

THIS PRINT COVERS CALENDAR ITEM NO. : 12

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Finance and Information Technology

BRIEF DESCRIPTION:

Adopting the San Francisco Municipal Transportation Agency financially constrained Fiscal Year (FY) 2015 through FY 2019 Capital Improvement Program totaling \$3.30 billion for approximately 370 projects within 15 capital programs, including transit, accessibility, taxi, street, bicycle, parking, traffic and pedestrian projects.

SUMMARY:

- On October 15, 2013, the SFMTA Board of Directors approved the Agency's 20-Year Capital Plan for FY 2013 through FY 2032.
- The Capital Plan represents the Agency's fiscally unconstrained capital needs for the upcoming 20 years and serves as the basis for developing the fiscally constrained five-year Capital Improvement Program (CIP) and the two-year Capital Budget.
- The CIP funds approximately 370 projects within 15 capital programs, including transit, accessibility, taxi, street, bicycle, parking, traffic and pedestrian projects.
- On February 4, 2013, the SFMTA Board of Director reviewed the key priorities and strategies to both develop and implement the proposed FY 2015 – 2019 CIP.
- More than 30 presentations have been made to the public and to coordinating departments and agencies, with feedback over time integrated into the final 5-Year CIP.
- The 5-Year CIP balances all anticipated revenues and expenditures, totaling \$3.30 billion for capital improvement projects.

ENCLOSURES:

1. SFMTAB Resolution
2. Proposed SFMTA FY 2015 – 2019 Capital Improvement Program

APPROVALS:

DATE

DIRECTOR _____ 5/12/14

SECRETARY _____ 5/12/14

ASSIGNED SFMTAB CALENDAR DATE: May 20, 2014

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PURPOSE

The purpose of this calendar item is for the SFMTA Board to adopt the proposed 5-Year CIP in the amount of \$3.30 billion. The purpose of the 5-Year CIP is to develop a financially constrained 5-Year Program of Projects; develop an implementation tool of various plans and strategies including the SFMTA Strategic Plan; prevent funding accessibility from being a barrier to project delivery; build credibility with external funding agencies; and build a 10% Capital Fund Reserve.

GOAL

The 5-Year CIP is designed to be a tool to implement the SFMTA Strategic Plan. Adoption of the 5-Year CIP will therefore advance many of the goals and objectives within the Strategic Plan including:

Goal 1 – Create a safer transportation experience for everyone

- Objective 1.1 – Improve security for transportation system users.
- Objective 1.2 – Improve workplace safety and security.
- Objective 1.3 – Improve the safety of the transportation system.

Goal 2 – Make transit, walking, bicycling, taxi, ridersharing, and carsharing the preferred means of travel

- Objective 2.1: Improve customer service and communications.
- Objective 2.2 – Improve transit performance.
- Objective 2.3 – Increase use of all non-private auto modes.

Goal 3 – Improve the environment and quality of life in San Francisco

- Objective 3.1 – Reduce the Agency’s and the transportation system’s resource consumption, emissions, waste, and noise.
- Objective 3.3 – Allocate capital resources effectively.
- Objective 3.4 – Deliver services efficiently.
- Objective 3.5 – Reduce capital and operating structural deficits.

Goal 4 – Create a workplace that delivers outstanding service.

- Objective 4.1 – Improve internal communications.
- Objective 4.2 – Create a collaborative and innovative work environment.
- Objective 4.3 – Improve employee accountability.
- Objective 4.4 – Improve relationships and partnerships with our stakeholders.

DESCRIPTION

On October 15, 2013, the SFMTA Board of Directors approved the Agency’s 20-Year Capital Plan for FY 2013 through FY 2032. The Capital Plan represents the Agency’s *fiscally unconstrained capital needs* for the upcoming 20 years. The 20-Year Capital Plan serves as the basis for developing the *fiscally constrained* 5-Year CIP and the 2-Year Capital Budget.

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Given limited funding availability, the SFMTA prioritizes the capital projects which can be advanced during each 5-year CIP. Projects are prioritized based on the level of funding estimated to be available for the near-term and subsequent fiscal years, which in total equals the 5-Year CIP. Fifteen capital program areas are presented within the 5-Year CIP. Each program area includes various projects, phases and initiatives desired to be implemented with an initiation date and proposed schedule for implementation. Two policy thresholds must be met in order for a project to be included in the 5-Year CIP. First, a proposed project must be an identified “public priority.” This means that the idea and needs for the project were identified and prioritized through a public planning process. Second, a proposed project must have a funding plan, including identified funding for up to 90% of the total estimated cost for that phase of delivery or for the full project, depending on what is anticipated to occur and be delivered within the 5-Year period.

Each project proposal included in the 5-Year CIP is scrutinized from a variety of perspectives before it is included in the CIP. SFMTA staff selects projects to be included in the 5-Year CIP based on the following: (1) input from the community received at various meetings during the year; (2) input from the SFMTA Board of Directors, San Francisco Board of Supervisors (or the BOS sitting as the Transportation Authority Board), and other commissions and advisory committees including the SFMTA Citizen’s Advisory Council; (3) approved City/SFMTA plans for growth, improvements, and rehabilitation; (4) the 20-Year Capital Plan approved by the SFMTA Board containing criteria for selecting priority needs to advance policy goals; and (5) staff-identified projects based on critical safety needs or to comply with new federal or other legal mandates.

The 5-Year CIP is intended to be a “living document.” Aligned with the SFMTA Budget Process, the 5-Year CIP is reviewed, updated, and reissued every two years.

On February 4, 2014, the SFMTA Board of Directors reviewed and provided comments related to the proposed policy priorities for the development of the FY 2015 – 2019 CIP. These include:

Maintain and build upon \$250M per year State of Good Repair (SOGR) investment

- Ensure full funding for Muni fleet replacement;
- Increase funding for Traffic Signal SOGR;
- Initiate an ongoing Muni Fleet Mid-Life Overhaul Program; and
- Fund critical facility replacement needs.

Maintain and increase funding in safe and complete streets

- Integrate recommendations from the San Francisco WalkFirst/Pedestrian Strategy;
- Integrate recommendations from the SFMTA Bicycle Strategy, and
- Increase investment in Traffic Calming (to address the backlog in the current plan)

Fund critical transit travel time and reliability projects

- Fund priority travel time reliability and customer first projects;
- Integrate and fund improvements on Market Street; and
- Increase funding for fleet expansion (LRV, articulated bus fleet).

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The proposed 5-Year CIP for FY 2015 – 2019 includes funding for State of Good Repair exceeding the \$250 million level, at an average of \$329 million per year. This will include the full replacement of the Muni bus fleet, an on-going transit fleet overhaul program, and increased funding for traffic signals and facilities. Funding for street-related improvements are recommended to increase 187%, including significant funding for implementation of the Vision Zero Plan (Bicycle and Pedestrian Strategies). Finally, a significant portion of the Transit Effectiveness Project (TEP) is proposed to be funded and implemented, as well as an increase in the LRV and 60-foot bus fleets.

On April 15, 2014, the SFMTA Board of Directors approved the first two years of the 5-Year CIP, for fiscal years 2015 and 2016, by approving the SFMTA's 2-Year Capital Budget. Board adoption of this resolution would constitute Board approval of the CIP for all five years. The CIP incorporates all funding sources that are anticipated to pay for transportation investments through FY 2019, including funds appropriated by SFMTA, as well funds appropriated by other City departments and other agencies.

ALTERNATIVES CONSIDERED

The development of the 5-Year CIP was based on extensive input over time from the SFMTA Board, Board of Supervisors, SFMTA Citizens Advisory Council, staff, and community stakeholders on desirable project priorities. Staff also received technical guidance on expected funding from local and regional experts.

In total there were more than 30 presentations made to various public and city partner groups. Feedback from committees such as the Bicycle Advisory Committee, the Small Business Commission and the Pedestrian Safety Advisory Committee led to changes in the 5-Year CIP during the course of development, and were integrated into the final proposed CIP for SFMTA Board Adoption. In addition to the groups noted above some of the other groups consulted in the development of the 5-Year CIP include:

- Market & Octavia Citizens Advisory Committee;
- Eastern Neighborhood Citizens Advisory Committee;
- Transportation Authority Citizens Advisory Committee
- Balboa Park Citizens Advisory Committee;
- Transportation Authority Plans and Programs Committee, and
- Streets Capital Group.

FUNDING IMPACT

Adoption of the CIP will enable the selected projects to proceed, subject to receipt of federal and state funding.

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OTHER APPROVALS RECEIVED OR STILL REQUIRED

The SFMTA 5-Year CIP serves as a major component of the City and County of San Francisco's 10-Year Capital Plan for Transportation. The 5-Year CIP was presented to the City's Capital Planning Committee on April 7, 2014. The SFMTA will obtain environmental clearance for specific projects prior to seeking approval for their implementation.

RECOMMENDATION

Staff recommends that the SFMTA Board of Directors adopt the financially constrained SFMTA FY 2015 – 2019 Capital Improvement Program.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, The FY 2015-2019 Capital Improvement Program represents the culmination of the SFMTA's efforts to strategically plan and prioritize capital and other one-time project activities from FY 2015 to FY 2019 and is a projection of the planned expenditures and anticipated revenues; and

WHEREAS, The FY 2015-2019 Capital Improvement Program establishes a baseline of available revenues to program to specific capital investments with projects prioritized based on revenue constraints and specific scope, schedules and budgets to establish accountability in project delivery and efficient use of available financial and staff resources; and

WHEREAS, On October 15, 2013, the SFMTA Board of Directors approved the Agency's 20-Year Capital Plan for FY 2013 through FY 2032, which represents the Agency's unconstrained capital needs for the upcoming 20 years and serves as the basis for developing the fiscally constrained 5-year Capital Improvement Program (5-Year CIP); and

WHEREAS, On February 4, 2013, the SFMTA Board of Directors reviewed the key priorities and strategies to both develop and implement the proposed FY 2015 – 2019 Capital Improvement Program, including State of Good Repair, safe and complete streets, and transit travel time and reliability; and

WHEREAS, On April 15, 2014, the SFMTA Board of Directors approved the SMFTA FY 2015 and FY 2016 Capital Budget, in the amount of \$562.9 million and \$669.0 million respectively, which are the first two years of the 5-Year CIP; and

WHEREAS, More than 30 presentations have been made to the public and to coordinating departments and agencies, with feedback over time integrated into the final 5-Year CIP; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors adopts the FY 2015-2019 Capital Improvement Program totaling \$3.30 billion for approximately 370 projects within 15 capital programs, including transit, accessibility, taxi, street, bicycle, parking, traffic and pedestrian projects.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of May 20, 2014.

Secretary to the Board of Directors