SFMTA

San Francisco Municipal Transportation Agency

2023 Board Workshop

February 7, 2023

Fiscal Year 2022-23 Financial Update and 5-Year Outlook

Bree Mawhorter
Chief Financial Officer

During the pandemic

Financial devastation

- Transit fare revenue decimated
- Parking revenue decimated
- Free and discounted services added:
  - No fare increases
  - Discounts for more Muni riders
  - New services (Essential Trip Card)
- Factors exacerbated existing structural deficit

How we survived

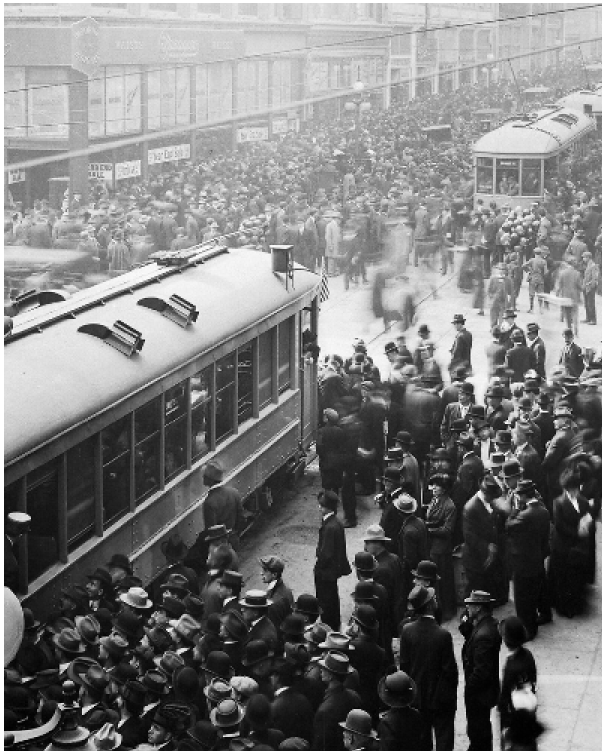
- Froze hiring for 18 months
- Fought for a won SF's fair share of federal relief funds
- Restored Muni service prudently
- Increased parking funds used to subsidize Muni

Overall financial trend

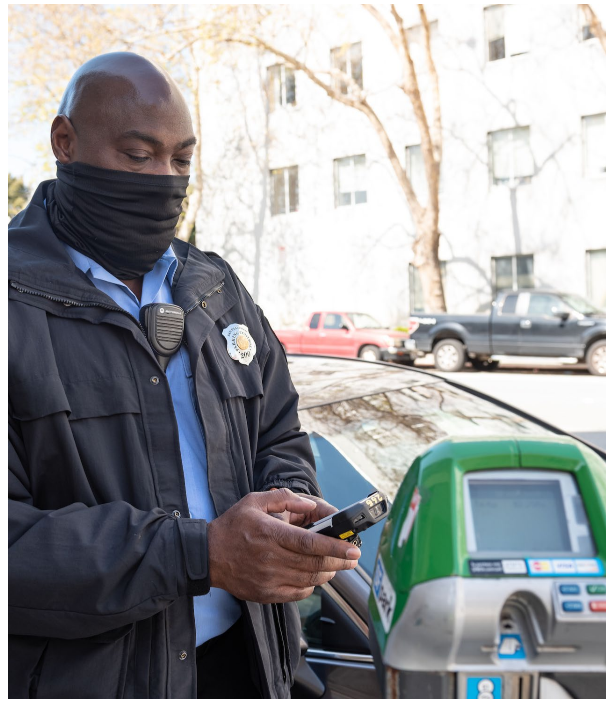
	Revenue
↓	Transit fare revenue
↓	SF General Fund transfer
✖	Federal relief funds
→	Parking fees & fines subsidize Muni
	Expenses
↑	Labor costs
↑	Inflation

SFMTA = Muni + DOT + Taxis

1912: Voters establish the Municipal Railway (Muni)



1999: Voters merge Muni and the Department of Parking and Traffic

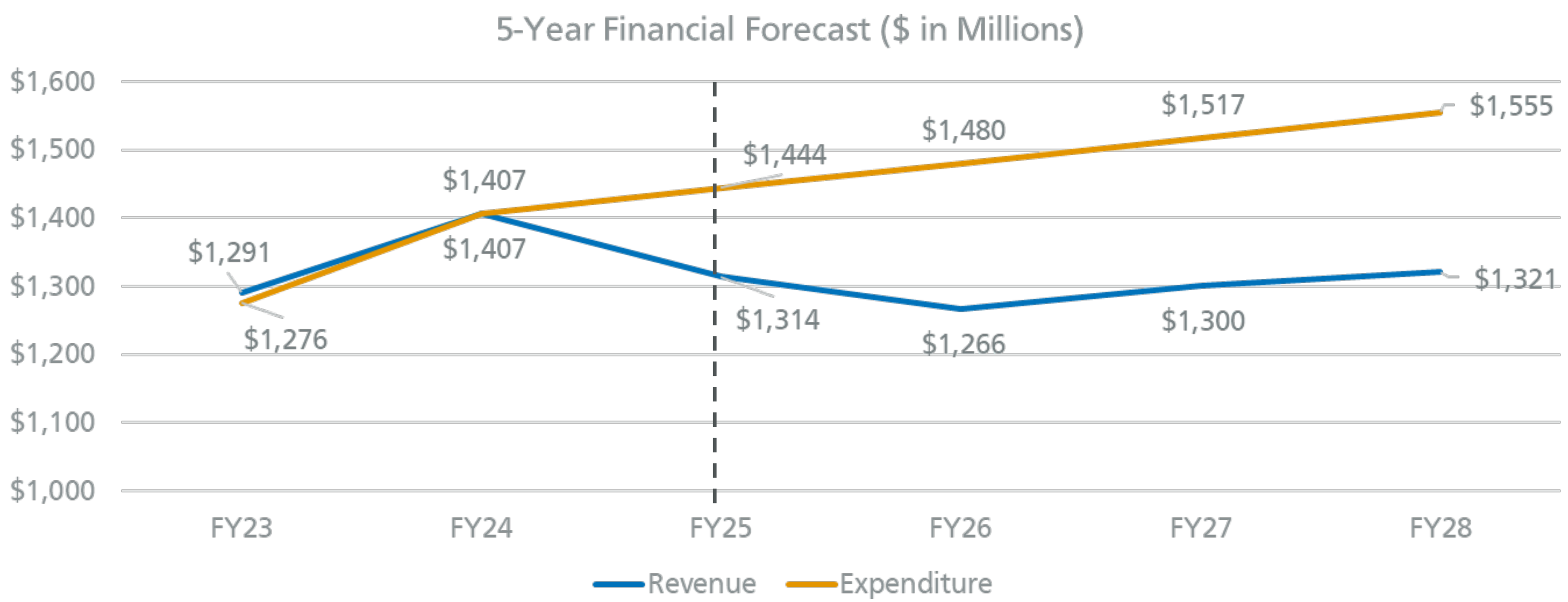


2007: Voters add the Taxi Commission to the SFMTA

To delay going over the fiscal cliff, DOT revenues subsidize Muni

Five Year Forecast

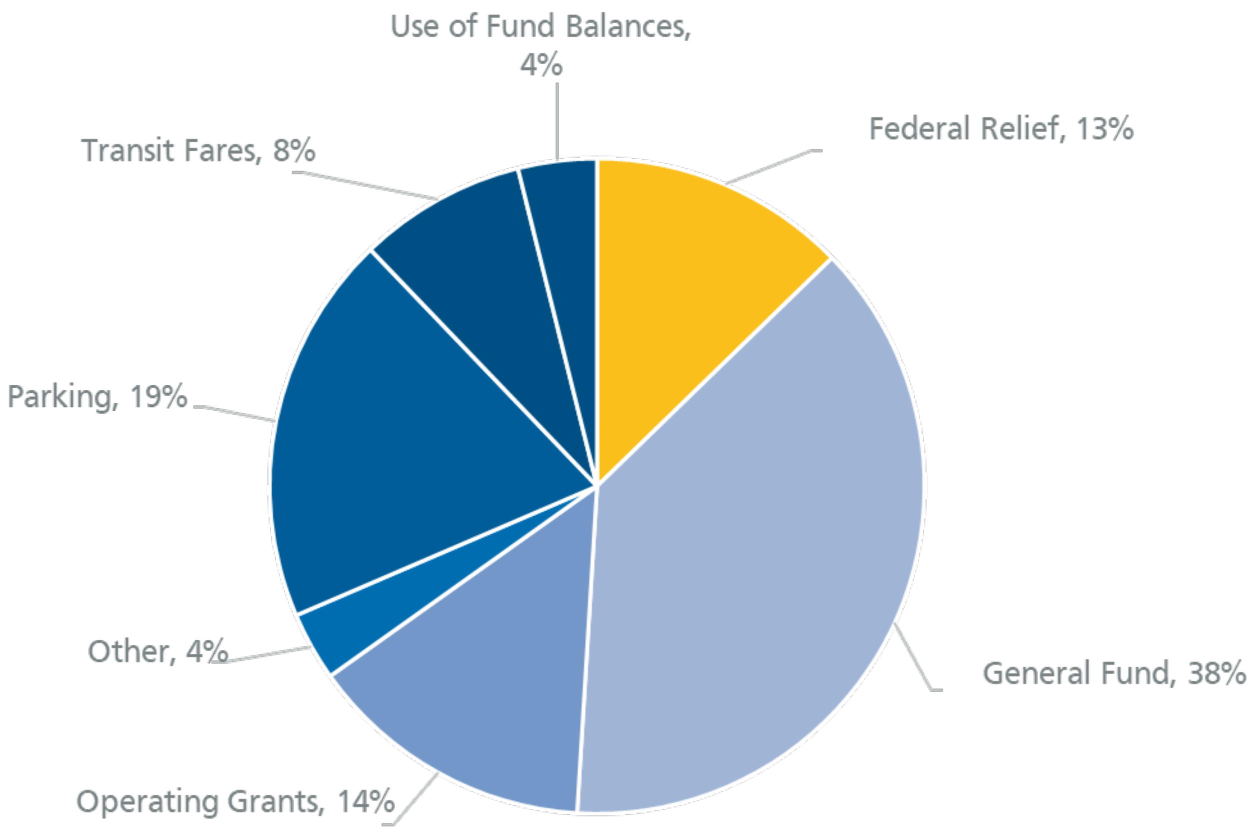
When federal funds run out in FY25, SFMTA will have a large and growing deficit.



Expenditures grow faster than revenues, which remain relatively flat

FY23 Budgeted Revenue

General Fund transfers, parking, and federal relief account for majority of SFMTA revenue.



FY23 Revenue

Revenue is under-performing across most sources.

Dollars in Millions

Revenue Type	Revised Budget	Projected Revenue	Roll Forward	Surplus/ (Deficit)
General Fund	517.9	517.9	-	-
Parking	261.3	240.2	-	(21.1)
Operating Grants	192.2	208.1	-	15.9
Federal Relief	172.5	138.1	(34.5)	-
Transit Fares	112.1	93.7	-	(18.4)
Use of Fund Balances	52.7	52.7	-	-
Other	45.9	40.2	-	(5.6)
Total	**1,354.6**	**1,291.0**	**(34.5)**	**(29.2)**

- General Fund transfers are $3.2M less than original budget
- Parking and transit revenues under-performing: 92% and 84% of budget
- Federal Relief reflects recoveries to date; no future recoveries anticipated

FY23 General Fund Revenue

General Fund transfers are under-performing, reflecting broader economic climate.

Dollars in Millions

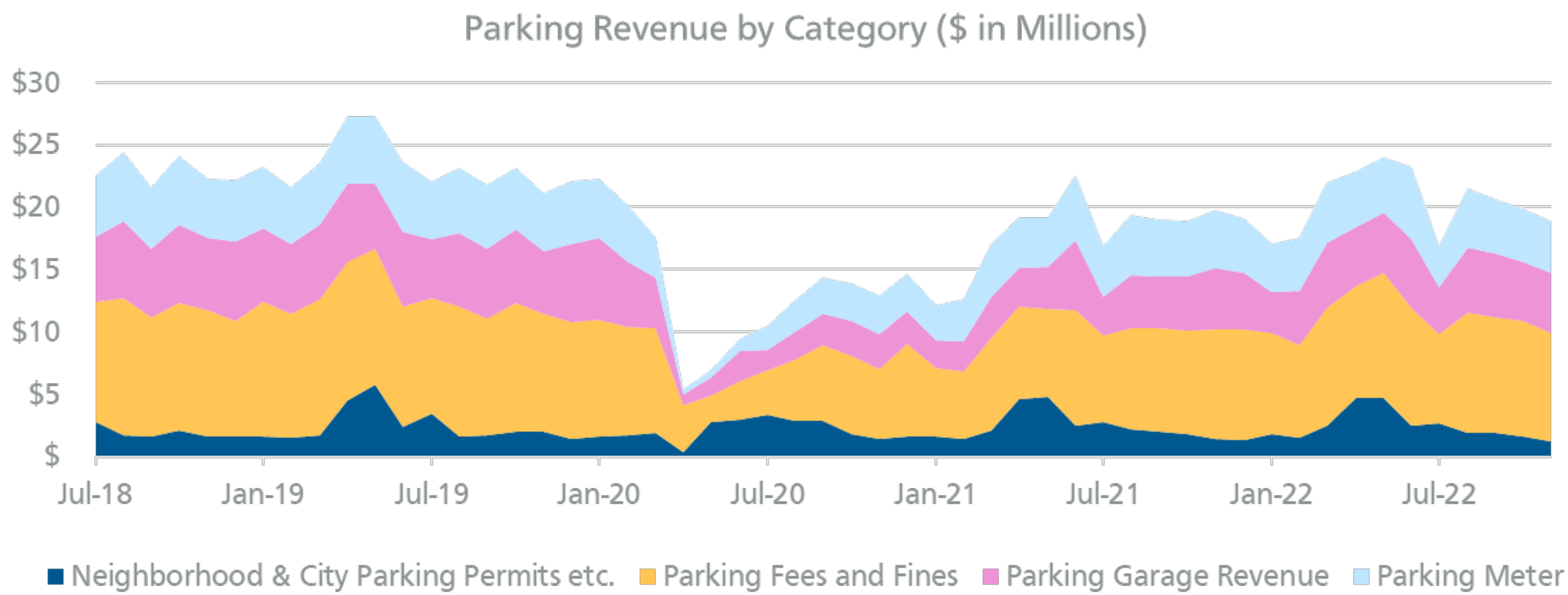
General Fund Category	FY23 Original	FY23 Revised	Absolute Change	Percent Change
Muni Baseline	289.4	286.9	(2.5)	-0.9%
Parking & Traffic Baseline	108.5	107.6	-	0.0%
Parking Tax In-Lieu	64.1	64.3	(0.9)	-0.8%
Population Baseline - Operating	30.0	30.0	0.2	0.3%
Central Subway	16.5	16.5	-	0.0%
Mission Bay TIF	4.8	4.8	-	0.0%
Total	**513.3**	**510.1**	**(3.2)**	**-0.6%**

Note: $510.1M + $7.8M Population P TNC tax = $517.9 transferred by CON from General Fund

- Reductions reflect slow SF economic recovery, lower population
- SFMTA increasingly dependent on the General Fund: 31% of revenue in FY13, and 38% of revenue in FY23
- FY23 General Fund revenue $3.2M < than expected
- FY24 General Fund revenue estimated to be $19M < than expected

FY23 Parking Revenue

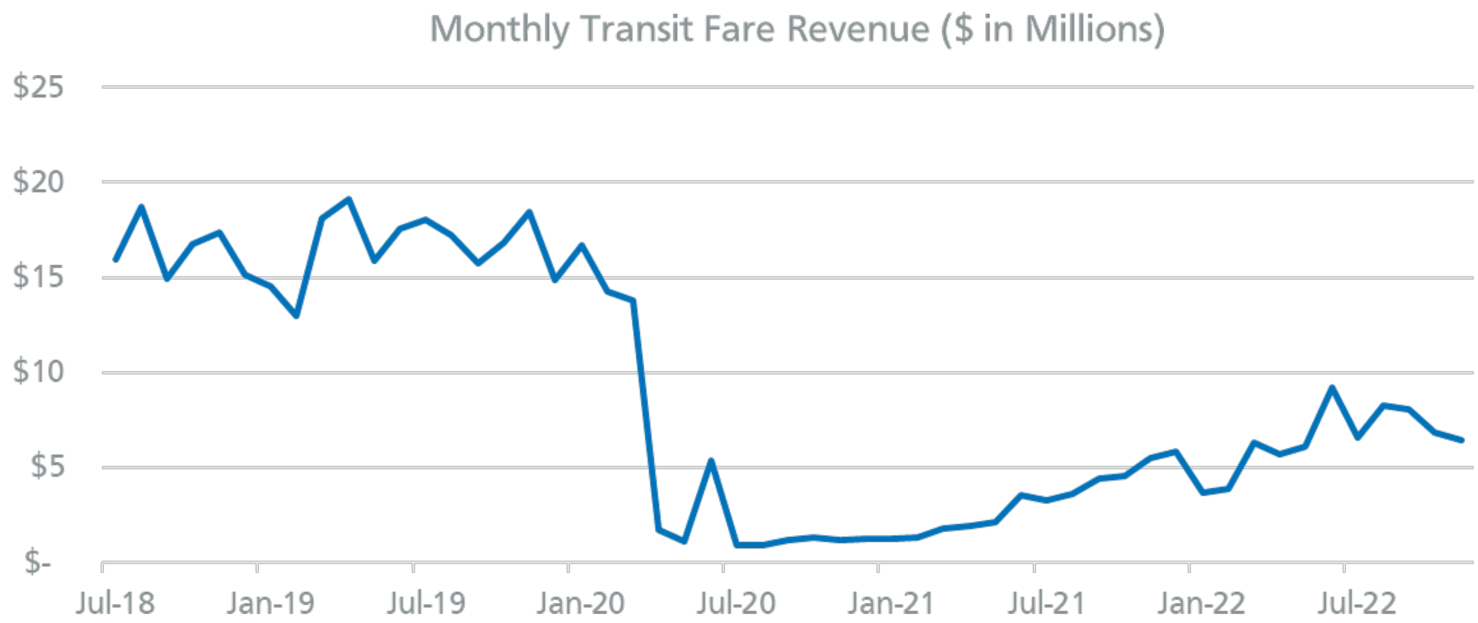
Parking revenue is higher, but growth is slowing.



- Parking revenues approaching pre-pandemic levels, FY23 revenues are 85% of FY19 revenues at same point in fiscal year
- Year-over-year parking revenue growth is flat, FY23 revenues are only 3% higher than FY22 revenues at the same point in the fiscal year

FY23 Transit Revenue

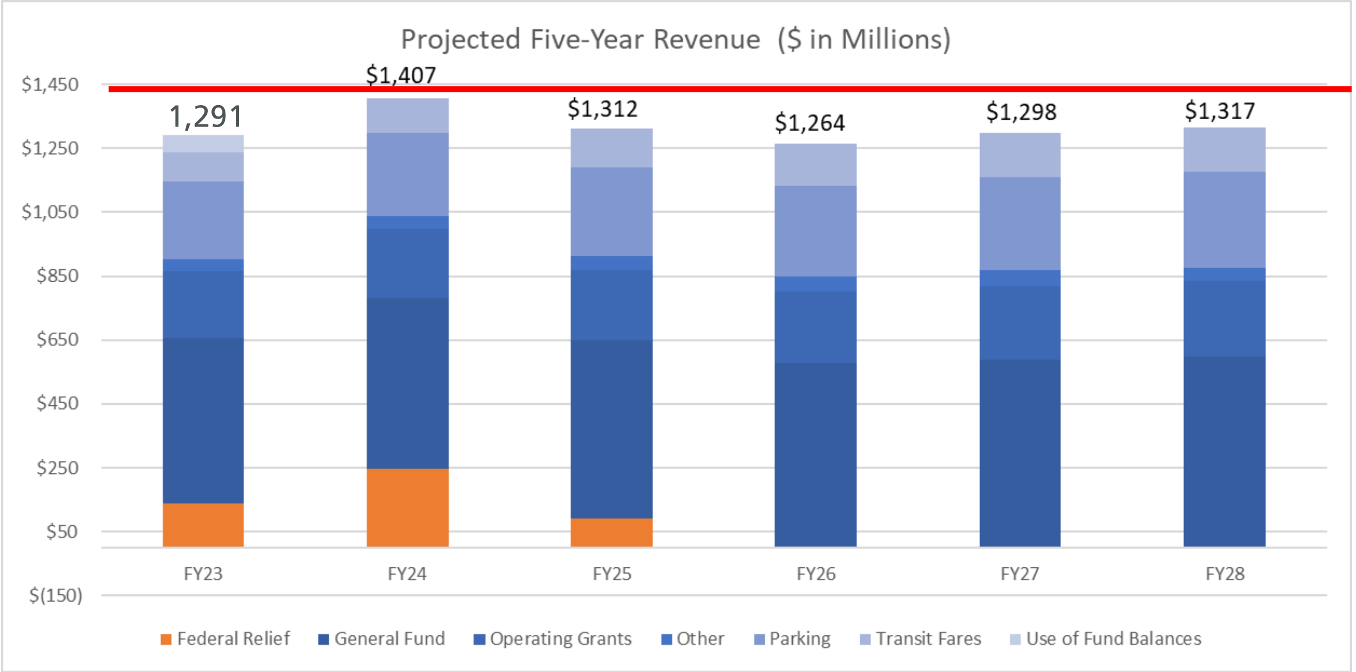
Transit revenue is higher than last year, but far below pre-pandemic level and flattening.



- Transit revenues are 43% of FY19 revenues at same point in the fiscal year
- Transit revenues are 155% of FY22 revenues at the same point in the fiscal year
- Transit revenue per ride is $0.68

Five Year Revenue Projection

Federal relief not replaced by enterprise revenues, resulting in lower funding.



- Federal relief is fully expended in FY25
- Revenues remain flat
- General Fund, parking, and transit revenues assume some recovery, which may not materialize

Revenue Recap

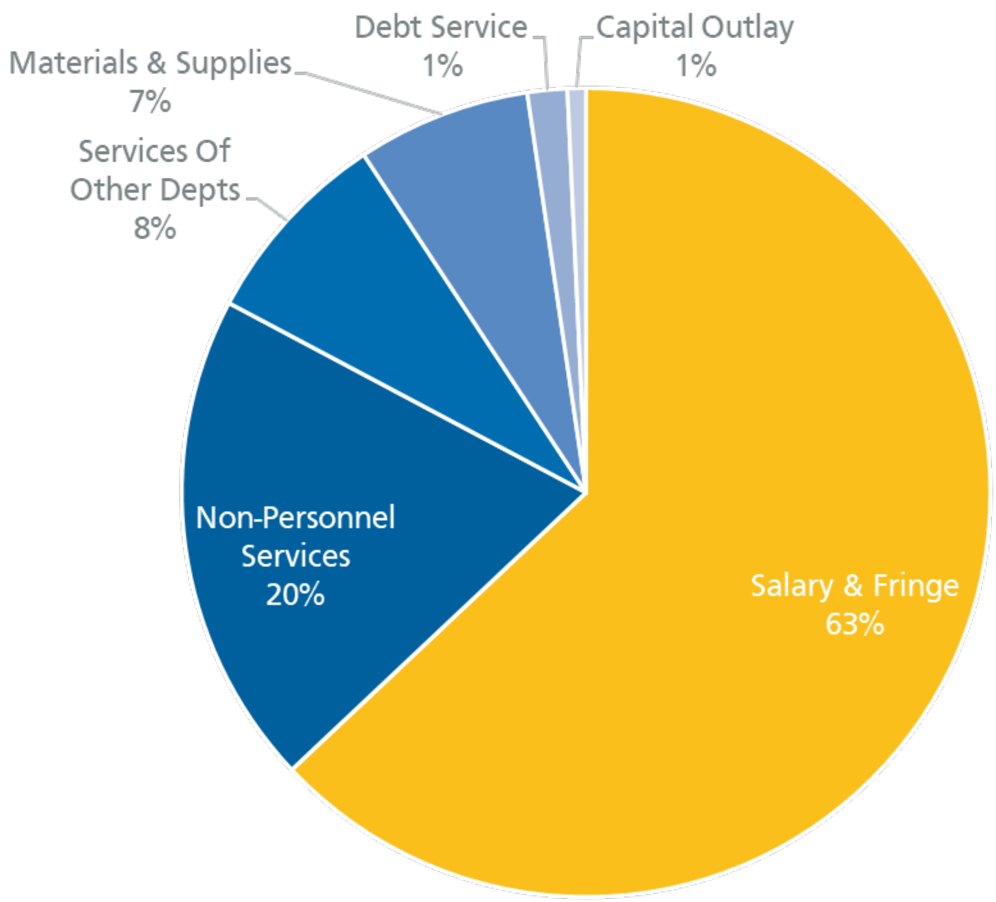
- FY23 revenues:
  - Below pre-pandemic levels, but higher than FY22
  - Expected to remain flat for the next five years

- In FY23, federal relief is expected to be ~11% of revenue but is a one-time source.

- Limited use of federal relief in FY23 extends its availability, lengthening runway to identify new revenue sources.

FY23 Budgeted Expenditure

Expenditure is driven by labor costs.



FY23 Projected Expenditure

Hiring challenges produce one-time salary savings.

Dollars in Millions

Expenditure Category	Revised Budget	Projected Exp.	Surplus/ (Deficit)
Salary & Fringe	1,049.3	869.1	180.2
Overhead and Allocations	(141.0)	(38.3)	(102.6)
Non-Personnel Services	285.3	221.5	63.8
Services Of Other Depts	114.9	114.9	-
Materials & Supplies	100.1	73.4	26.7
Debt Service	23.0	23.0	-
Capital Outlay	12.2	12.2	-
Total	**$ 1,443.9**	**$ 1,275.8**	**$ 168.0**

- Expenditure is under budget $168M, 88% of budget
- Non-personnel services and materials & supplies are under expended, but less impactful due to relative share of budget
- Hiring challenges generate salary savings, but impede service delivery

Five Year Expenditure Projection

Over time, it costs more to provide the same level of service.

Dollars in Millions

Expenditure Category	FY23	FY24	FY25	FY26	FY27	FY28
Salary & Fringe	869.1	983.5	1,010.5	1,035.3	1,061.2	1,087.9
Overhead and Allocations	(38.3)	(36.4)	(37.4)	(38.3)	(39.3)	(40.3)
Non-Personnel Services	221.5	249.4	256.1	262.3	268.9	275.7
Services Of Other Depts	114.9	107.9	110.2	112.9	115.7	118.6
Materials & Supplies	73.4	74.6	76.6	78.5	80.4	82.4
Debt Service	23.0	27.9	28.6	29.3	30.0	30.8
Capital Outlay	12.2	-	-	-	-	-
Total	**$ 1,275.8**	**$ 1,406.9**	**$ 1,444.5**	**$ 1,479.9**	**$ 1,517.0**	**$ 1,555.1**

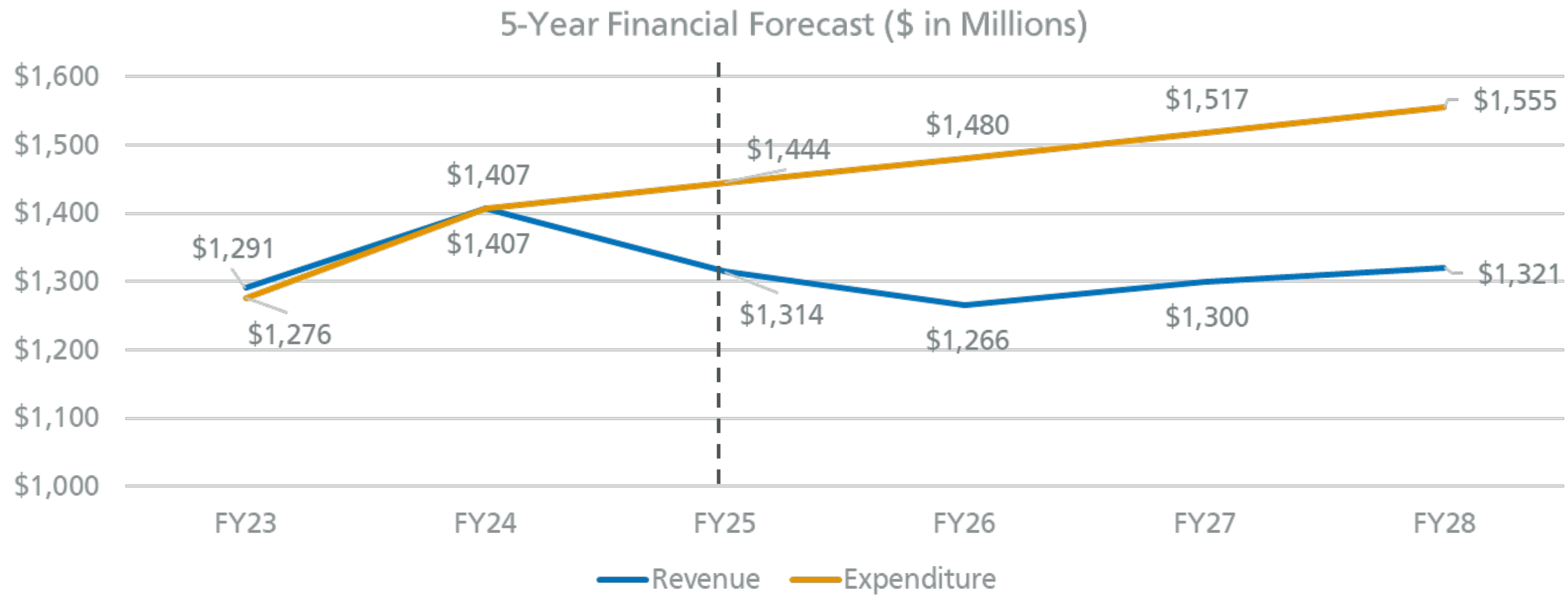
- Assuming CPI, operating budget is expected to increase $168.1M or 22% in the next five years
- Assumes labor increases are equal to CPI, which is conservative given prior year MOU negotiations

Expenditure Recap

- FY23 expenditure far below pre-pandemic levels, but higher than FY22
- FY23 under-expenditure is driven primarily by vacancies, which depress spending on salary and fringe.
- FY23 under-expenditure offsets revenue shortfalls in current year but constrains service provision and provides only short-term relief to structural deficit.
- Expenditure levels are expected to normalize as hiring increases, eliminating short-term relief.
- Normal labor expenditure levels, combined with higher non-labor costs due to inflation, increase expenditure over the next five years.

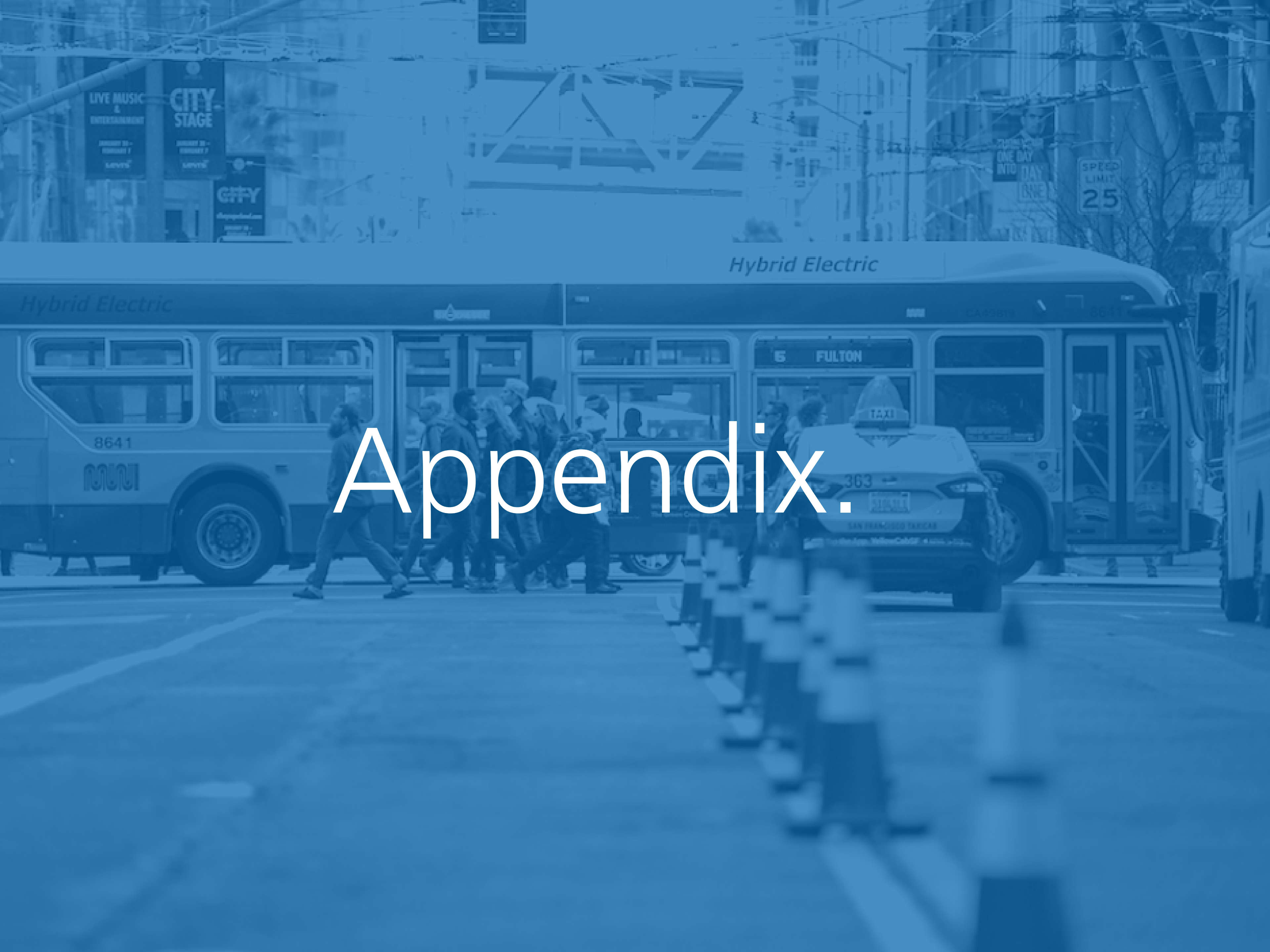
Five Year Forecast

Federal relief and one-time fund balance create short-term relief, but long-term solutions are needed



One-time fund balance from FY 2023 will be used to balance future budgets and delay impact of structural deficit

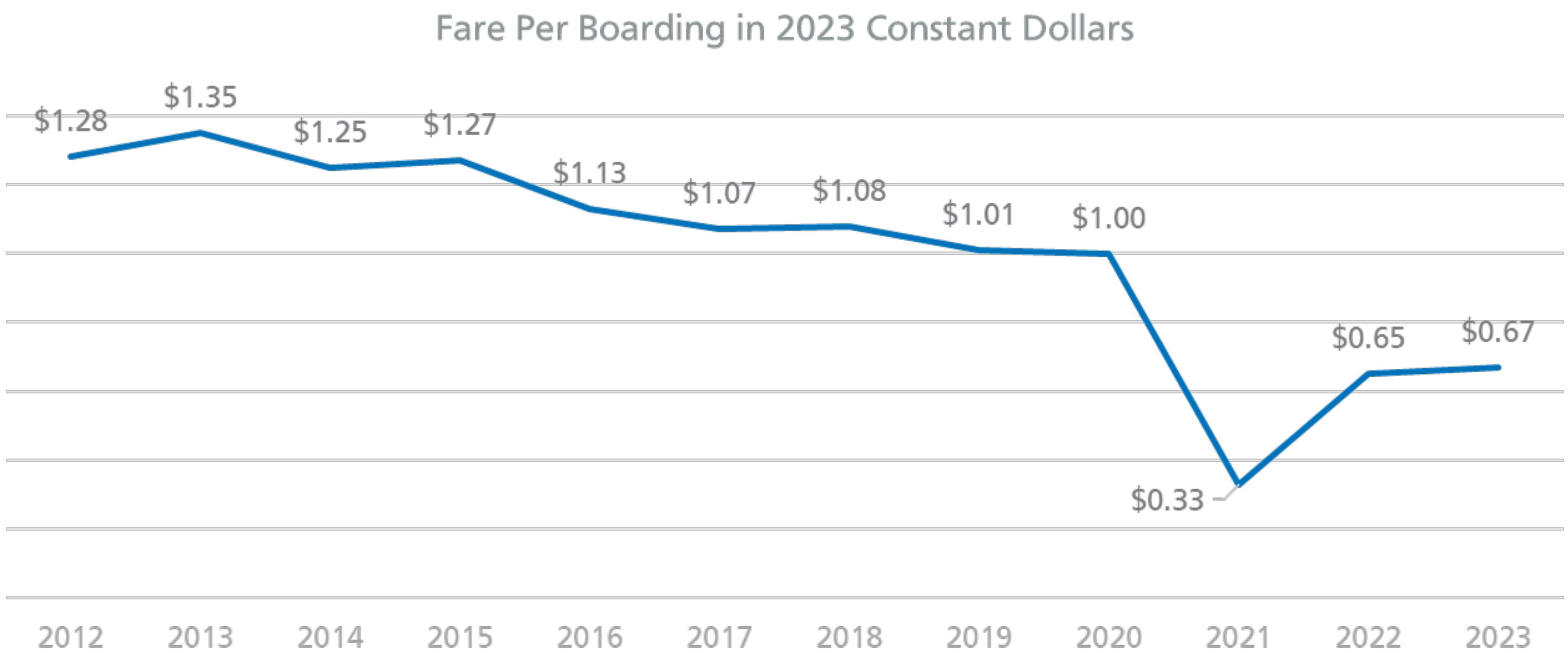
Appendix.



LIVE MUSIC & ENTERTAINMENT
CITY STAGE
Hybrid Electric
Hybrid Electric
5 FULTON
8641
TAXI
363
SPEED LIMIT 25

Transit Revenue Per Ride Trendline

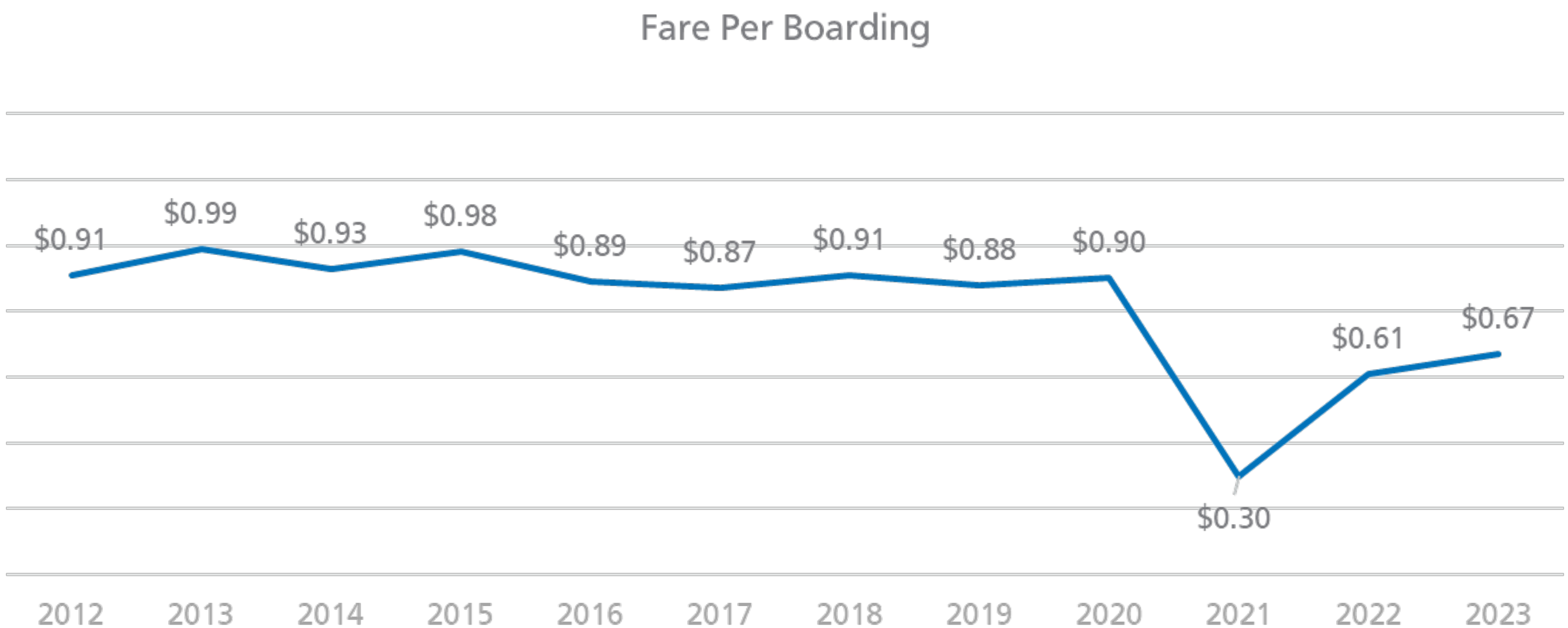
Transit revenue per ride is significantly lower post-pandemic.



Note – Constant dollars, by nature, will differ from information presented in SFMTA financial disclosures

- When viewed in constant dollars, transit fare revenues per ride produce less revenue over time
- Lower revenue per rider means SFMTA is increasingly dependent on outside sources

Lackluster Recovery in Revenue per Boarding



- FY23 revenue per boarding is higher than FY22, but growth is relatively flat and well-below pre-pandemic levels
- Demographic changes in ridership suggest a ridership that includes fewer commuters who generate high revenue per ride
- Discount fare programs decrease per ride revenue
- Fare evasion patterns merit further investigation

Capital Improvement Program

Capital Funding

Program		FY23-27 CIP ($M)
Fleet		1,147.41
Transit Fixed Guideway		593.00
Transit Optimization		331.48
Streets		240.63
Facility		202.15
Signals		73.16
Communications & IT		14.09
Security		9.70
Taxi		2.28
Parking		-
Total	**$**	**2,613.90**

Five-year capital program is $2,613.90.

Transit revenue by category, FY 2018 - 2019 to FY 2022 - 2023

Fiscal Year ($M)	Cable Car	Discount Passes	Institutional Passes	Other Transit	Single Ride Fares	Standard Passes	Total
18-19	$ 14,187,706	$ 5,045,808	$ 4,888,049	$ 1,736,597	$ 38,384,700	$ 34,648,760	**$ 98,891,620**
19-20	$ 13,497,817	$ 5,042,728	$ 4,814,368	$ 2,280,801	$ 39,814,891	$ 35,722,606	**$ 101,173,211**
20-21	$ (213,317)	$ 882,821	$ 146,384	$ 596,520	$ 2,361,105	$ 2,921,898	**$ 6,695,411**
21-22	$ 3,515,969	$ 1,908,939	$ 1,474,922	$ 513,737	$ 13,130,243	$ 6,576,723	**$ 27,120,533**
22-23	$ 10,431,509	$ 1,666,879	$ 950,272	$ 993,910	$ 19,317,105	$ 8,701,316	**$ 42,060,990**

Fiscal years, by category, July - December

Parking revenue by category, FY 2018 - 2019 to FY 2022 - 2023

Fiscal Year	Neighborhood & City Parking Permits	Parking Fees and Fines	Parking Garage	Parking Meter	Total
18-19	$ 11,364,279	$ 59,680,609	$ 35,483,768	$ 30,442,274	**$ 136,970,930**
19-20	$ 12,129,305	$ 58,036,762	$ 33,503,432	$ 29,585,652	**$ 133,255,152**
20-21	$ 13,757,596	$ 34,004,879	$ 14,502,326	$ 16,559,992	**$ 78,824,794**
21-22	$ 11,502,280	$ 49,244,372	$ 25,335,189	$ 26,681,411	**$ 112,763,253**
22-23	$ 10,389,422	$ 52,467,573	$ 28,975,677	$ 24,746,983	**$ 116,579,655**

Fiscal years, by category, July - December

Revenue Assumptions

- Transit Fares - Projections based on latest S&P transportation forecast
- Parking - Projections based on CON 6-month projection of parking tax. NO “break glass” scenarios assumed
- Other - Interest income assumes federal reserve estimate of long-term core inflation. General Fund - Assumes CON 6-Month report
- Operating Grants – Assumes status quo

Expenditure Assumptions

FY23

- Salary & Fringe – Assume 2% month-over-month increase for hiring on top of average 1-6M PPD
- Overhead - Assume same recovery as1-6M. Conservative estimate because overhead should increase as hiring increases. Conservative estimate because we don't know if operating or project staff will be hired, so best to assume status quo
- Non-Personnel – Assume 7-12M = to 108% of 1-6M based on FY19 actuals
- Capital Outlay - Assume full expenditure because unexpended budget and funds roll into next year
- Debt Service - Assume full expenditure because debt service is mandated payment
- Services of Other Departments - Assume full expenditure because billing for 1-6M is incomplete and Depts tend to bill to budget. Most conservative approach

FY24

- Assume Budget

FY25-FY27

- Assume CPI from Mayor's Budget instructions

San Francisco

TRANSPORTATION 2050

SFMTA Board of Directors Workshop

February 7, 2023

Transportation 2050 (T2050) presents **possible futures and actions** to address transportation needs and priorities in San Francisco.

Years of community planning, visioning and technical analysis

Transportation Task Force 2013 (T2030)

Transportation Task Force 2018 (T2045)

ConnectSF

Vision Zero Action Plan

SFMTA 20-Year Capital Plan

SFMTA State of Good Repair Report

2021 SFMTA Community Survey

SFMTA 5-Year CIP

SFMTA 2-Year Budget

SF Transportation Plan

To continue being a vital part of the community, you've told us your **priorities** are:

Investing Equitably

Fast and Convenient Transit

More Repairs and Maintenance

Improving Safety and Access

Here are your priorities … and their cost over 30-years to 2050

INVESTING EQUITABLY

Fast and Convenient Transit

More Repairs and Maintenance

Improving Safety and Access

$108.4B

What the vision will require us to spend over 30-years

$64.1B

We will spend over the next 30-years

59% funded

($44.3B)

T2050 Funding Gap
Cumulative total over 30-years

41% funding gap

How did we get here? Transportation in San Francisco has changed. Our financial structures have not.

While our visions and values have modernized, how we fund the vision and advance our values has not.

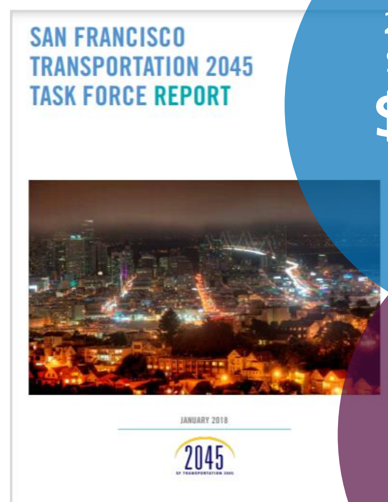
2013

The original Transportation 2030 Task Force determined **the city needed to invest $10 billion in the transportation capital between 2013 and 2030** and that it had only $3.7 billion available. The solution was to **pursue four revenue measures over 10 years: two $500 million general obligation bonds, a local increase to the vehicle license fee and a half-cent sales tax increase.**

2014 Prop A
Transportation and Road Improvement
$500 m
Passed

2014 Prop B
Population Based General Fund
$60 m/yr
Passed

2016 Prop J & K
Sales Tax for Transportation & Homelessness
$100 m /yr
Failed



2018

2019 Prop D Ride Share Hailing Tas
$30 m/yr
Passed

2022 Prop A
Muni Reliability and Street Safety
$400m
Failed

Within the past 10-years the City has successfully passed one General Obligation Bond, a charter amendment and a ride hailing tax. **Most recently the existing Sales Tax was reauthorized.**

Reference: [Transportation 2030 Report]
Reference: [Transportation 2045 Report]

We have considered the present, and charted out potential futures considering a slower pace of recovery.

Bottom line, we are on an unsustainable path.

The SFMTA will soon hit a fiscal cliff.
Our transit system needs more time to recover.
We'll now need to take some immediate actions.

Are we considering the right priorities?

SFMTA Community Survey

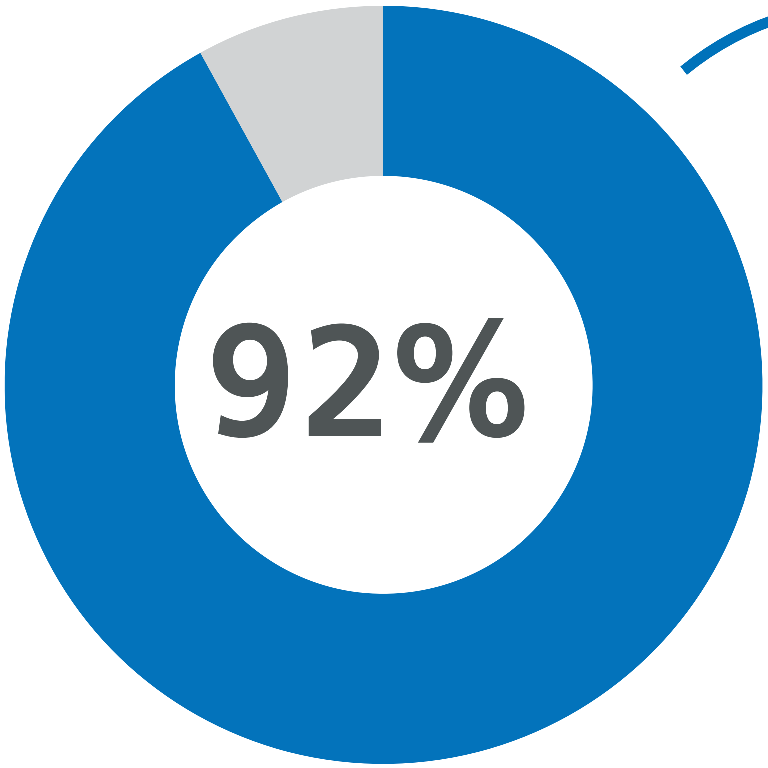
Reference: 2021 SFMTA Community Survey

We redesigned transportation during the pandemic and will continue to adapt.

Public feedback is crucial to that process, building trust along the way.

In 2021 we completed our first community survey to inform our priorities.
We will be updating it in March of this year.

The Community Survey made it clear that Muni is a vital part of the community

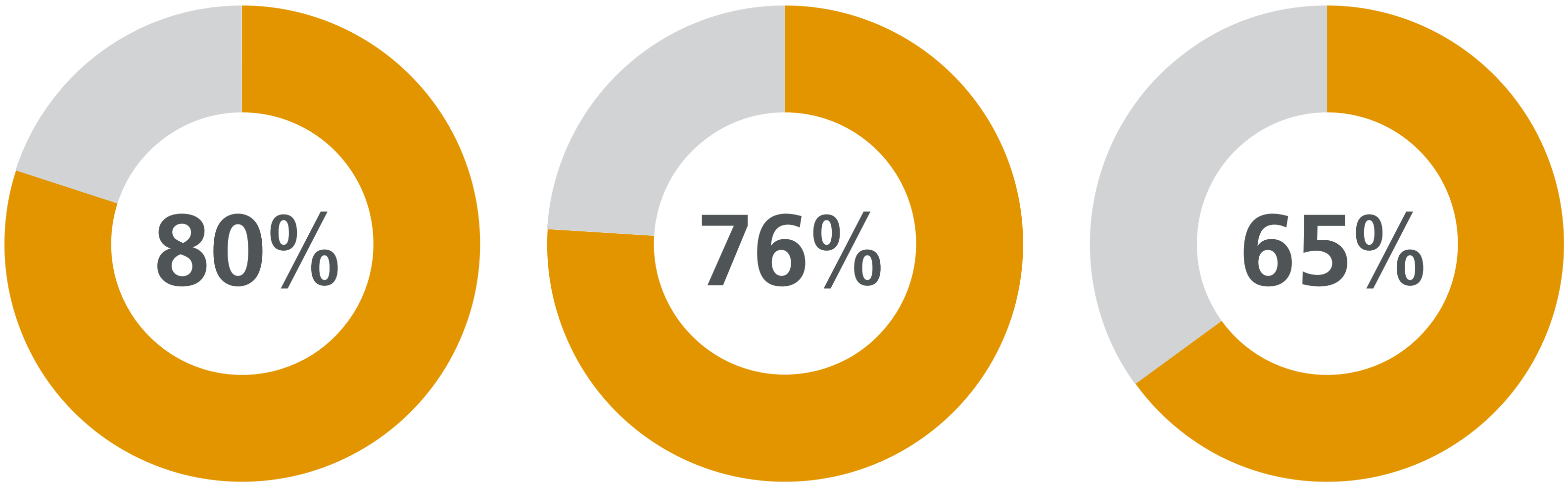


of respondents think "a vital part of the community" describes Muni well

Source: San Francisco citywide survey conducted by FM3, April 2021

Fast and Convenient Transit

A majority of survey respondents say it is “very important” or “extremely important” to ...



Provide quick, convenient transit access to all parts of San Francisco

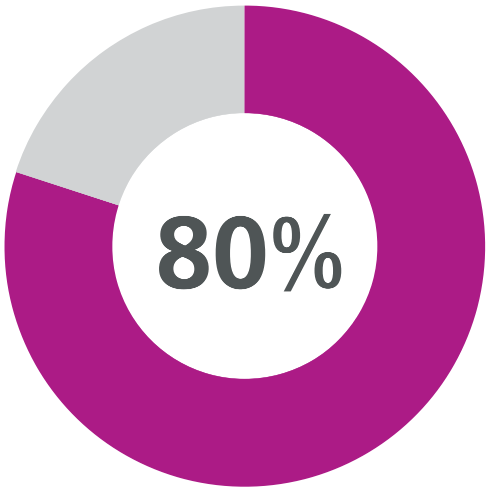
Reduce delays to make Muni more reliable

Reduce crowding on Muni

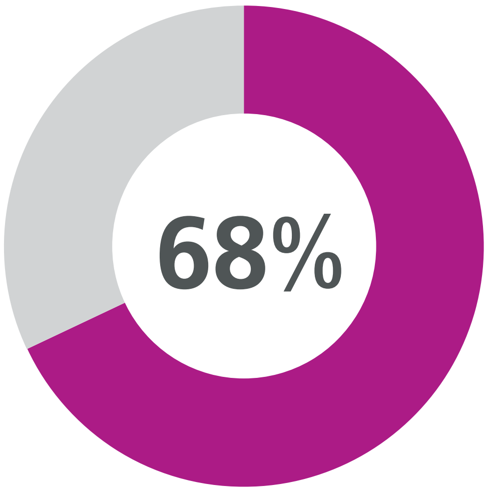
Source: San Francisco citywide survey conducted by FM3, April 2021

More Repairs and Maintenance

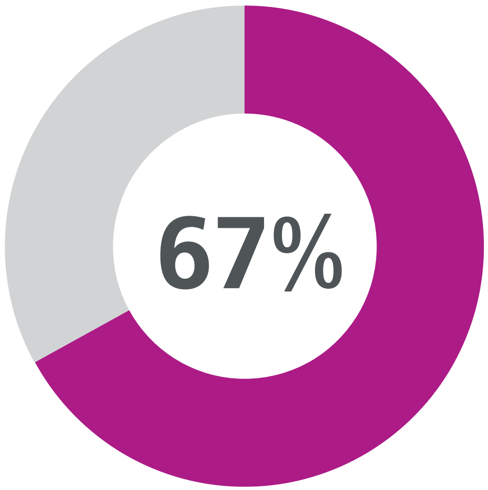
A majority of survey respondents say it is “very important” or “extremely important” to ...



Repair and maintain Muni equipment and facilities to ensure vehicles’ safety, frequency, and reliability



Address the backlog of maintenance work

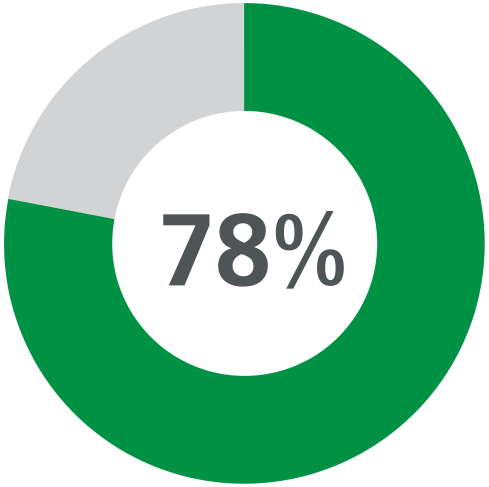


Rebuild San Francisco’s aging rail network

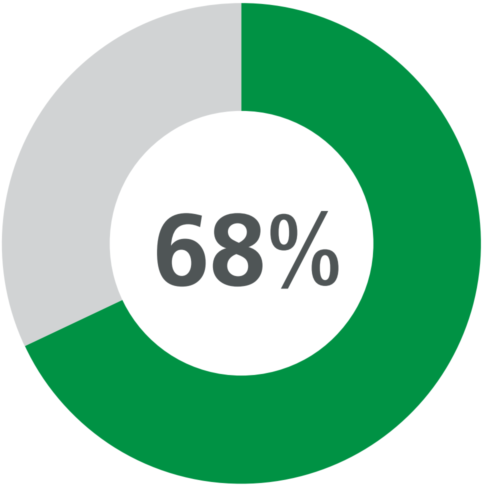
Source: San Francisco citywide survey conducted by FM3, April 2021

Improving Safety and Access

A majority of survey respondents say it is “very important” or “extremely important” to …



Ensure Muni service is inclusive and accessible to all

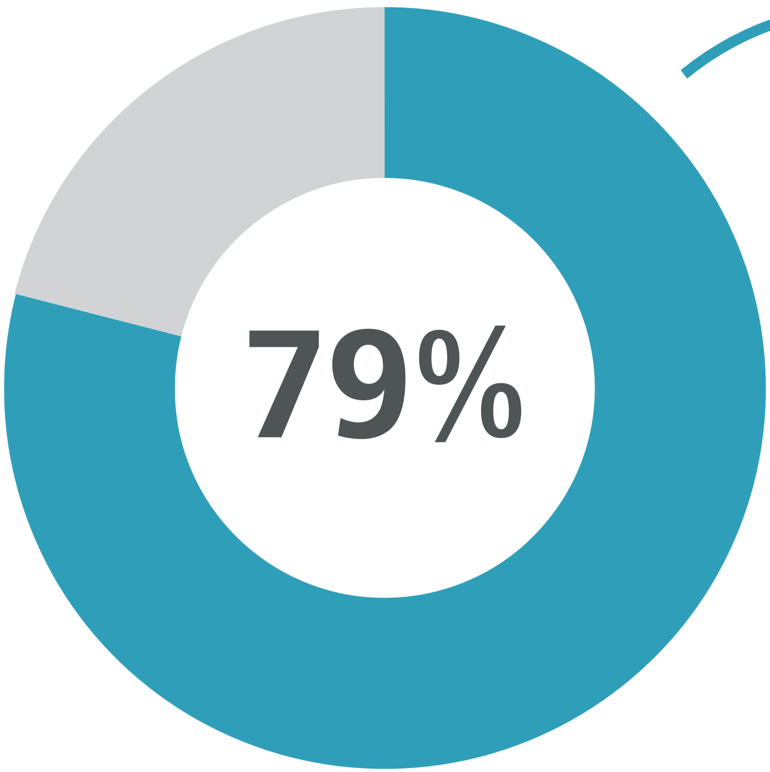


Make street safety improvements for walking

Source: San Francisco citywide survey conducted by FM3, April 2021

Investing Equitably

A majority of survey respondents say it is “very important” or “extremely important” to ...



Increase and improve Muni service for the communities most dependent on transit

Source: San Francisco citywide survey conducted by FM3, April 2021

These core messages were reinforced during our budget process in 2022.

We built the budget assuming a steady recovery, but with the ability to adjust to any reality.

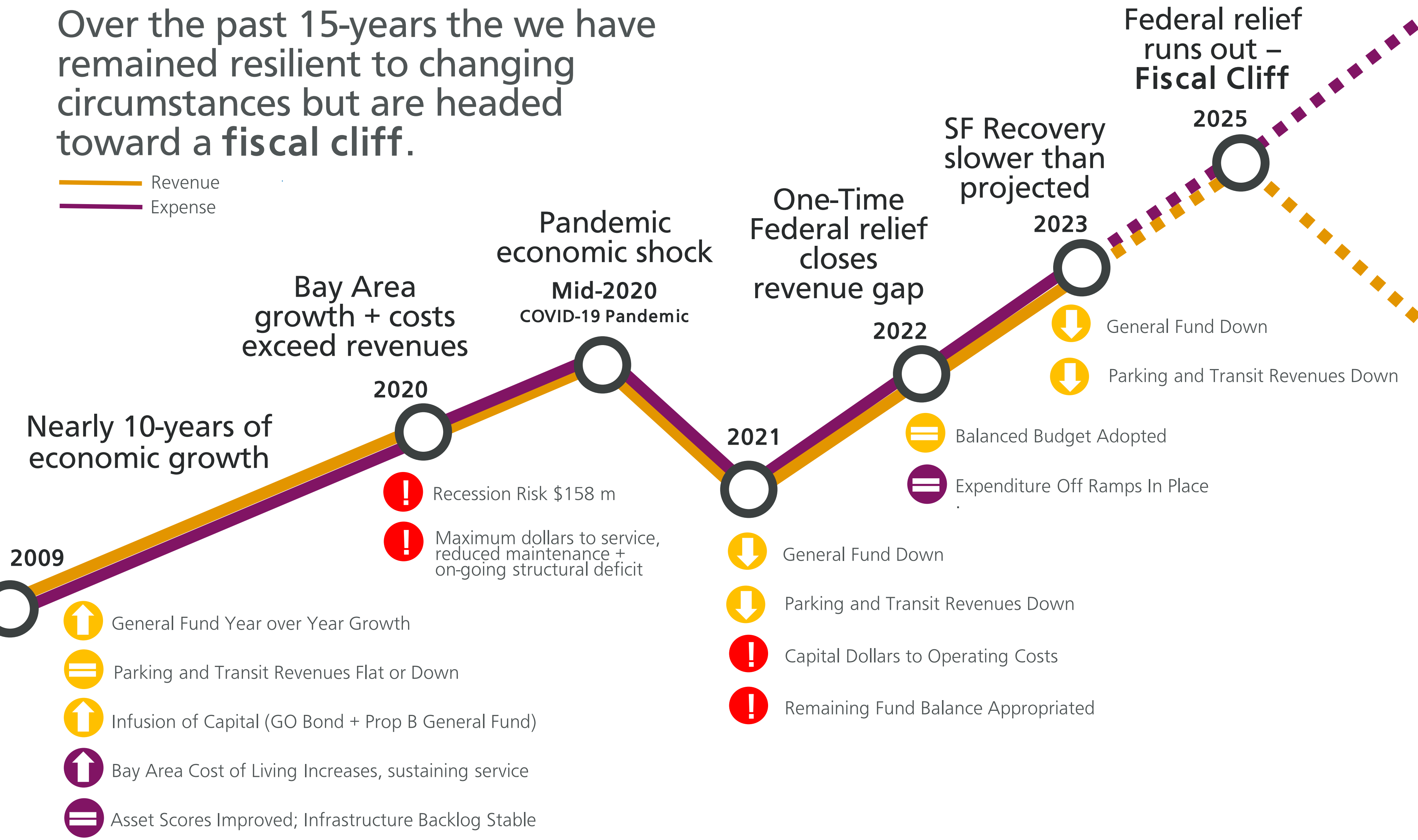
Mobility will be central to the City's recovery.
A high-functioning, safe and quality system are key.
A financially sustainable SFMTA is imperative.

How did we get here?
What lessons can we learn?

Long-Range Revenue & Expenses
Long-Range State of Good Repair

SFMTA Finances

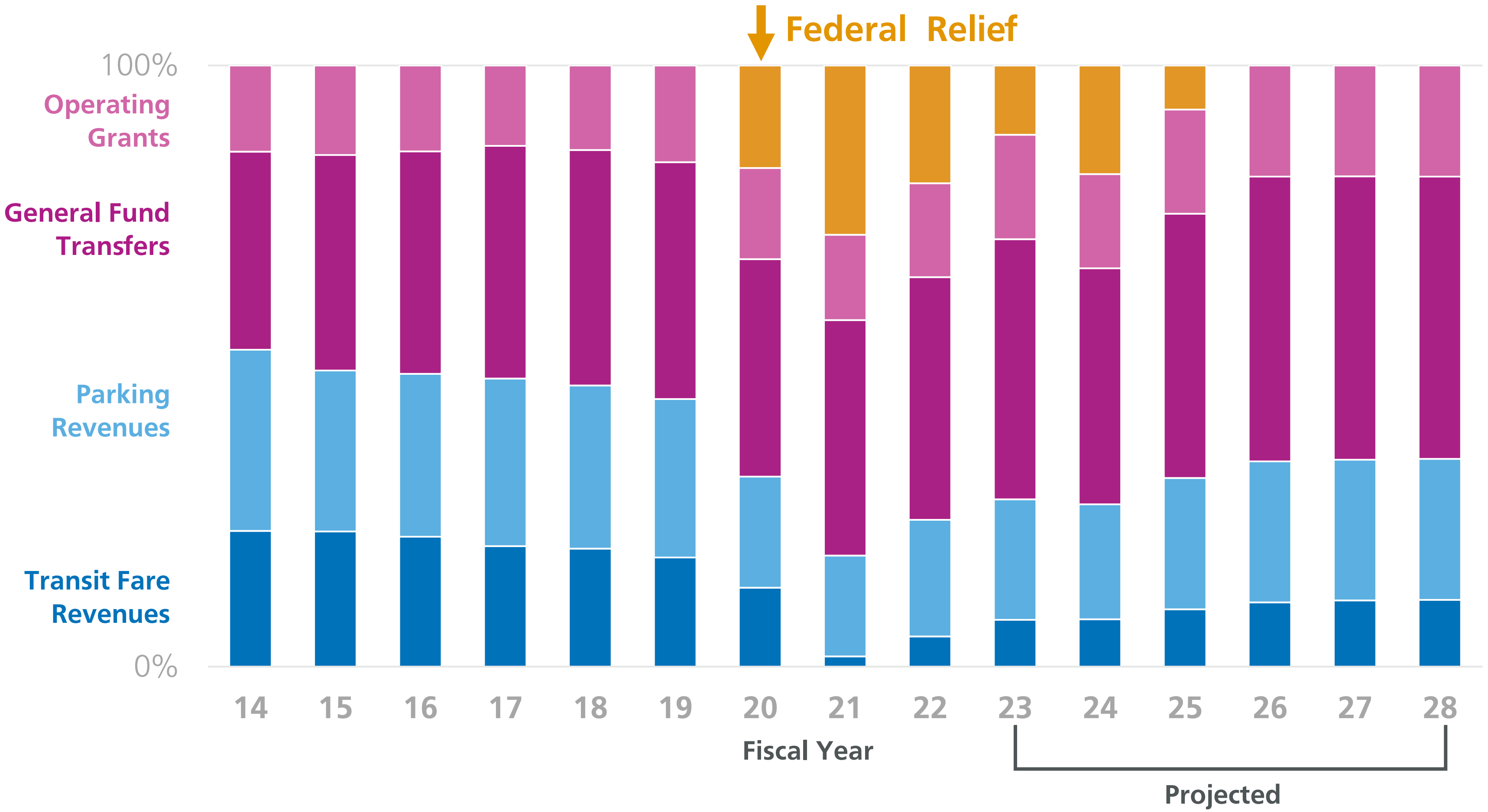
Over the past 15-years the we have remained resilient to changing circumstances but are headed toward a **fiscal cliff**.



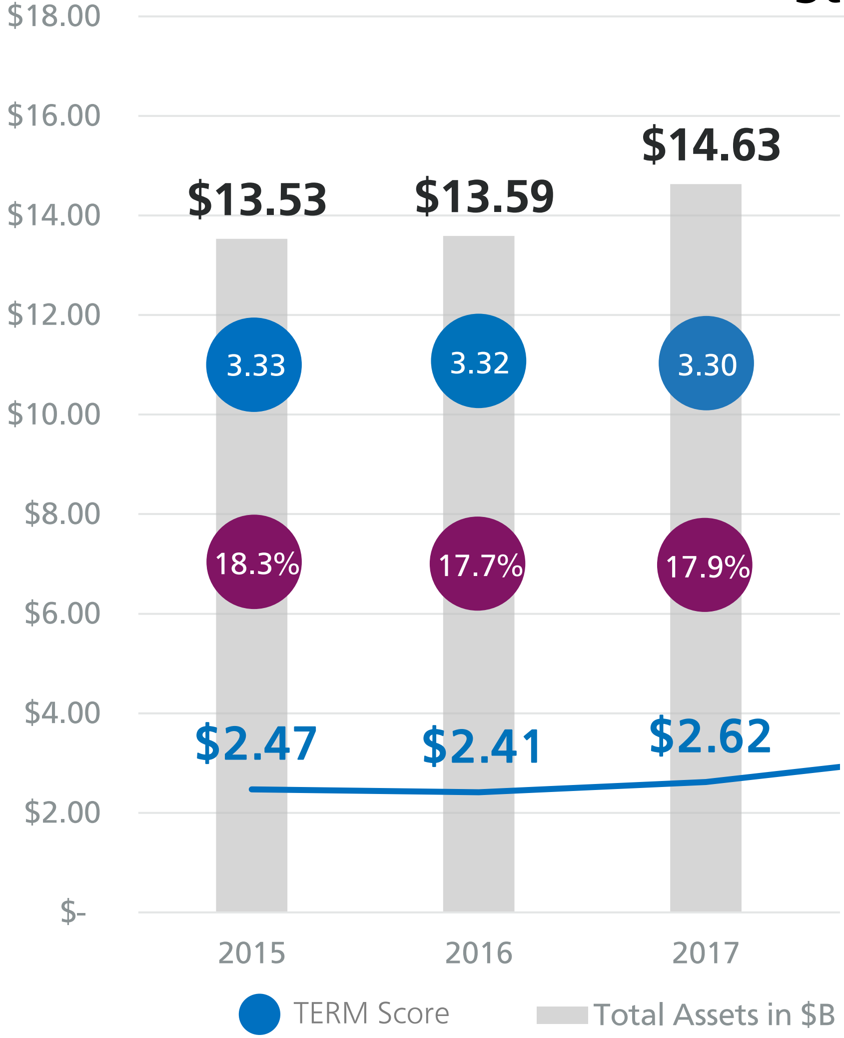
SFMTA Major Sources

Proportion of SFMTA major revenue sources

By 2019, the General Fund is almost the highest component of the SFMTA operating budget, federal relief is temporarily closing revenue gaps, but when it runs out, enterprise revenue will not have yet fully recovered.



State of Good Repair Key Trends (in $B)



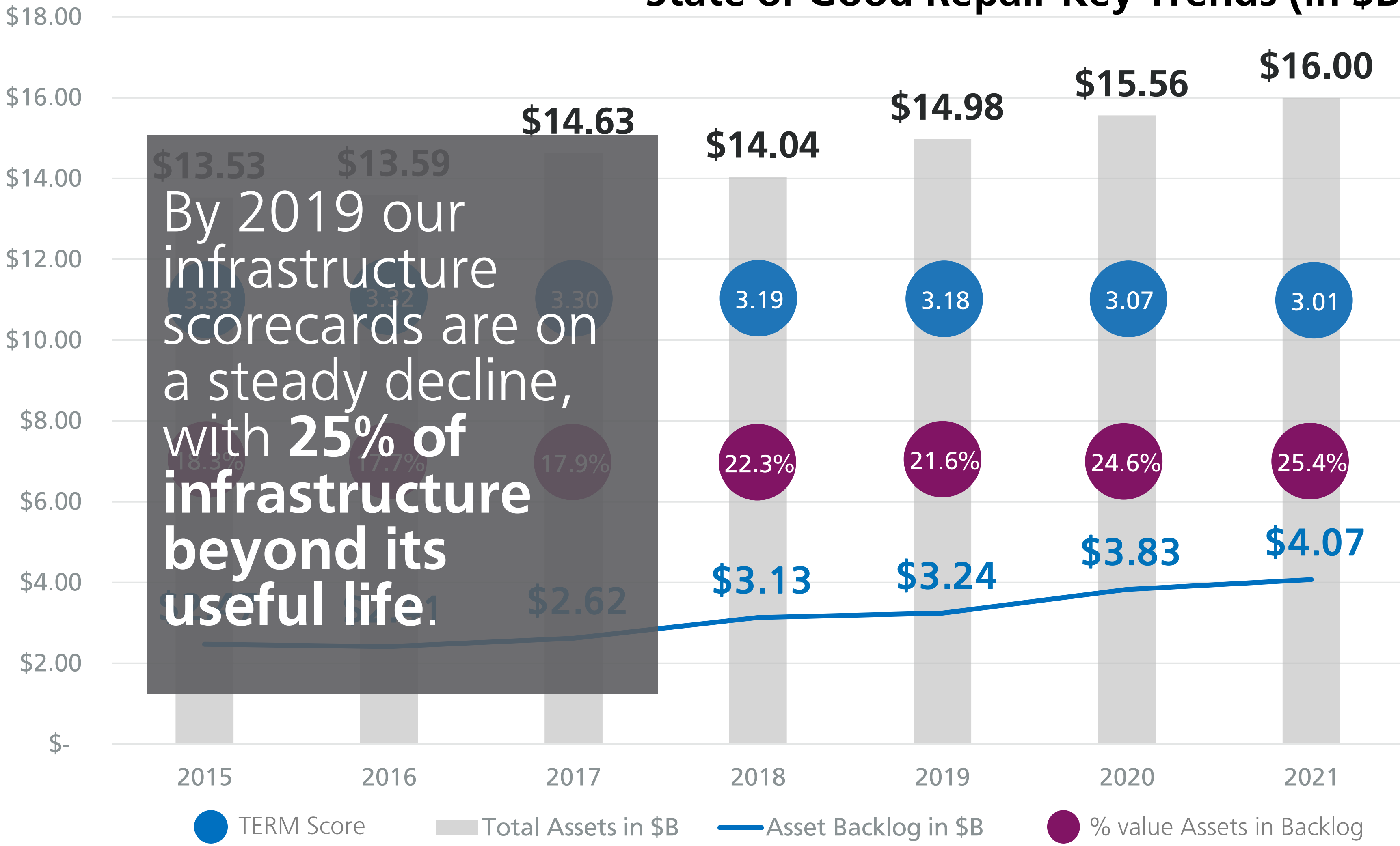
Infusion of GO Bonds, additional general fund, and associated fund balance capital investments supported investment in maintenance.

Our infrastructure scorecards, showed the condition score stable and asset backlog stable.

Reference: [2021 SFMTA State of Good Repair Report]

State of Good Repair

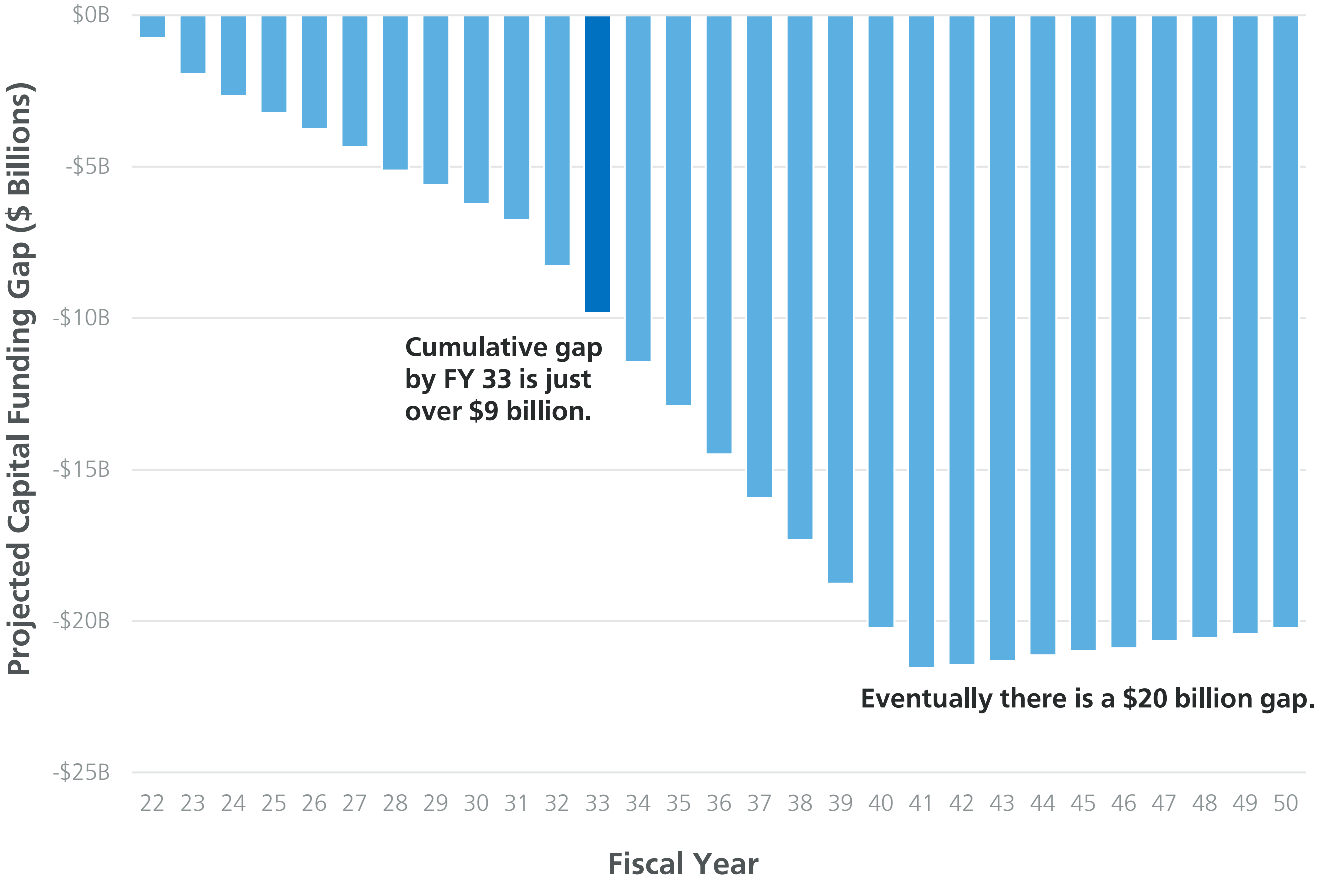
State of Good Repair Key Trends (in $B)



By 2019 our infrastructure scorecards are on a steady decline, with **25% of infrastructure beyond its useful life.**

Reference: [2021 SFMTA State of Good Repair Report]

Our **capital gap continues to grow** and is expected to hit $20 billion by 2040.



$674M

Average Annual Capital Funding Gap

To keep the system running smoothly and expand it based on your priorities

What can we do?

Our Path Forward.
Options for the future.

Priorities

We planned to be **adaptive** during this time.

While the pace of the recovery has slowed, we have several actions we can take.

POLICY

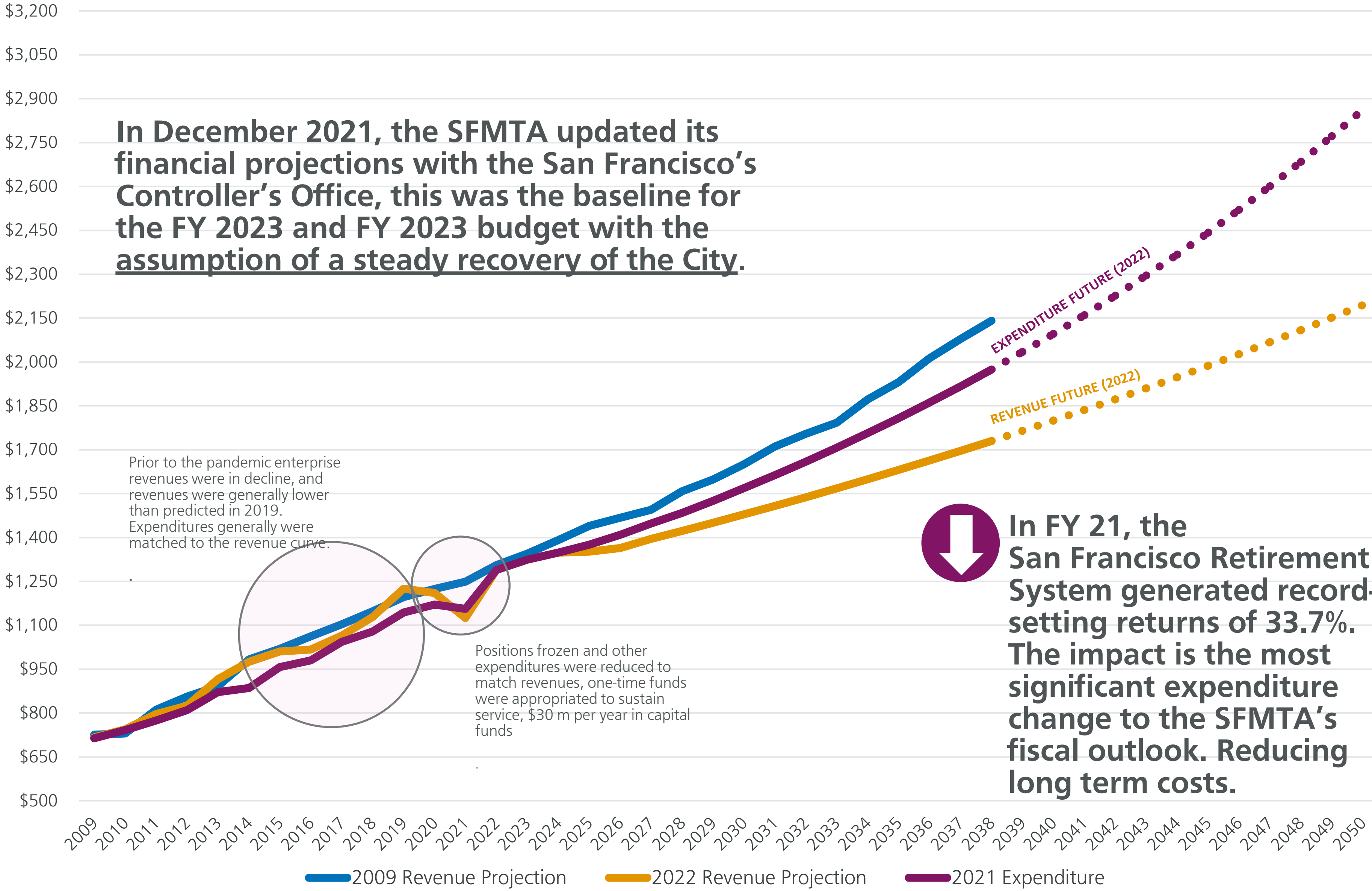
OPERATIONS

CAPITAL

Our goal is high quality service that builds trust.
Investing in the workforce, hiring and op efficiency.
Strategic capital improvements.

SFMTA Operating Revenues vs. Expenditure Projection 2009 vs 2022

in $millions

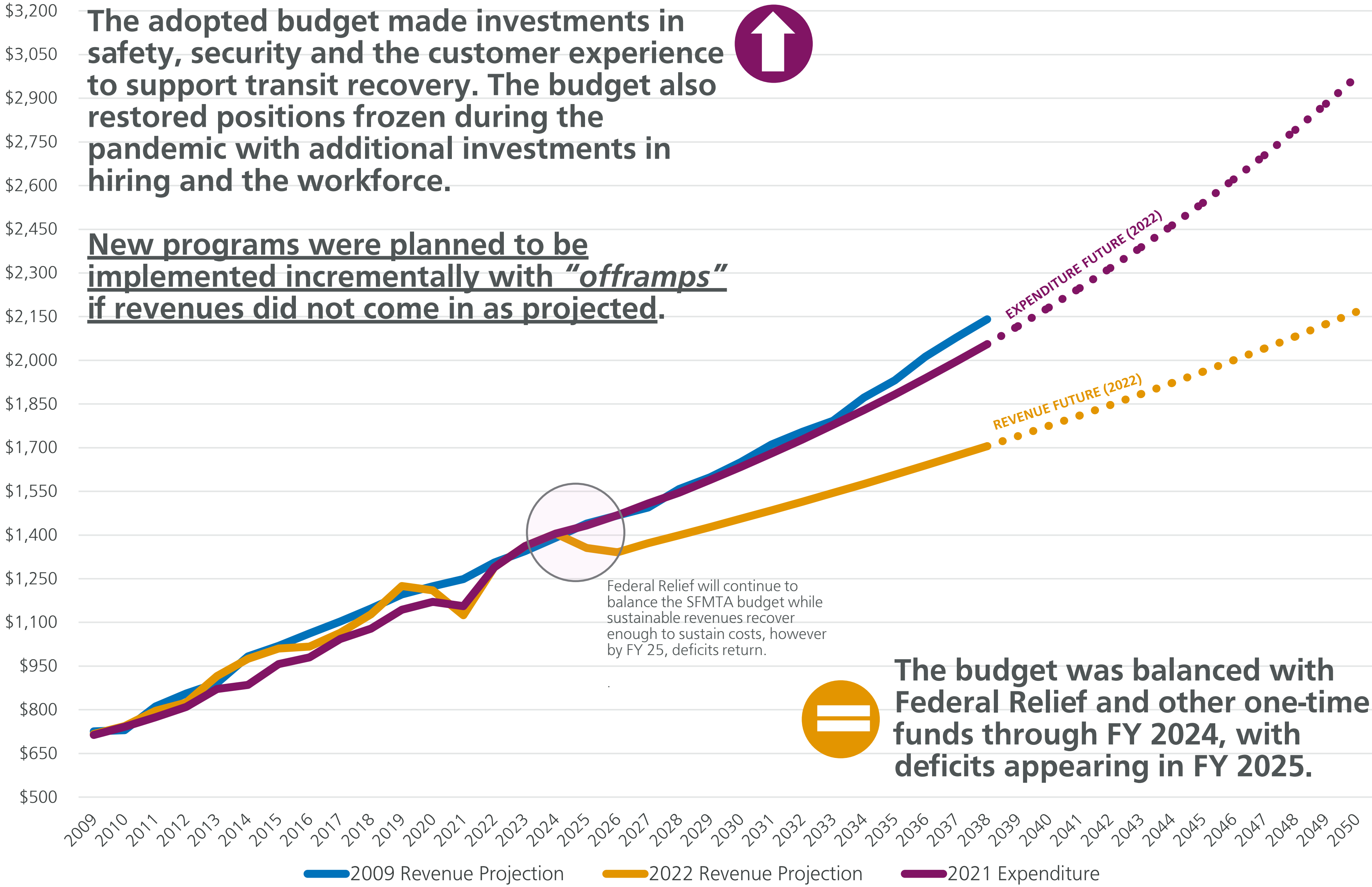


In December 2021, the SFMTA updated its financial projections with the San Francisco's Controller's Office, this was the baseline for the FY 2023 and FY 2023 budget with the assumption of a steady recovery of the City.

In FY 21, the San Francisco Retirement System generated record-setting returns of 33.7%. The impact is the most significant expenditure change to the SFMTA's fiscal outlook. Reducing long term costs.

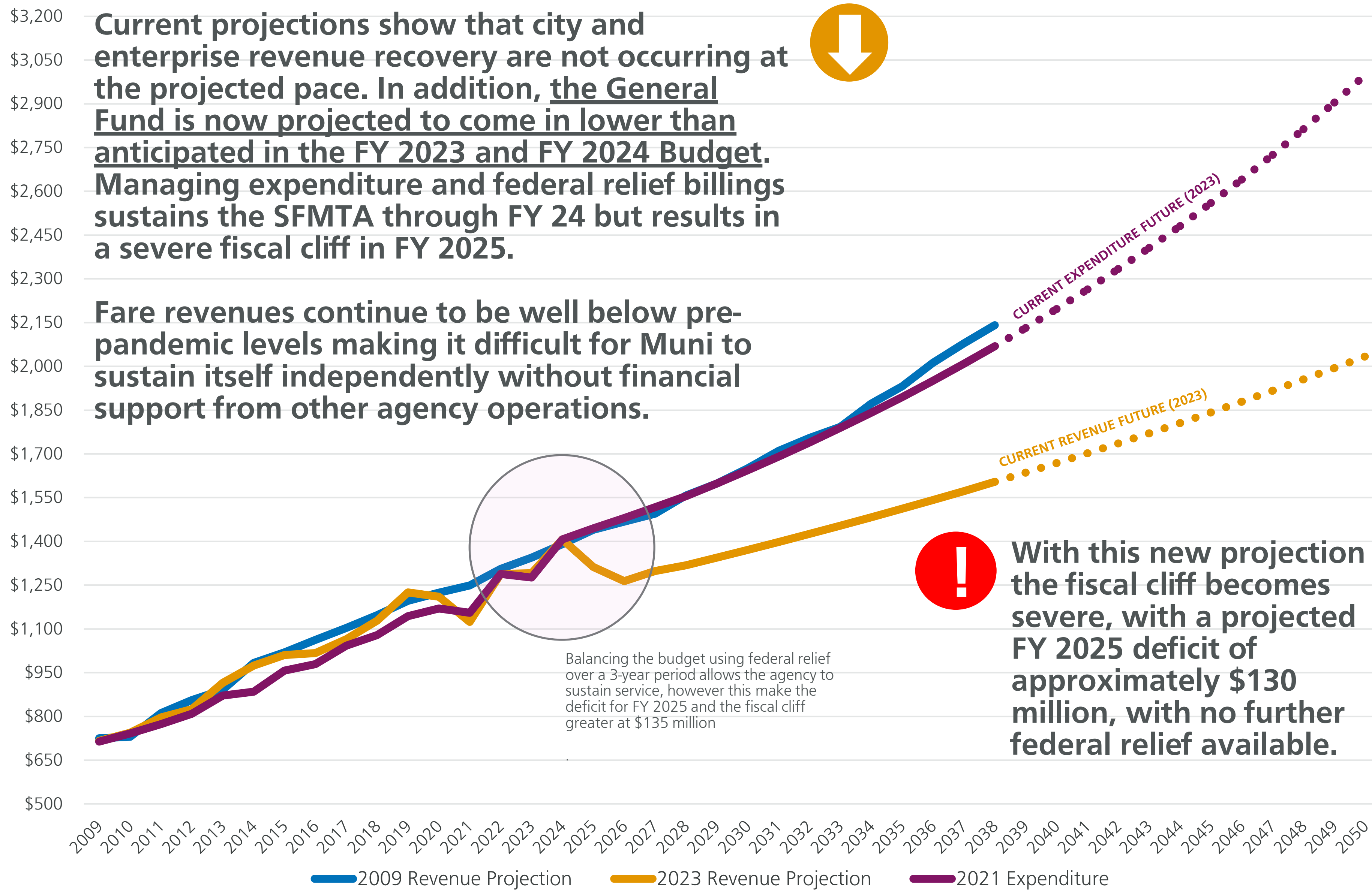
SFMTA Operating Revenues vs. Expenditure Projection 2009 vs 2022

April 2022 Projection in $millions



SFMTA Operating Revenues vs. Expenditure Projection 2009 vs 2023

January 2023 Projection in $millions

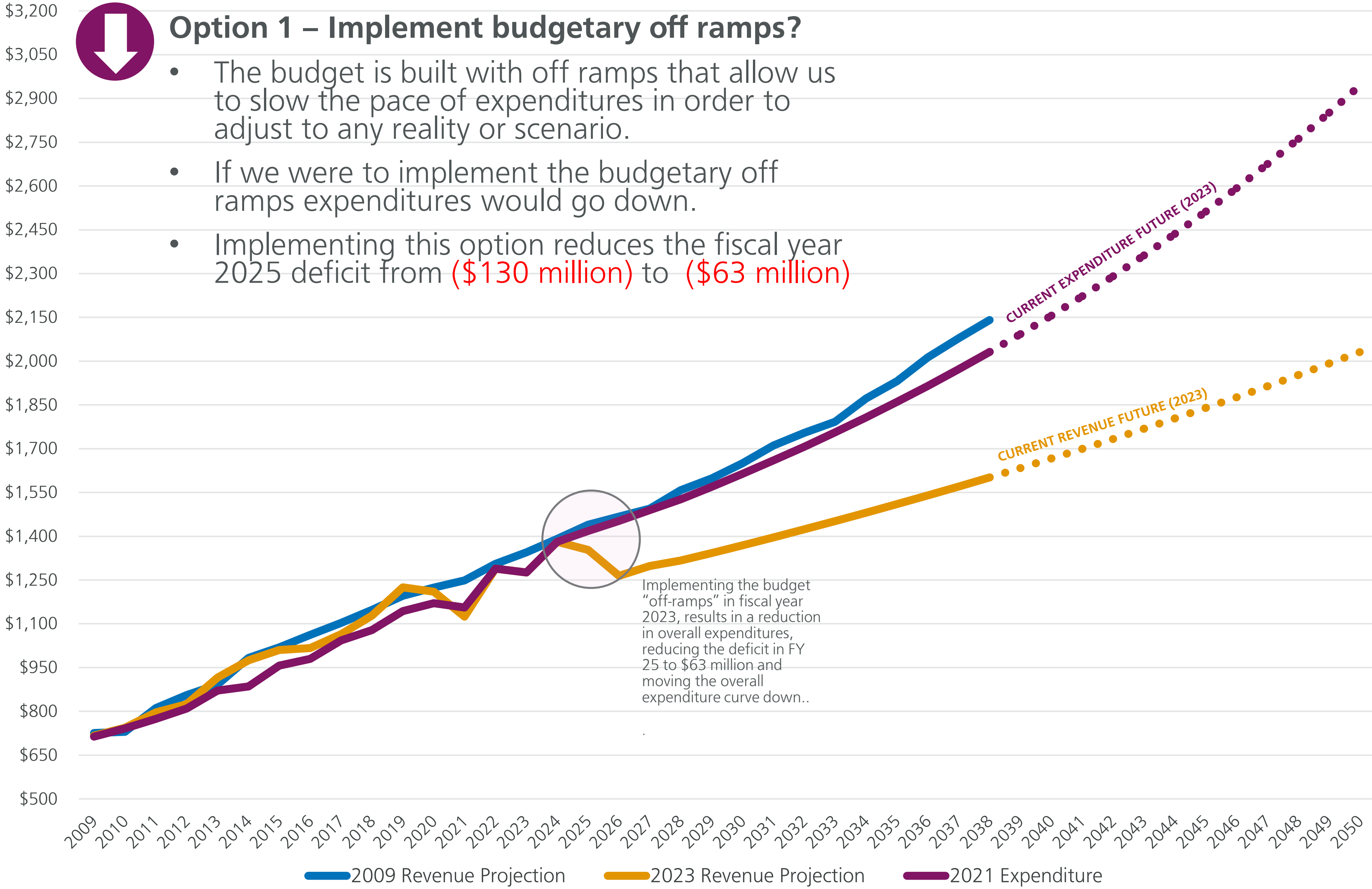


SFMTA Operating Revenues vs. Expenditure Projection 2009 vs 2023

January 2023 – "Budget Off Ramps" Projection in $millions

Option 1 – Implement budgetary off ramps?

- The budget is built with off ramps that allow us to slow the pace of expenditures in order to adjust to any reality or scenario.
- If we were to implement the budgetary off ramps expenditures would go down.
- Implementing this option reduces the fiscal year 2025 deficit from ($130 million) to ($63 million)



SFMTA Operating Revenues vs. Expenditure Projection 2009 vs 2022

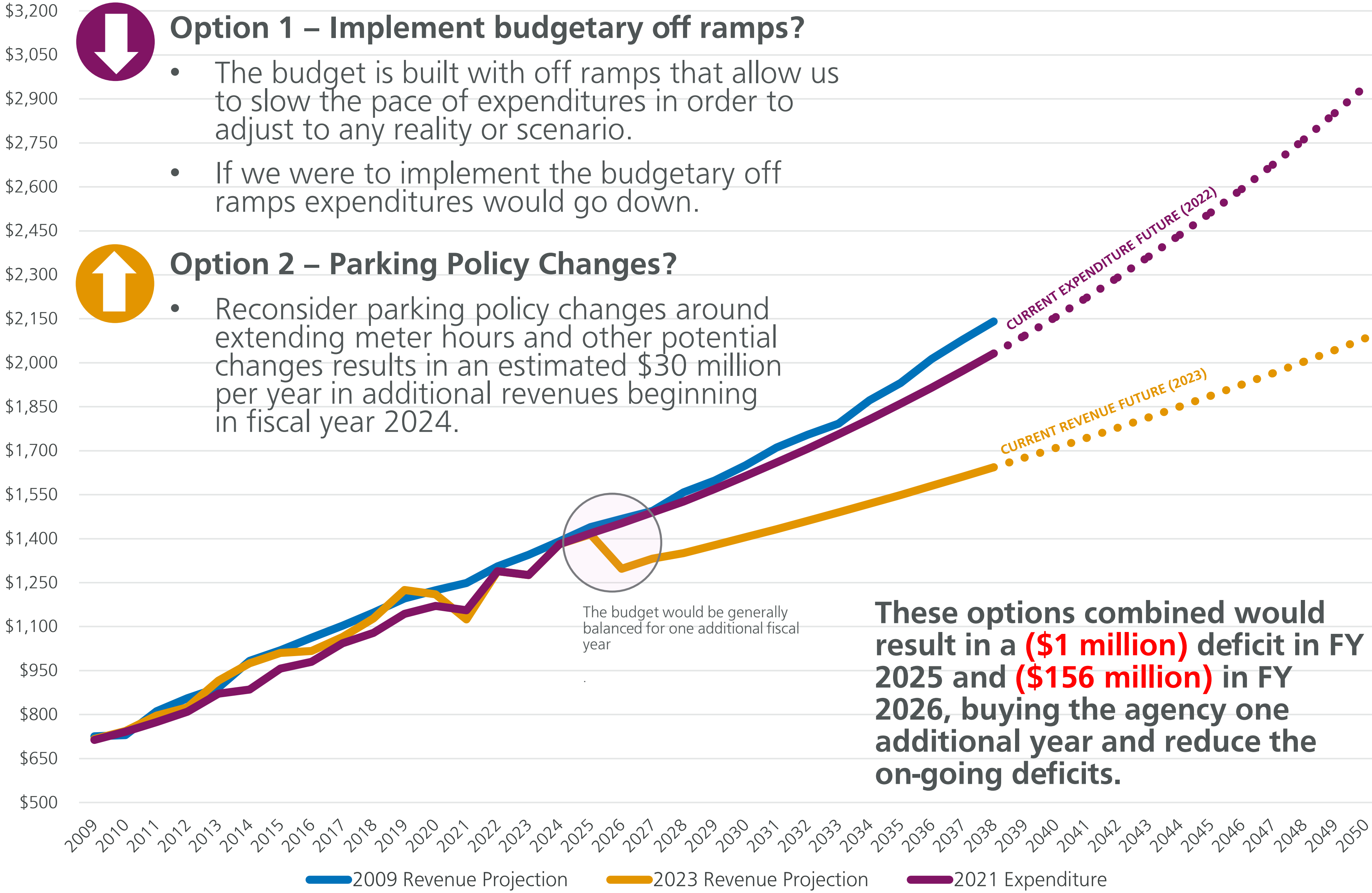
January 2023 – "Budget Off Ramps" + Parking Policy Changes Projection in $millions

Option 1 – Implement budgetary off ramps?

- The budget is built with off ramps that allow us to slow the pace of expenditures in order to adjust to any reality or scenario.
- If we were to implement the budgetary off ramps expenditures would go down.

Option 2 – Parking Policy Changes?

- Reconsider parking policy changes around extending meter hours and other potential changes results in an estimated $30 million per year in additional revenues beginning in fiscal year 2024.



These options combined would result in a ($1 million) deficit in FY 2025 and ($156 million) in FY 2026, buying the agency one additional year and reduce the on-going deficits.

The city will eventually recover.

As it does, the SFMTA must continue to be adaptive and re-invent itself for the future.

This will require us to both raise revenue and reduce costs over time.

The question is how?

Review policy to support long-term revenue growth
Continuously improve our operations to reduce costs
Strategic capital investments

Policy Options

POLICY

Policy: Extended Meter Hours
Consider expansion of meter hours into the evenings.

Policy: Expand Paid Parking Zones
To better manage parking expand meters and residential parking permit zones.

Policy: Transit Fares – Continue Automatic Indexing Policy
Deviation from the policy starting in FY 25 results in a revenue loss.

Policy: Transit Fares – Remove the Clipper Discount
Deviation from the policy starting in FY 25 results in a revenue loss.

Policy: Advocate with the region for State Transit Relief
Continue to advocate with the State for bridge funding to buy time for other recovery options.

Policy: Advocate for new local Transportation GO Bond
25% of assets beyond useful life, capital expenditures now, reduce operating costs later.

Operations Options

OPERATIONS

Ops: Grow Transit Demand

Continue investments in safety, security, cleanliness, and reliability to grow transit ridership and fare revenues.

Ops: Ops Investments that Reduce Costs

Make one-time investments to reduce staff time and produce cost savings including attendance management, hiring processes, administrative processes, utility costs.

Ops: Review City Department Workorder Costs

Perform audit of current City Department workorders, verifying service for billings.

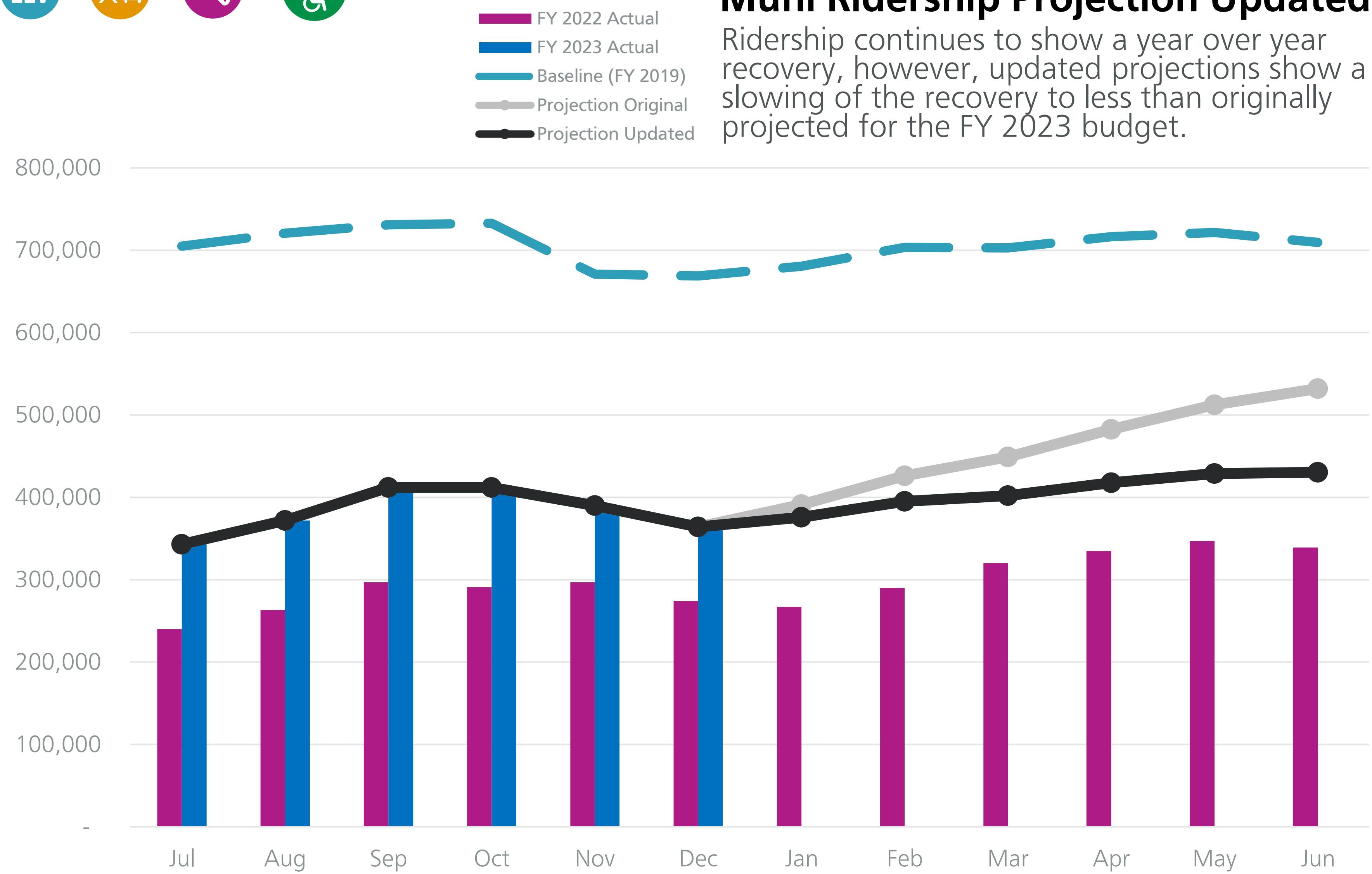
Ops: Ensure Transit Fare Compliance

Review fare per passenger costs regularly as recovery continues + continue to promote fare compliance across the transit system.

Ridership Projection

Muni Ridership Projection Updated

Ridership continues to show a year over year recovery, however, updated projections show a slowing of the recovery to less than originally projected for the FY 2023 budget.



Ridership Projection

While the pace of ridership recovery appears to be slowing, **weekend ridership continues to exceed weekday with recovery at approximately 67%.**

Crosstown routes where speed and reliability improvements have occurred also have seen recovery.

Comparing 2019 vs. 2023 approx. recovery:

14 Mission	22 Fillmore	49 Van Ness
81%	**84%**	**108%**

Capital Options

CAPITAL

Capital: Train Control Upgrade Project

The Train Control System Upgrade (TCUP) project will support the efficient use of the Muni Metro Subway, creating efficiency and improved customer experience.

Capital: Traffic Signal Replacement & Upgrades

Traffic Signals are one of the major infrastructure elements in the Agency's backlog; condition assessment shortly will be complete. Investment in signals reduces long-term maintenance costs, supports Muni Reliability, and improves street safety.

Capital: Facility Replacement & Joint Development

Facilities are one of the major infrastructure elements in the Agency's backlog; condition assessment is complete with $200 m in deferred maintenance. Investment in facilities allowed for modern maintenance bays and support equipment, better training facilities, more efficient utility use and provides the potential for joint-developments that will generate long term revenues – sites include Potrero Yard, Presidio Yard, 5th and Mission Parking Garage and Moscone Parking Garage.

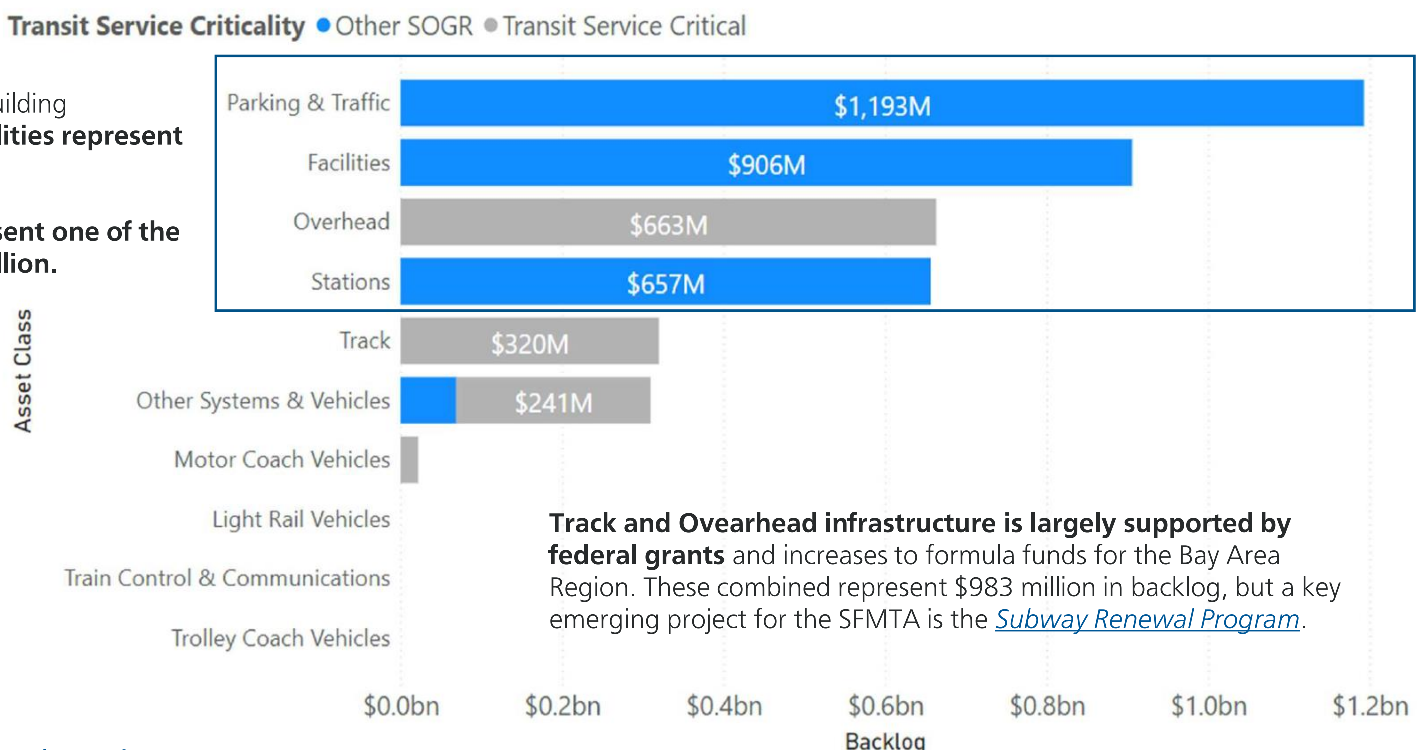
State of Good Repair

$4.07 B
Backlog

The value of assets beyond their useful life is $4.07 billion. This **backlog represents deferred investments in infrastructure replacement or rehabilitation**. The backlog represents assets where an end-of-lifecycle decisions needs to be made; either these assets will be retired, replaced in-kind, or upgraded with new technology or systems.

Major backlogs exist in our fixed building infrastructure – **Stations and Facilities represent a $1.6 billion backlog**.

Parking and Traffic assets represent one of the largest asset backlogs at $1.2 billion.



Track and Ovearhead infrastructure is largely supported by federal grants and increases to formula funds for the Bay Area Region. These combined represent $983 million in backlog, but a key emerging project for the SFMTA is the *Subway Renewal Program*.

Reference: 2021 SFMTA State of Good Repair Report

State of Good Repair

Over the past 10-years out of 1200 plus signals in San Francisco **we have less than 50 intersections left that are lacking PCS that need capital project funding**.

	2018	2019	2020	2021	2022	Total
New Traffic Signals	14	12	18	12	2	**58**
Traffic Signal Upgrades	15	30	6	44	5	**100**
New Pedestrian Countdown Signals (PCS)	18	32	28	34	2	**113**
New Audible Pedestrian Signals (APS)	25	21	59	64	79	**246**

The next step is to focus with the Signal Shop focus on signal equipment with electronic components such as traffic signal controllers and cabinets that need to be replaced.

Our discussion will focus on:

Priorities Right? and Feedback?

Lessons learned prior to and during the pandemic

Possible Actions we can take (Policy, Operational, Capital)

Thank You.

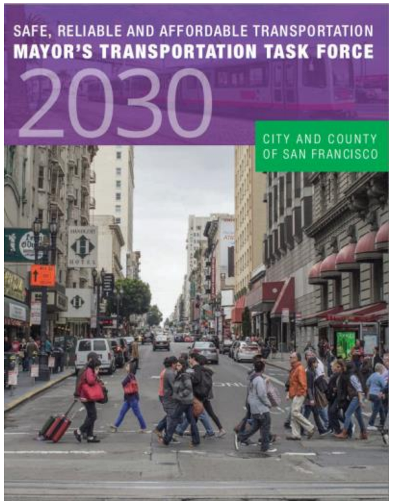
San Francisco

TRANSPORTATION 2050

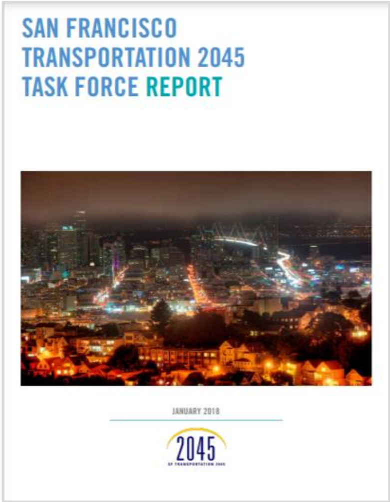
Appendix.

San Francisco
TRANSPORTATION 2050

Transportation 2050 (T2050) builds upon the work done by the two prior Transportation Task Forces.



2013



2018

Reference: [Transportation 2030 Report]
Reference: [Transportation 2045 Report]

State of Good Repair

The City's transportation infrastructure continues to age in place, with the **replacement backlog growing. One quarter of all assets are now beyond their useful life**.

3.01

1 - 5 Scale
2.5 or greater in State of Good Repair

Age Based Condition Score of all infrastructure

$16B

Total Capital Inventory

25.4%

Percent of SFMTA Assets operating beyond expected useful life

What is State of Good Repair? The SFMTA defines State of Good Repair as the condition in which the Agency's assets can operate at a full level of performance. State of Good Repair investment includes any spending that ensures an asset necessary for delivery of transportation service to the public or supportive of staff needs remain effective, efficient, reliable, and safe.

Reference: [2021 SFMTA State of Good Repair Report]

Parking Policy Reforms: On-Going/Immediate

Policy/project	Description	Estimated Revenue
Annual increases to demand-responsive rate ceiling	Meter rate ceiling is currently $11/hour for FY23, $12 for FY24. MTAB has consistently voted to raise the hourly rate ceiling by $1 each year for past few years.	$50k
Annual increases to special event parking rates	SFMTA currently charges $9/hour to park near Oracle Park or Chase Center during events. MTAB has raised this by $1 annually for the past two years.	$350k
Move some parking garages to market-competitive pricing	SFMTA garage typically charge below market for parking. Raising rates at INSERT GARAGES to more closely match rates at nearby private garages would raise revenue.	$3.5m
Remove or lengthen meter time limits citywide	Longer time limits at meters allow people to pay for more time, helping avoid citations and generating a small amount of revenue	$1m
Minimum charge at meters	A minimum charge (by amount or by time) might generate a small amount of revenue	$250k

Parking Policy Reforms: Short Term

Policy/project	Description	Estimated Revenue
Evening meter hours	Meters would operate later in the evenings in response to demand	$25m
Sunday meter hours	Meters would operate on Sundays	$9m
One-way car share program	Provide permits for one-way car share vehicles on SF streets (currently Gig by AAA is the only active company)	$200k
Raise contractor permit fee	Allows permitholders to park at any metered space without paying. Current cost model includes a blanket 50% discount—reducing that discount would increase permit cost and generate more revenue	$1m-5m
Raise demand-responsive rate floor	Meter rate floor is currently $0.50/hour. Raising the floor could generate marginal additional revenue (and perhaps reflect impacts of inflation).	$300k
Dedicated PCO detail	PCO detail dedicated to parking citation issuance would generate revenue	$4m

Parking Policy Reforms: Medium Term

Policy/project	Description	Estimated Revenue
Meter expansion	Continue to expand metered parking regulations to appropriate blocks/neighborhoods	$1m-5pm
Pay or Permit expansion	Continue to expand "Pay or Permit" parking regulations, where traditional RPP is replaced with a requirement for non-permitholders to pay	$300k
Include more costs in the Residential Parking Permit fee model	Currently RPP fees are quite low and recover many, but not all, costs associated with running the program. Including more expenses into the cost-recovery model (enforcement, cost of hearing officer appeals) would increase the fee and corresponding revenues	Depends on costs
Higher fees for Residential Parking Permits or on-street parking fees that apply to RPP permit holders	Set permit fees or implement on-street parking fees for RPP permit holders to meet policy goals including impacting car usage/ownership	$1m-$20m

Parking Policy

Parking Policy Reforms: Long Term

Policy/project	Description	Estimated Revenue
Automated parking enforcement	Amend CA Vehicle Code to allow citations to be mailed to vehicle's registered addresses, rather than placed on windshields	$8M
Curb cut fee	Extend the existing curb cut fee in the Public Works Code to include all (or a subset of) curb cuts in the City, and increase the fee.	$2m-$19m
Pricing for short-term loading	Use technology and advanced permitting tools to charge curb users (e.g., TNCs, on-demand delivery, parcel delivery) for their use of the curb for pickups/dropoffs.	Depends on prices
Increase portion of parking tax revenues to the SFMTA	SF currently imposes a 25% tax on paid parking transactions, and SFMTA gets 80% of the revenue. Raising that tax rate to 35%, or raising SFMTA's share to 90%, would generate additional revenue (and marginally discourage additional driving)	$6M
Parking stall fee	Would impose an annual fee on all publicly available parking stalls, whether or not the parking lot/garage owner charges for parking at those stalls	Depends on fee
Automated parking enforcement	Amend CA Vehicle Code to allow citations to be mailed to vehicle's registered addresses, rather than placed on windshields	$8M