

THIS PRINT COVERS CALENDAR ITEM NO.: 12a

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Finance and Information Technology

BRIEF DESCRIPTION:

Approving the San Francisco Municipal Transportation Agency’s Fiscal Year 2023-2027 Capital Improvement Program (CIP) in the amount of \$2.614 billion, including 178 recommended projects within ten capital programs, including transit optimization, street safety, state of good repair, facilities, taxi, system safety, and accessibility.



SUMMARY:

- On November 16, 2021, the SFMTA Board of Directors approved the Agency’s 20-Year Capital Plan for FY 2023 through FY 2042. 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 FY 2023-2027 Capital Improvement Program (CIP) and the Two-Year Capital Budget.
- In 2021, the SFMTA conducted an update to the 20-Year Capital Plan which found that needs for the transportation system grew by \$365 million between 2019 and 2021.
- The SFMTA Board considered various options related to the capital budgets and FY 2023-2027 CIP at the February 1st and 2nd Workshop, a workshop on Capital Priorities on March 15th and project details and fund programming on April 5th.
- The FY 2023-2027 CIP balances all anticipated revenues and expenditures totaling \$2.614 billion for capital improvement projects.

ENCLOSURES:

1. SFTMA Resolution

APPROVALS:

	DATE
DIRECTOR 	<u>April 15, 2022</u>
SECRETARY 	<u>April 15, 2022</u>

ASSIGNED SFMTAB CALENDAR DATE: April 19, 2022

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PURPOSE

Approving the San Francisco Municipal Transportation Agency's Fiscal Year 2023-2027 Capital Improvement Program in the amount of \$2.614 billion, including 178 proposed projects within ten capital programs, including transit optimization, street safety, state of good repair, facilities, taxi, system safety, and accessibility.

STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

The FY 2023-2027 CIP is designed to be a tool to implement the SFMTA Strategic Plan. This item supports many of the Strategic Plan Goals including:

- Goal 1: Identify and reduce disproportionate outcomes and resolve past harm towards marginalized communities.
- Goal 2: Create a work environment that is responsive, equitable, and inclusive.
- Goal 3: Recruit, hire and invest in a diverse workforce.
- Goal 4: Make streets safer for everyone.
- Goal 5: Deliver reliable and equitable transportation services.
- Goal 6: Eliminate pollution and greenhouse gas emissions by increasing use of transit, walking, and bicycling.
- Goal 7: Build stronger relationships with stakeholders.
- Goal 8: Deliver quality projects on-time and on-budget.
- Goal 9: Fix things before they break and modernize systems and infrastructure.
- Goal 10: Position the agency for financial success.

This item will support the following Transit First Policy Principles:

1. To ensure quality of life and economic health in San Francisco, the primary objective of the transportation system must be the safe and efficient movement of people and goods. Public transit, including taxis and vanpools, is an economically and environmentally sound alternative to transportation by individual automobiles. Within San Francisco, travel by public transit, by bicycle and on foot must be an attractive alternative to travel by private automobile.
 - a. Public transit, including taxis and vanpools, is an economically and environmentally sound alternative to transportation by individual automobiles. Within San Francisco, travel by public transit, by bicycle and on foot must be an attractive alternative to

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travel by private automobile.

- b. Decisions regarding the use of limited public street and sidewalk space shall encourage the use of public rights of way by pedestrians, bicyclists, and public transit, and shall strive to reduce traffic and improve public health and safety.
2. Transit priority improvements, such as designated transit lanes and streets and improved signalization, shall be made to expedite the movement of public transit vehicles (including taxis and vanpools) and to improve pedestrian safety.
3. Pedestrian areas shall be enhanced wherever possible to improve the safety and comfort of pedestrians and to encourage travel by foot.
4. Bicycling shall be promoted by encouraging safe streets for riding, convenient access to transit, bicycle lanes, and secure bicycle parking.
5. Parking policies for areas well served by public transit shall be designed to encourage travel by public transit and alternative transportation.
6. New transportation investment should be allocated to meet the demand for public transit generated by new public and private commercial and residential developments.
7. The ability of the City and County to reduce traffic congestion depends on the adequacy of regional public transportation. The City and County shall promote the use of regional mass transit and the continued development of an integrated, reliable, regional public transportation system.
8. The City and County shall encourage innovative solutions to meet public transportation needs wherever possible and where the provision of such service will not adversely affect the service provided by the Municipal Railway.

DESCRIPTION

The FY 2023-2027 CIP represents the culmination of the SFMTA's efforts to strategically plan and prioritize capital and other one-time project activities from FY 2023 to FY 2027. The purpose of the FY 2023-2027 CIP is to: develop a financially constrained five-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; and build credibility with external funding agencies. Aligned with the SFMTA Budget Process, the FY 2023-2027 CIP is reviewed, updated, and reissued every two years.

On November 16, 2021, the SFMTA Board of Directors approved the Agency's 20-Year Capital Plan for FY 2021 through FY 2042. The Capital Plan represents the Agency's fiscally unconstrained capital needs (identifies all needs regardless of available revenue to pay for projects) for the upcoming 20 years. The 20-Year Capital Plan serves as the basis for developing the fiscally constrained (identifies projects programmed limited to available revenues) FY 2023- 2027 CIP and the Two-Year Capital Budget. Given limited funding availability, the FY 2023- 2027 CIP represents the subset of capital projects identified in the 20-Year Capital Plan that are likely to be funded and active within the next five years.

Additionally, in 2021 the SFMTA conducted an update to the 20-Year Capital Plan. After an initial assessment of the 2019 20-Year Capital Plan, the SFMTA's Streets Division Planning Section and Budget and Analysis staff determined capital needs for the transportation system grew by \$365

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million between 2019 and 2021. Increases were attributable to the following:

- investment needs in Streets to achieve Vision Zero safety goals;
- increases in Fleet and Facility to support transition to an all-battery-electric fleet; revised cost estimates in the Traffic Signals & Signs to better account for the total cost of work;
- investments in the Streets and Facility Program needed to better regulate emerging mobility;
- investment needs in Transit Fixed Guideway to maintain the system in a state of good repair, and
- investment needs in Transit Optimization & Expansion include the next step in the Muni Forward Program, building on current efforts to improve travel time and reliability.

The FY 2023 – 2027 CIP is a financially constrained program of projects, which provides the SFMTA with a financial strategy to deliver 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 FY 2023-2027 CIP programs anticipated revenues totaling \$2.614 billion for capital improvement projects over the five-year period.

The ten program areas are presented within the FY 2023-2027 CIP and described in detail in Enclosure 1. Each program area includes various projects, phases and initiatives to be implemented with an initiation date and duration-based schedule.

Projects are prioritized based on revenue constraints and have specific scopes, schedules and budgets to establish accountability in project delivery and efficient use of available resources. Full scope and fund programming for each project will be included in the final FY2023-2027 Capital Improvement Program Book. While not a guarantee of funding, the FY 2023-2027 CIP conveys specific commitments from funding agencies to support the SFMTA’s highest priorities and most ready capital improvement projects.

Two policy thresholds must be met for a project to be included in the FY 2023-2027 CIP. First, a proposed project must be an identified “public priority;” that is, the need for the project was identified and prioritized through a public planning process such as the SFMTA 20-Year Capital Plan, the Bicycle Strategy, Pedestrian Strategy or other adopted area of land use plans of the City. Second, a proposed project must have a plan that identifies funding of at least 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 FY 2023-2027 CIP period.

Each project proposal included in the FY 2023-2027 CIP is scrutinized from a variety of perspectives before it is included in the CIP. Projects that are included in the FY 2023-2027 CIP are identified by SFMTA staff based on the following considerations:

- (1) Input from the community received at various meetings during the year.
- (2) Input from the SFMTA Board and Citizens Advisory Council (received during adoption of the Capital Budget in April 2019), the Board of Supervisors (or the BOS sitting as the Transportation Authority Board), and other commissions and advisory committees identified over a two-year period.
- (3) SFMTA Board- or other City-approved plans for growth, improvements, and rehabilitation.

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- (4) The SFMTA Board’s adopted 20-Year Capital Plan and associated criteria for selecting priority needs to advance policy goals; and
- (5) Staff-identified projects based on critical need due to safety issues or to comply with new mandates.

The FY 2023-2027 CIP will provide \$2.614 billion for 178 proposed capital projects that fall within 10 program areas as listed in the table below. The table below presents proposed funding by program.

The \$2.614 billion FY 2023-2027 CIP represents an increase from the prior \$2.5 billion FY 2021-2025 CIP. The SFMTA’s Capital Budget for Fiscal Years 2023 and 2024 are derived from the first two years of the FY 2023-2027 CIP.

On April 5, 2022, the SFMTA Board of Directors reviewed the FY 2023-2027 CIP that included a \$2.614 billion in revenues and expenditures on 158 recommended projects. This was an administrative error, upon review of the final CIP and programming, the total number of recommended projects for is 178 upon review and is corrected in the final 5-year CIP before the SFMTA Board of Directors for adoption.

FIVE-YEAR CIP (\$ millions)

Capital Program (\$ in millions)	Capital Budget					CIP Total (Current)
	FY 23 Budget	FY24 Budget	FY 25 Budget	FY 26 Budget	FY 27 Budget	
Fleet	171.82	143.87	192.26	413.23	226.23	1,147.41
Transit Optimization	46.10	38.82	86.03	88.79	71.75	331.48
Transit Fixed Guideway	80.95	81.81	148.37	162.08	120.05	593.27
Streets	53.29	37.28	52.18	33.17	64.70	240.63
Facility	51.37	67.54	38.85	24.27	24.80	202.15
Signals	16.48	13.22	20.05	14.68	8.73	73.16
Communications & IT	0.96	3.29	3.00	6.58	0.27	14.09
Parking	0.00	0.00	0.00	0.00	0.00	0.00
Security	1.94	1.94	1.94	1.94	1.94	9.70
Taxi	0.65	0.35	0.73	0.73	0.53	2.28
Total	423.56	388.12	543.41	744.75	519.00	2,614.17

STAKEHOLDER ENGAGEMENT

The following schedule summarizes the major outreach efforts for the SFMTA operating and capital budget:

Action	Date
SFMTA Board Workshop	February 1 & 2, 2022
1 st Citizen’s Advisory Council (CAC) Meeting	February 3, 2022
1 st Public Listening Session	February 28, 2022
2 nd Public Listening Session	March 3, 2022
Public Town Hall	March 10, 2022
2 nd CAC Meeting	March 17, 2022
SFMTA Board of Directors Hearing (presentation of proposed budget)	April 5, 2022
SFMTA Board of Directors Hearing (first opportunity for budget approval)	April 19, 2022
SFMTA Board of Directors Hearing (second opportunity for budget approval, if needed)	April 26, 2022

Multiple methods were used to engage SFMTA customers and solicit feedback and public comments from the community about our capital priorities. Outreach strategies included:

Notices for public comment opportunities were provided in multiple languages and included information on how to request free language assistance at the meetings with at least 48 hours’ notice. As required by the City Charter, advertisements publicizing the public hearing were placed in advance in San Francisco newspapers. Multilingual ads were placed in prominent Chinese, Spanish and Russian newspapers in San Francisco. Multilingual information has been available to the public through the SFMTA website throughout the budget process. Additional methods for keeping the public informed were conducted through blog posts, e-mail blasts to stakeholders and through SFMTA/Muni’s Twitter and Facebook accounts. Feedback was compiled and forwarded to appropriate staff and to the MTAB for consideration in the decision-making process.

The SFMTA collected over 1,900 instances of feedback, questions, comments, and concerns on its FY2023-2024 budget. The feedback was compiled and sorted into topics/ categories of concerns including improving speed and reliability of Muni buses and trains, improving transportation in neighborhoods with high percentages of households with low incomes and people of color, improving personal safety for Muni riders, reducing congestion and eliminating bottlenecks by improving public transit. Improving bike and pedestrian safety and repairing our fleet and transit infrastructure.

There were several ways we engaged with the San Francisco Community:

- Board Workshop with SFMTA Board of Directors

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- Survey of Priorities available in four languages online and by paper copy
- Public Listening Sessions via telephone and with language support for equity
- Direct Listening Sessions with every community group who requested one
- Digital Town Hall

And we used these channels to reach as many diverse stakeholders as possible:

- Email to over 3,000 stakeholders
- Offers of listening sessions to over 150 community groups
- Ads in language newspapers (El Tecolote, Sing Tao, World Journal, Wind, Examiner)
- Social Media ads (WeChat, Twitter, Facebook, Instagram)
- Website with survey links and listening session dates (In four languages English, Chinese, Spanish and Filipino)
- Paper surveys in 4 languages, targeted at non-English speaking communities

In addition to the outreach efforts identified above, individual meetings were conducted in February and March 2022 with various stakeholders including the Board of Supervisors' offices and advocacy groups.

ALTERNATIVES CONSIDERED

Various capital projects were considered during the development of the FY 2023-2027 CIP, which was based on extensive input over time from the SFMTA Board, Board of Supervisors, staff, and community stakeholders on desirable project priorities. Staff also received technical guidance on expected funding from local and regional experts. The projects in Enclosure 2 were selected based on project prioritization methodology discussed in detail in the attachment.

FUNDING IMPACT

The FY 2023-2027 CIP is a financially constrained plan, which provides the SFMTA with a financial strategy to deliver 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 FY 2023-2027 CIP programs anticipated revenues totaling \$2.614 billion for projects over the five-year period.

ENVIRONMENTAL REVIEW

On April 8, 2022, the SFMTA, under authority delegated by the Planning Department, determined that the SFMTA Fiscal Year 2023 – 2027 Capital Improvement Program is not a “project” under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b).

A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference.

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OTHER APPROVALS RECEIVED OR STILL REQUIRED

At the April 19, 2022 MTA Board meeting, the Board will be asked to adopt the FY 2023-2027 CIP, including all funding sources anticipated for transportation investments.

RECOMMENDATION

Staff recommend approving the San Francisco Municipal Transportation Agency's Fiscal Year 2023-2027 Capital Improvement Program in the amount of \$2.614 billion, including 178 proposed projects within ten capital programs, including transit optimization, street safety, state of good repair, facilities, taxi, system safety, and accessibility.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, The Fiscal Year (FY) 2023-2027 Capital Improvement Program (CIP) represents the culmination of the SFMTA's efforts to strategically plan and prioritize capital and other one-time project activities from FY 2023 to FY 2027, and is a projection of anticipated revenues; and,

WHEREAS, The FY 2023-2027 CIP 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 November 16, 2021, the SFMTA Board of Directors approved the Agency's 20-Year Capital Plan for FY 2023 through FY 2042, which represents the Agency's unconstrained capital needs for the upcoming 20 years and serves as the basis for developing the fiscally constrained FY 2023-2027 CIP; and,

WHEREAS, In 2021, the SFMTA conducted an update to the 20-Year Capital Plan which found that needs for the transportation system grew by \$365 million between 2019 and 2021; and,

WHEREAS, The FY 2023-2027 CIP represents a five-year projection of the planned expenditures and anticipated revenues for the SFMTA's capital program, totaling \$2.614 billion for 178 recommended projects within ten programs, including communication and information technology, facility, fleet, parking, security, signals, streets, taxi, transit fixed guideway, and transit optimization and expansion; and,

WHEREAS, Before finalizing the FY 2023-2027 CIP, the SFMTA held public hearings to hear public comment on the budget; and the SFMTA's Citizens Advisory Council held meetings to consider the FY 2023 and FY 2024 Capital Budget, which are the first two years of the FY 2023-2027 CIP; and,

WHEREAS, The SFMTA incorporated feedback from such meetings into the FY 2023- 2027 CIP; and,

WHEREAS, The Director of Transportation should be authorized to make any necessary technical and clerical corrections to the approved FY 2023-2027 CIP and to allocate additional revenues and/or City and County discretionary revenues in order to fund additional adjustments, provided that the Director of Transportation return to the SFMTA Board of Directors for approval of technical or clerical corrections or additional revenues that, in aggregate, exceed ten percent of the total FY 2023-2027 Capital Improvement Program; and,

WHEREAS, On April 8, 2022, the SFMTA, under authority delegated by the Planning Department, determined that the SFMTA Fiscal Year 2023 – 2027 Capital Improvement Program is not a “project” under the California Environmental Quality Act (CEQA) pursuant Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b); and,

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors, and is incorporated herein by reference; and,

WHEREAS, The SFMTA will not seek approval for any recommended projects identified within the CIP that have not yet already undergone environmental review and that are subject to CEQA until there has been complete compliance with the California Environmental Quality Act (CEQA) and Chapter 31 of the San Francisco Administrative Code; If any of these projects are found to cause significant adverse impacts, the SFMTA retains absolute discretion to:

- (1) modify the Project to mitigate significant adverse environmental impacts,
- (2) select feasible alternatives which avoid significant adverse impacts of the Project, (3) require the implementation of specific measures to mitigate the significant adverse environmental impacts of the Project, as identified upon environments evaluation in compliance with CEQA and the City’s Environmental Quality Regulations,
- (4) reject the Project as proposed if the economic and social benefits of the Project do not outweigh otherwise unavoidable significant adverse impacts of the project, or
- (5) approve the Project upon a finding that the economic and social benefits of the Project outweigh otherwise unavoidable significant adverse impacts; and,

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors adopts the FY 2023-2027 Capital Improvement Program totaling \$2.614 billion for 178 recommended projects within ten programs, including communication and information technology, facility, fleet, parking, security, signals, streets, taxi, transit fixed guideway, and transit optimization and expansion; and be it further.

RESOLVED, That the Director of Transportation is authorized to make any necessary technical and clerical corrections to the approved FY 2023-2027 CIP 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 or additional revenues that, in aggregate, exceed ten percent of the total FY 2023-2027 Capital Improvement Program.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of April 19, 2022.

Secretary to the Board of Directors San
Francisco Municipal Transportation Agency