each school supporting the implementation of the SRTS activities will be in place.

Education: Comprehensive tailored active transportation toolkits, targeted for 102 schools in the District will be developed, translated, and distributed in hard copies and online to all families in the district. Each school will get a toolkit including: area map around school, map of where attending students live, suggested walking, biking and transit routes (e.g. bike routes, transit stops, crossing guards, and carpooling information), and list of resources to increase safe walking and biking.

Encouragement: SF SRTS will work with a multilingual team of outreach workers at the SF Environment who will promote the active transportation toolkits to parents. They will identify strategies to reach parents and will promote resources to participate in active transportation.

Enforcement: SF Police Department to provide enforcement of motor vehicle laws near schools located on high injury corridors to increase safety, both real and perceived.

Evaluation: The program will be evaluated utilizing travel tallies, parent surveys and focus groups.

Active Transportation Program Cycle 2 – September 1, 2017 to August 31, 2019

This grant allows SF SRTS to implement new elements of our current program as outlined below:

- Expanding the focus on underserved communities, specifically schools with 75% or more of student population on free and reduced price meals;
- Creating SF SRTS neighborhood task forces, arranging schools by neighborhood for collective impact;
- Hosting neighborhood skills building, encouragement and outreach events;
- Integrate Safe Passage into SF SRTS neighborhood project;
- Launch City Street Investigators curricula in afterschool programs;
- Offer bike physical education at 4 middle and 2 high schools;
- Conduct walk and bike audits and 4 schools;
- Implement SRTS elements of SFUSD Wellness and Vision Zero Resolutions; and
- Evaluating program activities through student travel tallies and parent surveys.

Recently, CA Department of Transportation deemed that several items in the grant application were deemed ineligible for funding by the Active Transportation Program. SF SRTS has identified other funds for these items; thereby, MTC Regional Cycle 2 funds will not be used to cover this funding gap.



This Page Intentionally Left Blank



Memorandum

Date: 06.16.16 **RE:** Plans and Programs Committee
June 21, 2016

To: Plans and Programs Committee: Commissioners Tang (Chair), Farrell (Vice Chair), Avalos, Breed, Peskin and Wiener (Ex Officio)

From: Amber Crabbe – Assistant Deputy Director for Policy and Programming *AC*
Maria Lombardo – Chief Deputy Director *mel*

Through: Tilly Chang – Executive Director *TC*

Subject: **INFORMATION** – San Francisco Revised Project List and Preferred Scenario Advocacy Strategy for Plan Bay Area 2040

Summary

The Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG) are close to finalizing the preferred scenario for Plan Bay Area (PBA) 2040, which sets policy and transportation investment priorities and housing and jobs projections across the nine Bay Area counties through 2040. The Transportation Authority coordinates San Francisco's priorities for PBA 2040, and has been asked to revise the list of financially constrained project priorities we submitted to MTC last year to fit within a smaller target of available local discretionary funding. MTC also requested that we and other counties with potential November 2016 revenue measures submit a supplemental project list so that MTC can evaluate both project lists in the PBA environmental documents. Attachment 1 details the proposed adjustments to our initial list to meet the revised local target, shows how new local revenues could be distributed based on the proposed San Francisco charter amendment creating among other things, a transportation set aside in the general fund (which has the same six programs as the back-up measure for an additional transportation sales tax), and identifies the projects for which we are seeking regional discretionary funding. Since we prepared our original list of project priorities in anticipation of eventually receiving a reduced target, we only had to make limited changes to fit the lower target. We expect to be able to accommodate all the projects that need to be included in this PBA cycle and can't wait for adoption of the next update in 2021. Since MTC and ABAG are finalizing the Plan's preferred land use and transportation investment scenario, we have also developed a set of advocacy strategies to inform our work and advance San Francisco's interests between now and adoption of the preferred scenario, anticipated in September.

BACKGROUND

Every four years, the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG) lead development of the Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS), which sets policy and transportation investment priorities and housing and jobs projections across the nine Bay Area counties through 2040. Currently underway is the development of Plan Bay Area (PBA) 2040, an update to 2013's RTP/SCS.

The Transportation Authority leads the development of San Francisco's project and program priorities for PBA 2040, and on October 27, 2015 the Board approved Resolution 16-20 which included San

San Francisco's financially constrained list of project priorities based on MTC's provision of an estimated county target budget. We submitted San Francisco's initial project list to MTC and ABAG for evaluation and for consideration for inclusion in PBA. All projects seeking state or federal funds or a federal action prior to 2021 must be included in the financially constrained portion of PBA either as a named project or contained within a programmatic category. The vast majority of projects are included within programmatic categories. Only larger projects and those with air quality conformity impacts (e.g. typically projects that add or reduce roadway or transit capacity) are named as stand-alone projects in PBA.

In April 2016, MTC released revised county target budgets. As anticipated, the new budgets were lower than the ones that constrained our project priorities last year, so we must revise our lists to fit within the new target. MTC has also requested that counties with potential revenue measures on the ballot in November include a second scenario that would include the additional revenues that would be available for transportation if those measures are approved by voters. In San Francisco, the Board of Supervisors has introduced a charter amendment [Charter Amendment – Homeless Housing and Services Fund; Transportation Improvement Fund – Budget Set-Aside] that would create general fund set-asides for homeless housing and services and for transportation. If the charter amendment is placed on the November 2016 ballot and approved by a simple majority of voters, the charter amendment would set aside:

- \$11.5 M in FY 2016/17 and \$47.75 M beginning in FY 2017/18 and each year thereafter through FY 2041/42 for homeless housing and services; and
- \$23 M in FY 2016/17 and \$95.5 M beginning in FY 2017/18 and each year thereafter through FY 2041/42 for transportation.

The budget set-asides would be funded by the City's General Fund and would be adjusted in future years based on growth in General Fund discretionary revenues. The Board of Supervisors has also introduced a 0.5% transportation sales tax and expenditure plan as a backup measure. Both measures feature the same six programmatic categories and initial distribution of funds between the categories and would roughly allocate \$100 million annually for transportation. Please see the separate agenda item on the potential new revenue measures for further details.

DISCUSSION

Over the past several weeks, we have coordinated with the San Francisco Municipal Transportation Agency (SFMTA), San Francisco Public Works, regional transit operators, and other San Francisco project sponsors agencies to modify our initial list of San Francisco PBA 2040 priorities to fit the lower, financially constrained funding targets established by MTC. Also, with the results of the project performance evaluation in hand, we have fine-tuned our advocacy strategy to advance San Francisco's interests as MTC and ABAG develop the draft preferred investment scenario and seek public input prior to its anticipated adoption in September 2016.

Revised List of San Francisco Project Priorities: Our primary concern in revising the list of priorities was to ensure that all projects that need to move forward before the next PBA update is adopted in 2021 are included in the financially constrained list. In order to achieve this, and still cut \$2.7 billion from our previous list (from \$8.4 billion initial local target to a \$5.7 billion financially constrained local target), we first identified projects that were not expected to enter construction before 2021 and scaled their cost and scope back to only include planning and environmental phases. We then trimmed funding from programmatic categories with large funding commitments roughly proportional to their estimated funding shortfalls.

Due to our strategy of preparing the original list of project priorities in anticipation of eventually receiving

a reduced target, we only had to make limited changes even though our discretionary local funding target decreased by approximately a third. Attachment 1 shows the revised list of project priorities including the proposed local discretionary funding distribution according to the target MTC provided, notes about what changed, and our requests for regional discretionary funds.

For this exercise, MTC has requested that we request commitments of funds from two different regional discretionary categories. The first is the “**County Share of Regional Discretionary Funding**” which is the amount (\$950 million) that MTC anticipates San Francisco is likely to receive through 2040 from competitive regional, state, and federal fund sources such as the Active Transportation Program and future One Bay Area Grant cycles. The MTC Commission must decide to direct these funds to the counties in PBA, but we anticipate they will given the assumptions upon which the funding amount is based. The second category, “**Regional Discretionary Funding Request**,” is our request for MTC to commit additional regional discretionary funding beyond our target, which represents establishing the particular project or program as a regional priority. This is the area where we need to strongly advocate for San Francisco’s priorities as MTC has a lot of discretion over how these funds could be distributed in PBA. See our proposed advocacy strategy below.

We are appreciative of MTC’s willingness to include a supplemental project list that incorporates potential new revenues measures under consideration for the November 2016 ballot. In Attachment 1, we have distributed “**SF Potential New Revenues**” from the proposed charter amendment (or back-up transportation sales tax) based on the six programs listed in the draft measures (they are identical in both). MTC is aware that this proposal is a draft and may be modified once the Board of Supervisors approves placing a measure on the ballot, which needs to happen by late July/early August.

It should be noted that there are a few named projects such as the Peninsula Corridor Electrification Project (#77 in Attachment 1) which we need to ensure are included through construction in PBA 2040 even if a new local revenue measure is not approved by the voters in November 2016. Thus, we show the project as fully funded without any “SF Potential New Revenues”, even though we are hoping that we can use the new revenue measure to fully fund the project. In the case of Electrification, we would likely need to look to the General Fund or other sources if there is no new local revenue measure.

Preferred Scenario Advocacy Strategy: Based on the goals and objectives the Transportation Authority adopted in October 2015 (see Attachment 2), we are proposing the following set of advocacy strategies to guide this last stage of the PBA 2040 development process wherein the regional agencies develop and adopt a preferred investment scenario.

1. **Ensure that all San Francisco projects that *need to be included in PBA 2040* are included.** As noted above, any project seeking federal, state or regional funds or a federal action prior to mid-2021 must be in PBA 2040. We are confident that we can achieve this objective, but need MTC to include our project priorities in the final preferred scenario. We also must advocate on behalf of the regional projects that need local funding support from multiple counties and the region, such as Caltrain Downtown Extension and the BART vehicle expansion project.
2. **Make clear that no matter which land use scenario is selected for PBA 2040, San Francisco needs significant transportation investment, particularly in transit core capacity and transit state of good repair.** Even the scenario that would forecast the lowest numbers of jobs and housing to San Francisco must be paired with significant funding to ensure a program of projects that preserves our existing transportation system and expands it to ease current crowding and accommodate planned growth. This is also an advocacy strategy that we can be jointly espoused by the three big cities – Oakland, San Jose and San Francisco. This is reflected in our

regional discretionary funding request (column G, Attachment 1) for several programs such as transit preservation and rehabilitation and support for funding for rail capacity planning and project development (project #33, Attachment 1)

Transit state of good repair investments may have additional leverage during the tradeoff discussion this cycle given its status as an identified high performer in the project assessment process. We will also strongly advocate that both existing discretionary revenues and new revenue sources direct significant amounts toward transit state of good repair investments.

3. **Secure commitment of regional discretionary funding for high performing projects.** Based on the outcome of its project performance assessment, MTC identified a dozen high-performing projects that it indicated would be competitive for regional discretionary funding, many of which are San Francisco priorities. For instance, **Geary Corridor Bus Rapid Transit (BRT) was one of the high performers.** As a result, we are advocating that **MTC identify Geary BRT as a regional priority for federal Small Starts funding and allocate some regional discretionary funds to the project to help close the project's funding gap.** Other San Francisco high performers for which we will be seeking regional discretionary funding include:
 - Treasure Island Mobility Management Program
 - Downtown Value Pricing/Incentives
 - Public Transit Maintenance
 - BART Metro
 - Caltrain Modernization/Electrification
 - Caltrain Downtown Extension
4. **Ensure PBA 2040 includes funding for recommendations that emerge from the Core Capacity Transit Study (CCTS).** The CCTS is a collaborative effort led by MTC to identify and prioritize investments that will improve travel on public transportation to and from downtown San Francisco. We have been actively participating in the study since its inception last year, along with SFMTA and the regional transit operators running service in the corridor. Examples of projects under consideration include bus/high occupancy vehicle (HOV) lanes on the San Francisco-Oakland Bay Bridge for buses and carpools, AC Transit vehicles and service, WETA ferry services/terminals, and longer-term rail projects and studies such as the development of the second Transbay crossing. In early stages of the PBA 2040 development process, MTC assured the study participants that recommendations would influence the development of its preferred investment scenario. With CCTS recommendations not yet finalized, we want to ensure that this commitment is met given the importance of the outcomes for the City. This can be achieved through sufficient funding to placeholder projects such as the Core Capacity Implementation, Planning and Conceptual Engineering project, and BART's Transbay Core Capacity Project.
5. **Integrate San Francisco HOV/High Occupancy Toll (HOT) lane segments in MTC's regional express lane network.** MTC is moving forward with an ambitious network of HOV and HOT lanes across the Bay Area. We would like **MTC to include San Francisco's HOV and HOT lane recommendations coming out of our Freeway Corridor Management Study in its own network,** connected to the HOV efforts of San Mateo and Santa Clara Counties. These efforts, whether managed by MTC or us, should be eligible for regional discretionary funds.
6. **Continue to support the advancement of affordable housing and anti-displacement policies.** Much debate has focused on these topics over the course of the last year, and given the

severe challenges San Francisco is facing on both fronts, we will work to support efforts to advance new strategies in response to the overwhelming need for change. In particular, we support regional investments in equity and affordability projects and programs such as the Late Night Transportation Study, the Lifeline Program, and providing funding to update community based transportation planning in communities of concern.

Next Steps: We have submitted this draft list of project priorities to MTC, but will likely be able to make minor revisions through mid-July (for instance, to adjust for changes to the draft revenue measures under consideration in San Francisco). MTC will take this information, along with the project priorities from the other Bay Area counties, regional transit operators, and outcomes from the transit and local roads state of good repair analysis, and consider investment tradeoffs, leading to the likely release the draft PBA 2040 preferred alternative in August. Environmental review on the preferred alternative is anticipated to start after its adoption by MTC and ABAG in September, with final adoption of PBA 2040 expected in June 2017.

ALTERNATIVES

None. This is an information item.

FINANCIAL IMPACTS

None. This is an information item.

RECOMMENDATION

None. This is an information item.

Attachments (2):

1. Final List of San Francisco PBA 2040 Project Priorities
2. PBA 2040 - San Francisco's Adopted Goals and Objectives

Attachment 1: Final List of San Francisco Plan Bay Area (PBA) 2040 Project Priorities

A	B	C	D	E	F	G	H	I
Sponsor Agency ¹	Project Title	Cost	Committed Funding	Proposed - Local Discretionary Funding ²	Proposed - County Share of Regional Discretionary Funding	Proposed - Regional Discretionary Funding Request	SF Potential New Revenue ³	Notes justifying regional funding asks in columns F and G and flagging revisions to original call for projects submission ⁴
Local projects								
1 SFMTA	Arena Transit Capacity Improvements	\$ 137.0	\$ 137.0					
2 SFCTA	Balboa Park Station Area - Closure of Northbound I-280 On-Ramp from Geneva Avenue	\$ 6.0	\$ 0.1		\$ 5.9			Funding: Intend to seek state funding (e.g. Caltrans, ATP).
3 SFCTA	Balboa Park Station Area - Southbound I-280 Off-Ramp Realignment at Ocean Avenue	\$ 11.0	\$ 0.7		\$ 10.3			Funding: Intend to seek state funding (e.g. Caltrans, ATP).
4 Planning	Balboa Reservoir Street Network	\$ 16.0	\$ 16.0					
5 SFMTA	Bayshore Station Multimodal Planning and Design	\$ 13.0		\$ 13.0				
6 SFDPW	Bayview Transportation Improvements	\$ 39.0	\$ 10.9	\$ 28.1				
7 SFDPW	Better Market Street - Transportation Elements	\$ 415.0	\$ 225.0		\$ 190.0			Funding: Intend to seek future federal funding (e.g. TIGER, New Starts) and state and regional funding (e.g. OBAG, ATP).
8 Planning	Central SoMa Plan Street Network Changes	\$ 140.0	\$ 140.0					
9 Planning	Central Waterfront/Pier 70 Street Network	\$ 58.0	\$ 58.0					
10 SFCTA	Downtown Value Pricing/Incentives - New Transportation Infrastructure to Support Value Pricing Pilot	\$ 84.0	\$ 84.0					High performer in PBA 2040.
11 SFCTA	Downtown Value Pricing/Incentives - Pilot	\$ 126.0	\$ 50.2	\$ 25.8		\$ 50.0		High performer in PBA 2040.
12 SFCTA	Downtown Value Pricing/Incentives - Transit Service Package	\$ 666.0	\$ 666.0					High performer in PBA 2040.
13 SFMTA	EN Trips: 16th Street Corridor Improvements	\$ 69.0	\$ 47.0	\$ 15.2	\$ 6.8			Funding: Competitive for state and regional funding (e.g. OBAG, ATP).
14 SFMTA	EN Trips: 7th and 8th Street Improvements	\$ 9.0		\$ 3.2	\$ 5.8			Funding: Competitive for state and regional funding (e.g. OBAG, ATP).
15 SFMTA	EN Trips: Folsom and Howard Street Improvements	\$ 44.0	\$ 25.0	\$ 10.2	\$ 8.8			Funding: Competitive for state and regional funding (e.g. OBAG, ATP).

Attachment 1: Final List of San Francisco Plan Bay Area (PBA) 2040 Project Priorities

A	B	C	D	E	F	G	H	I
Sponsor Agency ¹	Project Title	Cost	Committed Funding	Proposed - Local Discretionary Funding ²	Proposed - County Share of Regional Discretionary Funding	Proposed - Regional Discretionary Funding Request	SF Potential New Revenue ³	Notes justifying regional funding asks in columns F and G and flagging revisions to original call for projects submission ⁴
16 Port of SF	Establish new ferry terminal at Mission Bay 16th Street	\$ 17.0	\$ 0.1		\$ 16.9			Funding: Project serves regional transit operator.
17 SFMTA	Expand SFMTA Transit Fleet	\$ 1,121.0	\$ 398.0	\$ 242.0		\$ 481.0	\$ 192.5	Regional commitment: MTC's approved TTRCP framework included \$481 million for SFMTA Fleet Expansion.
18 SFMTA	Geary Boulevard Bus Rapid Transit	\$ 507.0	\$ 90.0	\$ 174.0		\$ 243.0		High performer in PBA 2040. Funding: Seeking identification as a regional priority for Small Starts (\$100 million); requesting other regional funding (\$143 million) to cover capital funding gap. Regional priority: Candidate for \$100 million of SFMTA core capacity/BRT commitment in MTC's approved TTRCP framework.
19 SFMTA	Geneva Light Rail Phase I: Operational Improvements, Planning and Environmental	\$ 18.0		\$ 18.0				Includes infrastructure for non-revenue service only. Revision: Scope and cost modified to cover the environmental phase only.
20 SFMTA	Geneva-Harney Bus Rapid Transit	\$ 256.0	\$ 49.0	\$ 107.0	\$ 100.0			Funding: Considering seeking federal Small Starts funding.
21 Planning	Great Highway/Sloat/Ocean Beach Circulation Changes: Southern Portion	\$ 28.0		\$ 28.0				
22 SFMTA	Historic Streetcar Extension - Fort Mason to 4th & King	\$ 87.0	\$ 4.0			\$ 83.0		Funding: Project will only proceed with construction if funded by the National Parks Service or other federal funding. This is consistent with the Prop K expenditure plan.
23 Planning	HOPE SF (Sunnydale and Potrero) Street Networks	\$ 31.0		\$ 31.0				

Attachment 1: Final List of San Francisco Plan Bay Area (PBA) 2040 Project Priorities

A	B	C	D	E	F	G	H	I
Sponsor Agency ¹	Project Title	Cost	Committed Funding	Proposed - Local Discretionary Funding ²	Proposed - County Share of Regional Discretionary Funding	Proposed - Regional Discretionary Funding Request	SF Potential New Revenue ³	Notes justifying regional funding asks in columns F and G and flagging revisions to original call for projects submission ⁴
24 SFCTA	HOV/HOT Lanes on U.S. 101 and I-280 in San Francisco	\$ 43.0	\$ 0.3	\$ 21.4	\$ 21.3		\$ 47.0	New revenue: potentially used to fund environmental and design for Phase 2 of project.
25 SFDPW	Hunters Point Shipyard and Candlestick Point Local Roads Phase 1	\$ 501.0	\$ 455.7	\$ 45.3				
SF	India Basin Roadway Transportation Improvements	\$ 16.0	\$ 5.0	\$ 11.0				
26 Planning	Mission Bay New Roadway Network	\$ 118.0	\$ 96.4	\$ 21.6				
27 SFDPW	Mission Rock (SWL 337) Street Network	\$ 58.0	\$ 58.0					
SF								
28 Planning								
29 SFMTA	Muni Forward (Transit Effectiveness Project)	\$ 612.0	\$ 208.0	\$ 159.0	\$ 195.0	\$ 50.0		Regional priority: Candidate for SFMTA core capacity/BRT commitment in MTC's approved TIRCP framework. Funding: Competitive for regional funding (e.g. TPI).
30 SFMTA	Parkmerced Street Network	\$ 60.0	\$ 60.0					
31 SFMTA	Parkmerced Transportation Improvements	\$ 76.0	\$ 76.0					Revision: project re-scoped to include development-related transit improvements and cost reduced (former title Muni Metro/M-Line/19th Avenue Core Capacity Project). Planning and conceptual engineering work for the larger project is included in Project #33.
32 SFCTA	Presidio Parkway	\$ 1,595.0	\$ 1,595.0					
33 Multiple Operators	Rail Capacity Long Term Planning and Conceptual Design - All Operators	\$ 200.0		\$ 100.0	\$ 50.0	\$ 50.0	\$ 250.0	Revision: Added as new project that combines funding for SFMTA, BART, and Caltrain into one program. Regional priority: Candidate for SFMTA core capacity/BRT commitment in MTC's approved TIRCP framework.

Attachment 1: Final List of San Francisco Plan Bay Area (PBA) 2040 Project Priorities

A	B	C	D	E	F	G	H	I
Sponsor Agency ¹	Project Title	Cost	Committed Funding	Proposed - Local Discretionary Funding ²	Proposed - County Share of Regional Discretionary Funding	Proposed - Regional Discretionary Funding Request	SF Potential New Revenue ³	Notes justifying regional funding asks in columns F and G and flagging revisions to original call for projects submission ⁴
34 SF Planning	Railyard Alternatives and I-280 Boulevard Program - Planning and Conceptual Design	\$ 4.0	\$ 1.8	\$ 0.4	\$ 1.8			Regional Priority: Strong PDA connection, link to high speed rail and the Caltrain Downtown Extension. Funding: Intend to seek regional or state funding (e.g. PDA Planning).
35 SFDPW	Re-build and widen Harney Way	\$ 27.0	\$ 25.0	\$ 2.0				
36 SFCTA	Regional/Local Express Bus to Support Express Lanes in SF	\$ 82.2	\$ 50.0	\$ 6.4	\$ 25.8			Revision: Rescoped as a 3-year pilot instead of 5, project cost reduced to reflect change. Funding: Regional transit project, likely multiple operators across multiple counties.
37 SF Planning	Rincon Hill Street Plan Network Changes	\$ 37.0	\$ 15.0	\$ 22.0				
38 SFMTA	Road Diets for Bike Plan (includes conversion of traffic lanes for bicycle network improvements)	\$ 1.0		\$ 1.0				
39 Multiple Operators	San Francisco Late Night Transportation Improvements	\$ 52.0		\$ 10.4	\$ 20.8	\$ 20.8	\$ 85.0	Regional priority: Transportation equity priority spanning multiple counties. Revision: Eligible project if new revenues approved.
40 SFMTA	San Francisco Muni Fare Programs						\$ 150.0	Revision: Reduced project scope and cost. New revenues: Eligible project if new revenues approved.
41 Multiple Operators	San Francisco Transit Performance Initiative	\$ 50.0		\$ 50.0			\$ 45.0	

Attachment 1: Final List of San Francisco Plan Bay Area (PBA) 2040 Project Priorities

A	B	C	D	E	F	G	H	I
Sponsor Agency ¹	Project Title	Cost	Committed Funding	Proposed - Local Discretionary Funding ²	Proposed - County Share of Regional Discretionary Funding	Proposed - Regional Discretionary Funding Request	SF Potential New Revenue ³	Notes justifying regional funding asks in columns F and G and flagging revisions to original call for projects submission ⁴
42	Multiple Operators San Francisco: Additional Transit Preservation/Rehabilitation	\$ 1,976.0		\$ 1,871.0	\$ 105.0	Amount TBD - Seeking commitment of regional discretionary funds to state of good repair.		High performer in PBA 2040. Revision: Program funding reduced to reflect lower local discretionary funding target. Funding: Competitive for future regional revenue measures.
43	SFPW San Francisco: Additional Local Road Preservation/Rehabilitation	\$ 836.5		\$ 836.5			\$ 385.0	Revision: Program funding reduced to reflect lower local discretionary funding target.
44	SFCTA San Francisco: Additional Routine Local Road Operations and Maintenance	\$ 52.0	\$ 52.0					
45	SFCTA San Francisco: Emission Reduction Technology	\$ 2.0	\$ 2.0					
46	SFCTA San Francisco: Local Road Intersection Improvements	\$ 137.2	\$ 70.3	\$ 66.9			\$ 45.0	Revision: Program funding reduced to reflect lower local discretionary funding target.
47	SFDPW San Francisco: Local Road Safety and Security	\$ 160.6	\$ 86.2	\$ 74.4			\$ 50.0	Revision: Program funding reduced to reflect lower local discretionary funding target.
48	SFCTA San Francisco: Minor Transit Improvements	\$ 201.0	\$ 35.9	\$ 165.1			\$ 588.0	
49	SFCTA San Francisco: Multimodal Streetscape Improvements	\$ 293.0	\$ 91.5	\$ 187.7	\$ 13.8		\$ 90.0	Funding: Competitive for state and regional funding (e.g. OBAG, ATP).
50	SFCTA San Francisco: New Bike/Pedestrian Facilities	\$ 644.0	\$ 111.0	\$ 503.0	\$ 30.0		\$ 150.0	Funding: Competitive for state and regional funding (e.g. OBAG, ATP).
51	SFCTA San Francisco: Planning	\$ 47.0	\$ 15.0	\$ 32.0				
52	SFCTA San Francisco: Transit Management Systems	\$ 8.0	\$ 6.0	\$ 2.0				
53	SFCTA San Francisco: Transit Safety and Security	\$ 98.0	\$ 6.3	\$ 91.7			\$ 50.0	
54	SFCTA San Francisco: Travel Demand Management	\$ 65.0	\$ 15.0	\$ 50.0			\$ 25.0	
55	SF Schlage Lock Development Street Network	\$ 28.0	\$ 28.0					
56	SFMTA SFgo Integrated Transportation Management System	\$ 89.0	\$ 55.0	\$ 10.0	\$ 24.0			

Attachment 1: Final List of San Francisco Plan Bay Area (PBA) 2040 Project Priorities

A	B	C	D	E	F	G	H	I
Sponsor Agency ¹	Project Title	Cost	Committed Funding	Proposed - Local Discretionary Funding ²	Proposed - County Share of Regional Discretionary Funding	Proposed - Regional Discretionary Funding Request	SF Potential New Revenue ³	Notes justifying regional funding asks in columns F and G and flagging revisions to original call for projects submission ⁴
57 SFMTA	SFpark Project Expansion	\$ 26.0		\$ 16.0	\$ 10.0			Funding: Competitive for federal, state, and regional funding (e.g. Climate Initiatives, FHWA).
58 SFCTA	Southeast San Francisco Caltrain Station	\$ 10.8	\$ 5.6	\$ 5.2				Change to program: environmental and final design costs (24% of total assumed) only
59 SFPW	Southeast Waterfront Transportation Improvements - Phase 1	\$ 406.0	\$ 245.8	\$ 160.2				
SF	Transit Center District Plan and Transbay Redevelopment Plan Street Network Changes	\$ 209.0	\$ 209.0					
61 SFMTA	Treasure Island Intermodal Terminal	\$ 3.0	\$ 3.0					
62 SFCTA	Treasure Island Mobility Management Program: Congestion Toll	\$ 118.0	\$ 107.0	\$ 3.0		\$ 8.0		High performer in PBA 2040.
63 SFCTA	Treasure Island Mobility Management Program: Expanded Transit Service	\$ 776.0	\$ 776.0					High performer in PBA 2040.
64 SFCTA	Treasure Island Mobility Management Program: Transit Capital	\$ 80.0	\$ 39.0			\$ 41.0		High performer in PBA 2040.
65 SFMTA	Treasure Island/Yerba Buena Island Street Network	\$ 56.0	\$ 56.0					
66 SFMTA	T-Third Mission Bay Loop	\$ 7.0	\$ 7.0					
67 SFMTA	T-Third Phase II: Central Subway	\$ 1,544.0	\$ 1,578.0					Funding shown as higher than cost due to MTC's escalation of funds spent prior to 2017.
68 SFMTA	Van Ness Avenue Bus Rapid Transit	\$ 215.0	\$ 215.0					
69 SFCTA	Vision Zero Ramp Improvements	\$ 43.0		\$ 15.0	\$ 28.0		\$ 50.0	
70 SFCTA	Yerba Buena Island (YBI) I-80 Interchange Improvement	\$ 168.0	\$ 168.0					
Regional projects⁵								
71 BART	BART Metro Program	TBD	TBD		\$ 25.0			High performer in PBA 2040.
72 Caltrain	Caltrain Modernization (Electrification) Phase 2	TBD	TBD	\$ 20.0				High performer in PBA 2040.
73 SFCTA	Core Capacity Implementation - Planning and Conceptual Engineering	\$ 575.0		\$ 20.0	\$ 55.0	\$ 500.0		Regional priority: Placeholder for CCTS recommendations.

Attachment 1: Final List of San Francisco Plan Bay Area (PBA) 2040 Project Priorities

A	B	C	D	E	F	G	H	I
Sponsor Agency ¹	Project Title	Cost	Committed Funding	Proposed - Local Discretionary Funding ²	Proposed - County Share of Regional Discretionary Funding	Proposed - Regional Discretionary Funding Request	SF Potential New Revenue ³	Notes justifying regional funding asks in columns F and G and flagging revisions to original call for projects submission ⁴
74 WETA	Downtown San Francisco Ferry Terminal Expansion - Phase II	\$ 43.0				\$ 43.0		
75 TJPA	Implement Transbay Transit Center/Caltrain Downtown Extension (Phase 1 - Transbay Transit Center)	\$ 1,741.0	\$ 1,741.0					
76 TJPA	Implement Transbay Transit Center/Caltrain Downtown Extension (Phase 2 - Caltrain Downtown Extension)	TBD	TBD	\$ 367.8			Eligible for new revenue through project #33, but want fully funded in base scenario.	High performer in PBA 2040. Note: Cost and funding plan being revised. Funding: Seeking affirmation of MTC federal New Starts priority and regional bridge toll contributions.
77 Caltrain	Peninsula Corridor Electrification Project	TBD	TBD	\$ 20.0				Funding: \$20 million in local discretionary funding represents San Francisco's commitment as per MOU with Caltrain and MTC.
78 MTC	San Francisco-Oakland Bay Bridge West Span Bicycle, Pedestrian, and Maintenance Path	\$ 691.0	\$ 10.0	\$ -				Project submitted by MTC - commitment of regional funds at MTC's discretion. Low performer in PBA 2040.
79 BART	Transbay Corridor Core Capacity Project	\$ 2,806.0	TBD	\$ 75.0			\$ 300.0	Scope includes new train control system, 306 additional train cars, and necessary traction power upgrades. New revenues: \$300 million represents San Francisco's contribution to new BART expansion vehicles, assuming it is matched by Alameda and Contra Costa counties.
	TOTALS:	\$ 21,585.3	\$ 10,381.8	\$ 5,738.5	\$ 950.0	\$ 1,569.8	\$ 3,850.0	\$ 22,490.1
	MTC TARGETS:			\$ 5,738.5	\$ 950.0		\$ 3,850.0	

¹ Bay Area Rapid Transit (BART); Metropolitan Transportation Commission (MTC); Peninsula Corridor Joint Powers Board (Caltrain); Port of San Francisco (Port of SF); San Francisco County Transportation Authority (SFCTA); San Francisco Municipal Transportation Agency (SFMTA); San Francisco Public Works (SFPW); San Francisco Planning Department (SF Planning); Transbay Joint Powers Authority (TJPA)

Attachment 1: Final List of San Francisco Plan Bay Area (PBA) 2040 Project Priorities

A	B	C	D	E	F	G	H	I
Sponsor Agency ¹	Project Title	Cost	Committed Funding	Proposed - Local Discretionary Funding ²	Proposed - County Share of Regional Discretionary Funding	Proposed - Regional Discretionary Funding Request	<i>SF Potential New Revenue</i> ³	Notes justifying regional funding asks in columns F and G and flagging revisions to original call for projects submission ⁴

² Includes \$1,419.56 million in dedicated Prop K funding.

³ Assignment of potential new revenue subject to development of expenditure plan and approval by voters in November 2016.

⁴ Active Transportation Program (ATP); Bus Rapid Transit (BRT); Core Capacity Transit Study (CCTS); Memorandum of Understanding (MOU); Metropolitan Transportation Commission (MTC); One Bay Area Grant Program (OBAG); Priority Development Area (PDA); Regional Transportation Improvement Program (RTIP); To Be Determined (TBD); Transit Intercity Rail Capital Program (TIRCP); Transit Priority Initiative (TPI)

⁵ MTC is continuing to work with regional project sponsors to refine project costs and funding plans; this table demonstrates San Francisco's commitment of local funds to these projects.

Attachment 2
Plan Bay Area (PBA) 2040 – San Francisco’s Adopted Goals and Objectives

FINANCIAL

1. Ensure all San Francisco projects and programs that need to be in the 2017 PBA are included.

This includes:

- Projects that need a federal action (e.g. NEPA approval) or wish to seek state or federal funds before 2021 when the next PBA will be adopted.
- Projects that trigger federal air quality conformity analysis (e.g., projects that affect demand and/or change transit or roadway capacity and can be modeled).
- Note: most projects can be included in programmatic categories.

2. Advocate strongly for more investment in transit core capacity and transit state of good repair.

- Reach out to the “Big 3 Cities” accepting most of the job and housing growth in PBA and to the largest transit operators to develop a unified set of advocacy points and funding strategies for existing and new revenue sources (e.g. advocate for transit’s inclusion in new revenue measures being considered in the Extraordinary Legislative session).
- **Core Capacity Transit Study (CCTS)** - Advocate for regional discretionary funds to advance planning and evaluation of recommendations that emerge from the CCTS. Examples of projects under consideration include HOV lanes on the Bay Bridge for buses and carpools; BART/Muni tunnel turnbacks, crossover tracks or other operational improvements; and a second transbay transit crossing.
- **Cap and Trade** – Advance San Francisco priorities through a revised regional cap and trade framework that accounts for higher than anticipated revenues and insights gained from first programming cycles. Support SFMTA’s efforts to secure funds from the Transit and Intercity Rail Capital Program (TIRCP) to pay back light rail vehicle loans/advances from MTC.
- Seek confirmation of existing regional endorsements for Federal Transit Administration **New Starts/Small Starts/Core Capacity funds** (e.g. Downtown Extension) and new endorsements (e.g. Geary BRT).
- **Prioritize transit SOGR and core capacity for new revenue sources** (See #3).
- **Blended High Speed Rail (HSR)/Caltrain Service** – Continue to advocate for platform height compatibility and for the extension of Caltrain to the Transbay Transit Center, the northern terminus of HSR. Coordinate with San Mateo, Santa

Attachment 2

Plan Bay Area (PBA) 2040 – San Francisco’s Adopted Goals and Objectives

Clara, Caltrain and the California High Speed Rail Authority to plan and prioritize the Blended HSR/Caltrain project for federal, state and regional funds.

3. **Increase share of existing revenues going toward San Francisco priorities** (bigger pie wedge)
 - **OBAG** – Advocate to put greater weight on actual housing production and on planned and produced affordable housing within the existing OBAG formula (consistent with initial MTC staff proposal for OBAG Cycle 2).
 - Revisit **Transit Performance Initiative** program focus (e.g. consider including medium-scale transit projects such as crossovers in addition to small-scale improvements it currently funds) and advocate for better integration with the Freeway Performance Initiative (e.g. build into definition of Managed Lanes Implementation Plan (MLIP)).
 - Press for multimodal corridor approach to **Freeway Performance Initiative** and inclusion of San Francisco freeway managed lanes projects in the MLIP, as well as inclusion of SFgo and Treasure Island tolling infrastructure in MTC’s Active Operations Management Program, Target **regional discretionary funds** for high performing projects and regionally significant San Francisco projects (e.g. Better Market Street, express lanes, late night transportation services, regional express bus)
4. **Advocate for new federal/state/regional revenues through PBA** (grow the pie)
 - Regional Gas Tax
 - RM3 – bridge toll
 - BART 2016 measure
 - State Extraordinary Legislative Session
 - State Road User Charge
 - Federal surface transportation bill advocacy

POLICY

1. **Vision Zero** - Increase eligibility of Vision Zero projects (including local streets and roads and San Francisco freeway segments/ramps) and project elements in existing and new fund programs and elevate as a funding priority within regional fund programs.
2. **Continue to support performance based decision-making** – This includes continuing to advocate for establishing a transit crowding metric or otherwise better capturing transit crowding in Plan Bay Area’s performance evaluation, given that transit crowding is a significant transit core capacity issue.
3. **Economic Performance** – Provide San Francisco input to shape and lead on regional policy on economic performance, including goods movement. Build off of Bay Area Council

Attachment 2

Plan Bay Area (PBA) 2040 – San Francisco’s Adopted Goals and Objectives

Institute’s work on this goal area, which is also related to the Prosperity Plan and MTC’s work on goods movement.

4. **Equity issues** - Develop San Francisco policy recommendations address the following equity issues in PBA, many of which overlap.
 - **Access to transportation** – Build off of Late Night Transportation Study, Prosperity Plan
 - **Affordability** – Build off of MTC study on a means-based regional pass/discount; BART university pass/discount and identify sustainable fund sources
 - **Communities of Concerns** – Advocate for money to continue MTC’s Community Based Transportation Planning grant program; support more funds for the Lifeline Transportation Program
 - **Housing/Anti-Displacement** – Work with Mayor’s Office of Housing, San Francisco Planning Department and housing community groups to develop recommendations to support planning/production of affordable housing and to prevent/mitigate displacement. Recommendations may touch on all aspects of PBA from goals and performance targets, to program guidelines to policy and advocacy decisions. Examples include: establishing a performance target to measure displacement risk, increasing funding for the Transit Oriented Affordable Housing (TOAH) fund, prioritizing regional PDA planning funds for jurisdictions that want to develop and implement anti-displaced policies and programs, advocate for MTC/ABAG to offer technical assistance to develop/implement supportive policies and programs.
5. **Project Delivery** – Seek legislative changes to support Public Private Partnerships, CM/GC and tolling authority and to streamline project delivery.
6. **Sea Level Rise/Adaption** – Support the City’s ongoing Sea Level Rise Resiliency Program, which includes a suite of planning and implementation efforts coordination with regional and local partners. Help shape the regional policy framework.
7. **Shared Mobility** – To the extent PBA address this topic, provide San Francisco input to shape and lead on regional policy on shared mobility.



Memorandum

Date: 06.15.16 **RE:** Plans and Programs Committee
June 21, 2016

To: Plans and Programs Committee: Commissioners Tang (Chair), Farrell (Vice Chair), Avalos, Breed, Peskin and Wiener (Ex Officio)

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

Through: Tilly Chang – Executive Director *TJC*

Subject: **ACTION** – Recommend Allocation of \$6,004,645 in Prop K Funds, with Conditions, and Appropriation of \$75,000 in Prop K Funds, for Eight Requests, Subject to the Attached Fiscal Year Cash Flow Distribution Schedules

Summary

As summarized in Attachments 1 and 2, we have eight requests totaling \$6,079,645 in Prop K funds to present to the Plans and Programs Committee. The San Francisco Municipal Transportation Agency (SFMTA) is requesting about \$1.03 million for rail grinding of all tracks in the Muni Metro tunnel to extend the useful life of the rails, reduce the risk of derailment, and improve ride quality. The SFMTA has also requested \$150,000 for a Neighborhood Transportation Improvement Program (NTIP) planning project to develop conceptual designs for multimodal improvements to the Geneva-San Jose intersection, including passenger access to the M-Ocean View Line. San Francisco Public Works (SFPW) has requested \$64,734 for the design phase of the Great Highway Reroute (Permanent Restoration) and \$1.5 million to leverage One Bay Area Grant funds for construction of complete street improvements on 2nd Street between Market and Townsend Streets. SFPW has also requested funds for three programs funded annually by Prop K: Public Sidewalk Repair (\$537,494), Tree Planting and Maintenance (\$1,092,025) and Street Repair and Cleaning Equipment (\$1,499,408). The latter request is for replacement of five street sweepers which have exceeded their useful lives and will be out of compliance with California and Bay Area emissions standards after December 31, 2016. As a result, SFPW is requesting a Prop K Strategic Plan amendment to advance funds to meet Bay Area Air Quality Management District requirements. Finally, we are requesting \$150,000 jointly with the SFMTA for planning work to support commissioners' efforts to identify potential NTIP planning and capital projects and develop associated scopes, schedules and budgets.

BACKGROUND

We have received eight requests for a total of \$6,079,645 in Prop K funds to present to the Plans and Programs Committee at its June 21, 2016 meeting, for potential Board approval on June 28, 2016. As shown in Attachment 1, the requests come from the following Prop K categories:

- Balboa Park BART/ Muni Station Access
- Guideways - SFMTA
- Great Highway Erosion Repair
- Street Repair & Cleaning Equipment

- Pedestrian and Bicycle Facility Maintenance
- Bicycle Circulation/ Safety
- Tree Planting and Maintenance
- Transportation/ Land Use Coordination

Transportation Authority Board adoption of a 5-Year Prioritization Program (5YPP) for Prop K programmatic categories is a prerequisite for allocation of funds from these categories.

DISCUSSION

The purpose of this memorandum is to present eight Prop K requests totaling \$6,079,645 to the Plans and Programs Committee and to seek a recommendation to allocate or appropriate the funds as requested. 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 provides a brief description of each project. A detailed scope, schedule, budget and funding plan for each project are included in the enclosed Allocation Request Forms.

Staff Recommendation: Attachment 3 summarizes the staff recommendations for the requests, highlighting special conditions and other items of interest.

Transportation Authority staff and project sponsors will attend the Plans and Programs Committee meeting to provide brief presentations on some of the specific requests and to respond to any questions that the members may have.

ALTERNATIVES

1. Recommend allocation of \$6,004,645 in Prop K funds, with conditions, and appropriation of \$75,000 in Prop K funds, for eight requests, subject to the attached Fiscal Year Cash Flow Distribution Schedules, as requested.
2. Recommend allocation of \$6,004,645 in Prop K funds, with conditions, and appropriation of \$75,000 in Prop K funds, for eight requests, subject to the attached Fiscal Year Cash Flow Distribution Schedules, with modifications.
3. Defer action, pending additional information or further staff analysis.

CAC POSITION

The CAC was briefed on this item at its May 25, 2016 meeting and unanimously adopted a motion of support for the staff recommendation.

FINANCIAL IMPACTS

This action would allocate \$6,004,645 and appropriate \$75,000 in FY 2016/17 Prop K sales tax funds, with conditions, for eight requests. The allocations and appropriation would be subject to the Fiscal Year Cash Flow Distribution Schedules contained in the enclosed Allocation Request Forms. The proposed Prop K Strategic Plan amendment to advance funds in the Street Repair and Cleaning Equipment category is finance cost neutral over the 30-year life of the Expenditure Plan; finance costs are offset by reprogramming de-obligated funds from prior fiscal years in the Street Resurfacing category.

Attachment 4, Prop K Allocation Summaries – FY 2016/17, shows that the subject Prop K requests are the first of FY 2016/17, and shows the recommended allocations, appropriations, and cash flows that are the subject of this memorandum.

Sufficient funds are included in the proposed FY 2016/17 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.

RECOMMENDATION

Recommend allocation of \$6,004,645 in Prop K funds, with conditions, and appropriation of \$75,000 in Prop K funds, for eight requests, subject to the attached Fiscal Year Cash Flow Distribution Schedules.

Attachments (4):

1. Summary of Applications Received
2. Project Descriptions
3. Staff Recommendations
4. Prop K Allocation Summary – FY 2016/17

Enclosure:

Prop K/Prop AA Allocation Request Forms (8)

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	22M	SFMTA	Rail Grinding	\$ 1,036,400		\$ 5,182,000	78%	80%	Construction	3, 5, 6, 8
Prop K	26	SFPW	Great Highway Reroute (Permanent Restoration)	\$ 64,734		\$ 410,000	86%	84%	Design	7, 4
Prop K	35	SFPW	Street Repair and Cleaning Equipment	\$ 1,499,408		\$ 1,499,408	29%	0%	Procurement	Citywide
Prop K	37	SFPW	Public Sidewalk Repair	\$ 537,494		\$ 786,375	48%	32%	Construction	Citywide
Prop K	42	SFPW	Tree Planting & Maintenance	\$ 1,092,025		\$ 6,200,238	57%	82%	Construction	Citywide
Prop K	44, 13	SFMTA	Geneva-San Jose Intersection Study [NTIP Planning]	\$ 150,000		\$ 150,000	56%	0%	Planning	11
Prop K	44, 39	SFPW	Second Street Improvement	\$ 1,549,584		\$ 15,369,419	32%	90%	Construction	6
Prop K	44	SFCTA/SFMTA	NTIP Program Support	\$ 150,000		\$ 150,000	40%	0%	Planning	Citywide
			TOTAL	\$ 6,079,645	\$ -	\$ 29,747,440	46%	80%		

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)

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 Descriptions¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Prop AA Funds Requested	Project Description
22M	SFMTA	Rail Grinding	\$ 1,036,400	\$ -	Requested funds will leverage \$4,145,600 in federal funds for rail grinding to all inbound and outbound tracks inside the Muni Metro Subway. The subway rails will be re-shaped to the optimal profile to extend the useful life of the rails by approximately 20%, reduce the risk of derailments, improve ride quality, and mitigate noise from light rail vehicles. SFMTA expects work to begin in Fall 2016 and be complete within one year. All work will be done at night during non-revenue hours.
26	SFPW	Great Highway Reroute (Permanent Restoration)	\$ 64,734	\$ -	Funds will be used for the design phase of the permanent restoration of the Great Highway after the southbound lane was undermined and partially collapsed in the winter of 2009/10. These funds will serve as the local match to Federal Highway Administration (FHWA) Emergency Relief Program funds. The project will preserve the roadway's function, converting the two existing Great Highway northbound lanes into a single northbound and single southbound travel lane. Design is expected to be completed in 9 months, with construction to be completed in March 2018.
35	SFPW	Street Repair and Cleaning Equipment	\$ 1,499,408	\$ -	Requested funds will be used to replace five street cleaning air sweepers that have exceeded their useful lives and are non-compliant with Bay Area Air Quality Management District (BAAQMD) standards. All city departments were recently notified that they must comply with BAAQMD requirements by the end of 2016, however Public Works will coordinate with BAAQMD for an acceptable extension to this deadline since the new equipment will not be in service until June 2017. See Attachment 3 for details on the cost-neutral Prop K Strategic Plan amendment that is required to make sufficient funds available to SFPW in Fiscal Year (FY) 2016/17.

Attachment 2: Brief Project Descriptions¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Prop AA Funds Requested	Project Description
37	SFPW	Public Sidewalk Repair	\$ 537,494	\$ -	Prop K funds will leverage \$248,881 in state funds to repair a total of 221 sidewalk locations around City street trees. Prioritization criteria include locations with accidents, complaints, and areas of high lift and extensive damage. All work will be performed in FY 2016/17.
42	SFPW	Tree Planting & Maintenance	\$ 1,092,025	\$ -	Funds will leverage over \$5.1 million in state gas tax and local funds to replace 375 street trees in the public right-of-way, establish 376 young trees by watering them on a weekly basis, and maintain 814 mature street trees. Prioritized locations are listed on pages 1-2 of the allocation request form. All work will be performed in FY 2016/17.
44, 13	SFMTA	Geneva-San Jose Intersection Study [NTIP Planning]	\$ 150,000	\$ -	Funds will be used to develop conceptual designs for near, medium and long-term improvements for multimodal transportation safety and transit access in the vicinity of the Geneva and San Jose intersection, including passenger access to Muni's M-Ocean View Line. This project was proposed by the Balboa Park Community Advisory Committee (BPCAC), and will use both NTIP planning funds and Balboa Park Station Area Improvement placeholder funds for projects determined by the BPCAC. The SFMTA will work closely with the district supervisor's office, public agencies, and community stakeholders to coordinate this project with the various other projects in the immediate vicinity of the intersection. SFMTA expects to complete the final report by July 2017.

Attachment 2: Brief Project Descriptions¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Prop AA Funds Requested	Project Description
44, 39	SFPW	Second Street Improvement	\$ 1,549,584	\$ -	Funds will leverage \$9.2 million in OneBayArea Grant (OBAG) funds for the construction phase of the complete streets project on 2nd Street between Market and Townsend streets. The project, which has been refined through extensive public outreach, consists of sidewalk widening, buffered and raised cycletracks, lane reduction, pedestrian safety improvements, bus stop improvements, a new traffic signal at 2nd and South Park, street trees and landscaping, and associated sewer rehabilitation. In response to feedback from the community, SFPW has included pedestrian lighting as a bid alternate item should funding become available. SFPW anticipates starting construction by January 2017 and completing construction by June 2018.
44	SFCTA/ SFMTA	NTIP Program Support	\$ 150,000	\$ -	Requested funds will enable the SFMTA and Transportation Authority staff to work together 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 grants are implemented.
TOTAL			\$ 6,079,645	\$ -	

¹ See Attachment 1 for footnotes.

Attachment 3: Staff Recommendations¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Recommended	Prop AA Funds Recommended	Recommendation
22M	SFMTA	Rail Grinding	\$ 1,036,400	\$ -	5-Year Prioritization Program (5YPP) Amendment: Recommendation is contingent upon a concurrent Muni Guideways 5YPP amendment to re-program \$1,036,400 from the Muni Metro Rail Replacement Program to the subject project. See attached 5YPP amendment for details.
26	SFPW	Great Highway Reroute (Permanent Restoration)	\$ 64,734	\$ -	
35	SFPW	Street Repair and Cleaning Equipment	\$ 1,499,408	\$ -	Prop K Strategic Plan and 5YPP Amendments: In order to advance funds for the subject project as requested by SFPW to meet BAAQMD requirements, our recommendation is contingent upon a finance cost neutral Strategic Plan Amendment and corresponding 5YPP amendment to 1) advance programming (\$722,582 from FY 2017/18) and cash flow (\$1,110,996 from FYs 2017/18 and 2018/19) to FY 2016/17 in the Street Repair and Cleaning Equipment category and 2) offsetting any finance costs by reprogramming \$1,110,996 in deobligated funds from prior fiscal years to FYs 2017/18 and 2018/19 in the Street Resurfacing, Rehabilitation, and Maintenance category. SFPW has determined that this amendment will not impact any planned street resurfacing projects. See attached amendments for details.
37	SFPW	Public Sidewalk Repair	\$ 537,494	\$ -	
42	SFPW	Tree Planting & Maintenance	\$ 1,092,025	\$ -	
44, 13	SFMTA	Geneva-San Jose Intersection Study [NTIP Planning]	\$ 150,000	\$ -	
44, 39	SFPW	Second Street Improvement	\$ 1,549,584	\$ -	
44	SFCTA/ SFMTA	NTIP Program Support	\$ 150,000	\$ -	
TOTAL			\$ 6,079,645	\$ -	

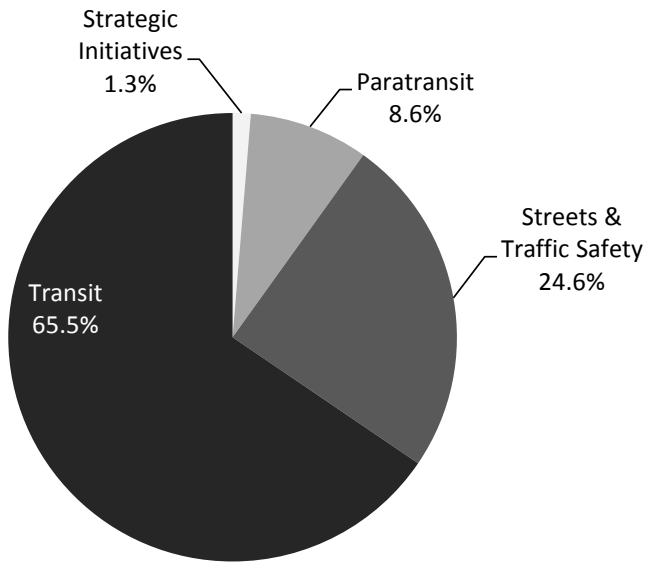
¹ See Attachment 1 for footnotes.

**Attachment 4.
Prop K Allocation Summary - FY 2016/17**

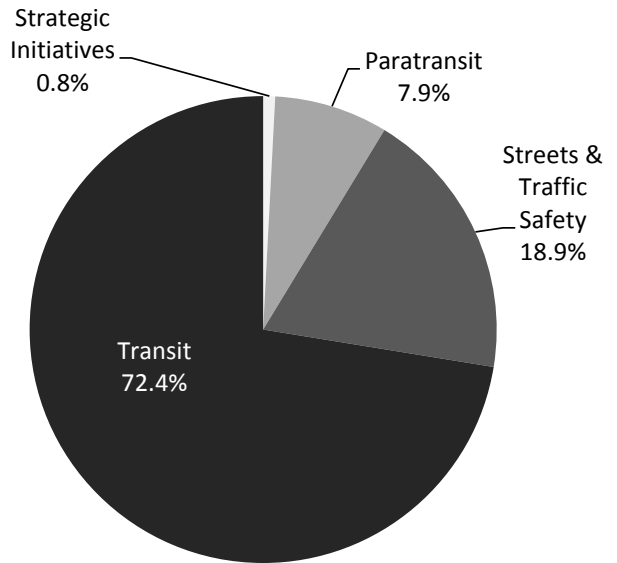
PROP K SALES TAX						
		CASH FLOW				
	Total	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21
Prior Allocations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Request(s)	\$ 6,079,645	\$ 4,610,189	\$ 1,469,456	\$ -	\$ -	\$ -
New Total Allocations	\$ 6,079,645	\$ 4,610,189	\$ 1,469,456	\$ -	\$ -	\$ -

The above table shows maximum annual cash flow for all FY 2015/16 allocations approved to date, along with the current recommended

Investment Commitments, per Prop K Expenditure Plan



Prop K Investments To Date





This Page Intentionally Left Blank



Memorandum

Date: 06.15.16 **RE:** Plans and Programs Committee
June 21, 2016

To: Plans and Programs Committee: Commissioners Tang (Chair), Farrell (Vice Chair), Avalos, Breed, Peskin and Wiener (Ex Officio)

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

Through: Tilly Chang – Executive Director *TJC*

Subject: **ACTION** – Recommend Approval of the Fiscal Year 2016/2017 Transportation Fund for Clean Air Program of Projects

Summary

The Transportation Fund for Clean Air (TFCA) Program was established to fund the most effective transportation projects that achieve emission reductions from motor vehicles in accordance with the Bay Area Air Quality Management District's (Air District's) Clean Air Plan. Funds are generated from a \$4 surcharge on the vehicle registration fee collected by the Department of Motor Vehicles. As the San Francisco TFCA County Program Manager, the Transportation Authority annually develops the Program of Projects for the TFCA Program Manager funds. In February we issued the call for Fiscal Year 2016/2017 TFCA applications. We received six project applications by the April 29, 2016 deadline, requesting \$1,476,415 in TFCA funds compared to \$972,257 in available funds. Two applications were subsequently withdrawn to allow for additional project development. We reviewed the remaining projects for eligibility, then evaluated eligible projects following the Board-adopted local expenditure criteria which include project type (e.g., first priority to zero emission projects), cost effectiveness of emissions reduced, program diversity, project readiness, and other considerations (e.g., a sponsor's track record for delivering prior TFCA projects). Based on this review, we are recommending full funding for the Gator Pass Implementation Project, Alternative Fuel Taxicab Incentive Program, and Emergency Ride Home. We are recommending partial funding for Short Term Bike Parking which is scalable to fit the amount of funds available.

BACKGROUND

The Transportation Fund for Clean Air (TFCA) Program was established to fund the most 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 on a competitive basis to applicants from the nine Bay Area counties. The TFCA Regional Fund is administered by the Air District through a separate application process.

On February 25, 2016 we issued the call for Fiscal Year (FY) 2016/2017 TFCA applications to San

Francisco project sponsors. We received six project applications by the April 29, 2016 deadline, requesting \$1,476,415 in TFCA funds compared to \$972,257 in available funds. Subsequent to the deadline, the University of California San Francisco's (UCSF) application for Dogpatch Bike Lanes and the San Francisco Municipal Transportation Agency's (SFMTA) application for Business Relocation Outreach Travel Demand Management (TDM) were withdrawn to allow for additional project development. UCSF will work with the SFMTA and local developers to advance conceptual engineering for the Dogpatch Bike Lanes. The SFMTA may seek future Prop K funds for the TDM project. The remaining four applications are requesting a total of \$1,111,269 in TFCA funds.

DISCUSSION

The purpose of this memorandum is to present the staff recommendation for San Francisco's FY 2016/17 TFCA Program of Projects to the Plans and Programs Committee, and to seek a recommendation for its approval.

Available funds: We have a total of \$972,257 in available TFCA funds to program in FY 2016/17. As shown in the table below, this amount is comprised of estimated FY 2016/17 TFCA revenues, interest income, and de-obligated funds from completed and canceled prior-year TFCA projects.

Estimated TFCA Funds Available for Projects FY 2016/17	
Estimated TFCA Revenues (FY 2016/17)	\$751,324
Interest Income	\$2,500
De-obligated Funds from Prior Cycles	\$256,000
Total Funds	\$1,009,824
5% Administrative Expense	(\$37,567)
Total Available for Projects	\$972,257

Unused funds from earlier projects were de-obligated and made available for the 2016/17 call for projects. These funds came from the Commute by Bike project that was completed under budget, and three projects that were cancelled without any expenses having been reimbursed – the 8th and Market Bikeway, PresidiGo Shuttle, and Solar Chargers at the Zoo. After netting out 5% for Transportation Authority staff administrative expenses as allowed by the Air District, the estimated amount available to program to projects is \$972,257.

Prioritization Process: We evaluated the TFCA project applications following the 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 2016/17 the limit for Ridesharing Projects, which encompasses transit and transportation demand management projects, is \$90,000 per ton of emissions reduced and the limit for the Bicycle Projects and Alternative Fuel Light-Duty Vehicles categories \$250,000 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 four candidate projects and other information including a brief project description, total project cost, and the amount of TFCA funds requested. We are recommending TFCA funding for all four candidate projects, which includes two transportation demand management projects, one bicycle parking project, and one alternative fuel vehicle project. Three of the four 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 the Gator Pass Implementation Project, Alternative Fuel Taxicab Incentive Program, and Emergency Ride Home, and partial funding for the Short Term Bike Parking project which is scalable to fit the amount of funds remaining and the least cost effective of the recommended projects.

Schedule for Funds Availability: We expect to enter into a master funding agreement with the Air District by July 2016 after which we will issue grant agreements for the recommended FY 2016/17 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 2016.

ALTERNATIVES

1. Recommend approval of the FY 2016/17 TFCA Program of Projects, as requested.
2. Recommend approval of the FY 2016/17 TFCA Program of Projects, with modifications.
3. Defer action, pending additional information or further staff analysis.

CAC POSITION

The CAC was briefed on this item at its May 25, 2016 meeting and unanimously adopted a motion of support for the staff recommendation.

FINANCIAL IMPACTS

The estimated total budget for the recommended FY 2016/17 TFCA program is \$1,009,824. This includes \$972,257 for the four proposed projects and \$37,567 for administrative expenses. The latter is consistent with Air District rules, which allow the Transportation Authority to set aside up to 5% 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 2016/17 budget, which will be considered for adoption by the Transportation Authority Board in June 2016.

RECOMMENDATION

Recommend approval of the FY 2016/17 TFCA Program of Projects.

Attachments (3):

1. FY 2016/17 TFCA Local Expenditure Criteria
2. FY 2016/17 TFCA Program of Projects – Detailed Staff Recommendation
3. FY 2016/17 TFCA Program of Projects – Summary Staff Recommendation



Attachment 1

Fiscal Year 2016/17 Transportation Fund for Clean Air (TFCA)

DRAFT LOCAL EXPENDITURE CRITERIA

The following are the Fiscal Year 2016/17 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 2016/17. 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 (both Regional Funds and County Program Manager Funds combined) are divided by the project's estimated emissions reduction. The estimated reduction is the weighted sum of reactive organic gases (ROG), oxides of nitrogen (NO_x), 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 2016/17 TFCA funds, a project must meet the CE ratio for emissions (i.e., ROG, NO_x, 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 2016/17 funds are not programmed by November 2016, 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 2004 *Climate Action Plan for San Francisco*.

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 2017 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 2014/15 or 2015/16:

- **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 Authority; or the project sponsor has violated the terms of the funding agreement.

Attachment 2
San Francisco County Transportation Authority
Draft Fiscal Year 2016/2017 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	SFSU	Gator Pass Implementation Project - SF State students have voted to adopt a mandatory fee to provide Muni Class Passes and BART discounts to all SF State students. The requested funds would support implementation, including providing students with Clipper Cards tailored to the project and implementing the technology needed to provide a discount specifically for SF State students travelling on BART to/from Daly City Station. Additional implementation funds come from MTC (\$120,000) and from the student fee (\$110,000). The pass program is structured to be revenue neutral, consistent with BART and Muni policies. Our recommendation is contingent on the project receiving all necessary approvals from SFSU, the California State University, SFMTA, and BART, which are all expected by July 2016.	7	1	Yes	\$24,741	7617.7	\$580,000	\$350,000	\$350,000
2	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 \$2,500 for hybrid vehicles or \$3,500 for electric or accessible vehicles, which are typically more expensive than hybrid vehicles.	Citywide	3	No	\$59,211	384.5	\$250,000	\$250,000	\$250,000
3	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	\$84,159	229.9	\$36,269	\$36,269	\$36,269
4	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, purchase, and install 950 bicycle parking racks in San Francisco, providing an additional 1,900 bicycle parking spaces. Our recommendation is to fund this project at 71%, due to the limited funds available. This would result in approximately 672 racks or 1344 parking spaces being installed.	Citywide	1	Yes	\$248,238	543.2	\$701,079	\$475,000	\$335,988

TOTAL \$1,567,348 **\$1,111,269** **\$972,257**
 Total TFCA Funding Available for Projects: \$972,257

¹ Sponsor acronyms include Department of the Environment (SFE), San Francisco Municipal Transportation Agency (SFMTA), San Francisco State University (SFSU).
² Priority based on project type is established in the Local Expenditure Criteria, with zero-emissions non-vehicle projects as the highest priority, 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 16/17 the limit for Ridesharing Projects, which encompasses Emergency Ride Home and Gator Pass Implementation, is \$90,000 per ton of emissions reduced and the limit for the Bicycle Projects and Alternative Fuel Light-Duty Vehicles categories is \$250,000 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 3
 San Francisco County Transportation Authority
 Fiscal Year 2016/2017 Transportation Fund for Clean Air County Program Manager Fund
 Summary of Draft Recommendations

RECOMMENDED PROJECTS (sorted by cost-effectiveness (CE) ratio)					
Sponsor ²	Project	Total Project Cost	TFCA Requested	TFCA Recommended	
SFSU	Gator Pass Implementation Project	\$580,000	\$350,000	\$350,000	
SFMTA	Alternative Fuel Taxicab Incentive Program	\$250,000	\$250,000	\$250,000	
SFE	Emergency Ride Home	\$36,269	\$36,269	\$36,269	
SFMTA	Short Term Bicycle Parking	\$701,079	\$475,000	\$335,988	
	Totals:	\$1,567,348	\$1,111,269	\$972,257	

Total TFCA Funding Available for Projects: \$972,257

¹Projects are listed in ranked order by cost-effectiveness ratio.

²See Attachment 2 for acronyms and other notes.



Memorandum

Date: 06.15.16 **RE:** Plans and Programs Committee
June 21, 2016

To: Plans and Programs Committee: Commissioners Tang (Chair), Farrell (Vice Chair), Avalos, Breed, Peskin and Wiener (Ex Officio)

From: Eric Cordoba – Deputy Director for Capital Projects *EC*
Maria Lombardo – Chief Deputy Director *mel*

Through: Tilly Chang – Executive Director *TC*

Subject: **ACTION** – Recommend Authorizing the Executive Director to Execute, with Conditions, a Seven Party Supplement to the 2012 Memorandum of Understanding that Adopted an Early Investment Strategy Pertaining to the Peninsula Corridor Electrification Project

Summary

The Caltrain Early Investment Program consists of three components: the Communications Based Overlay Signal System (CBOSS) to provide Positive Train Control; the electrification of the Caltrain line between San Jose and San Francisco; and the purchase of electric-multiple unit (EMU) vehicles to operate on the electrified railroad. It is one of Prop K’s signature projects. In April 2012, the Transportation Authority Board authorized the Executive Director to execute a Memorandum of Understanding (MOU) with the California High-Speed Rail Authority, the Metropolitan Transportation Commission, and six other local and regional entities to establish a funding framework for a High-Speed Rail Early Investment Strategy for a blended system in the Peninsula Corridor. At the time, local contribution from each of the three Peninsula Corridor Joint Powers Board (PCJPB) member counties (San Francisco, San Mateo and Santa Clara) was \$60 million. The total Early Investment Program budget, established in 2009 and the basis of the 2012 nine-party MOU, was estimated at \$1.456 billion. That budget was based on a 2008 estimate. Subsequently, the initial budget was updated by Caltrain staff to reflect a cost estimate study conducted in 2014 and to account for received bids, resulting in a new projected cost of \$1.22 billion, an increase of \$755 million. The majority of the cost increase is attributable to the cost estimate study and the remainder from bid results. The new estimate includes \$316 million in contingency. This cost increase has triggered a need for a supplemental MOU to address the funding gap, which is the subject of this request. The supplemental MOU will increase each PCJPB members’ contribution by \$20 million, to a total of \$80 million. In San Francisco, the Transportation Authority and the City would jointly cover the increase. We have \$3.9 million in Prop K funds remaining in the electrification line item. The source of the remaining funds is to be determined, but could include a potential new sales tax measure under consideration for the November 2016 ballot or City funds. This memo also provides an update on the overall program.

BACKGROUND

The Peninsula Corridor Joint Powers Board’s (PCJPB) Electrification project will replace Caltrain’s existing diesel service with a fully-electrified service from the 4th and King station in San Francisco to the Tamien station in San Jose. This project is one of the signature projects of the Prop K Expenditure Plan.

It is also one of the main components of the Caltrain Modernization program, which provides the commuter rail system with the strategic vision to improve system performance while minimizing equipment and operating costs, and is critical to the long-term financial sustainability of Caltrain.

2012 Memorandum of Understanding: On April 24, 2012, through Resolution 12-62, the Transportation Authority Board authorized the Executive Director to execute, with conditions, a Memorandum of Understanding (MOU) with the California High-Speed Rail Authority (CHSRA), the Metropolitan Transportation Commission (MTC), and six other local and regional entities to establish a funding framework for a High-Speed Rail Early Investment Strategy for a blended system in the Peninsula Corridor. The Early Investment Strategy, also known as the Early Investment Program, consists of three components: the Communications Based Overlay Signal System (CBOSS) (also known as Positive Train Control (PTC)), the electrification of the Caltrain line between San Jose and San Francisco, and the purchase of electric-multiple unit (EMU) vehicles to operate on the electrified railroad. The program will modernize the corridor, reduce train related emissions by up to 90 percent, provide faster and increased service to more stations, and prepare the Caltrain system for shared use with High-Speed Rail.

At the time, the total cost for the Early Investment Program was \$1.456 billion, with a \$60 million local contribution from each of the three PCJPB member counties (San Francisco, San Mateo and Santa Clara). The Transportation Authority has provided nearly \$21 million (mostly from Prop K, with \$4 million in Regional Improvement Program funds) and the City is covering the delta with the 2014 General Obligation bond.

DISCUSSION

The purpose of this memorandum is to update the Plans and Programs Committee on the status of the Early Investment Program and to request a recommendation for the execution of a supplement to the 2012 MOU (Attachment 1) to address a cost increase.

Budget: The total Early Investment Program budget, established in 2009 and the basis of the 2012 nine-party MOU was estimated at \$1.456 billion. That budget was based on a 2008 estimate done as part of the environmental review process. Subsequently, the initial budget was updated by Caltrain staff to reflect a cost estimate study conducted in 2014 and to account for received bids, resulting in a new projected cost of \$1.22 billion, an increase of \$755 million. Of this amount, \$655 million was the result of the cost estimate study and \$100 from bid results. The new budget includes \$316 million in contingency and \$120 million in escalation. The table below compares both budgets.

Early Investment Program Costs (<i>in \$ millions</i>)	2012 MOU	2016 MOU
CBOSS/Positive Train Control	\$231	\$231
Electrification	\$785	\$1,253
Vehicles - Electric Multiple Units	\$440	\$727
TOTAL	\$1,456	\$2,211

Funding: The 2016 Supplemental MOU funding plan is shown below, together with the original 2012 funding plan. The MOU commits each of the three PCJPB members to a local contribution of \$80 million

each for the Early Investment Program for the Peninsula Corridor, a \$20 million increase over the 2012 MOU.

Program Funding by Source (in \$ millions)	2012 MOU	2016 MOU
PCJPB Member Agency Contributions	\$180.0	\$240.0
JPB Local (San Mateo County Transportation Authority)	\$11.0	\$20.0
Caltrain PTC	\$4.0	\$4.0
<i>Subtotal Local</i>	<i>\$195.0</i>	<i>\$264.0</i>
Prop 1A Connectivity	\$106.0	\$106.0
Prop 1A High Speed Rail Authority	\$600.0	\$600.0
CHSRA Cap & Trade/Other		\$113.0
Cap & Trade TIRCP		\$20.0
Prop 1B Caltrain	\$24.0	\$24.0
<i>Subtotal State</i>	<i>\$730.0</i>	<i>\$863.0</i>
Federal Rail Administration (FRA)	\$17.0	\$17.0
FTA/FHWA prior/current obligations	\$45.8	\$45.8
FTA future obligations	\$440.0	\$315.0
FTA Core Capacity		\$647.0
<i>Subtotal Federal</i>	<i>\$502.8</i>	<i>\$1,024.8</i>
MTC Bridge Tolls	\$11.0	\$39.4
BAAQMD Carl Moyer	\$20.0	\$20.0
<i>Subtotal Regional</i>	<i>\$31.0</i>	<i>\$59.4</i>
TOTAL	\$1,458.8	\$2,211.2

As noted above, the Transportation Authority has committed funds to cover \$20,860,000 of San Francisco's original \$60 million contribution, with the City's Prop A General Obligation bond (2014) covering the rest. The \$20 million increase in the local contribution will be partially covered by \$3.9 million

in Prop K sales tax funds that are remaining in the Caltrain Electrification line item. The source for the remaining funds has yet to be identified. The City and the Transportation Authority are jointly working to secure the funds. Sources could include a potential charter amendment that would among other things establish a transportation set aside in the General Fund, or a new sales tax measure, both of which are under consideration for the November 2016 ballot. Other major sources of funds in the Early Investment Program are planned to come mainly from the CHSRA (\$113M), Federal Transit Administration (FTA) Core Capacity (\$647M), and MTC Bridge tolls (\$28M).

The MOU states that if overall program costs reflect financial commitment that is below the \$1.98 billion cost estimate, funding commitments from the parties to the supplement will be reduced proportionally, and if overall program costs reflect a financial commitment that is above the funding plan of \$1.980 billion, or if the FTA Core Capacity funds are awarded at less than \$647 million, the parties to the supplement will discuss with all parties to the 2012 Nine Party MOU how to secure additional funding beyond what is presently identified, and/or discuss project scope adjustments to match to funding availability.

The MOU also addresses other adjustments in the funding plan, the largest of which is a reduction in FTA transit formula funds that PCJPB needs to address state of good repair. These funds are proposed to be backfilled by the FTA Core Capacity funds, which PCJPB must secure through this competitive nationwide grant program.

As a precondition of the MOU, the parties have agreed on an oversight protocol (Attachment 2) under which the funding partners will be able to closely monitor the project, have access to all project information, and participate in the decision making process, especially when related to changes in scope, schedule or cost. We are already actively participating in oversight activities consistent with the new protocol.

Schedule: Caltrain is proceeding with the implementation of the Early Investment Program. Work is underway on the design/build contract for CBOSS, which is now in the testing and commissioning phase. Procurement for the electrification and vehicles contracts has been completed and Caltrain staff anticipates awarding both contracts in July 2016. A table with the significant milestones of the program going forward is shown below. As the contractors come on-board and Caltrain approves their schedules, a more detailed milestone list will be made available.

Caltrain Early Investment Program Milestones	
CBOSS Revenue Service Demonstration	October 2016
CBOSS Final Acceptance	April 2017
Electrification Design-Build Contract Award	July 2016
Electric Multiple Units Vehicle Award	July 2016
First Vehicle Delivered	July 2019
Revenue Service	Late 2020

Status: The project is environmentally cleared. The California Environmental Quality Act (CEQA) Environmental Impact Report (EIR) was certified in January 2015. On the National Environmental Policy Act (NEPA) side, the FTA issued a Finding of No Significant Impact in 2009.

On January 27, 2012 the PCJPB issued the notice-to-proceed for the \$231 million CBOSS design-build contract. Construction is in the punch-list phase and work is concentrating on systems and operations testing. The Backup Central Control Facility is now complete and a successful switchover was conducted in early May. The Federal Rail Administration (FRA) Revenue Service Demonstration is anticipated for October 2016.

The procurement processes for the design-build electrification contract and for the EMU vehicles have been completed, and Caltrain is planning to award both contracts at its July 2016 Board meeting.

In accordance with the 2012 MOU, the Transportation Authority, together with the other signatories established the Peninsula Corridor Working Group, which is tasked with providing oversight and guidance to Caltrain. The group meets on a monthly basis to discuss progress and issues.

DBE/SBE Program: In December 2014, the PCJPB adopted a project-specific Disadvantaged Business Enterprise (DBE) goal of 5.2%. At the May 5 meeting of the PCJPB, staff presented their DBE goal-setting methodology and recommended a goal of 14% for Fiscal Years 2017-2019. This goal has been advertised for comments and the results will be presented to the PCJPB with a final recommendation. The final DBE goal is due to the FTA by August 1.

Challenges: The CBOSS project is six months behind schedule. Although testing is progressing well, a lot of work remains to be done in order for the contractor to conduct the Revenue Service Demonstration for the FRA by October 2016. Part of the demonstration is to show interoperability, and the Back Office System provider has announced that it will not have a passenger-rail compatible software upgrade until July, and the possibility exists that the provider will not complete the upgrade as scheduled.

In addition to the MOU subject of this request, the PCJPB needs to execute a series of funding agreements to secure full funding for the program on a timely manner. The State/CHSRA agreement is anticipated in the June/July timeframe, the Cap and Trade award is anticipated for August 2016, and the FTA Core Capacity grant is anticipated as early as December 2016, but could possibly take up to several months longer. In order to maintain the schedule, Caltrain staff anticipates issuing limited notice-to-proceed (NTP) to both contractors in line with the funding on-hand. Since both contracts have a significant design component, work can proceed on that phase until all the funding is in place, at which time Caltrain will issue the full NTP.

ALTERNATIVES

1. Recommend authorizing the Executive Director to execute, with conditions, a Seven Party Supplement to the 2012 Memorandum of Understanding that Adopted an Early Investment Strategy Pertaining to the Peninsula Corridor Electrification Project, as requested.
2. Recommend authorizing the Executive Director to execute, with conditions, a Seven Party Supplement to the 2012 Memorandum of Understanding that Adopted an Early Investment Strategy Pertaining to the Peninsula Corridor Electrification Project, with modifications.
3. Defer action, pending further information or clarification from staff.

CAC POSITION

The CAC was briefed on this item at its May 25, 2016 meeting and unanimously adopted a motion of

support for the staff recommendation. Subsequent to the CAC meeting, the PCJPB and parties to the supplement agreed to add Exhibit C to the supplemental MOU (shown in Attachment 1), which includes several special provisions required to support the City's execution of the MOU. As such, the provisions only apply to the City and not the other signatories of the MOU, including the Transportation Authority. The provisions do not impact the core terms of the MOU, including the amount of the increased local contributions.

FINANCIAL IMPACTS

The Supplemental MOU would commit the City and the Transportation Authority to contribute an additional \$20 million in aggregate to the Early Investment Program. There is \$3.9 million remaining in the Electrification line item in the Prop K Strategic Plan that have been included in the proposed Fiscal Year 16/17 capital budget, which is the subject of a separate agenda item at the June 14 Finance Committee meeting. The City and the Transportation Authority are jointly seeking to identify the remaining \$16.1 million which could include General Fund revenues associated with a proposed 2016 charter amendment establishing among other things a transportation set aside or a transportation sales tax measure.

RECOMMENDATION

Recommend authorizing the Executive Director to execute, with conditions, a Seven Party Supplement to the 2012 Memorandum of Understanding that Adopted an Early Investment Strategy Pertaining to the Peninsula Corridor Electrification Project.

Attachments (2):

1. Seven Party Supplement to the 2012 MOU
2. Oversight Protocol

**SEVEN-PARTY SUPPLEMENT TO
2012 MEMORANDUM OF UNDERSTANDING (MOU)**

**FINANCIAL COMMITMENTS TO ADDRESS FUNDING GAP FOR
THE PENINSULA CORRIDOR ELECTRIFICATION PROJECT**

BY AND AMONG THE FOLLOWING PARTIES (PARTIES)

SAN MATEO COUNTY TRANSPORTATION AUTHORITY (SMCTA)
SANTA CLARA VALLEY TRANSPORTATION AUTHORITY (VTA)
CITY AND COUNTY OF SAN FRANCISCO (CCSF)
SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY (SFCTA)
METROPOLITAN TRANSPORTATION COMMISSION (MTC)
PENINSULA CORRIDOR JOINT POWERS BOARD (PCJPB)
CALIFORNIA HIGH SPEED RAIL AUTHORITY (CHSRA)

RECITALS

WHEREAS, during the spring of 2012, the California High Speed Rail Authority (CHSRA) and the Peninsula Corridor Joint Powers Board (PCJPB), together with the Metropolitan Transportation Commission (MTC), the San Francisco County Transportation Authority (SFCTA), the Santa Clara Valley Transportation Authority (VTA), the City of San Jose, the City and County of San Francisco (CCSF), the San Mateo County Transportation Authority (SMCTA), and the Transbay Joint Powers Authority entered into a Memorandum of Understanding that adopted an early investment strategy pertaining to the Blended System in the San Francisco to San Jose Segment of the Peninsula Rail Corridor (the "2012 Nine-Party MOU"), a copy of which is attached hereto as Exhibit A and incorporated herein by this reference; and

WHEREAS, the 2012 Nine-Party MOU identifies two principal inter-related projects as essential to the early investment strategy: (1) the Peninsula Corridor Electrification Project, including associated rolling stock acquisition (the PCEP), and (2) construction of an advanced signal system, commonly known as the PCJPB's "CBOSS" project, which will incorporate federally mandated Positive Train Control (collectively, the "Early Investment Projects"); and

WHEREAS, the Parties to the 2012 Nine-Party MOU agreed to work together to identify the appropriate amounts and types of local resources that may be used to support the completion of the Early Investment Projects and to coordinate efforts to obtain funding using a mutually agreed-upon strategy, and in the event that funding for the program is constrained by statute, rescission of existing law, change in funding requirements or eligibility, reduction in funding level or availability, the Parties agreed to take steps to notify each other as needed in a timely manner; and

WHEREAS, \$125 million in FTA funds identified in the 2012 Early Investment Strategy funding plan included in the 2012 Nine-Party MOU is needed by the PCJPB to advance critical state of good repair improvements necessary to maintain existing Caltrain operations, and the PCJPB has requested to remove these funds from the early investment funding strategy, which would create a \$125 million funding gap; and

WHEREAS, a note to the 2012 early investment strategy funding plan included in the 2012 Nine-Party MOU indicated that other potential future funding sources could be substituted if secured; and

WHEREAS, the PCJPB conducted a cost estimate study for the PCEP in 2014 to update the 2008 cost estimate on which the 2012 Nine-Party MOU funding strategy for the PCEP was based, and the PCJPB has since included additional program contingency to the PCEP, such that the total anticipated budget for the PCEP is up to \$1.980 billion, which includes costs covering the contracts, program management, and contingency costs; and

WHEREAS, the Parties to this Seven-Party Supplement (Supplement) have met and discussed with all parties to the 2012 Nine-Party MOU additional funding needed for the PCEP to support contract award and have agreed to the funding commitments specified herein;

NOW, THEREFORE, it is mutually understood and agreed to by the PARTIES as follows:

1. To fully fund the PCEP, the parties to this Supplement commit to make the funding available to support the PCEP as set forth below. This funding is in addition to funding commitments

previously made by these parties in the 2012 Nine-Party MOU.

- a. The SMCTA will contribute an additional \$20 million;
 - b. The VTA will contribute an additional \$20 million;
 - c. The SFCTA and/or the CCSF will contribute an additional \$20 million;
- (For SMCTA, VTA, and SFCTA and/or CCSF, each agency's contribution is contingent on the commitment of \$20 million each from the other two PCJPB partners, with the exact manner and timing of the contributions to be worked out with the PCJPB. The commitment of CCSF is subject to the Special Provisions in Exhibit C, attached to and incorporated in this MOU. These Special Provisions only apply to the funds to be provided by CCSF, and not any other parties to this Supplement.)
- d. The MTC will program \$28.4 million from Regional Measures 1 and 2;
 - e. The PCJPB will contribute \$9 million from funding provided by formula to Caltrain through the State of California's Low Carbon Transit Operations Program; and
 - f. The CHSRA will contribute an additional \$113 million.
2. The Parties to this Supplement also support the PCJPB's efforts to obtain \$647 million from FTA's Core Capacity Grant Program for the PCEP as a regional priority. The \$647 million would help provide funding needed for the PCEP, as well as funding to support a larger contingency set-aside for the PCEP program.
 3. The Parties to this Supplement understand PCJPB has requested \$225 million from the California State Transportation Agency's Transit & Intercity Rail Capital Program (Cap & Trade TIRCP) to support the PCEP, as contemplated in the 2012 Nine-Party MOU. These funds will be prioritized for PCEP and will be used to backfill any shortfall in requested FTA Core Capacity funds. If available, funding not needed for PCEP will be used to replace the remaining Caltrain diesel vehicles with Electric Multiple Units (EMUs). The exact remaining number of vehicles to be replaced will be contingent on the final Cap & Trade TIRCP grant award.
 4. The Parties to this Supplement also agree that, with the additional funding sources, \$125 million in FTA funds identified in the 2012 Early Investment Strategy funding plan will no longer be needed for the PCEP, and will instead be programmed by the MTC to the PCJPB to advance critical Caltrain state of good repair improvements through MTC's established regional Transit Capital Priorities process.
 5. The total anticipated amount of funding to be secured for the PCEP will be \$1.980 billion, which includes the funding sources outlined above in paragraphs 1, 2, and 3, along with the original funding sources in the 2012 Nine-Party MOU except the \$125 million noted in paragraph 4 above. The revised funding plan for the PCEP reflecting the changes described herein is attached as Exhibit B.
 6. The parties to this supplement agree to continue, through regular meetings, to provide opportunity for all nine parties to the 2012 Nine-Party MOU to discuss, review, and/or comment on relevant project matters and collectively provide advisory oversight to help advance the PCEP.

7. If overall program costs reflect a financial commitment that is below the funding plan of \$1.980 billion, funding commitments from the parties to this Supplement will be reduced proportionally according to their respective additional shares as stated in this Supplement.
8. In the event overall program costs reflect a financial commitment that is above the funding plan of \$1.980 billion, or if the FTA Core Capacity funds are awarded at less than \$647 million, the parties to this Supplement will discuss with all parties to the 2012 Nine-Party MOU how to secure additional funding beyond what is presently identified, and/or discuss project scope adjustments to match to funding availability.
9. The parties to the 2012 Nine-Party MOU will also discuss and agree in writing on program oversight roles for the funding partners prior to the award of the PCEP contracts.

IN WITNESS WHEREOF, this MOU has been executed by the PARTIES hereto as of the day and year indicated next to each signature, with the final signature date constituting the effective date.

<p>Jim Hartnett, Executive Director Peninsula Corridor Joint Powers Board and San Mateo County Transportation Authority</p>	<p>Date</p>
<p>Nuria Fernandez, General Manager/CEO Santa Clara Valley Transportation Authority</p>	<p>Date</p>
<p>Edwin M. Lee, Mayor City and County of San Francisco</p> <p>Board of Supervisors Resolution No. _____ Dated: _____</p> <p>Attest:</p> <p>_____ Clerk of the Board</p>	<p>Date</p>
<p>Tilly Chang, Executive Director San Francisco County Transportation Authority</p>	<p>Date</p>
<p>Steve Heminger, Executive Director Metropolitan Transportation Commission</p>	<p>Date</p>
<p>Jeff Morales, Chief Executive Officer California High Speed Rail Authority</p>	<p>Date</p>

APPROVED AS TO FORM BY:

Attorney for Peninsula Corridor Joint Powers Board and San Mateo County Transportation Authority	Date
--	------

Attorney for Santa Clara Valley Transportation Authority	Date
--	------

Dennis J. Herrera, City Attorney

By:

Robin M. Reitzes, Deputy City Attorney Attorney for City and County of San Francisco	Date
---	------

Attorney for San Francisco County Transportation Authority	Date
--	------

Attorney for Metropolitan Transportation Commission	Date
---	------

Attorney for California High Speed Rail Authority	Date
---	------

EXHIBIT C

Special Provisions for the City and County of San Francisco

(References to “City” in Paragraphs 1 and 2 refer to the City and County of San Francisco)

1. Certification of Funds; Budget and Fiscal Provisions; Termination in the Event of Non-Appropriation. This Agreement is subject to the budget and fiscal provisions of the City’s Charter. Charges will accrue only after prior written authorization certified by the Controller, and the amount of City’s obligation hereunder shall not at any time exceed the amount certified for the purpose and period stated in such advance authorization. This Agreement will terminate without penalty, liability or expense of any kind to City at the end of any fiscal year if funds are not appropriated for the next succeeding fiscal year. If funds are appropriated for a portion of the fiscal year, this Agreement will terminate, without penalty, liability or expense of any kind at the end of the term for which funds are appropriated. City has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. City budget decisions are subject to the discretion of the Mayor and the Board of Supervisors. Contractor’s assumption of risk of possible non-appropriation is part of the consideration for this Agreement.

THIS SECTION CONTROLS AGAINST ANY AND ALL OTHER PROVISIONS OF THIS AGREEMENT.

2. Guaranteed Maximum Costs. The City’s obligation hereunder shall not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification. Except as may be provided by laws governing emergency procedures, officers and employees of the City are not authorized to request, and the City is not required to reimburse the Contractor for, Commodities or Services beyond the agreed upon contract scope unless the changed scope is authorized by amendment and approved as required by law. Officers and employees of the City are not authorized to offer or promise, nor is the City required to honor, any offered or promised additional funding in excess of the maximum amount of funding for which the contract is certified without certification of the additional amount by the Controller. The Controller is not authorized to make payments on any contract for which funds have not been certified as available in the budget or by supplemental appropriation.

3. Sunshine Ordinance. In accordance with San Francisco Administrative Code §67.24(e), contracts, contractors’ bids, responses to solicitations and all other records of communications between City and persons or firms seeking contracts, shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person or organization’s net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

FUNDING PARTNERS OVERSIGHT PROTOCOL FOR CALTRAIN'S CAL MOD PROGRAM
(Electrification, Vehicles, CBOSS)

1. The Caltrain Project Management staff (CPMT) will have an open door policy with the Funding Partners' oversight representatives (Partners), who will have access to project Section Managers and available information. The Funding Partners and their oversight representatives understand that some information will be confidential and commit to honor that confidentiality by not sharing or divulging any information so defined.
2. The Partners will attend all progress meetings with the CPMT, to stay abreast of all project activities and when warranted, may also attend, as observers, partnering sessions and progress meetings with the contractor. The CPMT will provide a list of current and anticipated regularly scheduled meetings, and the Partners and CPMT will jointly determine the meetings that would be most useful.
3. Subject to FTA concurrence, the Partners will also attend meetings with the FTA and its PMO. It will be the responsibility of the Partners to secure FTA's agreement to such participation. The CPMT will make the first approach to the FTA.
4. The CPMT will make available to the Partners all project deliverables, reports, plans, procedures, and progress and cost reports for review and comment, which will be performed within the stipulated review period. Should the Partners not provide comments by the due date, the CPMT may assume that they are not forthcoming.
5. The Partners will review progress and cost reports and provide comments.
6. The Partners will participate in consultant selection panels and proposal/bid reviews.
7. The Partners will monitor quality through regular discussions with the Quality Assurance Manager.
8. The Partners will be members of the Risk Management team and participate in all Risk Management meetings and receive copies of the original risk register, its monthly updates, and reports.
9. The CPMT will institute a Configuration Management Board (CMB), with one representative each from San Francisco, CHSRA, and VTA as voting members, to review all proposed changes, regardless of whether they are owner, designer, or contractor originated, to determine merit, agree on quantum, and ultimately authorize all changes for the project. The Partners agree that their representative to the CMB will have the appropriate technical and Project Management background. No member of the CMB will have Veto power.
10. The Partners will provide support to the CPMT on funding and financing issues.
11. The Partners will review and approve project invoices submitted to their respective Agencies and assure that they are processed on a timely manner.
12. The Partners will assist the CPMT with development of grant amendments and funding requests which are submitted to their respective Agencies for approval.



Memorandum

Date: 06.17.16 **RE:** Plans and Programs Committee
June 21, 2016

To: Plans and Programs Committee: Commissioners Tang (Chair), Farrell (Vice Chair), Avalos, Breed, Peskin and Wiener (Ex Officio)

From: Maria Lombardo – Chief Deputy Director *mel*

Through: Tilly Chang – Executive Director *TC*

Subject: **INFORMATION** – Development of a Potential Local Transportation Revenue Measure and Expenditure Plan

Summary

The Mayor and several members of the San Francisco Board of Supervisors have collaborated on a Transportation Expenditure Plan that would direct approximately \$100 million a year for 25 years to critical transit services and transportation improvements in every neighborhood, including safer, well-maintained streets, transit maintenance and expansion, and Muni equity and affordability programs. The Expenditure Plan is described in a charter amendment that would create General Fund set-asides for homelessness programs and for transportation (Attachment 1). The budget set-asides would be funded by the City's General Fund. A general sales tax increase of 0.75% has also been proposed for the November ballot. If approved, this measure would generate additional revenues for the General Fund. While the two measures are not legally linked, if both measures were approved, they would result, at least initially in approximately equivalent increase in General Fund revenues and expenditures. A separate 'back-up' option under consideration for the November ballot, should the Charter Amendment not move forward, is a dedicated 0.5% sales tax increase ordinance for transportation only (Attachment 2). The Expenditure Plans of both measures have identical structures that build and expand on the recommendations of the 2013 San Francisco Transportation Plan (SFTP) and 2014 Transportation 2030 Task Force. Over the next several weeks as we move closer to the late July/early August deadlines for placing measures on the November 2016 ballot, we will continue to seek input from city and regional transit agencies serving San Francisco, members of the public, and other key stakeholders through a variety of outreach tools and strategies including a telephone town hall as described in the memo. A hearing on the Charter Amendment legislation has also been scheduled for the June 30 Rules Committee at the Board of Supervisors. We are seeking input on the Charter Amendment Measure and Transportation Expenditure Plan from the Plans and Programs Committee.

BACKGROUND

The Transportation Authority adopted the most recent update of the countywide transportation plan (the San Francisco Transportation Plan or SFTP) in 2013, which established the 30-year vision for San Francisco's transportation system. As documented in the SFTP, and affirmed by the Mayor's Transportation 2030 (T2030) Task Force thereafter, San Francisco's needs for transportation funding far exceed expected revenue from federal, state and local sources with an estimated \$19 billion unfunded need through 2040.

Federal and state support for transportation remains inadequate and so cities and counties across the nation and state continue look to voter support for 'self-help' in the form of local transportation funding measures. The T2030 Task Force recommended a series of local funding sources, including a transportation bond measure (passed by voters as Prop A in 2014), restoration of the Vehicle License Fee to the historic 2% level, and an additional half-cent sales tax, which combined to address approximately \$3 billion of an estimated \$10 billion need over 15 years (a subset of the need estimated in the SFTP).

Remaining needs and new priorities emerging since the 2014 Transportation bond measure (Prop A) include increasing the pavement quality of local streets, funding expansion vehicles for San Francisco's major transit operators, reaching the city's Vision Zero transportation safety goal by 2024, the SFMTA's Equity Policy and Muni Equity Strategy, interest in a second transbay tube, and investments in adaptation and resiliency.

Local Transportation Revenue Measures under Consideration: The Mayor and several members of the San Francisco Board of Supervisors (BOS) have collaborated on an Expenditure Plan that would direct roughly \$100 million a year for 25 years to critical transit services and transportation improvements in every neighborhood, including safer, well-maintained streets, transit maintenance and expansion, and Muni equity and affordability programs. The Expenditure Plan is described in a charter amendment that would create General Fund set-asides for homelessness programs and for transportation (Attachment 1). A hearing on this legislation has been scheduled at the BOS Rules Committee on June 30.

If the Charter Amendment is placed on the November 2016 ballot and approved by a simple majority of voters, the Charter Amendment would set aside the following amounts of General Fund revenues:

- \$11.5 M in FY 2016/17 and \$47.75 M beginning in FY 2017/18 and each year thereafter through FY 2041/42 for homeless housing and services; and
- \$23 M in FY 2016/17 and \$95.5 M beginning in FY 2017/18 and each year thereafter through FY 2041/42 for transportation.

The distribution of revenues is 1/3 for homelessness and 2/3 for transportation. A general sales tax increase of 0.75% has also been proposed for the November ballot. If approved, this measure would generate additional revenues for the General Fund. While the two measures are not legally linked, if both measures were approved, they would result, at least initially in an approximately equivalent increase in General Fund revenues and expenditures.

A separate 'back-up' option under consideration for the November ballot, should the Charter Amendment not move forward, is a dedicated 0.5% sales tax increase for transportation only (Attachment 2). The BOS resolution calling for development of the Expenditure Plan and describing principles for the initial draft sales tax ordinance is shown in Attachment 3.

We are encouraged to see the interest exhibited by the Board and Mayor in funding transportation by the introduction of both measures. We fully anticipate that by the end of July, the BOS and Mayor will decide upon one measure to place on the November 2016 ballot as they consider transportation in the context of all the other measures under consideration for the fall election cycle. For this reason, both the sales tax Expenditure Plan and the Charter Amendment include identical categories of funding and initial percentages for the distribution of revenues. The two measures differ in their voter-approval requirements and some administrative aspects.

DISCUSSION

The purpose of this memorandum is to brief the Plans and Programs Committee on the proposed Charter Amendment, and seeking input on the Expenditure Plan.

The central feature of the draft Expenditure Plan are the six categories or programs that describe the types of projects and projects that would be eligible to receive funds from the sales tax measure. Those categories are show in Table 1 below. One notable difference from the current Prop K transportation sales tax that the Transportation Authority currently manages is the inclusion of the Transit Service and Affordability program (slated to receive 10% of revenues).¹ It is specifically intended to address equity and affordability issues and can help support Free Muni for Low Income Youth, Senior and Disabled Rider Programs; help implement recommendations from the Muni Equity Strategy (capital or operations), fund late night transportation services for night and swing shift workers; and to provide transit service for vulnerable populations such as paratransit and mobility management programs as well as help prevent service cuts in future years for these populations during economic downturns.

For ease of comparison, the amounts shown in Table 1 below are based on a rough estimate of approximately \$100 million in new revenues annually for transportation.

Table 1: San Francisco Transportation Expenditure Plan Summary 2016 (\$ millions)

Program	% of New Funding	25-Year Estimated Total
1. Transit Service and Affordability	10%	\$250
2. Muni Fleet, Facilities and Infrastructure Repair and Maintenance	20%	\$500
3. Transit Optimization and Expansion	10%	\$250
4. Regional Transit (and Smart System Management)	15%	\$375
5. Vision Zero Safer and Complete Streets	10%	\$250
6. Street Resurfacing	35%	\$875
Total	100%	\$2,500

One feature of the second category ‘Muni Fleet, Facilities and Infrastructure Repair and Maintenance’ is the ability to shift funds (up to 25% in a given year) to the first category ‘Transit Service and Affordability’ in order to prevent service cuts to Communities of Concern, in the event of an economic downturn.

Public Involvement: On the public agency side, we have been working very closely with the SFMTA and have held ongoing conversations with regional transit operators, particularly BART and Caltrain. We are seeking input from our Technical Working Group which include City departments with transportation functions, the Port, regional transit operators, the Transbay Joint Powers Authority, MTC, Caltrans and others.

We have also briefed our CAC twice on this topic, including a special meeting held on June 15. We are meeting with stakeholder groups including those representing the transportation, equity and environment community, business organizations and labor groups. We are also planning to conduct a citywide telephone town hall – in accessible languages and formats – on Wednesday, June 29 at 6 p.m. (details to be confirmed on our website www.sfcta.org).

ALTERNATIVES

None. This is an information item.

¹ Prop K does include a paratransit funding program which comprises 8.6% of total program revenues.

CAC POSITION

None. This is an information item. The CAC was briefed on this item at a special meeting held on June 15, 2016. We are still preparing the minutes from the special meeting and will provide them to the Plans and Programs Committee prior to the June 21 meeting.

FINANCIAL IMPACTS

None. This is an information item. We anticipated development of a potential revenue measure in our adopted FY 2015/16 budget and have included funds in the proposed FY 2016/17 budget for related activities.

RECOMMENDATION

None. This is an information item.

Attachments (3):

1. Charter Amendment – Homeless Housing and Services Fund and Budget Set-Aside; Transportation Improvement Fund and Budget Set-Aside
2. Board of Supervisors Initiative Ordinance – Business and Tax Regulations Code – Half-Cent Sales Tax Increase for Transportation
3. Board of Supervisors Resolution – Developing a Transportation Sales Tax Expenditure Plan

1 [Charter Amendment - Homeless Housing and Services Fund; Transportation Improvement Fund
2 - Budget Set-Asides]

3 **Describing and setting forth a proposal to the voters to amend the Charter of the City and**
4 **County of San Francisco, at an election to be held on November 8, 2016, to: create a**
5 **Homeless Housing and Services Fund and appropriate \$11.5 million to the Fund in fiscal**
6 **year 2016-2017 and \$47.75 million annually to the Fund, adjusted for changes in**
7 **discretionary City revenues, for the next 24 years, and create a Transportation**
8 **Improvement Fund and appropriate \$23 million to the Fund in fiscal year 2016-2017 and**
9 **\$95.5 million annually to the Fund, adjusted for changes in discretionary City revenues, for**
10 **the next 24 years.**

11
12 Section 1. The Board of Supervisors hereby submits to the qualified voters of the City
13 and County, at an election to be held on November 8, 2016, a proposal to amend the Charter of
14 the City and County by adding Sections 16.134 and 16.135, to read as follows:

15 NOTE: **Unchanged Charter text and uncodified text** are in plain font.
16 **Additions** are *single-underline italics Times New Roman font*.
17 **Deletions** are ~~*strike-through italics Times New Roman font*~~.
18 **Asterisks (* * * *)** indicate the omission of unchanged Charter
19 subsections.

20 **SEC. 16.134. HOMELESS HOUSING AND SERVICES FUND.**

21 *(a) Creation of the Fund. There shall be a Homeless Housing and Services Fund. In*
22 *fiscal year 2016-2017, the City shall appropriate \$11.5 million to the Fund. Beginning in fiscal*
23 *year 2017-2018 and each year thereafter through fiscal year 2041-2042, the City shall*
24 *appropriate \$47.75 million to the Fund, to be adjusted as provided in subsection (b).*

25 *(b) Adjustments to the Required Appropriation. Beginning with fiscal year 2018-2019,*
the City shall each year adjust the appropriation required under subsection (a) by the

1 percentage increase or decrease in aggregate City discretionary revenues, as determined by the
2 Controller, based on calculations consistent from year to year. In determining aggregate City
3 discretionary revenues, the Controller shall only include revenues received by the City that are
4 unrestricted and may be used at the option of the Mayor and the Board of Supervisors for any
5 lawful City purpose.

6 (c) Appropriations Excluded from Discretionary Revenues. Notwithstanding the
7 provisions of Charter Sections 8A.105, 9.113.5, 16.108, 16.109, 16.110, and 16.123-2, the value
8 of appropriations to the Fund, as calculated in subsections (a) and (b), shall be excluded from
9 the Controller's calculation of aggregate discretionary revenue used to adjust required
10 appropriations baselines and set-asides set in the Charter.

11 (d) Uses of the Fund. Monies in the Fund shall be used to provide services to the
12 homeless, including programs to prevent homelessness, create exits from homelessness, and
13 move homeless individuals into more stable situations. Such programs may be designed to
14 address the needs of specific at-risk populations. Monies in the Fund may be used for both
15 operations of these programs and capital investments required to maintain or expand system
16 infrastructure needs.

17 (e) Term. Except as provided in subsection (f) below, this Section 16.134 shall, by
18 operation of law, become inoperative on July 1, 2042, and on or after such date the City
19 Attorney shall cause this Section 16.134 to be removed from the Charter.

20 (f) Early Termination. At any time before January 1, 2017, the Mayor, after consulting
21 with his or her Budget Director and the Controller, and after taking into account the City's
22 projected revenues and expenditures in the City's financial plans, may terminate implementation
23 of this Section 16.134 by issuing a written notice to the Board of Supervisors and the Controller.
24 The termination shall be irrevocable and apply to this entire Section. Upon the Mayor's
25 submittal of the notice to the Controller and the Board of Supervisors, this Section 16.134 shall,

1 by operation of law, become inoperative, and the City Attorney shall cause this Section to be
 2 removed from the Charter.

4 **SEC. 16.135. TRANSPORTATION IMPROVEMENT FUND.**

5 (a) Creation of the Fund. There shall be a Transportation Improvement Fund. In fiscal
 6 year 2016-2017, the City shall appropriate \$23 million to the Fund. Beginning in fiscal
 7 year 2017-2018 and each year thereafter through fiscal year 2041-2042, the City shall
 8 appropriate \$95.5 million to the Fund, in the amounts specified in subsection (d), to be adjusted
 9 as provided in subsection (b).

10 (b) Adjustments to the Required Appropriation. Beginning with fiscal year 2018-2019,
 11 the City shall each year adjust the appropriations required under subsections (a) and (d) by the
 12 percentage increase or decrease in aggregate City discretionary revenues, as determined by the
 13 Controller, based on calculations consistent from year to year. In determining aggregate City
 14 discretionary revenues, the Controller shall only include revenues received by the City that are
 15 unrestricted and may be used at the option of the Mayor and the Board of Supervisors for any
 16 lawful City purpose.

17 (c) Appropriations Excluded from Discretionary Revenues. Notwithstanding the
 18 provisions of Charter Sections 8A.105, 9.113.5, 16.108, 16.109, 16.110, and 16.123-2, the value
 19 of appropriations to the Fund, as calculated in subsections (a) and (b), shall be excluded from
 20 the Controller's calculation of aggregate discretionary revenue used to adjust required
 21 appropriations baselines and set-asides set in the Charter.

22 (d) Uses of the Fund. Monies in the Fund shall be used to improve the transportation
 23 network in San Francisco through investments in the following categories and amounts:

24 (1) Transit Service and Affordability. Expenditures in this category 1 shall
 25 prioritize measures to mitigate identified deficiencies in transit service to low-income and

1 transit-dependent communities and to provide transit service affordability for low- and
2 moderate-income youth, seniors, and people with disabilities. Appropriations for this purpose
3 shall equal 10 percent of appropriations to the Fund in that fiscal year.

4 (2) Muni fleet, facilities, and infrastructure repair and improvement.

5 Expenditures in this category 2 shall prioritize measures to mitigate identified deficiencies in
6 transit service to low-income and transit-dependent communities. Appropriations for this
7 purpose shall equal 20 percent of appropriations to the Fund in that fiscal year.

8 (3) Transit optimization and expansion. Appropriations for this purpose shall
9 equal 10 percent of appropriations to the Fund in that fiscal year.

10 (4) Regional transit. Appropriations for this purpose shall equal 15 percent of
11 appropriations to the Fund in that fiscal year.

12 (5) Vision Zero Safer and Complete Streets. Appropriations for this purpose
13 shall equal 10 percent of appropriations to the Fund in that fiscal year.

14 (6) Street resurfacing. Appropriations for this purpose shall equal 35 percent of
15 appropriations to the Fund in that fiscal year.

16 (e) Administration of the Fund. Appropriations in categories (1) and (2) in
17 subsection (d) shall be allocated to the Municipal Transportation Agency (MTA), or its successor
18 agency, for the purposes specified. Appropriations in categories (3), (4), and (5) above shall be
19 allocated to the County Transportation Authority (CTA), or its successor agency, for the
20 purposes specified, subject to the approval of the Board of Supervisors. Appropriations in
21 category (6) shall be allocated to the Department of Public Works, or its successor agency, for
22 the purposes specified. In any fiscal year in which the Municipal Transportation Agency (MTA)
23 would otherwise be required to adopt service reductions as part of its budget, the MTA may
24 transfer up to 25% of the appropriations otherwise required to go to category (2) to category (1)
25

1 to offset those service reductions, in an amount not to exceed the cost of maintaining the
 2 services.

3 (f) Term. Except as provided in subsection (g) below, this Section 16.135 shall, by
 4 operation of law, become inoperative on July 1, 2042, and on or after such date the City
 5 Attorney shall cause this Section 16.135 to be removed from the Charter.

6 (g) Early Termination. At any time before January 1, 2017, the Mayor, after consulting
 7 with his or her Budget Director and the Controller, and after taking into account the City's
 8 projected revenues and expenditures in the City's financial plans, may terminate implementation
 9 of this Section 16.135 by issuing a written notice to the Board of Supervisors and the Controller.
 10 The termination shall be irrevocable and apply to this entire Section. Upon the Mayor's
 11 submittal of the notice to the Controller and the Board of Supervisors, this Section 16.135 shall,
 12 by operation of law, become inoperative, and the City Attorney shall cause this Section to be
 13 removed from the Charter.

14
 15
 16 APPROVED AS TO FORM:
 DENNIS J. HERRERA, City Attorney

17
 18 By: _____
 19 THOMAS J. OWEN
 20 Deputy City Attorney

21 n:\legana\as2016\1600770\01108712.docx

1 [Initiative Ordinance - Business and Tax Regulations Code - Half-Cent Sales Tax Increase for
2 Transportation]

3 **Ordinance amending the Business and Tax Regulations Code to impose a transactions**
4 **(sales) and use tax at the rate of one-half of one percent (0.5%) for 25 years, to be**
5 **imposed by the San Francisco County Transportation Authority and administered by**
6 **the State Board of Equalization; designate the Transportation Authority as the**
7 **independent agency to oversee implementation of the San Francisco Transportation**
8 **Expenditure Plan; authorize the issuance of bonds or other obligations to finance the**
9 **projects identified in the Expenditure Plan; and establish an appropriations limit; and**
10 **directing submission of the tax for voter approval at the November 8, 2016 general**
11 **municipal election.**

12 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
13 **Additions to Codes** are in *single-underline italics Times New Roman font*.
14 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
15 **Board amendment additions** are in double-underlined Arial font.
16 **Board amendment deletions** are in ~~strikethrough Arial font~~.
17 **Asterisks (* * * *)** indicate the omission of unchanged Code
18 subsections or parts of tables.

19 Be it ordained by the People of the City and County of San Francisco:

20 Section 1. The Board of Supervisors hereby submits the following ordinance to the
21 voters of the City and County of San Francisco, at the general municipal election to be held on
22 November 8, 2016.

23 Section 2. The Business and Tax Regulations Code is hereby amended by adding
24 Article 14-A, consisting of Sections 1430 through 1446, to read as follows:
25

1 **SEC. 1430. TITLE.**

2 This Article 14-A shall be known as the San Francisco Transportation Expenditure Plan
 3 Ordinance. The San Francisco County Transportation Authority hereinafter shall be called
 4 "Authority." This Article shall be applicable in the City and County of San Francisco, which shall be
 5 referred to herein as "District" or "City."

6
 7 **SEC. 1431. OPERATIVE DATE.**

8 "Operative Date" means the first day of the first calendar quarter commencing more than 120
 9 days after the effective date of this Article 14-A.

10
 11 **SEC. 1432. PURPOSES.**

12 This Article 14-A is adopted to achieve the following, among other purposes, and directs that
 13 the provisions hereof be interpreted in order to accomplish those purposes:

14 (a) To impose a retail transactions and use tax in accordance with the provisions of
 15 Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section
 16 131000 et seq. of the Public Utilities Code, which authorize the City to adopt this tax ordinance which
 17 shall be operative if a two-thirds majority of the electors voting on the measure vote to approve the
 18 imposition of the tax at an election called for that purpose.

19 (b) To adopt a retail transactions and use tax ordinance that incorporates provisions
 20 identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions
 21 are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the
 22 Revenue and Taxation Code.

23 (c) To adopt a retail transactions and use tax ordinance that imposes a tax and
 24 provides a measure therefor that can be administered and collected by the State Board of Equalization
 25 in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from,

1 the existing statutory and administrative procedures followed by the State Board of Equalization in
2 administering and collecting the California State Sales and Use Taxes.

3 (d) To adopt a retail transactions and use tax ordinance that can be administered in
4 a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of
5 Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use
6 taxes, and at the same time, minimize the burden of recordkeeping upon persons subject to taxation
7 under the provisions of this Article 14-A.

8 (e) To adopt an appropriations limit, as required by Article XIII B of the California
9 Constitution, of \$500,000,000.

10
11 **SEC. 1433. CONTRACT WITH STATE.**

12 Prior to the operative date, the Authority shall contract with the State Board of Equalization to
13 perform all functions incident to the administration and operation of this Article 14-A; provided, that if
14 the Authority shall not have contracted with the State Board of Equalization prior to the operative date,
15 it shall nevertheless so contract and in such a case the operative date shall be the first day of the first
16 calendar quarter following the execution of such a contract.

17
18 **SEC. 1434. TRANSACTIONS TAX RATE.**

19 For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all
20 retailers in the District at the rate of 0.5% of the gross receipts of any retailer from the sale of all
21 tangible personal property sold at retail in said District on and after the operative date of this Article
22 14-A. This tax is additional to any other existing or future sales and use tax imposed under the
23 authority of Revenue and Taxation Code Division 2, Parts 1.6 or 1.7.

1 **SEC. 1435. PLACE OF SALE.**

2 For the purposes of this Article 14-A, all retail sales are consummated at the place of business
3 of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an
4 out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross
5 receipts from such sales shall include delivery charges, when such charges are subject to the state sales
6 and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent
7 place of business in the State or has more than one place of business, the place or places at which the
8 retail sales are consummated shall be determined under rules and regulations to be prescribed and
9 adopted by the State Board of Equalization.

10
11 **SEC. 1436. USE TAX RATE.**

12 An excise tax is hereby imposed on the storage, use, or other consumption in the District of
13 tangible personal property purchased from any retailer on and after the operative date of this Article
14 14-A for storage, use, or other consumption in said District at the rate of 0.5% of the sales price of the
15 property. This tax is additional to any other existing or future sales and use tax imposed under the
16 authority of Revenue and Taxation Code Division 2, Parts 1.6 or 1.7. The sales price shall include
17 delivery charges when such charges are subject to state sales or use tax regardless of the place to
18 which delivery is made.

19
20 **SEC. 1437. ADOPTION OF PROVISIONS OF STATE LAW.**

21 Except as otherwise provided in this Article 14-A and except insofar as they are inconsistent
22 with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of
23 Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby
24 adopted and made a part of this Article 14-A as though fully set forth herein.

1 **SEC. 1438. LIMITATIONS ON ADOPTION OF STATE LAW AND COLLECTION OF USE**
2 **TAXES.**

3 In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

4 (a) Wherever the State of California is named or referred to as the taxing agency,
5 the name of this Authority shall be substituted therefor. However, the substitution shall not be made
6 when:

7 (1) The word "State" is used as a part of the title of the State Controller,
8 State Treasurer, Victim Compensation and Government Claims Board, State Board of Equalization,
9 State Treasury, or the Constitution of the State of California;

10 (2) The result of that substitution would require action to be taken by or
11 against this Authority or any agency, officer, or employee thereof rather than by or against the State
12 Board of Equalization, in performing the functions incident to the administration or operation of this
13 Article 14-A;

14 (3) In those sections, including, but not necessarily limited to sections
15 referring to the exterior boundaries of the State of California, where the result of the substitution would
16 be to:

17 (A) Provide an exemption from this tax with respect to certain sales,
18 storage, use, or other consumption of tangible personal property which would not otherwise be exempt
19 from this tax while such sales, storage, use, or other consumption remain subject to tax by the State
20 under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code; or

21 (B) Impose this tax with respect to certain sales, storage, use, or other
22 consumption of tangible personal property which would not be subject to tax by the State under the said
23 provision of that code.

24 (4) In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715,
25 6737, 6797, or 6828 of the Revenue and Taxation Code.

1 **(b)** The word "District" shall be substituted for the word "State" in the phrase
 2 "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in
 3 Section 6203 of the Revenue and Taxation Code.

4
 5 **SEC. 1439. PERMIT NOT REQUIRED.**

6 If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation
 7 Code, an additional transactor's permit shall not be required by this Article 14-A.

8
 9 **SEC. 1440. EXEMPTIONS AND EXCLUSIONS.**

10 **(a)** There shall be excluded from the measure of the transactions tax and the use tax
 11 the amount of any sales tax or use tax imposed by the State of California or by any city, city and county,
 12 or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any
 13 state-administered transactions or use tax.

14 **(b)** There are exempted from the computation of the amount of transactions tax the
 15 gross receipts from:

16 **(1)** Sales of tangible personal property, other than fuel or petroleum
 17 products, to operators of aircraft to be used or consumed principally outside the County in which the
 18 sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or
 19 property under the authority of the laws of this State, the United States, or any foreign government.

20 **(2)** Sales of property to be used outside the District which is shipped to a
 21 point outside the District, pursuant to the contract of sale, by delivery to such point by the retailer or
 22 his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the
 23 purposes of this subsection (b)(2), delivery to a point outside the District shall be satisfied:

24 **(A)** With respect to vehicles (other than commercial vehicles) subject
 25 to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle

1 Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and
 2 undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle
 3 Code by registration to an out-of-District address and by a declaration under penalty of perjury, signed
 4 by the buyer, stating that such address is, in fact, his or her principal place of residence; and

5 (B) With respect to commercial vehicles, by registration to a place of
 6 business out-of-District and declaration under penalty of perjury, signed by the buyer, that the vehicle
 7 will be operated from that address.

8 (3) The sale of tangible personal property if the seller is obligated to furnish
 9 the property for a fixed price pursuant to a contract entered into prior to the operative date of this
 10 Article 14-A.

11 (4) A lease of tangible personal property which is a continuing sale of such
 12 property, for any period of time for which the lessor is obligated to lease the property for an amount
 13 fixed by the lease prior to the operative date of this Article 14-A.

14 (5) For the purposes of subsections (b)(3) and (b)(4) of this Section 1440, the
 15 sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract
 16 or lease for any period of time for which any party to the contract or lease has the unconditional right
 17 to terminate the contract or lease upon notice, whether or not such right is exercised.

18 (c) There are exempted from the use tax imposed by this Article 14-A, the storage,
 19 use, or other consumption in this District of tangible personal property:

20 (1) The gross receipts from the sale of which have been subject to a
 21 transactions tax under any state-administered transactions and use tax.

22 (2) Other than fuel or petroleum products purchased by operators of aircraft
 23 and used or consumed by such operators directly and exclusively in the use of such aircraft as common
 24 carriers of persons or property for hire or compensation under a certificate of public convenience and
 25 necessity issued pursuant to the laws of this State, the United States, or any foreign government. This

1 exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and
2 Taxation Code.

3 (3) If the purchaser is obligated to purchase the property for a fixed price
4 pursuant to a contract entered into prior to the operative date of this Article 14-A.

5 (4) If the possession of, or the exercise of any right or power over, the
6 tangible personal property arises under a lease which is a continuing purchase of such property for
7 any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease
8 prior to the operative date of this Article 14-A.

9 (5) For the purposes of subsections (c)(3) and (c)(4) of this section, storage,
10 use, or other consumption, or possession of, or exercise of any right or power over, tangible personal
11 property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for
12 which any party to the contract or lease has the unconditional right to terminate the contract or lease
13 upon notice, whether or not such right is exercised.

14 (6) Except as provided in subsection (c)(7), a retailer engaged in business in
15 the District shall not be required to collect use tax from the purchaser of tangible personal property,
16 unless the retailer ships or delivers the property into the District or participates within the District in
17 making the sale of the property, including, but not limited to, soliciting or receiving the order, either
18 directly or indirectly, at a place of business of the retailer in the district or through any representative,
19 agent, canvasser, solicitor, subsidiary, or person in the District under the authority of the retailer.

20 (7) "A retailer engaged in business in the District" shall also include any
21 retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing
22 with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section
23 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5
24 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax
25

1 from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the
2 District.

3 (d) Any person subject to use tax under this Article 14-A may credit against that tax
4 any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable
5 for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect
6 to the sale to the person of the property the storage, use, or other consumption of which is subject to the
7 use tax.

8

9 **SEC. 1441. AMENDMENTS.**

10 All amendments subsequent to the effective date of this Article 14-A to Part 1 of Division 2 of
11 the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part
12 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and
13 Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this
14 Article 14-A, provided however, that no such amendment shall operate so as to affect the rate of tax
15 imposed by this Article 14-A.

16

17 **SEC. 1442. ENJOINING COLLECTION FORBIDDEN.**

18 No injunction or writ of mandate or other legal or equitable process shall issue in any suit,
19 action, or proceeding in any court against the State or the Authority, or against any officer of the State
20 or the Authority, to prevent or enjoin the collection under this Article 14-A, or Part 1.6 of Division 2 of
21 the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

22

23 //

24 //

25

1 **SEC. 1443. ADOPTION AND ADMINISTRATION OF SAN FRANCISCO TRANSPORTATION**
 2 **EXPENDITURE PLAN; EXPENDITURE OF PROCEEDS.**

3 *The Authority shall administer the San Francisco Transportation Expenditure Plan, as defined*
 4 *in Section 1447 of this Article 14-A, in accordance with Division 12.5 of the California Public Utilities*
 5 *Code and other applicable law. Proceeds of the tax imposed by this Article 14-A shall be spent only to*
 6 *implement the project components set forth in the Expenditure Plan, or as required or permitted by*
 7 *law.*

8
 9 **SEC. 1444. AUTHORIZATION TO ISSUE BONDS.**

10 *The Authority is hereby authorized to issue bonds as may be provided for in the adopted*
 11 *Expenditure Plan and in compliance with applicable law (“Limited Tax Bonds” or “Bonds”). The*
 12 *total outstanding aggregate amount of Bonds shall not exceed \$2,000,000,000, and shall be payable*
 13 *solely from the proceeds of the tax imposed under this Article 14-A.*

14
 15 **SEC. 1445. SEVERABILITY.**

16 *If any provision of this Article 14-A or the application thereof to any person or circumstance is*
 17 *held invalid, the remainder of the Article 14-A and the application of such provision to other persons or*
 18 *circumstances shall not be affected thereby.*

19
 20 **SEC. 1446. TERMINATION DATE.**

21 *The authority to levy the tax imposed by this Article 14-A shall expire 25 years from the*
 22 *Operative Date.*

23
 24 Section 3. Pursuant to Public Utilities Code § 131108, the Board of Supervisors hereby
 25 directs the Department of Elections to include in the sample ballot mailed to the voters the full

1 proposition, as set forth in this ordinance, and to include in the voter information handbook the
 2 entire adopted San Francisco Transportation Expenditure Plan, set forth in this Section 3 of
 3 this ordinance.

4

5 SAN FRANCISCO TRANSPORTATION EXPENDITURE PLAN

6 Recommended [MONTH DAY, YEAR]

7 San Francisco County Transportation Authority

8 1. INTRODUCTION

9 A. SUMMARY

10 The San Francisco Transportation Expenditure Plan (SFTEP or Expenditure Plan)
 11 identifies transportation improvements to be funded from a new half-cent transportation sales
 12 tax. The projects and programs included in the Expenditure Plan are designed to be
 13 implemented over the next 25 years. Provisions are also made for amendments to the
 14 SFTEP. The SFTEP includes investments in six major categories: Transit Service and
 15 Affordability; Muni Fleet, Facilities and Infrastructure Repair and Improvement; Transit
 16 Optimization and Expansion; Regional Transit and Smart System Management; Vision Zero
 17 Safer and Complete Streets; and Street Resurfacing.

18 B. CONTEXT

19 In May 2016, the San Francisco Board of Supervisors (BOS) asked the San Francisco
 20 County Transportation Authority (SFCTA) working in partnership with the Mayor's Office and
 21 the San Francisco Municipal Transportation Agency (SFMTA), which is administering the
 22 Transportation 2030 program, to lead development of a SFTEP to specify the use of revenues
 23 from a potential new half-cent sales tax for transportation for potential consideration for the
 24 November 2016 ballot. Further, the BOS called for the SFTEP to build and expand on the
 25 recommendations of the San Francisco Transportation Plan (SFTP, also known as the

1 Countywide Transportation Plan) and the Transportation 2030 (T2030) Report, including
2 priorities that emerged after T2030, including strategies to support equity, service
3 improvements and traffic safety.

4 In 2013, the SFCTA adopted the most recent update of the Countywide Transportation
5 Plan, which establishes the 30-year vision for San Francisco's transportation system. As
6 documented in the SFTP, San Francisco's needs for transportation funding far exceed
7 expected revenue from federal, state, regional and local sources. The SFTP, through its
8 investment scenarios and policy recommendations proposed ways to invest the dollars we
9 expect to have to most effectively make progress towards San Francisco's goals, but analysis
10 showed that this progress is limited unless new revenues are identified. Therefore, the SFTP
11 recommended a two-pronged revenue strategy: positioning San Francisco to compete well for
12 new regional, state and federal sources, and seeking new locally-controlled sources.

13 Building on the SFTP analysis and recommendations, the Mayor's T2030 Task Force
14 investigated what San Francisco could do to fix the transportation network and prepare it for
15 the future; confirming that anticipated revenues were inadequate to meet those needs. The
16 T2030 Report recommended a series of local funding sources (including two general
17 obligation bonds, a sales tax, and a vehicle license fee) that, if approved by voters, would
18 provide about \$3 billion to complete a suite of critical transportation infrastructure projects by
19 2030. San Francisco voters approved the first of the T2030 recommended measures in
20 November 2014 by approving \$500 million general obligation bond, which will fund a range of
21 projects that will reduce Muni travel time, make Muni less crowded and more reliable, and
22 enhance safety on San Francisco's streets. At the same election, San Francisco voters
23 approved Proposition B, which requires the city to adjust funding for transportation each year
24 based on population growth, and these funds are helping to improve transit and make our
25 streets safer for all.

1 While San Francisco is making real improvements in transit reliability, building safer
2 streets, and improving the pavement condition of the street network, the transportation system
3 is still in a need of significant investment to bring it into a state of good repair and to sustain it
4 at such a level, and there is an urgent need to invest in near and long-term projects that
5 relieve severe overcrowding on our local and regional transit systems such as Muni, BART
6 and Caltrain to better serve current residents, employees and visitors, as well as an urgent
7 need for the resources to efficiently expand service to fully utilize these capital resources and
8 to ensure equitable provision of transit service and infrastructure investment to our
9 community. These investments can be complemented with efforts and improvements to
10 promote equitable transit-oriented development. Lastly, there remains a need for stable
11 augmentation of funding to continue to invest in street resurfacing, safety improvements, and
12 the pedestrian and bicycle networks.

13 The SFTEP for the use of Prop TBD funds was developed by the SFCTA in close
14 coordination with the SFMTA, with technical assistance and input from other city agencies,
15 regional transit operators serving San Francisco, the Metropolitan Transportation
16 Commission, and others serving on the SFCTA Technical Working Group. The Expenditure
17 Plan was recommended by the SFCTA Board on [MONTH DAY, YEAR].

18 By providing the required local match, Prop TBD is anticipated to leverage about \$10-
19 15 billion in federal, state, regional and other local funding for transportation projects in San
20 Francisco.

21 The SFTEP is a list of transportation projects and programs that will be given priority
22 for Prop TBD funding. As such the SFTEP shall be amended into the Capital Improvement
23 Program of the Congestion Management Program, developed pursuant to section 65089 of
24 the California Government Code. These projects and programs are intended to help
25

1 implement the long-range vision for the development and improvement of San Francisco's
2 transportation system, as articulated in the SFTP and its updates.

3 The SFTP, San Francisco's Countywide Transportation Plan is a living document,
4 updated on a regular basis with input from San Francisco agencies, regional transit operators,
5 and regional and state transportation agencies, the public and other interested stakeholders to
6 identify and address changing needs and regional trends, and align them with available
7 funding.

8 C. GOALS

9 The purpose of the SFTEP is to implement the priorities of the Countywide
10 Transportation Plan and the Transportation 2030 Report through investment in a set of
11 projects and programs that include planning, maintenance and rehabilitation of, and
12 improvements to the city's multi-modal transportation system. Goals of the plan include:

- 13 • Maintain existing assets in a state-of-good repair;
- 14 • Improve travel time and reliability;
- 15 • Reduce costs and geographic and socio-economic disparities;
- 16 • Serve planned growth; and
- 17 • Improve safety and accessibility of the system.

18

19 In addition to the above goals, development of the SFTEP was guided by the following
20 four SFTEP Principles and two Funding Principles.

21

22 **SFTEP Principles**

- 23 • Build on the SFTP (2013) and the T2030 Report.
- 24 • Embrace City and agency initiatives passed since T2030, including strategies to
25 support equity, affordability and traffic safety.

- 1 • Address progress and changes to project/program information.
- 2 • Increase focus on core capacity, system resiliency and equity given rapid growth
- 3 and affordability pressures.

4

5 **Funding Principles**

- 6 • Provide a bridge between 2017 and future revenue measures
 - 7 ○ Updated and extended Prop K Expenditure Plan, as early as November
 - 8 2023
 - 9 ○ Vehicle License Fee (recommended by T2030, as early as 2018)
 - 10 ○ 2024 General Obligation Bond (recommend by T2030)
 - 11 ○ New bridge toll (Regional Measure 3, estimated as early as 2018)
- 12 • Consider funding eligibility, particularly for those projects and programs that are
- 13 not eligible for other key funding sources (e.g. Muni light rail vehicles and BART
- 14 cars are not eligible to be funded by general obligation bonds.

15

16 D. STRUCTURE

17 The SFTEP is organized into six sections. Section 1: Introduction provides background

18 on the Plan's purpose and goals. Section 2: Plan Summary provides the Plan's investment

19 detail by category. Section 3: General Provisions provides further context on the Plan's

20 policies and administration. Section 4: Description of Programs contains detailed descriptions

21 of the programs and the types of items that are eligible for funding under each of them.

22 Section 5: Implementation Provisions describes the process for prioritizing and allocating

23 funds following adoption of the Plan. Section 6: Amendment Process, deals with the

24 mechanisms for amending the Expenditure Plan.

25

1 2. PLAN SUMMARY

2 Table 1 summarizes the half-cent sales tax revenue allocations by program in constant
3 2016 dollars. The SFTEP is fiscally constrained to the total funding expected to be available
4 for each category. If revenues are higher or lower, the amount of funding available to each
5 category shall be consistent with the program percentages over the life of the Expenditure
6 Plan period.

7 Adoption of an ordinance to establish an additional one-half of one-percent sales tax is
8 necessary in order to fund the programs listed in Table 1. The tax shall be continued for the
9 period of implementation of the SFTEP, but not to exceed 25 years.

10
11 **Table 1: San Francisco Transportation Expenditure Plan Summary 2016 \$Millions**

Program	Total Expected Funding¹ (\$ millions)	Total Prop TBD Funding^{2,3} (\$ millions)	% of Prop TBD Funding³
1. Transit Service and Affordability	TBD	\$250	10%
2. Muni Fleet, Facilities and Infrastructure Repair and Maintenance	TBD	\$500	20%
3. Transit Optimization and Expansion	TBD	\$250	10%
4. Regional Transit and Smart System Management	TBD	\$375	15%
5. Vision Zero Safer and Complete Streets	TBD	\$250	10%

1	6. Street Resurfacing ²	TBD	\$875	35%
2				
3	TOTAL	TBD	\$2,500	100%

4 **Notes:**

5 1. Total Expected Funding represents project costs or implementable phases of
 6 multi-phase projects and programs based on a forecast of expected revenues from existing
 7 federal, state and local sources, plus \$2.5 billion (2016 \$'s) in new sales tax revenues over
 8 the 25 year life of the SFTEP. The amounts in this column are provided in fulfillment of
 9 Sections 131051 (a)(1), (b) and (c) of the California Public Utilities Code.

10 2. The "Total Prop TBD" fulfills the requirements in Section 13105 (d) of the
 11 California Public Utilities Code. [TO BE UPDATED WITH INFORMATION PENDING FROM
 12 THE REGION'S PLAN BAY AREA UPDATE.]

13 3. Street resurfacing revenues are assumed at \$35 million (2016 \$'s) annually at
 14 the inception of the Expenditure Plan period to help ensure that the city reaches and
 15 maintains a Pavement Condition Index score of 70, meaning that a majority of city streets will
 16 be in good condition. There are several new revenue measures that could be established in
 17 the short- to mid-term that could provide dedicated funds for street resurfacing including, but
 18 not limited to: a San Francisco Vehicle License Fee recommended by the Mayor's
 19 Transportation 2030 Report (could be approved as soon as 2018), an increased toll on Bay
 20 Area state-owned toll bridges (Regional Measure 3, anticipated as soon as 2018), the
 21 amendment of the Prop K Transportation Expenditure Plan for the one-half of one-percent
 22 sales tax authorized in 2003 (Expenditure Plan can be amended as soon as 2023), and
 23 various options under consideration at the state level. If any of these or other local, regional
 24 or state revenues measures are put into place with dedicated funds for street resurfacing
 25 during the SFTEP period, each fiscal year the amount of funds provided to the Street

1 Resurfacing program will be decreased by the amount of new dedicated local revenues
 2 available for street resurfacing, de-escalated to 2016 \$'s, subject to a minimum floor of 11% of
 3 Total Prop TBD Funding or \$280 million (2016 \$'s) in Prop TBD revenue. The increment of
 4 freed up Street Resurfacing funds will be distributed to the remaining Prop TBD categories as
 5 follows:

6		
7	Transit Service and Affordability	42%
8	Muni Fleet, Facilities and Infrastructure Repair and Improvements	4%
9	Transit Optimization and Expansion	33%
10	Regional Transit and Smart System Management	0%
11	Vision Zero Safer and Complete Streets	21%
12	<u>Street Resurfacing</u>	<u>0%</u>
13	Total	100%

14

15 3. DESCRIPTION OF PROGRAMS

16 This section contains detailed descriptions of the programs in the SFTEP, and the
 17 types of items that are eligible for funding under each of them.

18 A. PERCENTAGE DISTRIBUTION OF PROP TBD REVENUES TO PROGRAMS

19 The percentage distribution of Prop K TBD funds and estimated Total Prop TBD (2016
 20 \$s) for each program corresponds to those amounts shown in Section 2, Table 1. See
 21 Section 3.B. below for language related to a changed distribution of funds which would be
 22 triggered if new dedicated funds for Street Resurfacing are secured. The program
 23 descriptions would not change. This language is also included as note 3 to Table 1.

24
 25

1 **1. Transit Service and Affordability.....10% (\$250M)**

2 Expenditures in this program could be used to ensure SFMTA’s ability to continue to
3 support Free Muni for Low Income Youth, Senior and Disabled Riders Programs; to help
4 implement recommendations from the Muni Equity Strategy (updated on a two-year basis); to
5 fund late night transportation services for night and swing shift workers; and to provide transit
6 service for at-risk populations such as paratransit, mobility management and lifeline programs.
7 Expenditures in this program could also help supplement SFMTA’s Rainy Day Reserve to
8 provide protections against service cuts in future years.

9 **2. Muni Fleet, Facilities and Infrastructure Repair and Improvements.....20%**
10 **(\$500M)**

11 Expenditures in this program shall prioritize measures to mitigate identified deficiencies
12 in transit service to low-income and transit-dependent communities. Expenditures in this
13 program will leverage federal and state funds to help keep Muni’s fleet of buses, historic street
14 cars, trains, and paratransit vehicles in a state-of-good repair through timely vehicle
15 replacement and rehabilitation to ensure that the transit system is reliable, and to expand the
16 fleet through additional vehicles and larger vehicles to reduce crowding on the most popular
17 routes and meet future demand.

18 Expenditures in this program also will be used for SFMTA facilities, including stations
19 and associated escalators and elevators, which are critical to support the SFMTA’s ability to:
20 provide reliable transit service and safe, comfortable and coordinated access to transit;
21 maintain street infrastructure; and store, protect, and maintain its diverse transit fleet.

22 Further, expenditures in this program will improve reliability and safety on Muni through
23 the replacement and rehabilitation of rails, overhead wires and associated fixed guideway
24 infrastructure for light rail, trolley coaches, historic streetcars, and cable cars.

25

1 In any fiscal year in which the SFMTA would otherwise be required to adopt service
2 reductions as part of its budget, the SFMTA may transfer up to 25% of the annual percentage
3 allocation of funds that would otherwise go to this program to the Transit Service and
4 Affordability program to offset those service reductions, in an amount not to exceed the cost of
5 maintaining the services.

6 **3. Transit Optimization and Expansion.....10% (\$250M)**

7 Expenditures in this program will include smaller capital investments to improve the
8 efficiency and enhance the service of the existing transit system as well as large transit
9 expansion projects needed to meet current demand and accommodate future growth.
10 Expenditures in this program would help plan, design and deliver enhancement and
11 expansion projects. Expenditures in this program may also include planning, design and
12 capital funding for supportive transportation infrastructure for transit-oriented development.

13 Examples of eligible projects include but are not limited to: Muni Forward, bus rapid
14 transit projects on major corridors (e.g. Geary and Geneva), Better Market Street, rail capacity
15 improvements such as those recommended by the SFMTA Rail Capacity Strategy and the
16 region’s Core Capacity Transit Study, major regional projects (e.g. Caltrain electrification,
17 second Transbay crossing and Downtown Extension), ferry infrastructure and vessels and
18 future subway projects (e.g. T-Third rail extension to Fisherman’s Wharf, Geneva Avenue rail
19 service, Geary Avenue Light Rail Transit, Upper Market to Mission Bay/SOMA Light Rail
20 Transit, under-grounding existing rail lines) prioritized by the Long Range Transportation
21 Planning Program, the SFTP and its updates, all of which will be developed in collaboration
22 with local and regional agencies

23 **4. Regional Transit and Smart System Management..... 15% (\$375M)**

24 To improve reliability and reduce overcrowding, as well as to encourage continued use
25 of transit by new residents and employees, regional transit capacity and system resiliency

1 must grow. The priority for expenditures in this program will be to fund San Francisco’s
 2 contribution to BART expansion vehicles (provided comparable matching funds are provided
 3 by Alameda and Contra Costa Counties, and subject to BART commitment of \$100 million in
 4 San Francisco station and access improvements) and to support the electrification of Caltrain.
 5 If partners don’t provide match for the BART expansion vehicles by 2024 or if less local funds
 6 are needed, expenditures in this program could also fund long-range regional network
 7 planning and design studies and/or capital improvements such as crossover tracks, passing
 8 tracks, turnbacks and station modernization improvements that increase core system
 9 reliability and capacity.

10 Expenditures in this program will also enable Smart System Management by funding
 11 technology-enabled system corridor management strategies for US 101, I-280 and I-80 (and
 12 associated surface arterial approach/distribution streets) to increase reliability for buses and
 13 high-occupancy vehicles through carpool/managed lanes and traveler information systems;
 14 and by funding a broad countywide toolkit of demand management strategies designed to
 15 promote sustainable travel choices such as carpooling, ride-sharing, transit/HOV use and
 16 active transportation modes through education campaigns, traveler incentives and fare/pricing
 17 strategies, policies and capital investments.

18 **5. Vision Zero Safer and Complete Streets.....10% (\$250M)**

19 Expenditures in this program will fund improvements primarily on the high-injury
 20 network that advance safety and enhance street users’ experience, including implementation
 21 of the bike strategy, upgraded traffic signals with pedestrian countdown signals, and audible
 22 signals to improve accessibility and safety, and improve pedestrian safety through data-driven
 23 improvements. Safety upgrades may be paired with streetscape enhancements, such as
 24 landscaping on curb extensions at bus stops. Examples of work eligible in this program range
 25 from corridor-wide improvements, to stand-alone pedestrian improvements at individual high-

1 injury intersections and/or freeway ramp/local street connections. Expenditures in this
 2 program may also fund Vision Zero public education and evaluation.

3 Expenditures in this program also will optimize movement on San Francisco streets by
 4 keeping traffic infrastructure and signals in a state of good repair through replacement and
 5 upgrade of deteriorated or obsolete signal hardware; by bringing advanced technology to the
 6 traffic signal system with tools that allow real-time traffic management, transit and emergency
 7 vehicle signal priority, and expedite maintenance; and by adding pedestrian countdown and
 8 audible signals as part of signal upgrades.

9 **6. Street Resurfacing..... 35% (\$875M)**

10 Expenditures in this program will help ensure the city reaches and maintains a
 11 Pavement Condition Index (PCI) score of 70, meaning that the majority of city streets will be in
 12 good condition. Keeping street surfaces in good repair has safety and financial benefits for
 13 people traveling by all modes of transportation citywide. Conversely, deteriorated roadways
 14 have a negative impact on all users and the more roads deteriorate, the more costly they
 15 become to repair.

16 **Total.....100% (\$2500M)**

17
 18 **B. TRIGGER FOR A REVISED PERCENTAGE DISTRIBUTION OF PROP TBD**
 19 **REVENUES TO PROGRAMS**

20 Street resurfacing revenues are assumed at \$35 million (2016 \$'s) annually at the
 21 inception of the Expenditure Plan period to help ensure that the city reaches and maintains a
 22 Pavement Condition Index score of 70, meaning that a majority of city streets will be in good
 23 condition. There are several new revenue measures that could be established in the short- to
 24 mid-term that could provide dedicated funds for street resurfacing including, but not limited to:
 25 a San Francisco Vehicle License Fee recommended by the Mayor's T2030 Report (could be

1 approved as soon as 2018), an increased toll on Bay Area state-owned toll bridges (Regional
 2 Measure 3, anticipated as soon as 2018), the amendment of the Prop K Transportation
 3 Expenditure Plan for the one-half of one-percent sales tax authorized in 2003 (Expenditure
 4 Plan can be amended as soon as 2023), and various options under consideration at the state
 5 level. If any of these or other local, regional or state revenues measures are put into place
 6 with dedicated funds for street resurfacing during the SFTEP period, each fiscal year the
 7 amount of funds provided to the Street Resurfacing program will be decreased by the amount
 8 of new dedicated local revenues available for street resurfacing, de-escalated to 2016 \$'s,
 9 subject to a minimum floor of 11% of Total Prop TBD Funding or \$280 million (2016 \$'s) in
 10 Prop TBD funds. The increment of freed up Street Resurfacing funds will be distributed to the
 11 remaining Prop TBD categories as follows:

12

13	Transit Service and Affordability	42%
14	Muni Fleet, Facilities and Infrastructure Repair and Improvements	4%
15	Transit Optimization and Expansion	33%
16	Regional Transit and Smart System Management	0%
17	Vision Zero Safer and Complete Streets	21%
18	<u>Street Resurfacing</u>	<u>0%</u>
19	Total	100%

20

21 4. GENERAL PROVISIONS

22 A. SALES TAX REVENUES

23 The operative date of the SFTEP shall be established pursuant to Section 131105 of
 24 the California Public Utilities Code. The one-half percent local sales tax dedicated to

25

1 transportation improvements (approved in November 2016 as Proposition TBD) shall be
2 continued for the duration of the SFTEP, but not to exceed 25 years.

3 Revenues are estimated over the 25-year period of the SFTEP. The conservative
4 projection puts the total revenue level at \$2.5 billion (2016 dollars) and assumes a modest
5 growth rate. This projection builds in recessions and recoveries based on historical trends
6 and economic conditions as well as tax policy.

7 B. RESTRICTION OF FUNDS

8 Sales tax revenues shall be used solely for the projects and purposes set forth in the
9 SFTEP and its amendments and for the administration thereof. Sales tax revenues shall be
10 spent on capital projects rather than to fund operations and maintenance of existing
11 transportation services, unless otherwise expressly specified in the Plan Description. In
12 accordance with enabling legislation and adopted principles, sales tax revenues generated
13 pursuant to this plan shall be subject to the following restrictions:

14 i. NO SUBSTITUTION

15 a. In accordance with the legislative intent expressed in California Public
16 Utilities Code Section 131100 sales tax proceeds shall not replace funds previously provided
17 by property tax revenues for public transportation. As a condition for allocation of funds by the
18 SFCTA, the recipient department or agency shall certify to the SFCTA that the funds will not
19 be substituted for property tax funds which are currently utilized to fund existing local
20 transportation programs.

21 b. Proceeds from the sale or liquidation of capital assets funded with sales
22 tax revenues shall be returned to the SFCTA in proportion to the contribution of sales tax
23 revenues to the total original cost of the asset, for re-allocation to eligible expenses within the
24 categories from which funds were expended for the original investment.

25

1 ii. NO EXPENDITURES OUTSIDE SAN FRANCISCO

2 No sales tax funds shall be spent outside the limits of the City and County of San
3 Francisco, except for cases that satisfy all of the following conditions, and subject to a
4 possible need for amendment of state law:

5 a. Quantifiable Benefit: The project, service, or programmatic category is
6 included in the Expenditure Plan, and planning or other studies, developed in order to enable
7 its implementation, demonstrate that there will be a quantifiable benefit to the City and
8 County's transportation program from the expenditure of funds outside the City and County. A
9 quantifiable benefit is defined as a measurable increase in the cost effectiveness of a project
10 or group of transportation projects and or services at least partially funded with sales tax
11 funds, located along the corridor or in the immediate geographic area of the City and County
12 where the project in question is proposed to occur.

13 b. Expenses Matched By Other Counties: The proposed expense is
14 matched by funding from the county where the expenditure of sales tax funds is proposed to
15 be made.

16 Should transportation projects or services contemplated in the plan require the
17 participation of other counties for any phase of project planning or implementation, the SFCTA
18 shall work cooperatively with the Mayor's Office and affected county or counties to ensure
19 coordination and successful project implementation.

20 C. BONDING AUTHORITY

21 The SFCTA shall be authorized to issue, from time to time, limited tax bonds pursuant
22 to the provisions of California Public Utilities Code Sections 131109 et seq. in a total
23 outstanding aggregate amount not to exceed \$2.00 billion, payable from the sales tax
24 revenues generated by the local sales and use tax adopted by Prop TBD. The SFCTA's
25

1 bonding capacity shall be separate and distinct from that of the City and County of San
2 Francisco.

3 D. ADMINISTRATION BY THE SAN FRANCISCO COUNTY TRANSPORTATION
4 AUTHORITY

5 The SFCTA shall allocate, administer and oversee the expenditure of the Prop TBD
6 sales tax funds.

7 E. ELIGIBLE RECIPIENTS OF FUNDS

8 Only public agencies are eligible to receive allocation of sales tax funds.

9 F. SUPPORT OF ADJACENT COUNTIES

10 It is deemed unnecessary to seek the support of adjacent counties by requesting them
11 to develop their own Transportation Expenditure Plans because San Mateo, Alameda, Contra
12 Costa and Marin Counties have already adopted Transportation Expenditure Plans.

13 G. ENVIRONMENTAL REVIEW

14 Environmental reporting, review and approval procedures as provided for under the
15 National Environmental Policy Act (NEPA), and/or the California Environmental Quality Act
16 (CEQA), and other applicable laws shall be carried out as a prerequisite to the implementation
17 of any project to be funded partially or entirely with sales tax funds.

18 H. ACCOUNTABILITY AND TRANSPARENCY

19 i. FINANCIAL AUDITS: The SFCTA shall ensure a post audit of its financial
20 transactions and records at least annually by an independent certified public accountant.

21 ii. ANNUAL REPORT: Pursuant to California Public Utilities Code Section 131303,
22 the SFCTA shall prepare and adopt an annual report by January 1 of each year on the
23 progress to achieve the objectives of completion of the projects in the SFTP. The public
24 annual report shall summarize revenues collected; expenditures by program, costs related to
25

1 financing, if applicable; administrative costs; and accomplishments and benefits realized by
2 the program.

3 iii. REQUIREMENTS FOR FUND RECIPIENTS: All recipients of sales tax funds
4 allocated to Expenditure Plan programs will be required to complete certain requirements as
5 established by the SFCTA including reporting, completing audits, and complying with
6 attribution requirements.

7 iv. CITIZENS OVERSIGHT COMMITTEE: The SFCTA's Citizens Advisory
8 Committee shall serve as the Citizens Oversight Committee and will provide independent and
9 public oversight of all expenditures of Prop TBD sales tax funds by SFCTA or recipient
10 agencies. The committee shall assist with defining criteria and priorities for implementing the
11 Expenditure Plan consistent with the intention of Prop TBD; review the allocation of sales tax
12 funds; monitor the SFCTA's programs; and review annual audits.

13

14 5. IMPLEMENTATION PROVISIONS

15 A. STRATEGIC PLAN

16 This Expenditure Plan identifies eligible expenditures for each of the six programs
17 listed in Table 1 in Section 3. Prior to allocation of any sales tax funds, the SFCTA shall
18 prepare, in close coordination with all other affected planning and/or implementation agencies,
19 a Strategic Plan for the use of the sales tax revenues, for review and adoption by the SFCTA
20 Board. The Strategic Plan shall include a 5-year prioritized program of projects (see sub-
21 section C of Section 5) for each of the following programs: Muni Fleet, Facilities and
22 Infrastructure Repair and Improvement; Transit Optimization and Expansion; Regional Transit
23 and Smart System Management; and Vision Zero Safer and Complete Streets.

24 As part of the Strategic Plan development process, the SFCTA shall adopt, issue and
25 update detailed guidelines for the development of prioritized programs of projects.

1 B. CATEGORIES EXEMPT FROM PRIORITIZATION PROCESS

2 The Transit Service and Affordability and Street Resurfacing categories are exempt
 3 from the 5-year prioritization process. In the Strategic Plan, funds shall be programmed to
 4 these categories annually based on the percentage share of annual program revenues shown
 5 in sub-section A of Section 3 or as modified by sub-section B of Section 3. Funds will be
 6 allocated annually as a lump sum to the San Francisco Municipal Transportation Agency
 7 (SFMTA) (or its successor) for the first of the aforementioned programs and to San Francisco
 8 Department of Public Works (SFDPW) (or its successor) for the last program. Allocations
 9 shall be accompanied by a list of projects that the recipient agency intends to fund with the
 10 sales tax revenues. After the first year's allocation, all subsequent fiscal year allocations also
 11 must be accompanied by an annual report of expenditures prepared by the recipient agency
 12 to be presented to the SFCTA Citizens Advisory Committee and relevant Board committee.

13 Funds not expended within five years of allocation by the SFCTA Board will
 14 automatically be de-obligated by the SFCTA and reprogrammed to the same program in a
 15 future year. Failure to comply with reporting and auditing requirements may result in the
 16 SFCTA withholding annual allocations until such time as the recipient conforms to this
 17 requirement.

18 For programs exempt from the 5-year prioritization process, if SFMTA or SFDPW wish
 19 to advance funds for programming and allocation more quickly than on a pay-go basis, the
 20 agency must develop a 5-year prioritized program of projects for review and adoption by the
 21 SFCTA Board as described in sub-section C below and a corresponding Strategic Plan
 22 amendment to support the advancement of funds.

23 C. PRIORITIZATION PROCESS

24 For programs where more than one agency or department may be an eligible recipient
 25 of Prop TBD funds, the SFCTA Board shall designate a lead agency to coordinate

1 development of the 5-year prioritized programs of projects and prior to each of their
2 subsequent updates, for each program.

3 Prior to allocation of any sales tax funds, the lead agency shall prepare, in close
4 consultation with all other affected planning and implementation agencies, the SFCTA's
5 Technical Working Group, and the SFCTA, a 5-year prioritized program of projects including
6 budget, scope and schedule; consistent with the Strategic Plan for use of the Prop TBD funds,
7 for review and adoption by the SFCTA Board. Program goals shall be consistent with the
8 current SFTP and with the City's General Plan. Prior to adoption by the SFCTA Board, the
9 lead agency and SFCTA staff will present the draft 5-year prioritized programs of project to
10 the City's Capital Planning Committee for review and input.

11 The program of projects shall at a minimum address, the following factors:

- 12 i. Project readiness, including schedule for completion of environmental and
13 design phases; well-documented preliminary cost estimates, and documented community
14 support as appropriate;
- 15 ii. Compatibility with existing and planned land uses, and with adopted standards
16 for urban design and for the provision of pedestrian amenities; and supportiveness of planned
17 growth in transit-friendly housing, employment and services.
- 18 iii. A prioritization mechanism to rank projects within the program, addressing, for
19 each proposed project:
- 20 a. Relative level of need or urgency
- 21 b. Cost Effectiveness
- 22 c. A fair geographic distribution that takes into account the various needs of San
23 Francisco's neighborhoods.
- 24
- 25

1 iv. Funding plan, including sources other than Prop TBD.

2 The lead agency shall conduct appropriate public outreach to ensure an inclusive
3 planning process for the development of the program of projects, as well as general plan
4 referral or referral to any City Department or Commission as required.

5 The lead agency shall also identify appropriate performance measures to ensure that
6 progress is made in meeting the goals and objectives of the program. These performance
7 measures shall be developed in collaboration with the SFCTA and shall be consistent with the
8 SFCTA's Congestion Management Program.

9 The lead agency shall be eligible for planning funds from this category for the purpose
10 of completing the development of the program of projects.

11 Lead agencies will also be encouraged to explore alternative and non-traditional
12 methods for project and service delivery where they offer opportunities for increased cost-
13 effectiveness, desirable allocations of risk, and/or shortened project delivery timelines.

14 6. AMENDMENT PROCESS

15 The SFCTA Board may, by a 2/3 vote, recommend adoption of an amended
16 Expenditure Plan any time after fifteen years after the effective date of adoption of the SFTEP.
17 The SFCTA Board shall appoint an Expenditure Plan Advisory Committee to provide input on
18 an amended Expenditure Plan. The amendment process shall follow the provisions of
19 Division 12.5 of the California Public Utilities Code, except that the Expenditure Plan shall
20 require the approval by the Mayor of the City and County of San Francisco.

21

22 Section 4. Pursuant to Article XIII C of the Constitution of the State of California and
23 Section 7285 of the California Revenue and Taxation Code, this ordinance shall be submitted
24 to the qualified electors of the City and County of San Francisco at the November 8, 2016
25 general municipal election.

1 Section 5. This ordinance shall be effective at the close of the polls of the November
2 8, 2016 general election.

3

4 APPROVED AS TO FORM:
5 DENNIS J. HERRERA, City Attorney

6 By: _____
7 Carole F. Ruwart
8 Deputy City Attorney

9 n:\legana\as2016\1600694\01111497.docx

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

FILE NO. 160486

RESOLUTION NO.

1 [Development of a Transportation Sales Tax Expenditure Plan]

2

3 **Resolution urging the San Francisco County Transportation Authority, in partnership**
4 **with the Mayor's Office and the San Francisco Municipal Transportation Agency, to**
5 **develop a San Francisco Transportation Expenditure Plan to specify the use of**
6 **revenues from a potential new half-cent sales tax for transportation for potential**
7 **consideration for the November 2016 ballot.**

8

9 WHEREAS, The San Francisco County Transportation Authority (SFCTA) adopted the
10 most recent update of the countywide transportation plan (the San Francisco Transportation
11 Plan or SFTP) in 2013, which establishes the 30-year vision for San Francisco's
12 transportation system; and

13 WHEREAS, As documented in the SFTP, San Francisco's needs for transportation
14 funding far exceed expected revenue from federal, state, regional and local sources; and

15 WHEREAS, The SFTP, through its investment scenarios and policy recommendations,
16 proposes ways to invest the dollars we expect to have to most effectively make progress
17 towards our goals, but analysis shows that this progress is limited unless new revenues are
18 identified; and therefore, the SFTP recommends a two-pronged revenue strategy: positioning
19 San Francisco to compete well for new regional, state, and federal sources, and seeking new
20 locally-controlled sources; and

21 WHEREAS, Building on the SFTP analysis and recommendations, the Mayor's
22 Transportation 2030 Task Force investigated what San Francisco needs to do to fix the
23 transportation network and prepare it for the future; confirming that anticipated revenues were
24 inadequate to meet those needs; and

25

1 WHEREAS, The Task Force recommended a series of local funding sources (including
2 general obligation bonds, a sales tax, and a vehicle license fee) that, if approved by voters,
3 would provide about \$3 billion to complete a suite of critical transportation infrastructure
4 projects by 2030; and

5 WHEREAS, San Francisco voters approved the first of the Task Force's recommended
6 measures in November 2014 by approving Proposition A, the Transportation and Road
7 Improvement Bond, which will invest \$500 million to complete a range of projects that will
8 reduce Muni travel times, make Muni less crowded and more reliable, and enhance safety on
9 San Francisco's streets; and

10 WHEREAS, At the same election, San Francisco voters approved Proposition B, which
11 requires the City to adjust funding for transportation each year based on population growth;
12 and these funds are helping to improve transit and make our streets safer for all; and

13 WHEREAS, Over the last two years the MTA has adopted a Free MUNI for Youth
14 program, a Free MUNI for Seniors and Disabled program, and a MUNI Service Equity
15 Strategy to guide needed service performance improvements for low-income, transit-
16 dependent communities; and

17 WHEREAS, Since the adoption of the Transportation 2030 recommendations, the City
18 committed to Vision Zero, a policy to build safety into our transportation system to end all
19 severe and fatal traffic injuries by 2024, through accelerated investment in safe streets that
20 prevent severe and deadly crashes on our streets and support safer behavior on the roads;
21 and

22 WHEREAS, While we are making real improvements in transit reliability, building and
23 providing smoother, safer streets, and improving the pavement condition of our street
24 network, our transportation system is still in need of significant investment to bring it into a
25 state of good repair and to sustain it at such a level, and we have an urgent need to invest

1 more in near and long-term projects that relieve severe overcrowding on our local and
 2 regional transit systems such as Muni, BART, and Caltrain to better serve current residents,
 3 employees, and visitors and provide for planned growth, as well as an urgent need for the
 4 resources to efficiently expand service to fully utilize these capital resources and to ensure we
 5 can equitably provide transit service and infrastructure investments to our community; and

6 WHEREAS, Such transportation investments can also be complemented with efforts
 7 and improvements to promote equitable transit-oriented development; and

8 WHEREAS, We need a stable source of funding to continue to invest in street
 9 resurfacing, safety improvements, and the pedestrian and bicycle networks ~~to advance Vision~~
 10 ~~Zero~~; now, therefore, be it

11 RESOLVED, That the San Francisco Board of Supervisors asks the SFCTA working in
 12 partnership with the Mayor's Office and the San Francisco Municipal Transportation Agency
 13 (SFMTA), which is administering the Transportation 2030 program, to lead development of a
 14 San Francisco Transportation Expenditure Plan to specify the use of revenues from a
 15 potential new half-cent sales tax for transportation for potential consideration for the
 16 November 2016 ballot; and, be it, further;

17 RESOLVED, That the San Francisco Transportation Expenditure Plan shall build and
 18 expand on the recommendations of the SFTP and the Transportation 2030 Task Force,
 19 including priorities that emerged after the Task Force convened, including strategies to
 20 support equity, service improvements and traffic safety; and, be it, further

21 RESOLVED, That the SFCTA and the SFMTA shall ensure that representatives of city
 22 agencies, regional transit agencies serving San Francisco, the Metropolitan Transportation
 23 Commission, members of the public, and other key interested stakeholders shall be able to
 24 provide input into the San Francisco Transportation Expenditure Plan development, providing

25

1 at least three publicly noticed meetings in May and June 2016 and developing a
2 complementary public engagement strategy.

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25



Transportation Sustainability Program

TSP

Photo: Sergio Ruiz



Transportation Sustainability Program

Keeping people moving as our City grows



**ENHANCE TRANSPORTATION
TO SUPPORT GROWTH**



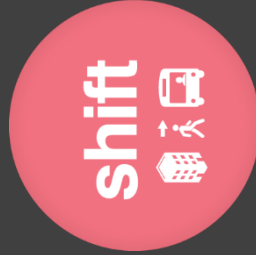
November 2015



**MODERNIZE ENVIRONMENTAL
REVIEW**



March 2016



**ENCOURAGE SUSTAINABLE
TRAVEL**

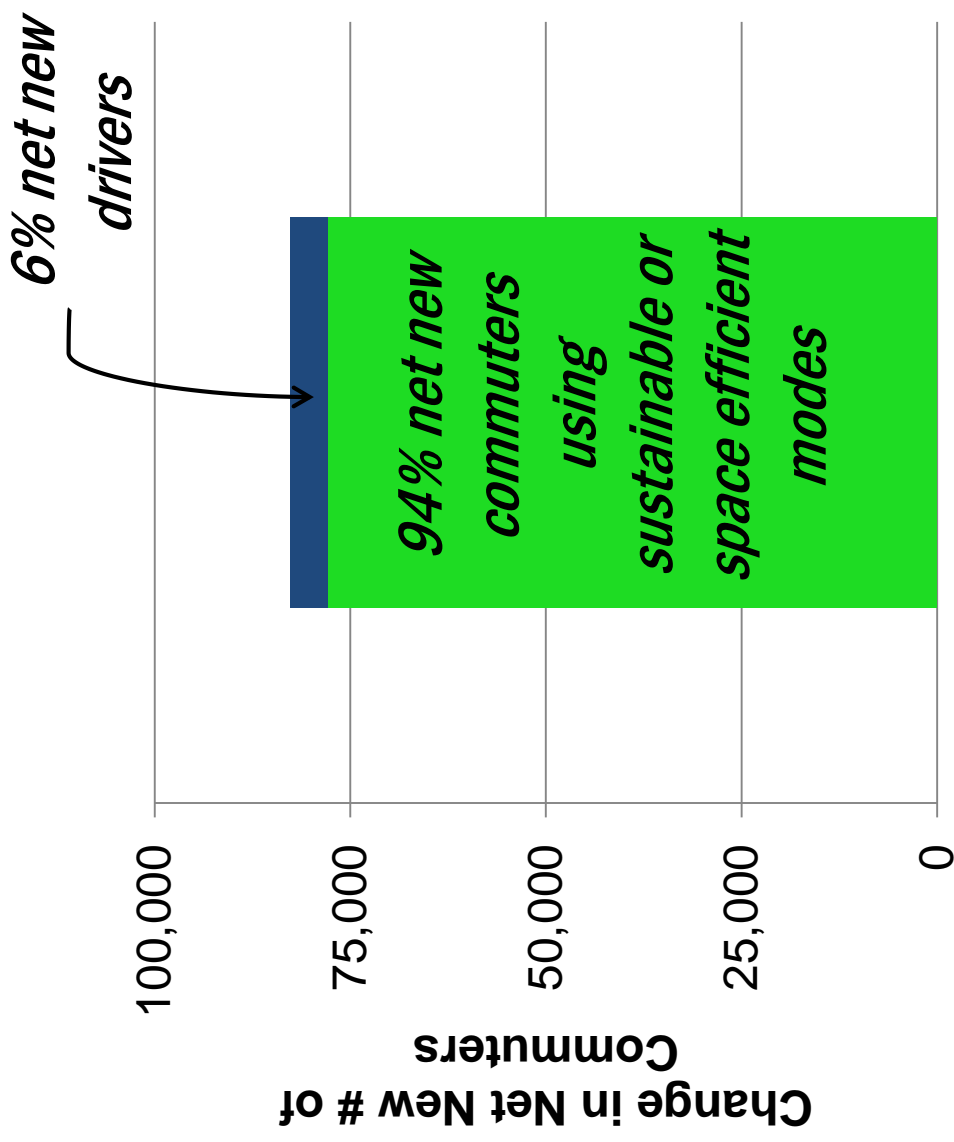


Initiation Hearing -
April 28, 2016



Recent Trends – Commuter Trips

Travel Behavior Trends are Shifting for Commuters

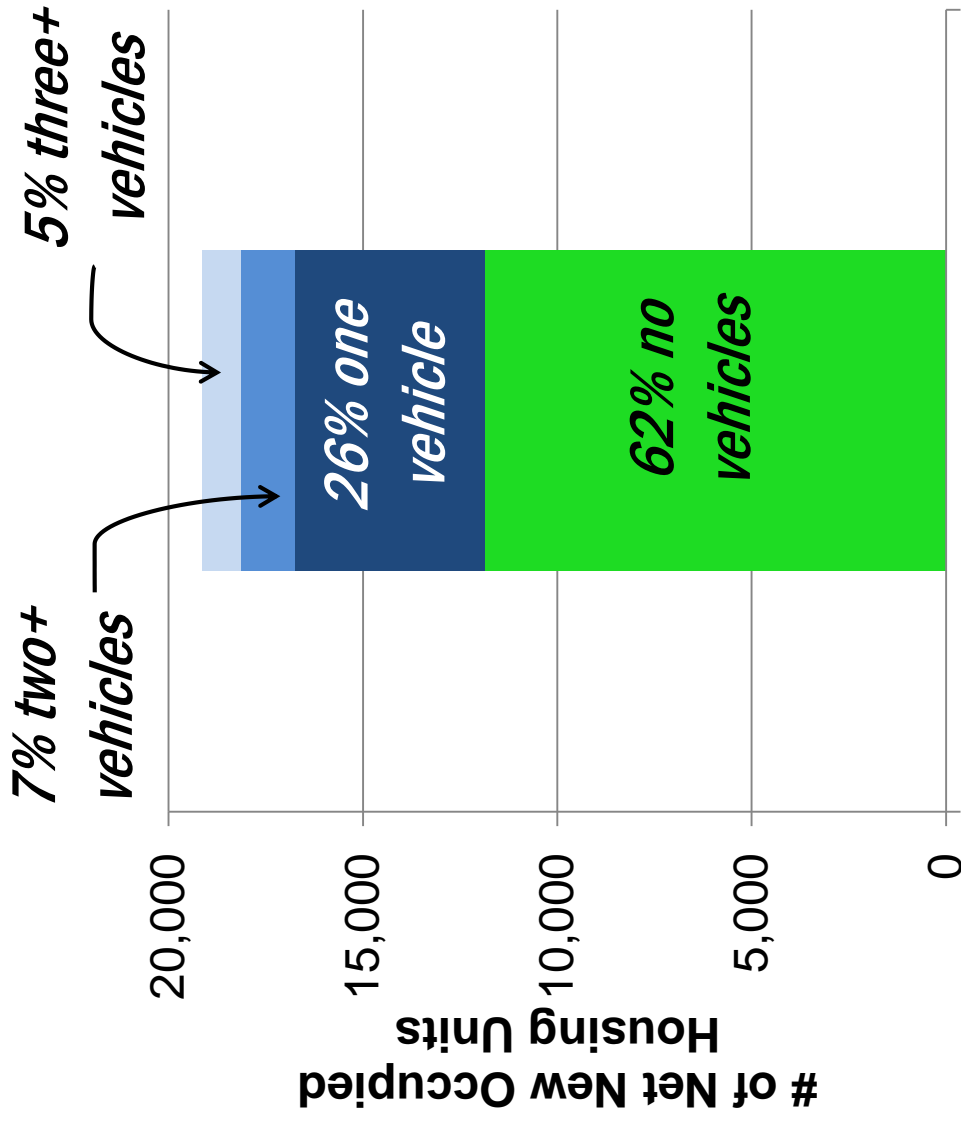


Change in Net New # of Commuters by Mode
– San Francisco (2006 – 2014)

Source: Jamie Parks, Twitter, SF Streetsblog, ACS Data
Transportation Sustainability Program

Recent Trends – Vehicle Availability

Travel Behavior Trends are Shifting for Residents



Vehicles Available by Net New Occupied Housing Units – San Francisco (2000 – 2014)



shift



ENCOURAGE SUSTAINABLE TRAVEL

Transportation Demand Management (TDM)



Current San Francisco

Framework Varying Planning Code requirements

Timing Afterthought

Parking Unbundling; parking maximums

Menu n/a

Compliance In limited circumstances

TDM Staffing n/a; transportation team review



Transportation Demand Management (TDM)

	Current San Francisco	Best Practices*
Framework	Varying Planning Code requirements	TDM Ordinance; Target
Timing	Afterthought	Upfront; Integral
Parking	n/a; parking maximums	TDM requirements = dependent on # of parking spaces
Menu	n/a	Flexibility, neighborhood-specific
Compliance	In limited circumstances	Pre-occupancy site visit, ongoing submittals
TDM Staffing	n/a; transportation team review	Dedicated staff via admin fee

*Best practice research included, but not limited to, following jurisdictions: Oakland, CA (proposed); San Mateo, CA (proposed); Santa Monica, CA; Boulder, CO; Cambridge, MA; Arlington, VA; Fairfax, County, VA; Bellevue, WA; and Seattle, WA.

TDM Ordinance Basics

shift



Target

*Aimed at reducing Vehicle
Miles Traveled (VMT)*



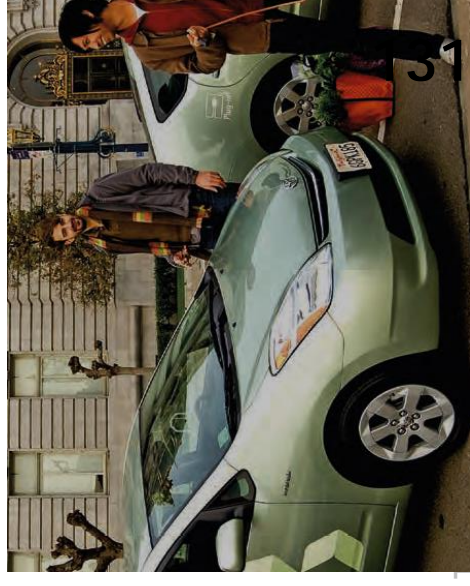
Menu of Options

*Project sponsor chooses the
best fit for each project and
neighborhood to reach
targets*



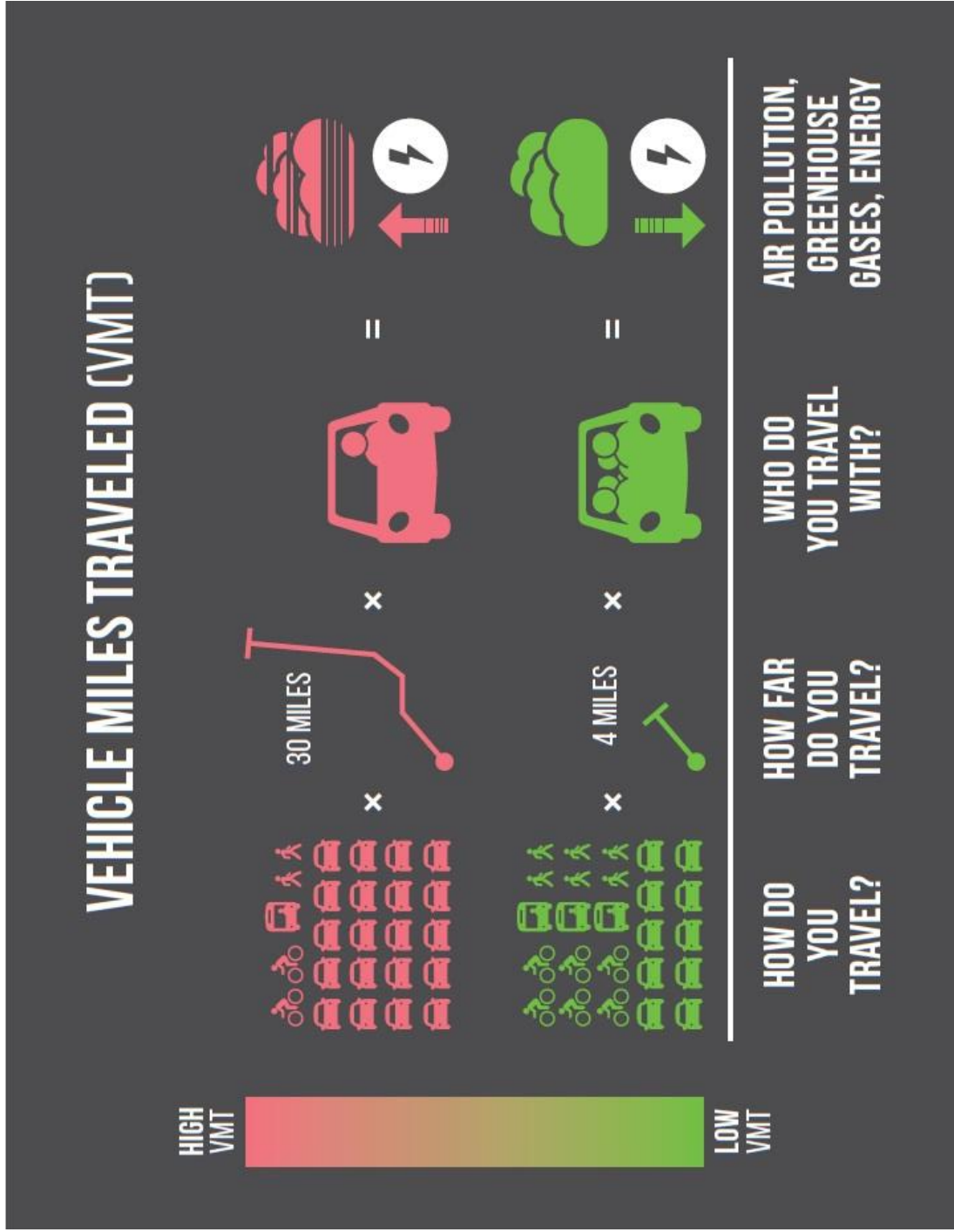
Implementation Strategy

*Measure and enforce
progress to ensure targets
are achieved*





VEHICLE MILES TRAVELED – DEFINED



TDM Ordinance Target

Based on # off-street vehicular parking spaces



Land Use Category	Typical Land Use Type	# of Parking Spaces proposed by Land Use	Target
A	Retail	Base number: 0 <= 4	Base Target: 13 points
		Each additional 2	1 additional point
B	Office	Base number: 0 <= 20	Base Target: 13 points
		Each additional 10	1 additional point
C	Residential	Base number: 0 <= 20	Base Target: 14 points
		Each additional 10	1 additional point
D	Other	Any # of parking spaces	3 points



TDM Ordinance Basics

Target

*Aimed at reducing Vehicle
Miles Traveled (VMT)*



Menu of Options

*Project sponsor chooses the
best fit for each project and
neighborhood to reach
targets*



Implementation Strategy

*Measure and enforce
progress to ensure targets
are achieved*









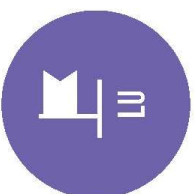



TDM Menu

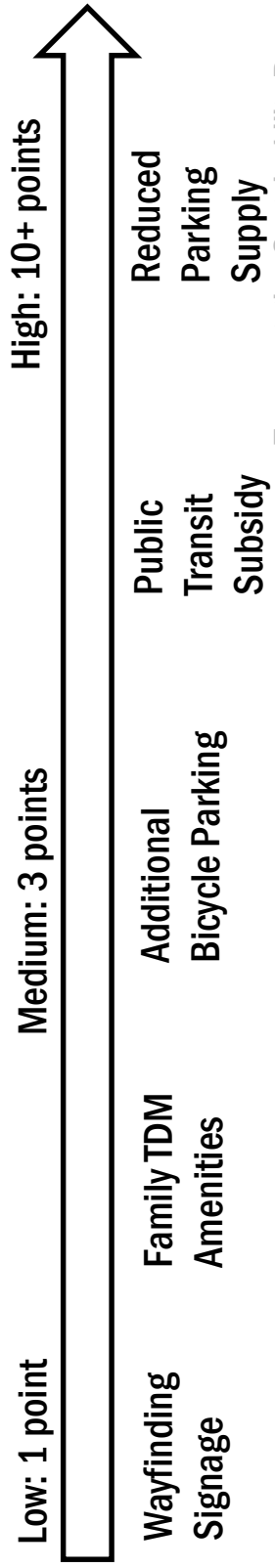
26 Measures:

Under the control of the developer or tenant

All reduce vehicle miles traveled (VMT)

 ACTIVE	 CSHARE	 DELIVERY	 FAMILY
 HOV	 INFO	 LU	 PKG

Range of Effectiveness: Sample Measures





How will this work?

1.



Sponsor goes
online, selects
measures,
submits
measures with
application

Example Project – Dogpatch Neighborhood



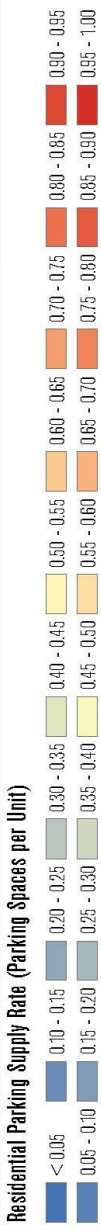
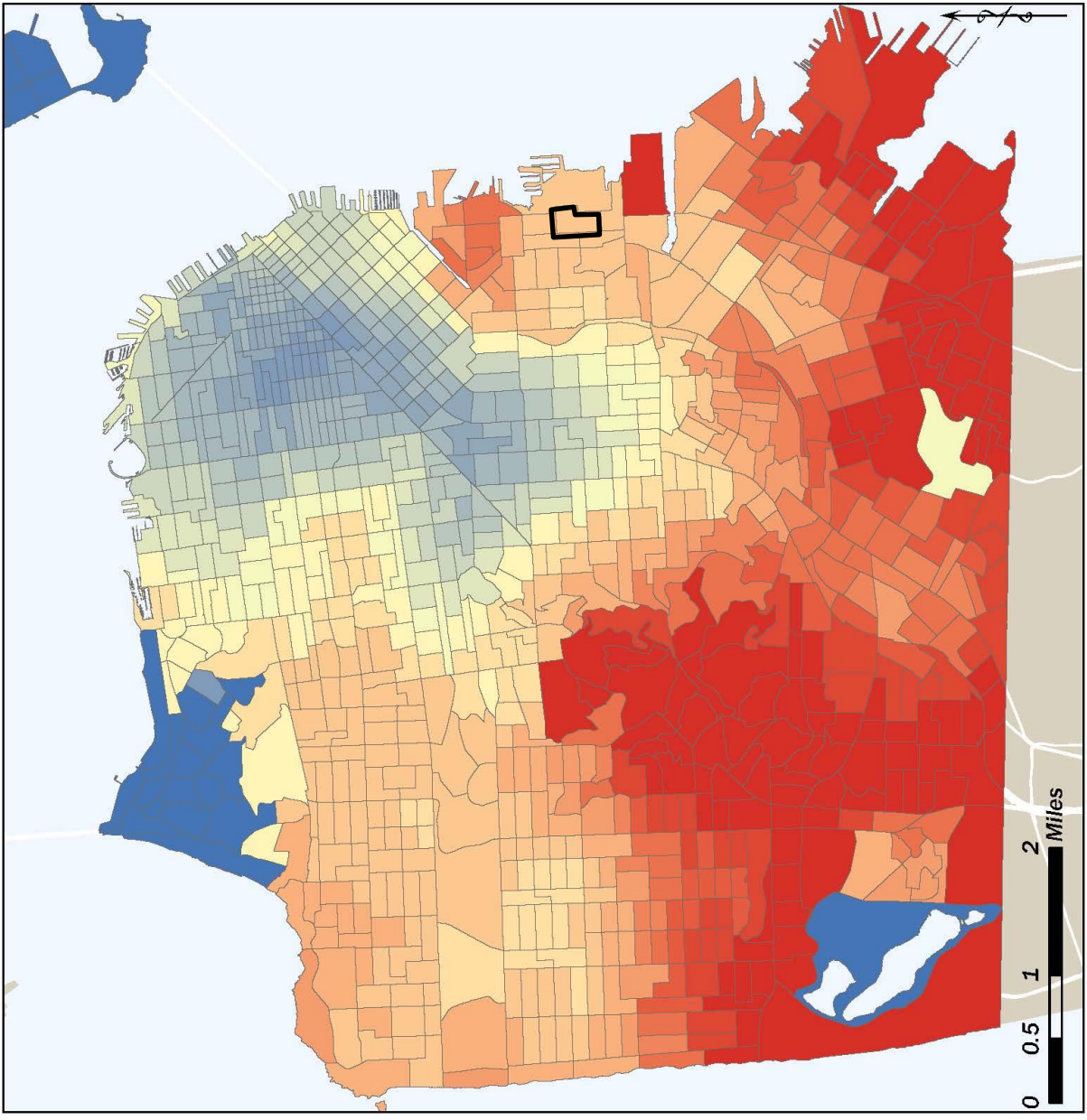
Dwelling Units	44
# of Parking Spaces	12
Target	14 Points
Code Compliance/ Location	-Bicycle Parking (1 point) -Parking Unbundling (2 points)

Note: represents TDM measures the Project Sponsor could select.



Neighborhood Parking Rate - Residential

- Meet Neighborhood Parking Rate = 1 Point
- Every 10% below Neighborhood Parking Rate = 1+ points
- 11 total points available
- Neighborhood Parking Rate = 0.6 per unit



Example Project – Dogpatch Neighborhood



Dwelling Units	44
# of Parking Spaces	12
Target	14 Points
Code Compliance/ Location	<ul style="list-style-type: none">-Bicycle Parking (1 point)-Parking Unbundling (2 points)
Parking Supply	<ul style="list-style-type: none">-Neighborhood Parking Rate 0.6 per unit-Project Parking Rate 0.3 per unit (6 points)

Note: represents TDM measures the Project Sponsor could select.



Example Project – Dogpatch Neighborhood

Dwelling Units	44
# of Parking Spaces	14
Target	14 Points
Code Compliance/ Location	<ul style="list-style-type: none"> -Bicycle Parking (1 point) -Parking Unbundling (2 points)
Parking Supply	<ul style="list-style-type: none"> -Neighborhood Parking Rate 0.6 per unit -Project Parking Rate 0.3 per unit (6 points)
Additional Measures	<ul style="list-style-type: none"> -Multimodal Wayfinding Signage (1 point) -Car-Share Parking (2 points) -Family TDM – Amenities (2 points)

Note: represents TDM measures the Project Sponsor could select.

Example Project – Dogpatch Neighborhood



Dwelling Units	44	44
# of Parking Spaces	12	33
Target	14 Points	14 + 2 = 16 Points
Code	-Bicycle Parking (1 point)	-Additional Bicycle Parking (4 points)
Compliance/ Location	-Parking Unbundling (2 points)	-Parking Unbundling (2 points)
Parking Supply	-Neighborhood Parking Rate 0.6 per unit -Project Parking Rate 0.3 per unit (6 points)	-Neighborhood Parking Rate 0.6 per unit -Project Parking Rate 0.75 per unit (0 points)
Additional Measures	-Multimodal Wayfinding Signage (1 point) -Car-Share Parking (2 points) -Family TDM – Amenities (2 points)	-Multimodal Wayfinding Signage (1 point) -Additional Car-Share Parking (4 points) -Additional Family TDM (4 points) -On-site Affordable Housing (1 point)

Note: represents measures the Project Sponsor could select.



How will this work?

1.



Sponsor goes online, selects measures, submits measures with application

2.



City staff reviews; recommends measures as conditions of approval

How will this work?



1.

Sponsor goes online, selects measures, submits measures with application



3.

Planning Commission approves; building permits issued



2.

City staff reviews; recommends measures as conditions of approval



TDM Ordinance Basics

Target

*Aimed at reducing Vehicle
Miles Traveled (VMT)*



Menu of Options

*Project sponsor chooses the
best fit for each project and
neighborhood to reach
targets*



Implementation Strategy

*Measure and enforce
progress to ensure targets
are achieved*



How will this work?



1.

Sponsor goes online, selects measures, submits measures with application



3.

Planning Commission approves; building permits issued



2.

City staff reviews; recommends measures as conditions of approval



4.

Pre-occupancy compliance; on-going compliance documentation



Outreach and Next Steps

Completed & Future

- Community Advisory Committees
- Development community
- Transportation advocates
- Boards and Commissions (MTA, SFCTA, Environment)
- Citywide Open House

Legislative Process

- Planning Commission Initiation Hearing – April 28th
- Planning Commission Adoption Hearing – July 7th
- Board of Supervisor Hearings – to follow

THANK YOU

TRANSPORTATION SUSTAINABILITY PROGRAM



*Keeping people moving
as our city grows*

Website: <http://tsp.sfplanning.org>

Email: TSP@sfgov.org

