



**SFMTA**

San Francisco Municipal Transportation Agency

# Construction Mitigation Program Update

SFMTA Board of Directors  
September 17, 2019

## Construction Mitigation Program

# Construction in San Francisco

**There is currently an unprecedented amount of both public and private construction happening in San Francisco, especially in the city's system of working infrastructure.**

- The backbone is our horizontal infrastructure: streets, water, power, sewer and transportation
- Policy priorities such as Vision Zero and Transit First require infrastructure upgrades and modernization
- It is imperative, to maintain this infrastructure in a state of good repair so that the City's critical public service operations are not compromised
- Investments today increase operational efficiencies, reduce maintenance costs, and eliminate or significantly reduce the risk of failure

# Construction Mitigation Program

## Construction in San Francisco



**2011 Road Repaving and Street Safety Bond**  
\$248 million

**2014 Transportation and Road Improvement Bond**  
\$500 million

**Water System Improvement Program (WSIP)**  
\$4.8 billion

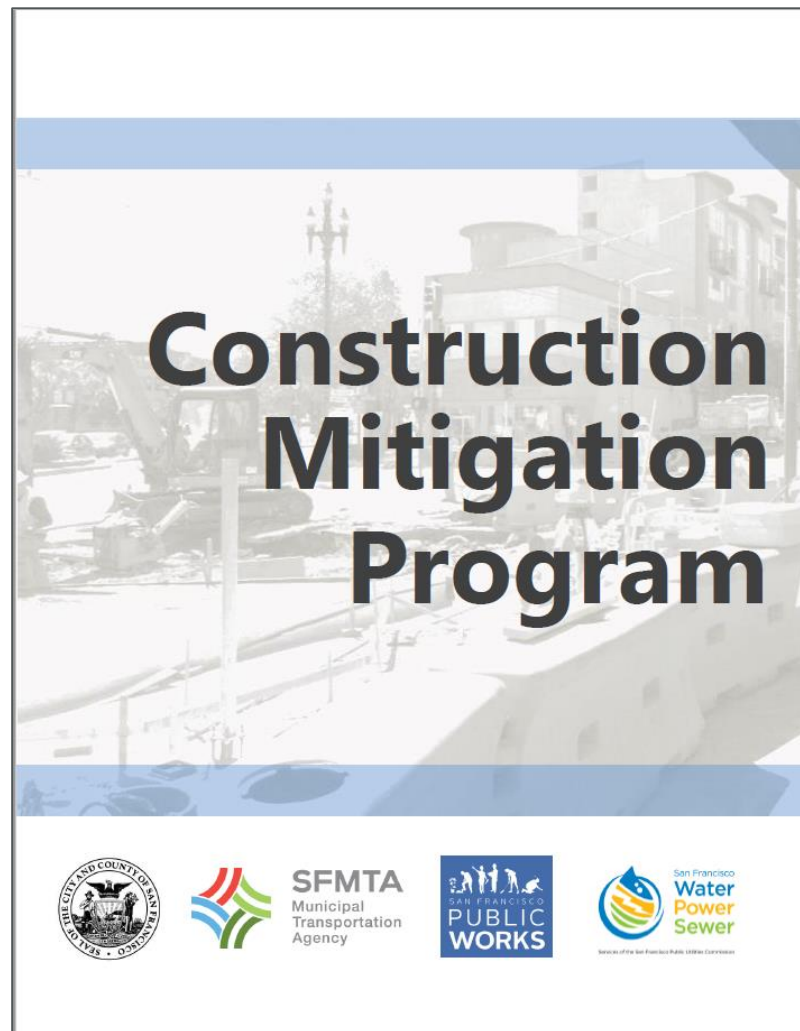
**Sewer System Improvement Program (SSIP)**  
\$7 billion

**2018 Embarcadero Seawall Safety Bond**  
\$425 million

## Construction Mitigation Program **Program Development**

**In November 2017 the City and County of San Francisco developed a Construction Mitigation Program.**

The program provides departments with a suite of actions to limit or negate the negative impact construction projects have on surrounding businesses on commercial corridors.



## Background

City construction projects have the potential to *stimulate long-term* economic benefits for the surrounding area.

But in the *short-term*, these projects might have negative impacts on area businesses.

- **Reduced sidewalk access**
- **Street closures longer than a month**
- **Loss of on-street and off-street parking**
- **Excess noise, dust and disruption**
- **Difficulty navigating to business**
- **Fewer customers (knowing access difficulty)**
- **Less traffic in-front of business**
- **Fewer pedestrians in-front of business**

# Construction Mitigation Program

## Program Core Elements

Project Website  
Project **Point of Contact** (PM or PIO)  
**Notification** of Business Impacts/Timing

Commercial Corridor/Invest In Neighborhoods  
**Low Impact Project**  
Less than 12-months duration

Corridor Signage  
Corridor **Marketing** Campaign  
**Ambassadors** Deployed  
**Business Liaison** (PIO with OEWD)  
Business **Education**

Commercial Corridor/Invest In Neighborhoods  
**Medium Impact**  
12-months duration +

### Construction Impact Mitigation Plan

Community **Advisory Committee**  
**Contractor Incentives**  
**Parking Mitigation** Plan  
**Transit** Passes  
**Directed Business Support**

Commercial Corridor/Invest In Neighborhoods  
**High Impact**  
24-months duration +



### **Since November 2017 the SFMTA and Partner Departments have worked to implement and operationalize the Program.**

- Development and execution of a Multi-Departmental MOU
- Refinement of construction mitigation tools and methods
- Development of standard specification language for contracts RE: parking, site cleaning and coordination and communication with local businesses
- Updating and enhancing outreach strategies (SFMTA Public Outreach and Engagement Requirements)
- Improved communication and coordination with local businesses (SFMTA Small Business Working Group)
- Hiring full time staff to further develop the resources, tools, templates and tracking mechanism to assist staff with the development of construction mitigation plans for all of the SFMTA's transportation projects.
- Establish a scope and agreement of services with the Office of Economic and Workforce Development to be provided and deliverables for upcoming projects.

# Construction Mitigation Program Examples



## Central Subway

Project Cost: \$1.578 billion

- Business Liaison Hired/PIO
- Regular Merchant Meetings
- Additional Ambassadors
- Public Office/Office Hours
- Enhanced Street/Site Cleaning
- Corridor Marketing Campaign
- Buy Local Campaign
- Directed Business Support



## Twin Peaks Tunnel

Project Cost: \$51.8 million

- Business Liaison Assigned/PIO
- Upfront planning with Merchants
- Public Office/Office Hours
- Ambassadors Deployed
- Staff On-Site During Construction
- Enhanced Street/Site Cleaning
- Corridor Marketing Campaign
- Buy Local Campaign



## Van Ness Improvement

Project Cost: \$309.4 million

- Business Liaison Hired/PIO
- Business Advisory Committee
- Upfront planning with Merchants
- Ambassadors Deployed
- Public Office/Office Hours
- Staff On-Site During Construction
- Enhanced Street/Site Cleaning
- Corridor Marketing Campaign
- Buy Local Campaign



## Construction Mitigation Program **Lessons Learned Since 2017**

**After nearly a year of implementation on various projects and listening to local businesses some lessons learned include:**

### *Start earlier and be more proactive*

- **During project planning** on a commercial or Invest in Neighborhoods corridors, catalog the existing businesses and their general economic health
- **Start conversations and impact planning** with specific mitigation measures during detail design, with specific construction mitigation plans developed at approximately 65% design
- **Educate businesses** during planning and in development of the construction mitigation plan of all the services and programs provided by the Office of Economic and Workforce Development

*Have staff on-site* during construction who can immediately resolve concerns RE: cleanliness, access to parking, signage condition, marketing tactics has proven valuable

## Use of Business Impact Fund - \$5 million

**The Small Business Impact Mitigation Fund was created through a budget amendment and supplemental appropriation approved in March 2019.**

- **\$5 million** appropriated in Fiscal Year 2019 appropriation was excess Educational Revenue Augmentation Fund (ERAF) funds or one-time general funds
- **Baseline** elements for fund use:
  - Use funding consistent with the elements of the City and County of San Francisco Construction Mitigation Program (i.e. only “Major-Impact Projects”)
  - Use funding on SFMTA-led capital projects

## Use of Business Impact Fund - \$5 million

### Various proposals have been considered for the use of this one-time funding including:

- *Augmentation to project budgets* for construction mitigation program elements (all project types, all mitigation measures)
- Funding construction mitigation elements to *not impact delivery* of a transportation capital improvements
- Funding construction mitigation elements that are *not eligible for a project funding source* (i.e. FTA funds, State funds, GO or Revenue Bonds)
- *Directed Business Support* managed by OEWD consistent with Central Subway Project
  - Grants
  - Revolving zero-interest loans (considering long-term sustainability)

## Use of Business Impact Fund - \$5 million

### Feedback received:

- Focus funding on construction mitigation specifically *directed business support*
  - Do not use to augment other construction mitigation measures that are not directed business support
  - Do not use fund to pay for construction mitigation elements that would otherwise be eligible with capital project funds and budgets
- Focus *funding largely on grants and not loans* do to current construction impacts
- Fund one-time awards in *amounts higher than a maximum of \$10,000* (maximum allowed with Central Subway Directed business support)

## Use of Business Impact Fund - \$5 million

**The eligibility criteria is recommended to be the same that was used for Directed Business Support for Central Subway:**

- **Storefront:** Ground floor street facing store.
- **Includes:** rent, utilities, and wages and to help a business complete physical improvements to their storefronts such as fixtures, furnishings and equipment painting, compliance with accessibility, and technology upgrades or to develop a Business Action Plan.
- **Directly impacted:** Construction that impacts and/or impedes visual or physical access to business including structures and large scale equipment for a period of six months or longer.
- **Indirectly impacted:** No physical or visual impediment in front of the storefront, but construction is within a one block radius of construction site that indirectly impacts the business corridor for a period of 12 months or longer.



## Use of Business Impact Fund - \$5 million

### Proposed Options:

#### Option 1: Grant/Loan Mix

- Funds to be used for directed business support as defined in the City and County of San Francisco Construction Mitigation Program;
- Program eligibility be consistent with the foundations set with the Central Subway Project, however increasing the maximum amount of support per business from \$10,000 to \$15,000;
- Of the \$5 million in the Small Business Impact Mitigation Fund:
  - **\$4 million** will be set-aside for **Grants for SFMTA-led projects** that meet the criteria for a “major-impact project,” and
  - **\$1 million** will be set-aside in a **revolving loan fund for zero-percent interest loans** to businesses impacted by SFMTA scope.

#### Option 2: Grants Only

#### In Option 2 funding is allocated as follows

- **\$5 million** will be set-aside for **Grants for SFMTA-led projects** that meet the criteria for a “major-impact project”

# Appendix

# Mitigation Measures/Elements by Project Type

Project Type	Construction Mitigation Measures
<p><b>Low-Impact Project</b></p> <ul style="list-style-type: none"> <li>- Primary work is in an intersection</li> <li>- Minimal construction impacts anticipated</li> <li>- Less than 12-months construction duration</li> </ul>	<p><b>1. Standard Suite</b></p> <ul style="list-style-type: none"> <li>• Standard outreach and engagement protocols</li> <li>• Project website</li> <li>• Public Information Officer and ongoing communication support</li> <li>• Business Impact Brochure (if the project is on a Invest in Neighborhoods Corridor or commercial corridor)</li> </ul>
<p><b>Low-Impact Project with Schedule Delay</b></p> <ul style="list-style-type: none"> <li>- Primary work is in an intersection</li> <li>- Minimal construction impacts anticipated</li> <li>- Project delay results in a 12-month construction duration</li> </ul>	<p><b>1. Standard Suite</b></p> <ul style="list-style-type: none"> <li>• Standard outreach and engagement protocols</li> <li>• Project website</li> <li>• Public Information Officer and ongoing communication support</li> <li>• Business Impact Brochure</li> </ul> <p><b>2. Additional Measures</b></p> <ul style="list-style-type: none"> <li>• Business-supporting signage on corridor</li> <li>• Corridor marketing campaign</li> </ul>



# Mitigation Measures/Elements by Project Type

Project Type	Construction Mitigation Measures
<p><b>Moderate-Impact Project</b></p> <ul style="list-style-type: none"> <li>- Work along a corridor</li> <li>- Located along an Invest in Neighborhoods corridor</li> <li>- On commercial corridor</li> <li>- Identified construction impacts</li> <li>- Construction 12-month duration or longer</li> </ul>	<p><b>1. Standard Suite</b></p> <ul style="list-style-type: none"> <li>• Standard outreach and engagement protocols</li> <li>• Project website</li> <li>• Public Information Officer and ongoing communication support</li> <li>• Business Impact Brochure</li> </ul> <p><b>2. Additional Measures</b></p> <ul style="list-style-type: none"> <li>• Business-supporting signage on corridor</li> <li>• Corridor-specific marketing campaign</li> <li>• Targeted business education</li> <li>• Business liaison assigned</li> <li>• Ambassadors deployed</li> </ul>

## Mitigation Measures/Elements by Project Type

Project Type	Construction Mitigation Measures
<p><b>Major-Impact Project</b></p> <ul style="list-style-type: none"><li>- Work along a corridor/multiple street corridors</li><li>- Located along an Invest in Neighborhoods corridor</li><li>- On commercial corridor</li><li>- Identified major construction impacts and disruption</li><li>- Construction 24-month duration or longer</li></ul>	<p><b>**These projects shall develop a Construction Impact Mitigation Plan (CIMP). In addition to standard and additional mitigation measures, the CIMP shall be used to change proposed construction method and/or identify and apply specific enhanced mitigation measures.</b></p>



# Mitigation Measures/Elements by Project Type

Project Type	Construction Mitigation Measures
<p><b>Major-Impact Project</b></p> <ul style="list-style-type: none"> <li>- Work along a corridor/multiple street corridors</li> <li>- Located along an Invest in Neighborhoods corridor</li> <li>- On commercial corridor</li> <li>- Identified major construction impacts and disruption</li> <li>- Construction 24-month duration or longer</li> </ul>	<p><b>1. Standard Suite</b></p> <ul style="list-style-type: none"> <li>• Standard outreach and engagement protocols</li> <li>• Project Website</li> <li>• Public Information Officer and ongoing communication support</li> <li>• Business Impact Brochure</li> </ul> <p><b>2. Additional Measures</b></p> <ul style="list-style-type: none"> <li>• Business-supporting signage on corridor</li> <li>• Corridor-specific marketing campaign</li> <li>• Targeted business education</li> <li>• Business liaison assigned</li> <li>• Ambassadors deployed</li> </ul> <p><b>3. Enhanced Suite</b></p> <ul style="list-style-type: none"> <li>• Community Advisory Committee (CAC)</li> <li>• Contractor incentives</li> <li>• Parking mitigation plans</li> <li>• Transit fare passes</li> <li>• Directed small business support</li> </ul>