

THIS PRINT COVERS CALENDAR ITEM NO. : 11

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Communications

BRIEF DESCRIPTION:

Presentation and discussion regarding the Fiscal Year (FY) 2013 SFMTA Annual Report, which outlines the Agency's progress in implementing the goals and objectives from the FY2013 – FY2018 SFMTA Strategic Plan.

SUMMARY:

- The FY 2013 Annual Report reflects the year's project accomplishments, financials, agency processes, present challenges and the overarching direction in which the SFMTA is moving.
- The FY 2013 Annual Report is the first in a series of six annual reports from 2013 to 2018 that will track and evaluate the implementation of the SFMTA Strategic Plan.

ENCLOSURES:

1. SFMTAB Resolution
2. SFMTA FY2013 Annual Report
3. SFMTA FY2013 Annual Report Presentation
4. Strategic Plan Metrics Report

APPROVALS:

DATE

DIRECTOR _____

10/28/13

SECRETARY _____

10/28/13

ASSIGNED SFMTAB CALENDAR DATE: November 5, 2013

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PURPOSE

The Fiscal Year (FY) 2013 Annual Report, *People Connected*, summarizes the projects and initiatives undertaken during the first year of implementation of the FY 2013 – FY 2018 SFMTA Strategic Plan. It also includes a summary of the highlights of the FY 2013 Operating and Capital Budgets, the SFMTA project delivery process and a progress report on the Key Performance Indicators to give a comprehensive look at the agency for FY 2013.

GOAL

The FY 2013 Annual Report details the agency's progress in achieving all four goals and 16 objectives laid out in the SFMTA's Strategic Plan.

DESCRIPTION

Approved by the SFMTA Board in January 2012, the FY 2013 – FY 2018 SFMTA Strategic Plan serves as the foundation for the development of specific policies, programs and projects for the SFMTA over six years. The plan is also used as a guide to effectively manage the agency's resources and has outlined performance indicators and targets by which the agency will measure its progress towards achieving its goals and objectives.

People Connected, or the Annual Mobility Report as it was referred to in the SFMTA Strategic Plan, is the first in a series of six annual reports from 2013 to 2018 that will track and evaluate the implementation of the current SFMTA Strategic Plan. It reflects the year's project accomplishments, financials and agency processes and discusses present challenges and opportunities. In addition to providing greater transparency on how the agency operates, this report includes a progress report on the key performance indicators for each of the four strategic goals.

Summary of Findings

Maintaining a safe and secure transportation system continues to be the SFMTA's top priority. In the past year, the SFMTA has completed a number of projects to improve the safety and security of the transportation system for its users, including: rail replacement projects; the installation of fifteen mile-per-hour zones near schools; expansion of the School Crossing Guard Program; increasing the number of signalized intersections, accessible pedestrian intersections and countdown signals; innovative bicycle infrastructure projects; the development of the Fleet Plan that will replace Muni's entire fleet of 800 buses within five years; increasing the frontline Enforcement Division staff by 15 percent; and outfitting buses with new, state-of-the-art onboard surveillance systems.

In the Strategic Plan, the SFMTA has also committed to a mode share goal of 50 percent auto and 50 percent non-auto (transit, bicycling, walking and taxi) for all trips by 2018. Two major initiatives are underway to develop the underlying infrastructure to support the growth of

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sustainable modes of transportation in San Francisco: the Transit Effectiveness Project (TEP), a wide-ranging plan to increase transit efficiency and reliability, and the final implementation of projects outlined in the Bicycle Plan. Additionally, SFMTA's Taxi Services issued new taxi permits in FY 2013, increasing the number of taxis available on the streets of San Francisco.

The SFMTA is dedicated to serving the growing population and development in San Francisco while ensuring the financial sustainability of the agency and the environmental, economic, and social sustainability of San Francisco as a whole. The SFMTA continues to lead the way in reducing emissions and resource consumption, as the taxi fleet of 1,855 cabs is now composed of 95 percent clean vehicles, and 62 hybrid diesel buses acquired in the last year are approximately 40 percent more fuel efficient than the buses they replaced. In July 2013, in recognition of the agency's efforts, the SFMTA was awarded the American Public Transportation Association's (APTA) Gold Level honors for providing sustainable transportation options.

The SFMTA's ability to successfully deliver a wide variety of transportation services is directly related to the hard work and dedication of its employees. The agency's fourth goal is driven by the realization that the SFMTA must focus on improving the organizational culture of teamwork. Over the past fiscal year, 45 employees were acknowledged at public SFMTA Board meetings with special recognition for excellence in service, and one employee was recognized by Mayor Ed Lee with a Good Samaritan Award.

Fiscal Year 2013 Financial Report

The SFMTA is working to reach its vision of providing excellent transportation choices while responsibly managing limited resources to provide a system that is safe, reliable, and improves the quality of life in San Francisco. Operating Budget Highlights include:

- An FY 2013 - FY 2014 Operating Budget of \$831 million and \$861 million respectively.
- Operating revenues and expenditures for FY 2013 grew by less than one percent over FY 2012, and FY 2014 is expected to be three percent over FY 2013.
- Increased investments in maintenance (\$22 million).
- Increased the hiring of front line staff, including mechanics, crossing guards and parking control officers, improving safety, reliability and efficiency.
- Invested in future improvements, including expediting the implementation of the Transit Effectiveness Project by advancing planning and design activities.

The SFMTA prioritizes capital investments that promote transit system safety, maintenance of its assets and for projects that promote transit reliability and the development of "complete streets" that improve pedestrian, bicyclist, transit and motorist safety. Capital Budget Highlights include:

- An FY 2013 - FY 2014 Capital Budget of \$584 million and \$525 respectively.
- Secured Federal Full Funding Grant Agreement of \$924 million for Central Subway, finalizing the financing program for the project.
- As part of the city's 10-Year Capital Plan, secured annual funding of \$1 million for pedestrian safety improvements, \$2.5 million for Muni fleet overhauls, and \$1.5 million for traffic signal renewals starting in FY 2014.

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- Secured \$20 million from Metropolitan Transportation Commission (MTC) for a series of Muni Customer First Projects on the N Judah Line and 14 Mission Route, including the installation of red transit-only lanes and transit-priority traffic signals to reduce travel time, and new NextMuni information panels and new bus shelters to make taking Muni more comfortable.
- Secured \$22 million from MTC's One Bay Area Grant program for complete street projects on Masonic Avenue, Second Street and Mansell Avenue in McLaren Park.
- Issued revenue bonds for the first time, providing critically needed funding to close funding gaps in critical projects and to fund capital needs that have no other funding source.

SFMTA Project Delivery

The SFMTA administers, operates, maintains and regulates one of the most broad-ranging sets of transportation modes, infrastructure, and policies around the world. Most large-scale SFMTA capital projects move from a project idea to implementation through four primary phases: Identification, Planning, Development, and Implementation. Due to current local, state and federal project delivery processes, projects can take between one to 10 years to complete.

Capital projects require substantial sources of funding and commitment, often at the federal, state, and county levels, in addition to support from the city. In FY 2013 the SFMTA received over \$500 million in capital revenues from a variety of funding sources in order to plan, develop and implement projects.

Summary of the Key Performance Indicators for FY 2013

As FY2013 was the first year of implementation of the Strategic Plan, much of the work was centered on gathering information, establishing baselines, identifying the need and type of additional resources, and setting the framework in which the agency will achieve its goals over the next five years. Although there has not been significant change in the indicators to date, the SFMTA has positioned itself to meet the FY 2014 targets set out in the Strategic Plan.

Looking Ahead

In the coming year, the SFMTA will work to improve its ability to deliver the agency's nearly 400 active projects, as well as address its hiring processes in order to create a more effective workforce. As the agency makes progress on its internal effectiveness, it will also work to increase service reliability and system efficiency in part by replacing its entire fleet of buses and investing in regular maintenance of its vehicles.

Underlying the many challenges of delivering transportation services is a financial shortfall that the SFMTA must address each year. This structural deficit inhibits the quantity and quality of service delivery as costs rise faster than revenues year-to-year. In the past, this gap has led to the reduction in personnel that support transit service and maintain assets. However, through a

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proactive and open dialogue with the Mayor's Office and other city departments and stakeholders, the SFMTA is in a better position than ever before to address these challenges in the near future.

The City Attorney has reviewed this report.

ALTERNATIVES CONSIDERED

The development of the Annual Report was done to meet the Charter requirements as stated in *Section 8A.103 Service Standards and Accountability* on reporting to the SFMTA Board. It was also an opportunity to make a thorough assessment of the implementation of the FY 2013 – FY 2018 SFMTA Strategic Plan, accepted and approved by the Board in January 2012.

FUNDING IMPACT

The Annual Report has no funding impact.

OTHER APPROVALS RECEIVED OR STILL REQUIRED

None.

RECOMMENDATION

No action required. This item is for information and discussion.