



SFMTA

San Francisco Municipal Transportation Agency

Citizens Advisory Council

February 6, 2020

Where We Stand

Citywide, almost all our **key performance indicators** have worsened.

Injuries and
Fatalities

Congestion

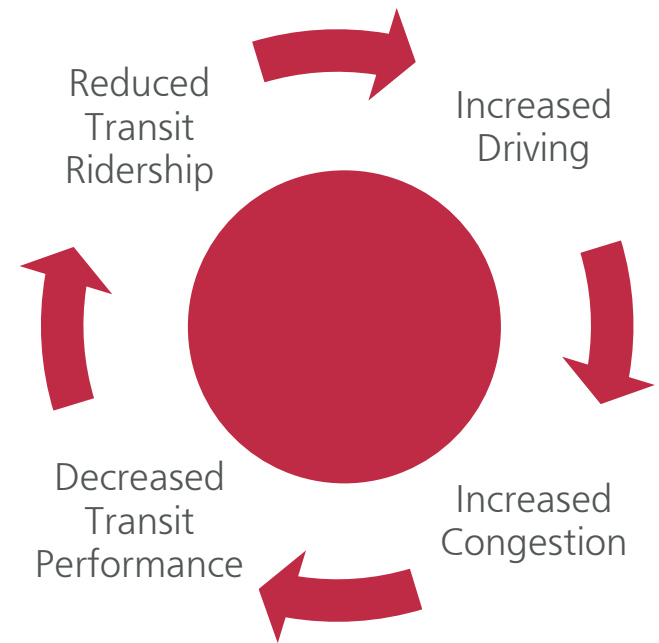
Transit
Ridership

Sustainable
Mode Share



Where We Stand: Understanding the Root of the Problem

- San Francisco and San Mateo Counties have **added more than 2,000 jobs every month since 2011**, while adding only 400 housing units a month.
- **Auto speeds have declined 20%** over the last decade while transit speeds declined 6%
- **TNCs caused the greatest increases in congestion in the densest parts of the city**—up to 73% in the downtown financial district - and along many of the city's busiest corridors.



Where We Stand: We Understand the Solutions



9/9R Peak travel times down **37%** and ridership up **28%**



L Taraval: **zero** injuries at stops where clear zones were built



Ridership up **28%** after 28R launched, first crosstown Rapid route



Travel times down **12%** and ridership up **60%** on Fulton routes



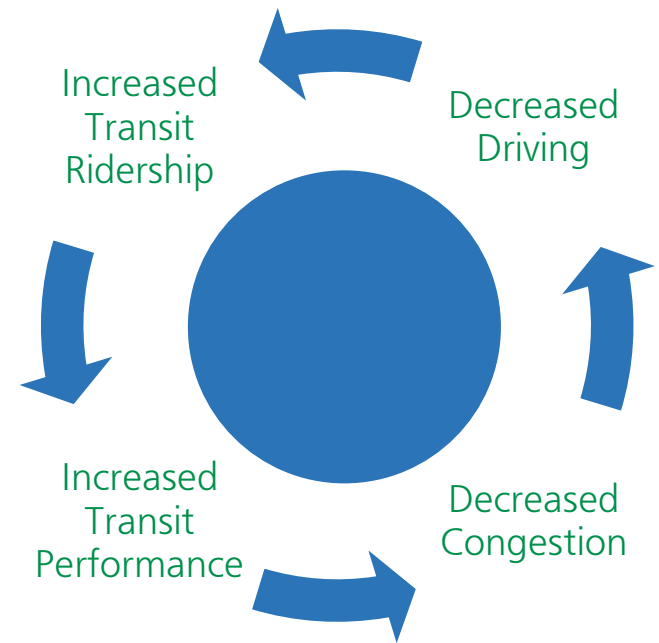
Turk Street saw a **287% increase in bicycle trips** following installation of protected bike lane



Near-term Folsom Street project led to an **improved sense of safety** from bicyclists (83%), pedestrians (54%), and drivers (48%)

Where We Stand: We Understand the Solutions

- Design and manage our streets to prioritize the movement of people, not vehicles
- Protect all our highest ridership transit lines from congestion
- Invest resources to address current and historic system equity gaps
- Manage parking for commercial access and congestion reduction
- Support SFCTA downtown congestion pricing study
- Create protected paths for bikes and micromobility
- Invest in system management tools like communications-based train control
- Address our HR issues to hire budgeted staff
- Become the most welcoming and inclusive work environment in the nation to draw and hold talent



Citizens Advisory Council – Welcome and Purpose

Understanding the Obstacles



Agreement on overall goals, but deep disagreement on details



Ongoing staffing shortage exacerbated by strong economy and affordability crisis



General misunderstanding of issues such as bunching and congestion

Challenges and Initiatives

We have had successes in the last year, but there remains operational challenges for the SFMTA to address.

Strategic Challenges

Overview: Major Agency Challenges



SFMTA

We know what
we need to fix.

Fatalities

Not Declining Fast Enough

Sustainable Mode Share

Declining

High Vacancy Rates

in Critical Classifications

Aging Infrastructure

& State of Good Repair

Growing Service Demands

& Equity Needs

Insufficient Resources

for Operations

Project Delivery

& Conflicting Priorities

Security &

Service Experience

Strategic Challenges

Common Customer Frustrations

Safety

- Roadway safety
- Lack of safe multimodal infrastructure

Transit

- Crowding
- Long and unpredictable wait times
- Regular subway delays
- Inconsistent/unpleasant customer experience

Driving

- Lack of parking
- Traffic congestion

Service and Public Trust

- Lack of communication & responsiveness
- Equity gaps
- Slow project delivery & construction fatigue



Capital Funding of Projects and Programs

Prop D Ride-Share Business Tax:

- Voter-approved a capital funding source
- \$15 million estimated annually for street safety projects

Proposal



- Build on existing programs with Proposition D funds:
 - 50% for the new **Quick-Build Program**, especially protected bicycle facilities or projects on the High Injury Network
 - 50% for **signal hardware upgrades**, especially signal modifications (new mast arms, poles, visibility) in communities of concern and/or on the High Injury Network

Vision Zero Education Programs

Proposal



- Focus on delivering behavior change through education, complementing engineering programs and efforts.
- Education and communications assets are developed, funding will focus on delivery:
 - Staffing for outreach and events
 - On-street, radio and on-line outlets
 - Multi-lingual outreach in all mediums
- Request: \$1.2 million annually, funded consistently through the agency operating funds to ensure ongoing focus and support.
- Coordinate with our regional partners like the Metropolitan Transportation Commission to broaden the message and reach more people

Parking Enforcement Operations

Proposal



- Add 44 Parking Control Officers (PCOs) in the next budget cycle (22 PCOs each fiscal year) to:
 - Support multi-modal safety and neighborhood/commercial corridor needs
 - Keep the city moving by managing traffic congestion and supporting transit operations
 - Respond to increased demand for services in response to special events, construction, etc.
- Even with the requested staffing increase, enforcement resources are limited.
- We want to align the deployment of the PCOs with values of the organization and city.
- Staffing increase coupled with reduced vacancies will give the sustainable modes the support they need.

Improving Transit Security

Multi-Tiered Approach



Contract Security



Capital Improvements



Muni Transit Assistance Program



Staff Training



SFPD Partnership

Muni Transit Assistance Program (MTAP) - Increase Staffing

- Provides community-based staff to ride transit lines with high incidences of graffiti and youth conflicts and assists with enforcement.
- Monitors high schools, junior high schools, bus stops, and bus lines throughout the city, focusing on youth security.



Proposal



- Increase the MTAP program, including funding for training, by 20 in the next budget cycle
- Continue to support Transit operations
- Respond to increased demand for services

Delivering Excellent Service

Strategic Initiatives

- On-going operator hiring and training
- Increased supervision
- Congestion relief
- Subway enhancements
- Revamped customer information
- Enhanced security
- Vacancy reduction



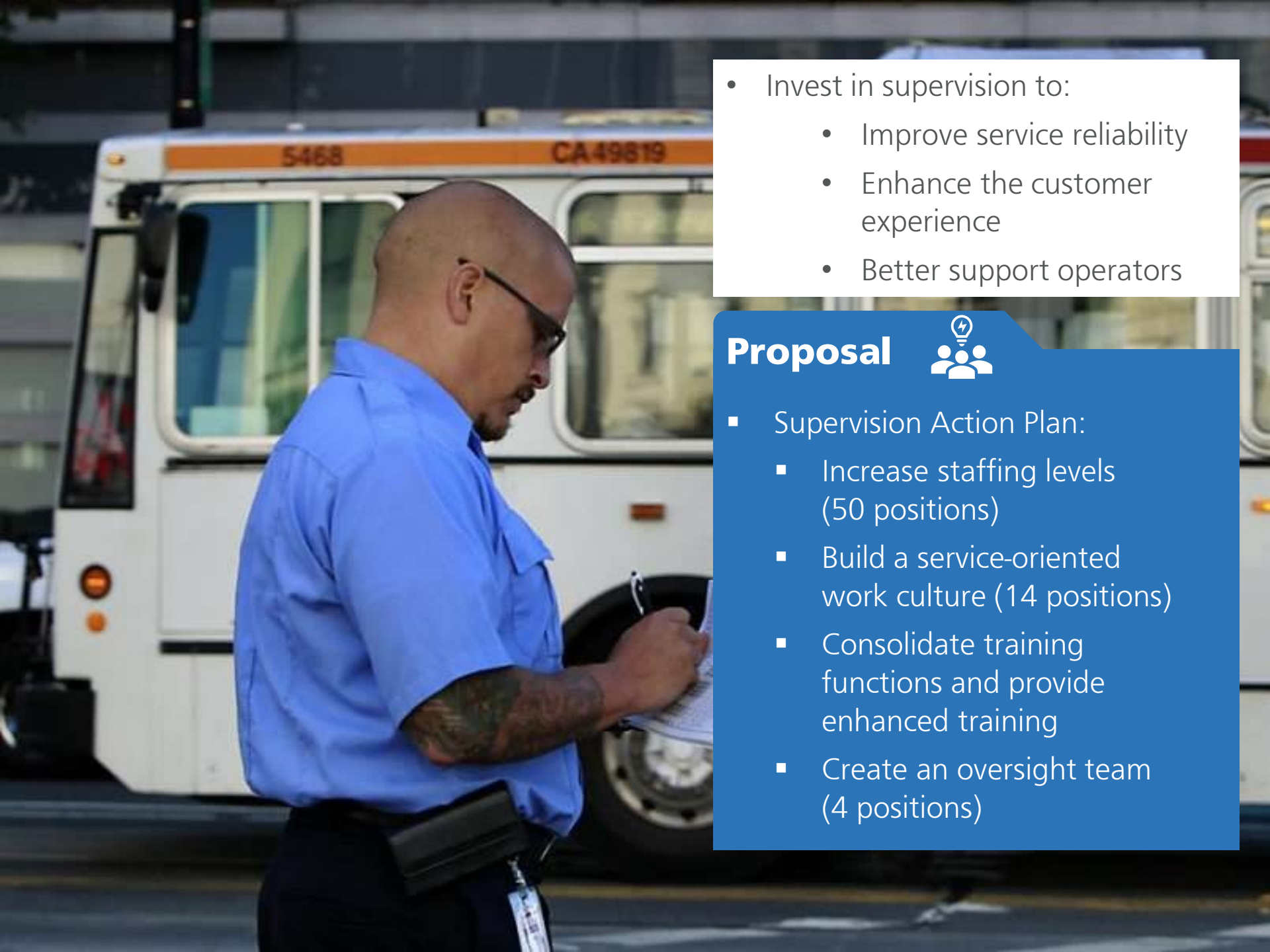


Repurposed vacant positions to increase training staff in FY20 to meet urgent demand for new operators

Proposal



- 12 additional positions recommended for FY21 to continue to increase training and support for existing staff

- 
- A man in a blue uniform and sunglasses is standing in front of a white bus, writing on a clipboard. The bus has the number 5468 and CA 49819 on its side.
- Invest in supervision to:
 - Improve service reliability
 - Enhance the customer experience
 - Better support operators

Proposal



- Supervision Action Plan:
 - Increase staffing levels (50 positions)
 - Build a service-oriented work culture (14 positions)
 - Consolidate training functions and provide enhanced training
 - Create an oversight team (4 positions)



- Muni Forward program reduces delays and increases ridership and customer satisfaction
- FY21/22 Priorities
 - Start Outreach:
 - Downtown Mission
 - K, M, N
 - Last 5 Fulton Segment
 - Finish J Church surface improvement project
 - Launch quick build transit program

Proposal



- 6 planner and communications positions

- Resources needed for near-term improvements, as well as longer-term train control replacement
- Near-term improvements require both capital and operating resources

Proposal



- Increased supervision
- Increased rail maintenance (64 positions) and subway maintenance (5 positions)
- Capitalized roadway worker protection (8 positions)
- New switch machines, special track replacement (design work underway)



Equity and Service Expansion

Service Expansion Priorities

- Closing Service Equity gaps based on metrics
- Addressing crowding on existing high-ridership demand lines and expanding peak hours
- Targeted weekend frequency increases to address crowding
- Preparing for future ridership growth areas
- Protecting investments with transit priority



Draft Service Recommendations

Connectivity/Travel Time

- Central Subway and related rail changes
- Faster trip Bayview to Downtown
- Quicker, more reliable 29 Sunset
- 22 Fillmore to Mission Bay; new 55 Dogpatch
- 56 Rutland extension for better connectivity
- Eliminate 83X Mid-Market Express

School service and crowding

- Increase vehicles/frequency on select lines to reduce crowding

Support for Existing Service

- Placeholder to address congestion and crowding



FY21-22 Budget and Five Year CIP

Financial Challenges

We have an on-going structural in-balance, expectations and expenses are growing with revenues not keeping up.

By: Timothy Manglicmot, Manager, Budget and Analysis

Strategic Challenges

Overview: Major Agency Challenges



SFMTA

Long term financial objectives:

- Financial **sustainability**
(On-Going)
- Economic **resiliency**
(Disruption)

Growing Service Demand

Growth resulting in higher service demands and expectations

Structural Deficit

Labor and other operating costs rising faster than fare/parking revenues

Capital Funds Declining

The 5-Year CIP revenues decline each budget cycle

Infrastructure Needs

Capital infrastructure replacement backlog continues to grow ~ \$3 billion

Potential for Downturn

Longest cycle of economic expansion in U.S. History- can't plan on lasting forever

Increasing Operating and Capital Transportation Needs

As the city continues to grow, both in population and employment, the transportation system struggles to keep up with an increasing demand for mobility and accessibility.

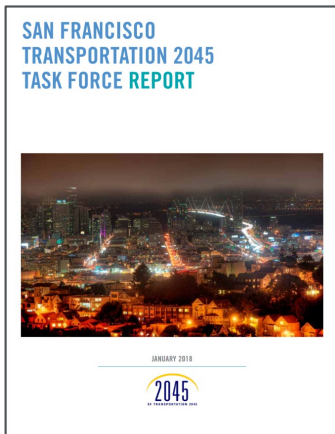
Growing Service Demand

Structural Imbalance

Capital Funds Declining

Infrastructure Needs

Potential for Downturn



Transportation Task Force 2045 was presented with a **\$22 billion funding gap** for San Francisco's transportation system through 2045.

By 2040, San Francisco is expected to add an additional 73,400 housing units and 275,000 new jobs.



In 2015, there were 4.3 million daily trips of all types being made to, from, and within San Francisco by all modes of travel.

By **2050** that number is expected to grow to 5.9 million – a 36% increase in trips.

Structural Deficit FY 2021 & FY 2022

The current baseline for FY 2021, and FY 2022 shows a structural deficit based on on-going revenues vs. on-going expenses.

Item	FY 21, \$M	FY 22, \$M
Revenue – Base Projection	1,209	1,225
Expenditures – Adjusted Base	1,275	1,302
Base Operating Gap	(66)	(77)

* Assumes no use of one-time revenues

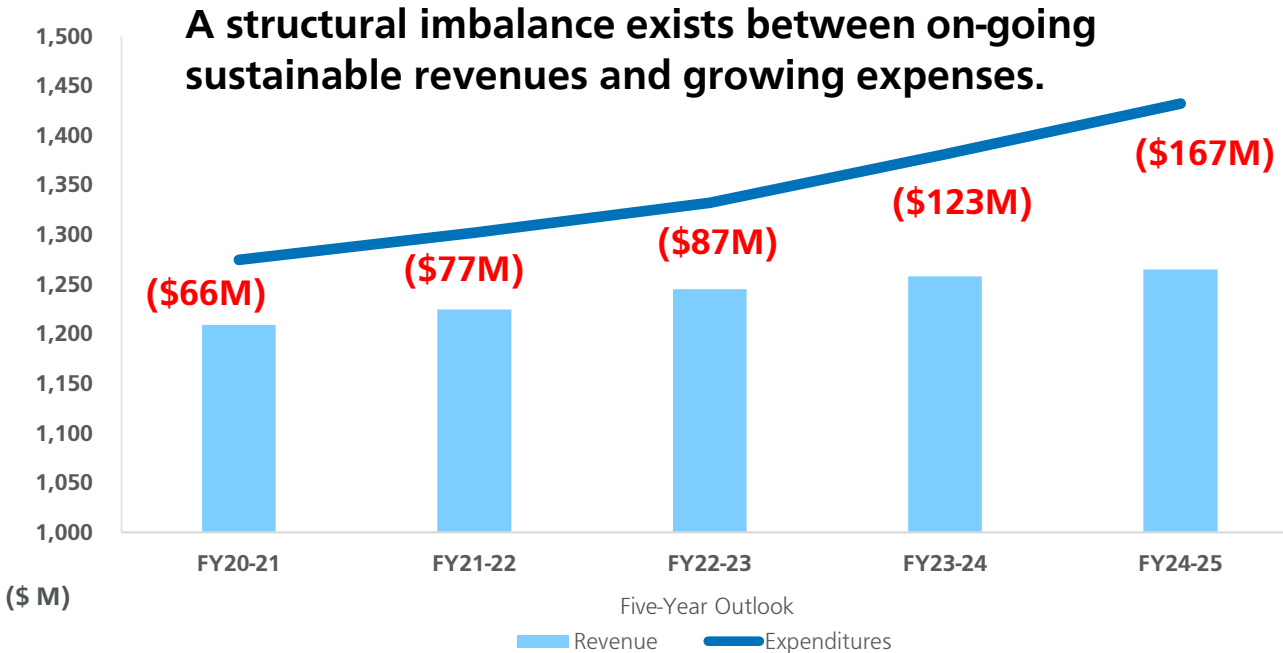
Growing Service Demand

Structural Imbalance

Capital Funds Declining

Infrastructure Needs

Potential for Downturn



Proposed Adjusted Base (as of January 2020)

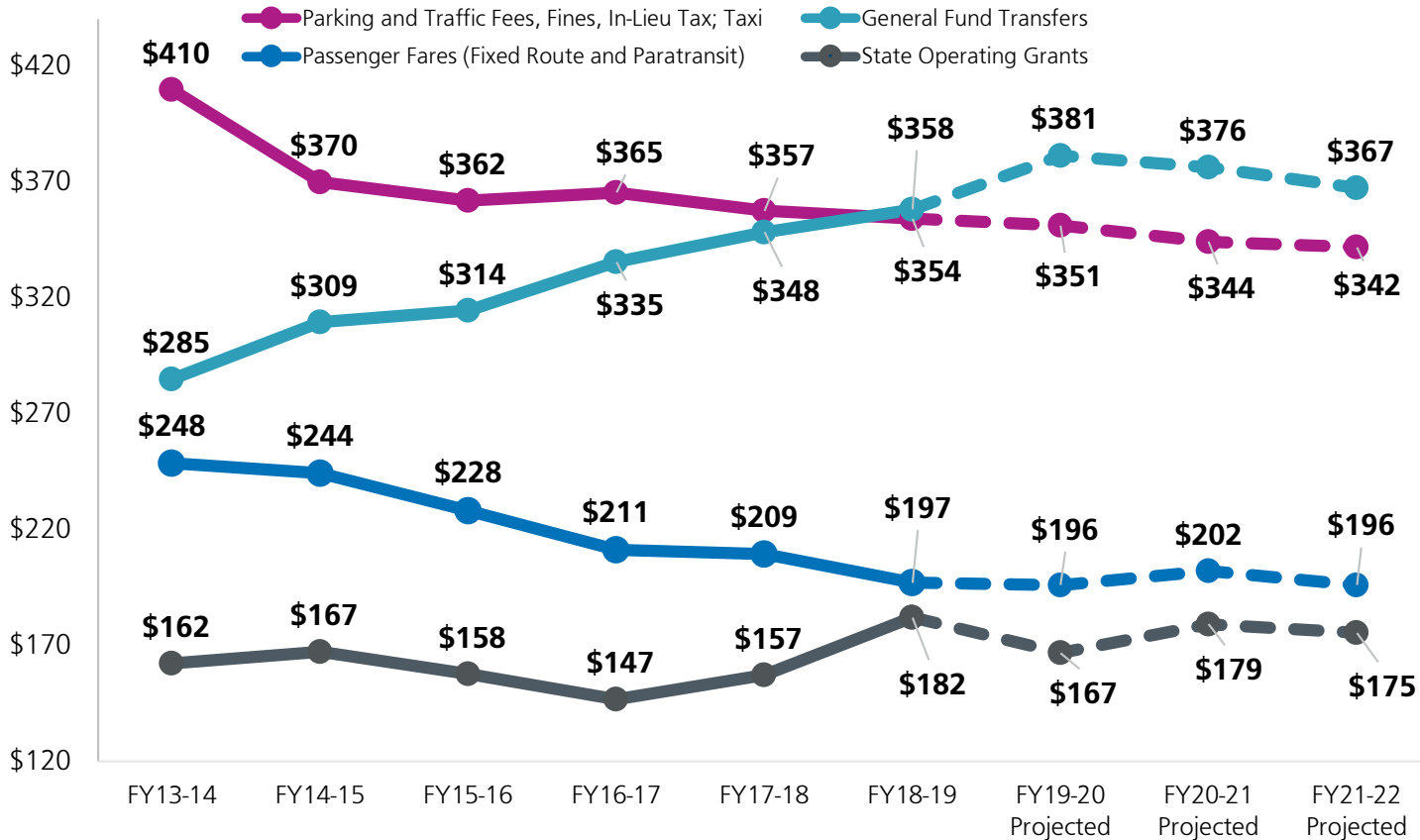
Item	FY 21, \$M	FY 22, \$M
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Balancing Proposal (as of January 2020)

Portion of TNC/Congestion Tax <i>Ongoing Revenue</i>	15	11
Portion of Population Baseline <i>Ongoing Revenue- previously all directed toward capital</i>	10	0
Developer Fees <i>Volatile Revenue Source</i>	21	66
Fund Balance <i>One-Time</i>	20	0
Remaining Base Gap	0	0

Major Revenues – in 2019 Constant Dollars

General fund revenues growing while enterprise revenues down when in 2019 constant dollars.



Growing Service Demand

Structural Imbalance

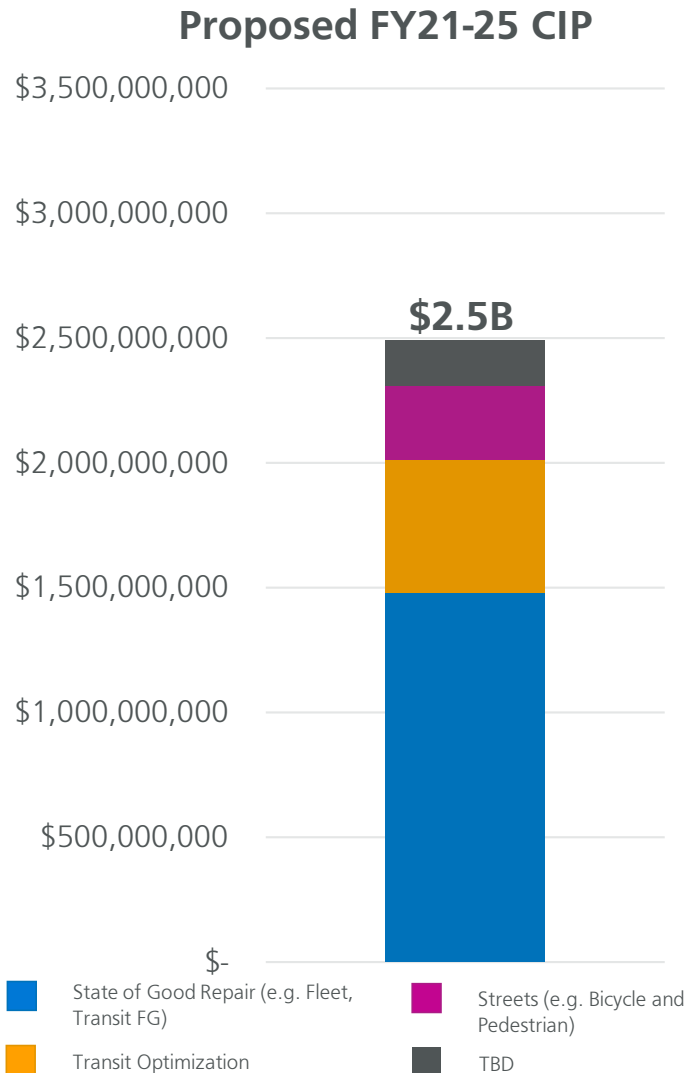
Capital Funds Declining

Infrastructure Needs

Potential for Downturn

Source: SFMTA Annual Disclosures. FY18-19 excludes one-time ERAF. FY19-20 includes \$17M one-time ERAF.

Capital Funds Declining – Proposed FY 2021-25 CIP



157 Projects \$2.5 Billion Investment (Down from \$3.4 Billion in FY 2017-21)

- FY 2021-25 CIP project prioritization in progress
- Several large projects:
 - Central Subway
 - LRV Replacement and Expansion Acceleration
 - Train Control System Upgrade
 - Better Market Street
 - Muni Forward
 - Potrero Modernization
- Reserves proposed for each capital program

Growing Service Demand

Structural Imbalance

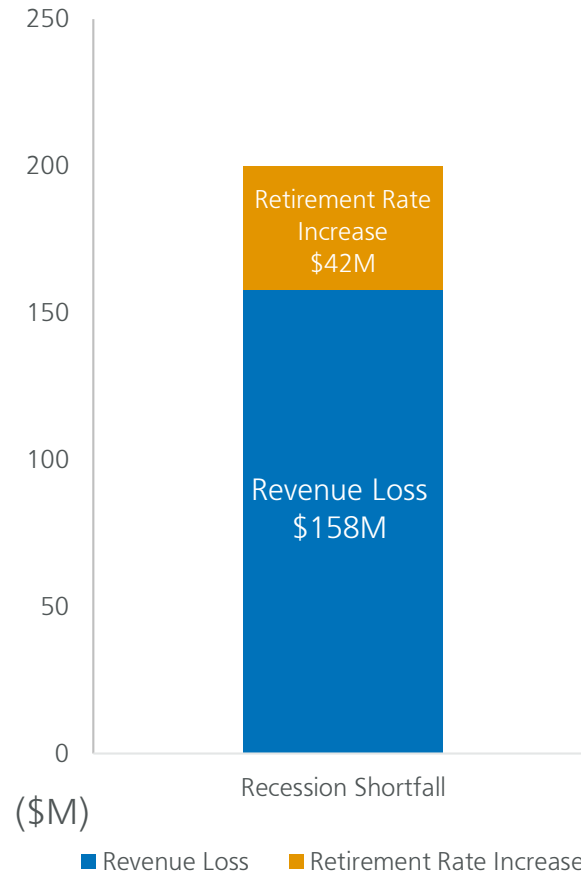
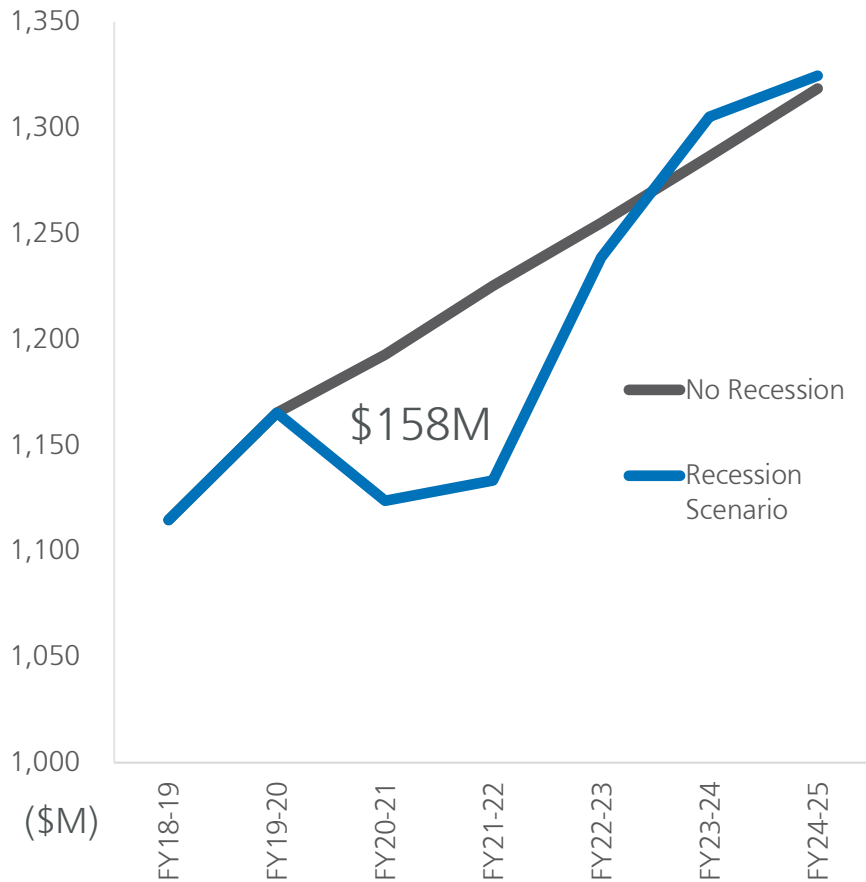
Capital Funds Declining

Infrastructure Needs

Potential for Downturn

Financial Challenges

Potential for Downturn - SFMTA Downturn/Recession Scenario



- Growing Service Demand
- Structural Imbalance
- Capital Funds Declining
- Infrastructure Needs
- Potential for Downturn**

- Assumes decrease in General Fund baselines and parking tax based on Controller scenario
- Decline in traffic fines, fees & permits and operating grants based on SFMTA revenue history during last recession
- No change in fares– based on SFMTA history during last recession.
- Note: an additional pressure on SFMTA budget would be likely increase in required pension contributions to make up for assumed investment losses ~\$42M based on Controller scenario.

Source: SFMTA February/March 2019 Labor Negotiations

Transportation Funding Efforts & Opportunities



2014 Proposition A

General Obligation Bond
Passed – 71.9% yes
\$500 million/one-time

2014 Proposition B

General Fund Population Baseline
Passed – 61.4% yes
\$23 million/annually (est. at time)

Vehicle License Fee

Increase by 2% - Not Pursued
Estimate: \$73 million/annually



SF TRANSPORTATION TASK FORCE 2045

2016 Proposition J/K

3/4 cent Sales Tax
Prop J Dedication: Passed – 67.2% yes
Prop K Tax: Failed - 65.3% no
\$101.6 million/annually

2018 Proposition D

Ride Hailing Tax
Passed – 67.7% yes
\$15 million Transit/annually
\$15 million Vision Zero/annually

General Obligation Bond

\$500 million/one time (June 2022)

+ 1/4 Cent Sales Tax

\$51 million/annually (Estimated)

Congestion Pricing

\$80 million/annually (Estimated)

Community Benefit District

Varies Depending on District

Other opportunities:

Proposition K Sales Tax Reauthorization

\$100 million/annually (Post 2034)
Voter approval of a new 30-year expenditure plan
for the existing Proposition K 1/2 Transportation Sales Tax

Federal and State Grants

FTA Capital Investment Grant Program: \$200 million/one-time
State Transit and Intercity Rail Capital Program: \$120 million/one-time

Operating Budget Financial Proposals - Details

Proposal



*Potentially cost neutral or net positive revenue

Proposals	FY 21, \$M	FY 22, \$M
Transit Service Expansion - 6-6.5% service expansion by end of FY22. Requires existing service investments, operators (130), bus maintenance (62), central subway (36), maintenance apprentice program (25), administrative/ communications (6)	24.2	32.3
Transit Supervision Action Plan - Increase staffing levels (50), build a service-oriented work culture (14), consolidate training functions and provide enhanced training, oversight team (4)	11.0	14.6
Transit near-term improvements, longer-term train control replacement - Increased supervision, increased rail maintenance (64) and subway maintenance (5), capitalized roadway worker protection (8)	10.2	13.6
Parking Enforcement Operations - Add Parking Control Officers (PCOs) (44)	*3.9	*7.2
Human Resources Staffing – 1241 Analysts (8), compensation and classification (1), leave management (1), business /budget analyst (1), talent acquisition (5), Increase SSD to 6 Analysts and Transit to 10 Analysts, 9172 Manager II (2), Senior Clerk (1)	1.8	2.4
Transit Training – additional positions (12) to increase training and support for existing staff	1.5	2
Vision Zero Education Program	1.2	1.2
Muni Transit Assistance Program MTAP - Increase MTAP program (20) with training	0.9	1.2
Muni Forward – Planner and communication positions (6)	0.6	0.8
Other Divisions Asks	13.7	15.0
Total	69.0	90.3

Parking Options

Incidental revenue from targeted parking congestion management initiatives

Options	Annual Low Range, \$M	Annual High Range, \$M
Special Events Parking Rate Harmonization	\$0.4	\$1.2
Raise Demand-Responsive Parking Meter Rate Cap	0.1	0.1
Modernizing Parking Meter Hours: Evening Option	1.0	19.8
Modernizing Parking Meter Hours: Sunday Option	1.0	6.9
Total	\$2.7	\$28.0

Note: These are initial projections. Amounts would vary depending on final program or policy configurations and implementation timelines.

Fare Options (minimal cost/revenue impact)

Proposal

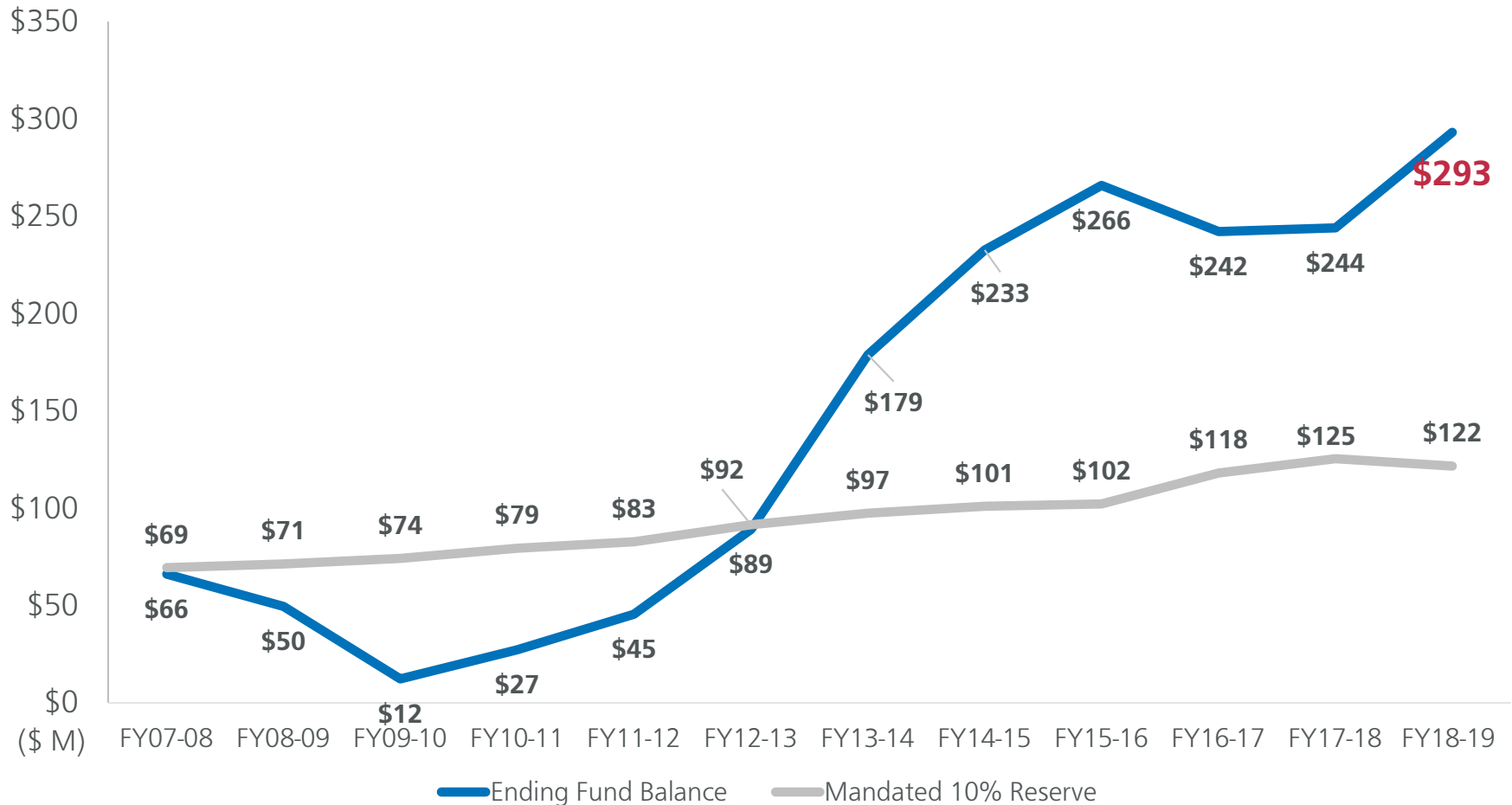


- Support Fare Equity
 - Muni Day Pass on Farebox (available only on MuniMobile currently)
 - Pilot Monthly Fare Capping on MuniMobile
 - Free Muni Pass for People facing Housing Insecurity
 - Cable Car Discount for Seniors/Youth/People with Disabilities on MuniMobile
- Other Recommendations
 - Extend Bulk Sales Discounts for all Products on Muni Mobile
 - Staff recommends eliminating Clipper differential for Passports because slow transaction times are impacting the ticket booths

Fare Options

- Pause indexing (\$1M)
- Reduce Clipper fare differential from 50 to 25 cents \$8M
- Expand free youth program to all kids (\$2M)
- Introduce City College annual pass (\$8M)
- If pilot is successful, expand adult low-income single ride discount at farebox (cost to be determined)

Available Fund Balance History, \$M



Proposed Use of Fund Balance (as of January 2020)

Item	FY 21, \$M
Beginning Fund Balance	293
10% Reserve Policy (goal is resilience in next downturn: fund >50% potential extra shortfall)	(130)
Remaining Balance for Use:	163
Capital Project Reserve/Contingency	(85)
Operating Budget Reserve/Contingency	(16)
Parking Meter Replacement Project	(22)
Facility Renewal Program/SGR	(20)
FY 2021 Operating Budget Gap	(20)
Remaining Balance	0

Big Ideas Aligned with our Transportation Goals

Some possibilities:

- Congestion Management Fees
- Employer-Based Taxes: could be sized to allow it to cover passes for all employees of those employers paying the tax
- Apply new fees or taxes to free parking lots that do not currently pay any parking taxes
- Rethink Residential Parking Permit Program
- Revitalized federal/state assistance for major capital investments of regional importance
- Other?

SFMTA Budget FY21 & FY22 and Five-Year CIP

Budget Next Steps

Board Workshop:	Tuesday, January 28, 2019
1st CAC Meeting:	Thursday, February 6, 2020
1st Board Public Hearing:	Tuesday, February 18, 2020
1st FAC Meeting:	Wednesday, February 19, 2020
2nd Board Presentation:	Due: Tuesday, March 3, 2020
2nd CAC Meeting:	Thursday, March 5, 2020
3rd Board Presentation:	Tuesday, March 17, 2020 (If needed)
2nd FAC Meeting:	Wednesday, March 18, 2020
SFMTA Board Adoption:	April 7, 2020 (first opportunity) April 21, 2020 (second opportunity)
Submit to Mayor:	no later than May 1, 2020

A blue-tinted photograph of the San Francisco skyline and the Golden Gate Bridge. The bridge's suspension cables and towers are visible in the foreground, leading the eye towards the city. The skyline includes several prominent skyscrapers, with the Transamerica Pyramid being the most distinctive. The sky is filled with soft, white clouds.

Thank You.



SFMTA



Appendix

Reference Materials

**San Francisco Municipal Transportation Agency Board of Directors
workshop presentation, January 28, 2020**

https://www.sfmta.com/sites/default/files/reports-and-documents/2020/01/1-28-20_workshop_slide_presentation.pdf