



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)

Attachment 1: Summary of Applications Received

Source	EP Line No./Category ¹	Project Sponsor ²	Project Name	Current Prop K Request	Current Prop AA Request	Total Cost for Requested Phase(s)	Leveraging		Phase(s) Requested	District
							Expected Leveraging by EP Line ³	Actual Leveraging by Project Phase(s) ⁴		
Prop K	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 Descriptions ¹

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 Descriptions ¹

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 Descriptions ¹

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 Recommendations ¹

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	\$ -	

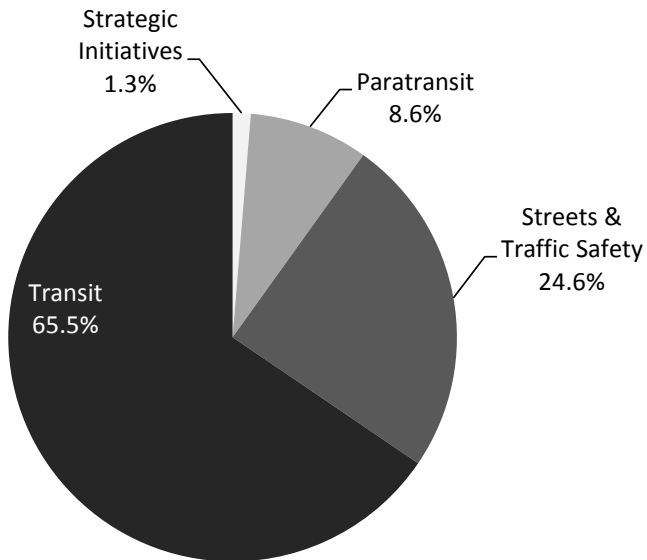
¹ See Attachment 1 for footnotes.

**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

