

**THIS PRINT COVERS CALENDAR ITEM NO. : 14**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Finance and Information Technology

**BRIEF DESCRIPTION:**

Adopting the SFMTA Proposed FY 2013-2017 Capital Improvement Program (CIP) and approving the Fiscal Year (FY) 2012-2013 and FY 2013-2014 Capital Budget of \$582.3 million and \$477.8 million respectively.

**SUMMARY:**

- On April 3, 2012, the SFMTA Board of Directors reviewed the initial draft of the CIP and Capital Budget. Since then, staff has received refined revenue projections and received updated information from the Metropolitan Transportation Commission (MTC). This resulted in increases to the overall CIP and Capital Budget totaling \$36.7 million including an increase of \$31.7 million in FY 2013 and \$5.0 million in FY 14.
- The five-year CIP balances anticipated revenues and expenditures totaling \$3.06 billion for capital improvement projects. This includes \$591.8 million in projects that began in prior years and will carry forward into the new five-year period. New anticipated revenues during the upcoming five years are estimated at \$2.47 billion over the five-year period.
- The CIP includes the Capital Budget for FY 2012-2013 and FY 2013-2014, which consists of appropriations of \$582.3 million and \$477.8 million respectively, and funds 256 projects within 16 capital programs, including transit, paratransit/taxis, streets, bicycles, parking and traffic and pedestrian projects.
- The Operating Fund is expected to contribute \$5 million for FY 2013 and FY 2014 to provide support for critical pre-development planning efforts, local match to state and federal grant sources, and operating projects to improve system accessibility and safety. Further details are provided in Enclosures A and B.

**ENCLOSURES:**

1. SFMTAB Resolution
2. Enclosure A – FY 2013-2017 Revenue Budget by Source
3. Enclosure B – FY 2013-2017 Funded Projects by Capital Program

**APPROVALS:**

**DATE**

DIRECTOR \_\_\_\_\_ 4/12/11 \_\_\_\_\_

SECRETARY \_\_\_\_\_ 4/12/11 \_\_\_\_\_

**ASSIGNED SFMTAB CALENDAR DATE:** April 17, 2012

**PURPOSE**

Adoption of the SFMTA 2013-2017 Capital Improvement Program (CIP) and the approval of the FY 2012-2013 and FY 2013-2014 Capital Budget. The SFMTA Board adopts the CIP as the plan for the implementation of various capital efforts. The first two years of the CIP serve as the adopted Capital Budget.

**GOAL**

On January 3, 2012, the SFMTA Board of Directors approved a new SFMTA Strategic Plan for Fiscal Years 2013-2018. The Strategic Plan includes four overarching goals that shape how the SFMTA focuses its attention, resources, and staff. The CIP is meant to build on the Strategic Plan by presenting a 5-Year program of projects meant to implement the Strategic Plan over the same period. The goals included in the strategic plan include:

Goal 1: Create a safer transportation experience for everyone.

Goal 2: Make transit, walking, bicycling, taxi, ridesharing, and carsharing the preferred means of travel.

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

Goal 4: Create a workplace that delivers outstanding service.

**DESCRIPTION**

On April 3, 2012, the SFMTA Board of Directors reviewed the initial draft of the CIP and Capital Budget. Since then staff has received refined revenue projections and received updated information from the Metropolitan Transportation Commission (MTC). This resulted in increases to the overall CIP and Capital Budget totaling \$36.7 million including an increase of \$31.7 million in FY 2013 and \$5.0 million in FY 14. The majority of the \$31.7 million was due to a reconciliation of all anticipated and programmed grant awards in FY 12. In many cases, this included grants that were awarded to the SFMTA, administered by Caltrans and other agencies that have not yet been booked in the City and County of San Francisco's General Ledger Accounting System. These grants will show as budgeted in FY 2013. The additional \$5.0 million in FY 14 was due to the release by the MTC of the FY 13 FTA 5309 Fixed Guideway program allocation, which was higher than originally projected. It is in the best interest of the SFMTA to make these technical corrections now and reflect these new revenue sources.

The FY 2013-2017 CIP is a financially constrained five year plan, which provides the SFMTA with a financial strategy to fund projects that keep the transportation system in a State of Good Repair, improve safety, maximize resources through complete street investments and improve the reliability of the transit system. The CIP balances anticipated revenues and expenditures totaling \$3.06 billion for capital improvement projects over the five-year period consisting of \$591.8 million in projects that will carry forward into the new five-year period and new revenues of \$2.47 billion that the SFMTA expects to receive during the five years.

The CIP includes the Capital Budget for FY 2012-13 and FY 2013-14, which totals \$582.3 million and \$477.8 million respectively, and includes funding for 256 projects within 16 capital programs. The Operating Fund contribution for capital expenditures in FY 2012-2013 and FY 2013-2014 is \$5 million, and will provide support for critical pre-development planning efforts, local match to state and federal grant sources and operating projects to improve system accessibility and safety. Further details are provided in Enclosures A and B.

**ALTERNATIVES CONSIDERED**

The development of the Capital Budget and Capital Program was based on extensive input over time from the Board, staff, and community stakeholders on desirable project priorities. Staff also received technical guidance on expected funding from local and regional experts.

**FUNDING IMPACT**

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

**OTHER APPROVALS RECEIVED OR STILL REQUIRED**

No other approvals are needed. The SFMTA will obtain environmental clearance for specific projects, as needed, prior to seeking approval for their implementation. Additionally, the SFMTA Board and Board of Supervisors as necessary will approve contracts required for completion of capital projects.

The City Attorney has reviewed this report.

**RECOMMENDATION**

Staff recommends that the SFMTA Board of Directors adopt the FY 2013 - 2017 Capital Improvement Program and approve the Capital Budget of \$582.3 million for FY 2012-2013 and \$477.8 million for FY 2013-2014

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, On January 3, 2012, 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 five-year Capital Improvement Program (CIP) and the two-year Capital Budget; and

WHEREAS, The FY 2013-2017 CIP represents a five-year projection of the planned expenditures and anticipated revenues for the SFMTA's capital program; and

WHEREAS, The CIP includes the Capital Budget for FY 2012-2013 and FY 2013-2014, which consists of appropriations of \$582.3 million in FY 2012-2013 and \$477.8 million in FY 2013-2014, funding 256 projects within 16 capital programs, including public transit, paratransit/taxis, streets, bicycles, and pedestrian projects; and

WHEREAS, The FY 2012-2013 and FY 2013-2014 Capital Budget is being prepared in accordance with City Charter Section 8A.106; and

WHEREAS, Charter Section 8A.106 (b) requires the SFMTA to certify that the Capital Budget is adequate in all respects to make substantial progress towards meeting the goals, objectives, and performance standards established pursuant to Section 8A.103 for the fiscal years covered by the budget; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors adopts the FY 2013-2017 Capital Improvement Program and approves the two year Capital Budget of \$582.3 million for FY 2012-2013 and \$477.8 million for FY 2013-2014, as itemized in Enclosure B; and be it further

RESOLVED, That in accordance with the requirements of Charter Section 8A.106(b), the SFMTA certifies that the FY 2012-2013 and FY 2013-2014 SFMTA Capital Budget is adequate in all respects to make substantial progress towards meeting the goals, objectives, and performance standards established pursuant to Section 8A.103 for FY 2012-2013 and FY 2013-2014; and be it further

RESOLVED, That the Director of Transportation is authorized to make any necessary technical and clerical corrections to the approved Capital Budget of the SFMTA and to allocate additional revenues and/or City and County discretionary revenues in order to fund additional adjustments to the capital budget, provided that the Director of Transportation shall return to the SFMTA Board of Directors for approval of technical or clerical corrections that, in aggregate, exceed a five percent increase of the total SFMTA FY 2012-2013 and FY 2013-2014 Capital Budget.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of April 17, 2012.

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Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency