

THIS PRINT COVERS CALENDAR ITEM NO.: 10.5

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Finance & Information Technology

BRIEF DESCRIPTION:

Adopting a Resolution of Local Support for a pending \$1,493,564 grant that the SFMTA has been awarded by the Metropolitan Transportation Commission's (MTC) Local Parking Management Program Implementation program for our San Francisco Pay or Permit Parking Expansion Project; providing assurances that the SFMTA will comply with MTC policies associated with receipt of these funds.

SUMMARY:

- MTC's Local Parking Management Program Implementation Grant uses federal Congestion Mitigation and Air Quality Improvement (CMAQ) funds to support innovative policies around parking and curb management that can be replicated by other cities in the Bay Area.
- SFMTA's Parking & Curb Management Team applied successfully for \$1,493,564 to purchase pay stations for its San Francisco Pay or Permit Parking Expansion Project. The proposed project will replace the typical two-hour time limit with a payment requirement on Residential Permit Parking (RPP)-regulated blocks. Associated pay stations would cover approximately 67 blocks.
- The blocks where this regulation would be added would be decided through public planning processes and brought to the SFMTA Board for review and approval. The blocks would be currently time-limited RPP blocks.
- The grant includes an 11.47% local match requirement, which SFMTA would meet through installation labor and contribution of supplies.
- To receive these funds, MTC requires a Resolution of Local Support providing assurances that the SFMTA will comply with MTC implementation policies.
- Upon MTC acceptance of the Resolution, the SFMTA will add the Transportation Improvement Program (TIP) projects to the MTC's federal TIP so that funds can be awarded through executed grants.
- The SFMTA, under authority delegated by the Planning Department, has determined that the proposed funding resolution for the Pay or Permit Parking Expansion Project is categorically exempt from the California Environmental Quality Act (CEQA).
- This proposed action is the Approval Action as defined by the S. F. Administrative Code Chapter 31.

ENCLOSURES:

1. SFMTAB Resolution

APPROVALS:

DATE

DIRECTOR



November 15, 2023

SECRETARY



November 15, 2023

ASSIGNED SFMTAB CALENDAR DATE: November 21, 2023

PURPOSE

Adopting a Resolution of Local Support for a pending \$1,493,564 grant that the SFMTA has been awarded by the Metropolitan Transportation Commission's (MTC) Local Parking Management Program Implementation program for our San Francisco Pay or Permit Parking Expansion Project; providing assurances that the SFMTA will comply with MTC policies associated with receipt of these funds.

STRATEGIC PLAN GOALS

This action supports several SFMTA Strategic Plan Goals:

- Goal 5: Deliver reliable and equitable transportation services.
- 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.

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.
3. Decisions regarding the use of limited public streets 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.
7. Parking policies for areas well served by public transit shall be designed to encourage travel by public transit and alternative transportation.
10. 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 Residential Permit Parking (RPP) program was established in 1976 to manage parking in residential areas. Since then, 33 RPP Areas have been created, serving almost 60,000 annual permitholders and regulating over 25% of spaces in the City. In 2014, the SFMTA initiated an RPP Reform Project to align parking policies with the City's Transit First, sustainability, and congestion management policies to better meet the needs of all users of the curb, including residents, workers, and businesses.

On traditional RPP blocks, visitors must adhere to a posted time limit, usually two hours. However, time limits can be hard to enforce and are often ineffective at preventing people from driving and parking for extended periods. A new regulation, Pay or Permit Parking, approved by the SFMTA Board of Directors in June 2018, allows RPP permitholders to park for free while visitors must pay at a pay station or with a mobile device. While vehicles parked at Pay or Permit meters are not subject to a time limit, paying the meter fee encourages turnover, freeing up parking for those who need it.

Paid parking, combined with San Francisco’s successful demand-responsive parking pricing and SFMTA’s popular RPP program, offers flexibility in length of stay and increased availability for residents and visitors and can be enforced without needing an officer to chalk tires and pass a block twice. The parking payments can also help serve as a source of revenue on blocks that previously offered free parking.

Since it was added to the Agency’s toolbox in 2018, the SFMTA has introduced Pay or Permit Parking gradually in San Francisco, first on two block-faces as a proof of concept, followed by a larger installation of 67 pay-by-license-plate pay stations on 30 blocks in Hayes Valley. This installation was the result of an extensive public engagement process with neighborhood and business associations that included household surveys and several community meetings, culminating in the Hayes Valley Parking and Curb Management Plan being approved by the SFMTA Board of Directors in 2021. Installation started in late 2022 and early 2023. SFMTA staff has worked with a consultant to collect data on Pay or Permit Parking’s efficacy. The data is currently being processed and early results and anecdotal observations have so far been positive. It appears that overall parking availability is up on the Hayes Valley blocks where the change was implemented.

In 2023, SFMTA staff applied for a grant from the MTC’s Local Parking Management Program Implementation Grant funding opportunity. Grants are designed to support the implementation of innovative parking management regulations that could then be a model for other cities around the Bay Area. The grant is funded through the Federal Highway Administration’s (FHWA) Congestion Mitigation and Air Quality Improvement (CMAQ) program. As part of the grant, recipients will work with an MTC-assigned consultant to study the local air quality impacts of the regulation change.

Table 1: Award Summary

Project Title	Request Amount	Recommended Award	Percent Funded	Difference
San Francisco Expanded Pay or Permit Parking	\$1,493,564	\$1,493,564	100%	\$0
Total	\$1,493,564	\$1,493,564	100%	\$0

Notes on Funding:

The request in the grant application was for \$1,493,564 to purchase and install approximately 268 additional parking pay stations and the accompanying materials required for the pay station operation. The awarded funds require an 11.47% match, or \$193,507. The SFMTA will match the MTC’s Parking Management Capital Grant with \$193,507 worth of installation labor and contributed supplies.

Terms of MTC Grant Award:

At its June 9, 2023 meeting, the MTC approved SFMTA’s funding request. As part of the requirements for receiving the funding, the SFMTA Board of Directors must adopt a Resolution of Local Support. This will begin the process of obligating the funding from the federal sources. This Resolution includes compliance with the following MTC policies:

- the commitment of any required matching funds; and
- that the sponsor understands that the Regional Discretionary Funding is fixed at the programmed amount, and therefore any cost increase cannot be expected to be funded with additional Regional Discretionary Funding; and
- that the Project will comply with the procedures, delivery milestones and funding deadlines specified in the Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised); and
- the assurance of the sponsor to complete the Project as described in the application, subject to environmental clearance, and if approved, as included in MTC's federal Transportation Improvement Program (TIP); and
- that the Project will have adequate staffing resources to deliver and complete the Project within the schedule submitted with the project application; and
- that the Project will comply with all project-specific requirements as set forth in the Program; and
- that the SFMTA has assigned, and will maintain a single point of contact for all FHWA- and California Transportation Commission (CTC) funded transportation projects to coordinate within the agency and with the respective Congestion Management Agency (CMA), MTC, Caltrans, FHWA, and CTC on all communications, inquires or issues that may arise during the federal programming and delivery process for all FHWA- and CTC-funded transportation and transit projects implemented by the SFMTA

SFMTA has not yet committed to the exact sites where the Pay or Permit Parking regulation will be added. These decisions will be based on a thorough analysis of the data from Hayes Valley, data from potential Pay or Permit Areas, as well as thorough public engagement processes in the selected neighborhoods, culminating in SFMTA Board approval of the final locations. SFMTA will connect with neighbors through community meetings, mailings, and virtual outreach tools to explain the program, understand levels of support, and set the specifics of the regulations before final approval. Parking and Curb Management team staff will also work closely with the Meter Shop, Sign Shop, and Parking Enforcement divisions to ensure that the plans are operationally sound, and that the rollout is smooth.

The SFMTA will focus its research on blocks that have high residential and visitor demand, as well as high overall parking occupancy. The study area for meter placement will be the 23 RPP Areas in the northeast and central parts of San Francisco. The SFMTA policy is to not convert general metered parking blocks to Pay or Permit blocks. Efforts pursuant to this grant will focus on blocks that are currently time-limited RPP blocks. From within the study area, staff will likely select three to five geographic areas for installation of the approximately 268 pay stations. This will create large, contiguous areas of Pay or Permit Parking making this relatively new parking regulation more understandable for residents, visitors, and operations staff. Contiguous areas also reduce the burden of outreach.

SFMTA staff anticipates the outreach and planning process to take approximately one year, followed by one year for legislation and implementation.

Pay or Permit Parking expansion presents an opportunity for SFMTA, with support from MTC and FHWA, to continue its global leadership in congestion and air pollution reduction and parking policy in a way that is responsive to the needs of residents and the unique neighborhood

landscape of San Francisco.

STAKEHOLDER ENGAGEMENT

The implementation of Pay or Permit Parking Expansion will take place as part of multiple future projects in different neighborhoods of San Francisco, each with their own Public Outreach and Engagement Team Strategy (POETS) plan.

The SFMTA previously has undertaken outreach around Pay or Permit Parking, first in the form of the 2017 RPP Reform and Evaluation Project, which led to the codification of the policy type. This planning process involved focus group meetings at which there was a robust discussion about the regulation that would become known as Pay or Permit. Later, Pay or Permit Parking was a major component of the Hayes Valley Parking and Curb Management Plan, which went through a three-year planning process culminating in SFMTA Board approval in 2021. Pay or Permit Parking was supported by many community members throughout the planning process and has generated little negative attention since it was first implemented in late 2022.

ALTERNATIVES CONSIDERED

If SFMTA were not to receive the grant, SFMTA would be required to use its own funds to pursue Pay or Permit expansion. This would likely come in the form of delaying the rollout of pay stations in other parts of the City. Non-expansion of Pay or Permit Parking would prevent SFMTA from using this innovative tool to better manage parking in the City's densest neighborhoods.

FUNDING IMPACT

This grant will provide the SFMTA with \$1,493,564 to support pay stations to serve the new Pay or Permit Parking areas, which, when installed, will create revenue for the Agency to be used for transit. The match SFMTA will be providing will come largely from labor and supplies that can be covered by the cost recovery of the RPP program and other already-budgeted costs.

ENVIRONMENTAL REVIEW

The proposed funding resolution for the Pay or Permit Parking Expansion Project is subject to the California Environmental Quality Act (CEQA). CEQA provides a categorical exemption from environmental review for the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities as defined in Title 14 of the California Code of Regulations Section 15301.

On November 2, 2023, the SFMTA, under authority delegated by the Planning Department, determined (Case Number 2023-010249ENV) that the proposed funding resolution for the Pay or Permit Parking Expansion Project is categorically exempt from CEQA as defined in Title 14 of the California Code of Regulations Section 15301.

The proposed action is the Approval Action as defined by the S. F. Administrative Code Chapter 31.

PAGE 6.

A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors, and may be found in the records of the Planning Department by Case Number at <https://sfplanninggis.org/pim/> or 49 South Van Ness Avenue, Suite 1400 in San Francisco, and are incorporated herein by reference.

The adoption of this resolution does not constitute approval of the Pay or Permit Expansion Project that is funded by the grant program. The Pay or Permit Expansion Project would be subject to further CEQA review when final locations for Pay or Permit Parking areas are identified.

OTHER APPROVALS RECEIVED OR STILL REQUIRED

Upon receiving this Resolution of Support, SFMTA staff will submit this project into the MTC's Transportation Improvement Program (TIP) portal for its review. Upon amendment into the TIP, the SFMTA will work with Caltrans to secure final grant award.

The City Attorney has reviewed this report.

RECOMMENDATION

Staff recommends that the SFMTA Board of Directors adopting a Resolution of Local Support for a pending \$1,493,564 grant that the SFMTA has been awarded by the MTC Local Parking Management Program Implementation program for our San Francisco Pay or Permit Parking Expansion Project; and providing assurances that the SFMTA will comply with MTC policies associated with receipt of these funds.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, the United States Congress from time to time enacts and amends legislation to provide funding for various transportation needs and programs, (collectively, the Federal Transportation Act) including, but not limited to the Surface Transportation Block Grant Program (STP) (23 U.S.C. § 133), the Congestion Mitigation and Air Quality Improvement Program (CMAQ) (23 U.S.C. § 149) and the Transportation Alternatives (TA) set-aside (23 U.S.C. § 133); and

WHEREAS, The SFMTA has submitted an application to the Metropolitan Transportation Commission (MTC) for \$1,493,564 in funding assigned to MTC for programming discretion, which includes federal funding administered by the Federal Highway Administration (FHWA) and federal or state funding administered by the California Transportation Commission (CTC) such as STP funding, CMAQ funding, TA set-aside/Active Transportation Program (ATP) funding, and Regional Transportation Improvement Program (RTIP) funding (herein collectively referred to as “Regional Discretionary Funding”) for the San Francisco Pay or Permit Parking Expansion Project (herein referred to as Project); and

WHEREAS, state statutes, including California Streets and Highways Code §182.6, §182.7, and §2381(a)(1), and California Government Code §14527, provide various funding programs for the programming discretion of the Metropolitan Planning Organization (MPO) and the Regional Transportation Planning Agency (RTPA); and

WHEREAS, pursuant to the Federal Transportation Act, and any regulations promulgated thereunder, eligible project sponsors wishing to receive federal or state funds for a regionally-significant project shall apply first with the appropriate MPO, or RTPA, as applicable, for review and inclusion in the federal Transportation Improvement Program (TIP); and

WHEREAS, MTC is the MPO and RTPA for the nine counties of the San Francisco Bay region; and

WHEREAS, MTC has adopted a Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised) that sets out procedures governing the application and use of Regional Discretionary Funding; and

WHEREAS, the SFMTA is an eligible sponsor for Regional Discretionary Funding; and

WHEREAS, the SFMTA applied for funding through the competitive MTC Local Parking Management Program Implementation Grant program; and

WHEREAS, MTC selected the SFMTA’s application for approval as part of that grant process; and

WHEREAS, as part of the application for Regional Discretionary Funding, MTC requires

a resolution adopted by the responsible implementing agency stating the following:

- the commitment of any required matching funds; and
- that the sponsor understands that the Regional Discretionary Funding is fixed at the programmed amount, and therefore any cost increase cannot be expected to be funded with additional Regional Discretionary Funding; and
- that the Project will comply with the procedures, delivery milestones and funding deadlines specified in the Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised); and
- the assurance of the sponsor to complete the Project as described in the application, subject to environmental clearance, and if approved, as included in MTC's federal Transportation Improvement Program (TIP); and
- that the Project will have adequate staffing resources to deliver and complete the Project within the schedule submitted with the project application; and
- that the Project will comply with all project-specific requirements as set forth in the Program; and
- that the SFMTA has assigned, and will maintain a single point of contact for all FHWA- and CTC-funded transportation projects to coordinate within the agency and with the respective Congestion Management Agency (CMA), MTC, Caltrans, FHWA, and CTC on all communications, inquires or issues that may arise during the federal programming and delivery process for all FHWA- and CTC-funded transportation and transit projects implemented by the SFMTA; and

WHEREAS, MTC requires that a copy of this resolution be transmitted to the MTC in conjunction with the filing of the application;

WHEREAS, The proposed funding resolution for the Pay or Permit Parking Expansion Project is subject to the California Environmental Quality Act (CEQA); CEQA provides an exemption from environmental review for the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities as defined in Title 14 of the California Code of Regulations Section 15301; and,

WHEREAS, On November 2, 2023, the SFMTA, under authority delegated by the Planning Department, determined that the proposed funding resolution for the Pay or Permit Parking Expansion Project is categorically exempt from CEQA, pursuant to Title 14 of the California Code of Regulations Section 15301; and,

WHEREAS, The proposed action is the Approval Action as defined by the S. F. Administrative Code Chapter 31; and,

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors, and may be found in the records of the Planning Department by Case Number at <https://sfplanninggis.org/pim/> or 49 South Van Ness Avenue, Suite 1400 in San Francisco, and are incorporated herein by reference; now, therefore, be it

RESOLVED that the SFMTA will provide any required matching funds; and be it further

RESOLVED that the SFMTA understands that the Regional Discretionary Funding for the project is fixed at the MTC approved programmed amount, and that any cost increases must be funded by the SFMTA from other funds, and that the SFMTA does not expect any cost increases to be funded with additional Regional Discretionary Funding; and be it further

RESOLVED that the SFMTA will comply with the procedures, delivery milestones, and funding deadlines specified in the Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised); and be it further

RESOLVED that the SFMTA will complete the Project as described in the complete application and in this resolution, subject to environmental clearance, and, if approved, as included in MTC's federal TIP; and be it further

RESOLVED that the SFMTA has reviewed the Project and has adequate staffing resources to deliver and complete the Project within the schedule submitted with the project application; and be it further

RESOLVED that the Project will comply with all project-specific requirements as set forth in the Program; and

RESOLVED that the SFMTA has assigned, and will maintain a single point of contact for all FHWA- and CTC-funded transportation projects to coordinate within the agency and with the respective Congestion Management Agency (CMA), MTC, Caltrans, FHWA, and CTC on all communications, inquires or issues that may arise during the federal programming and delivery process for all FHWA- and CTC-funded transportation and transit projects implemented by the SFMTA; and be it further

RESOLVED that the Director of Transportation (or his designee) shall transmit a copy of this resolution will be transmitted to the MTC.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of November 21, 2023.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency