



SFMTA

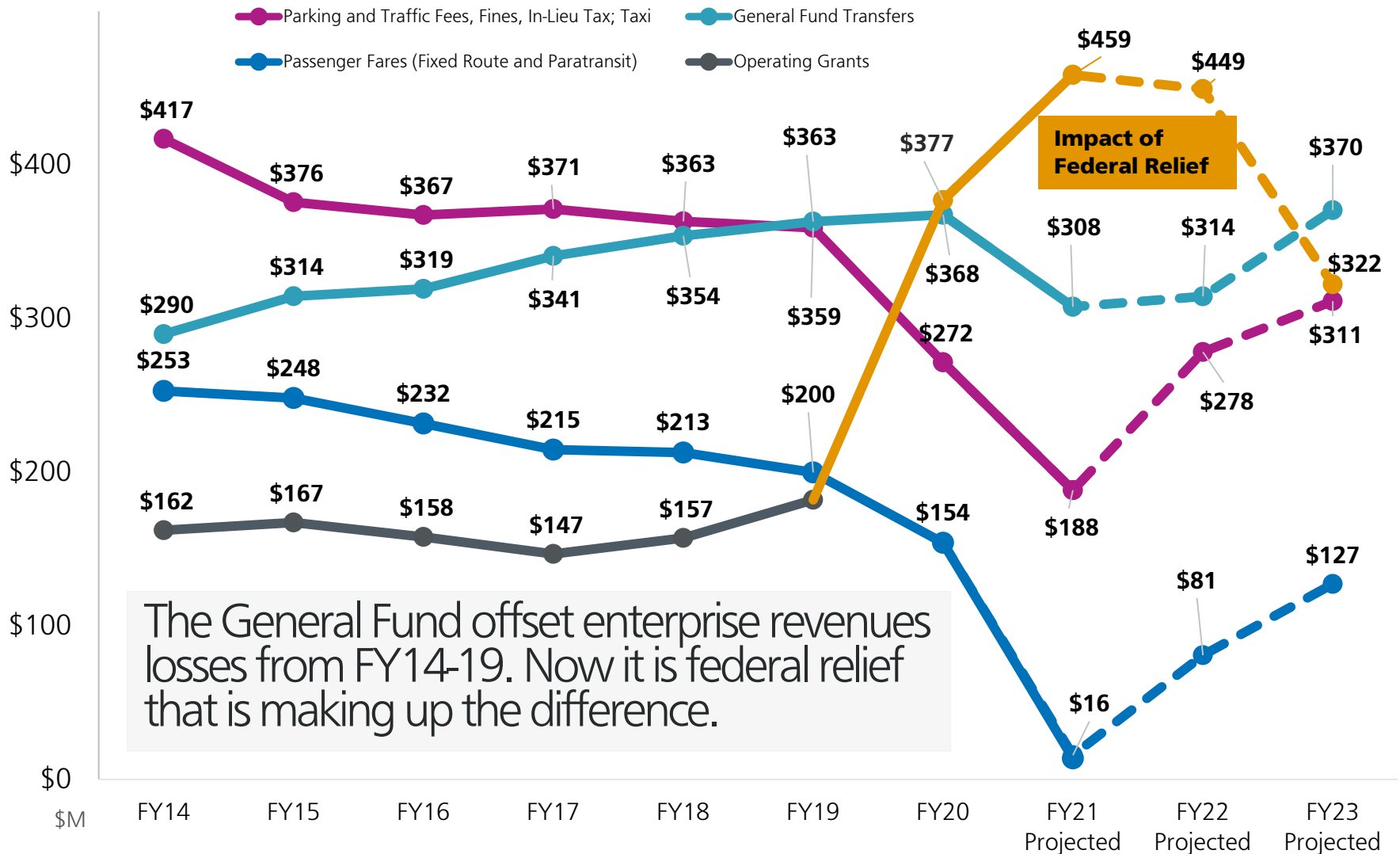
San Francisco Municipal Transportation Agency

# Fiscal and Management Update

Administration, Operations, & Customer Service Committee (AOCSC)

July 15, 2021

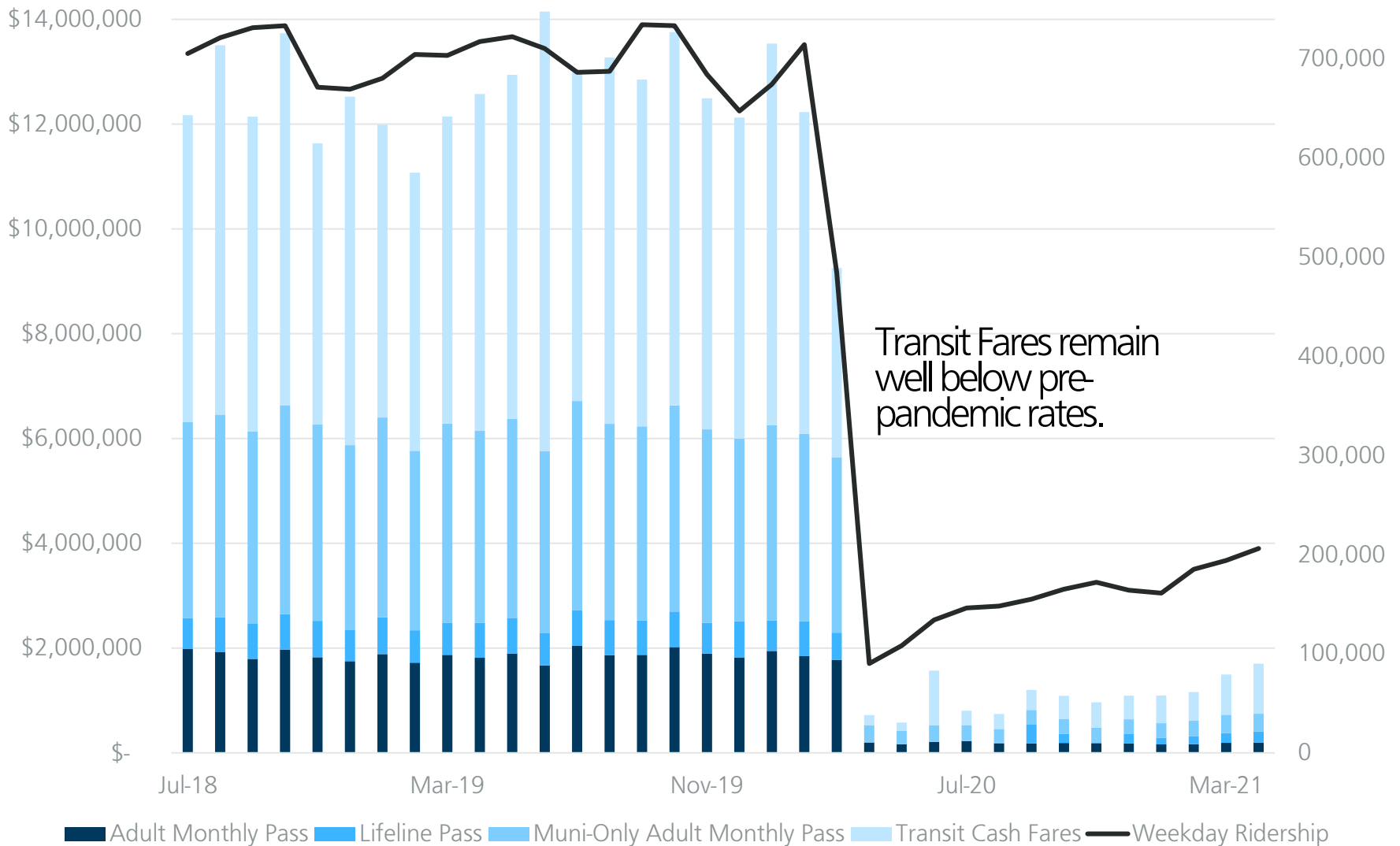
# Revenue Trends - Long Term Revenue Trends in \$2020 Constant, \$M



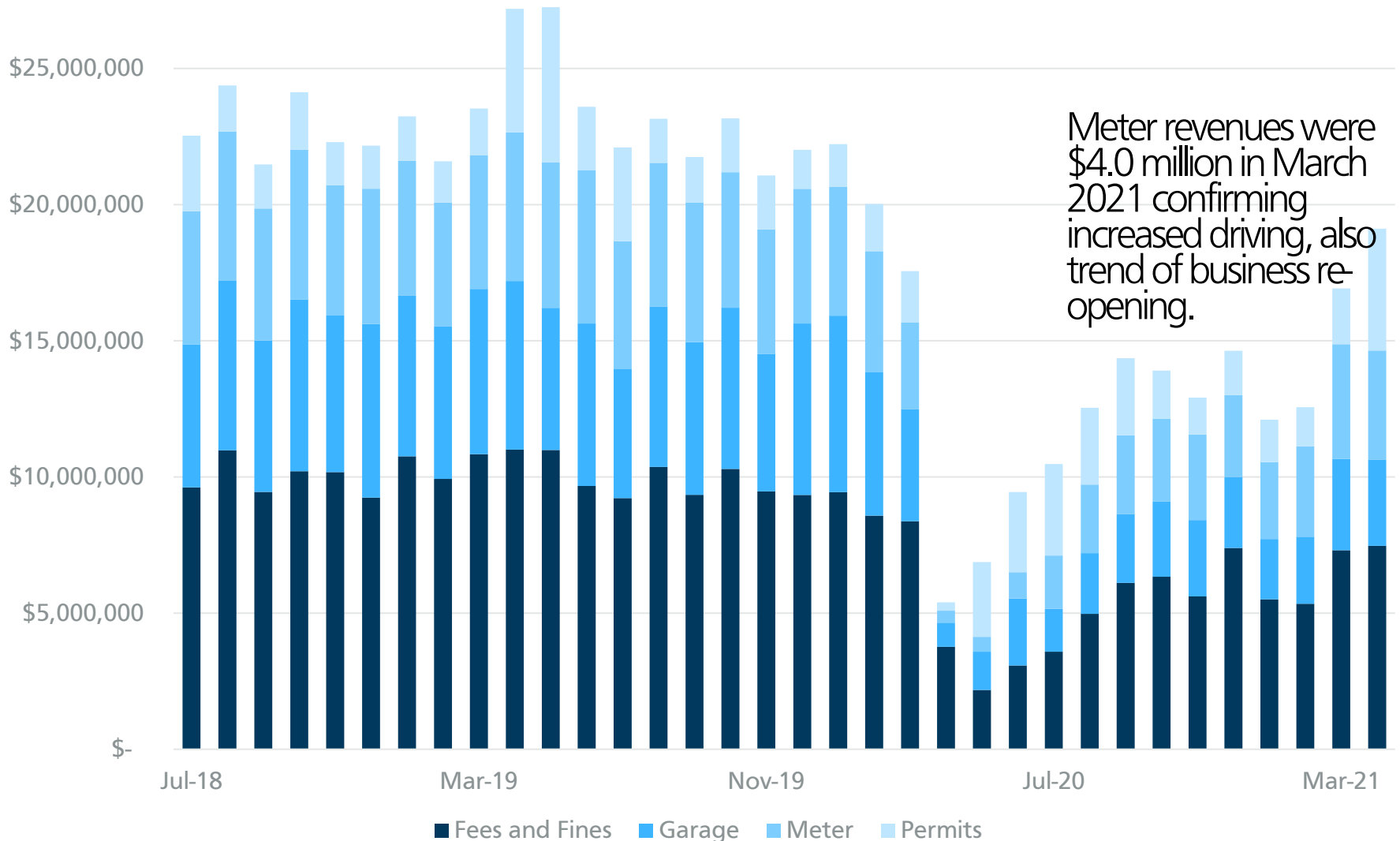
The General Fund offset enterprise revenues losses from FY14-19. Now it is federal relief that is making up the difference.

Impact of Federal Relief

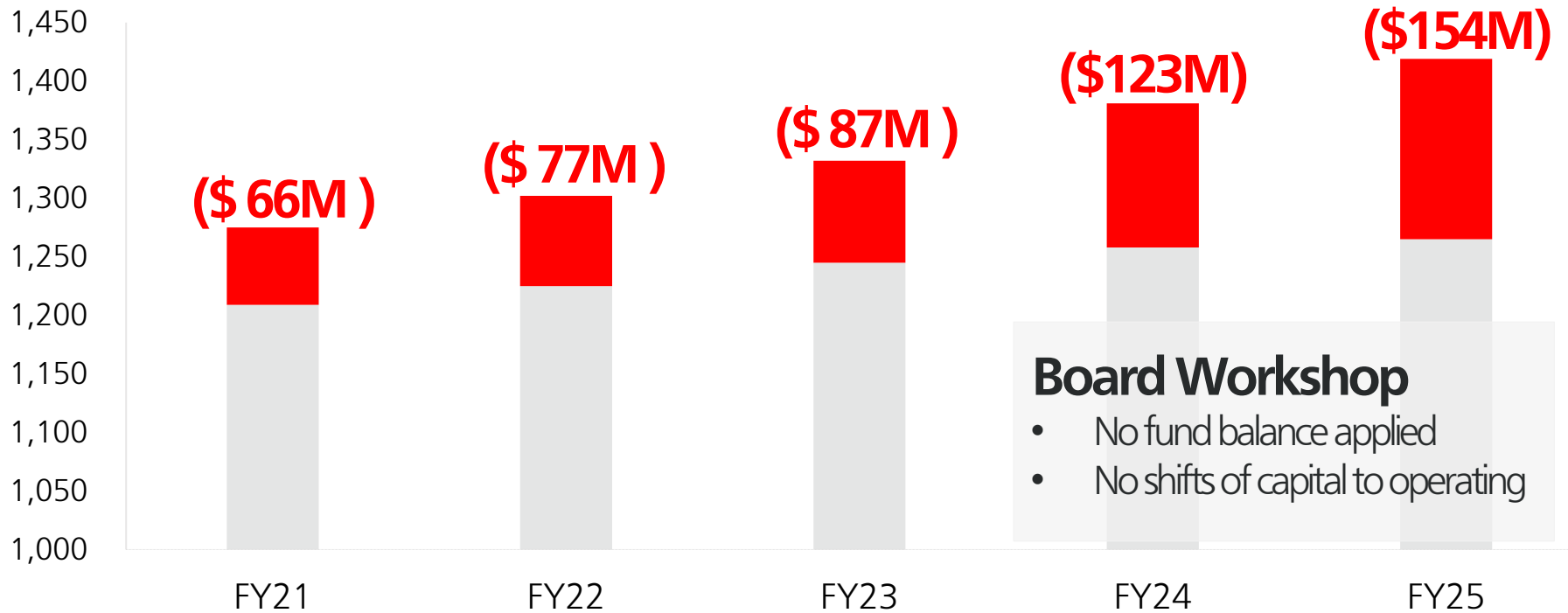
# Transit Fare Revenue Trend: FY 2019 to present



# Parking Revenue Trend: FY 2019 to present



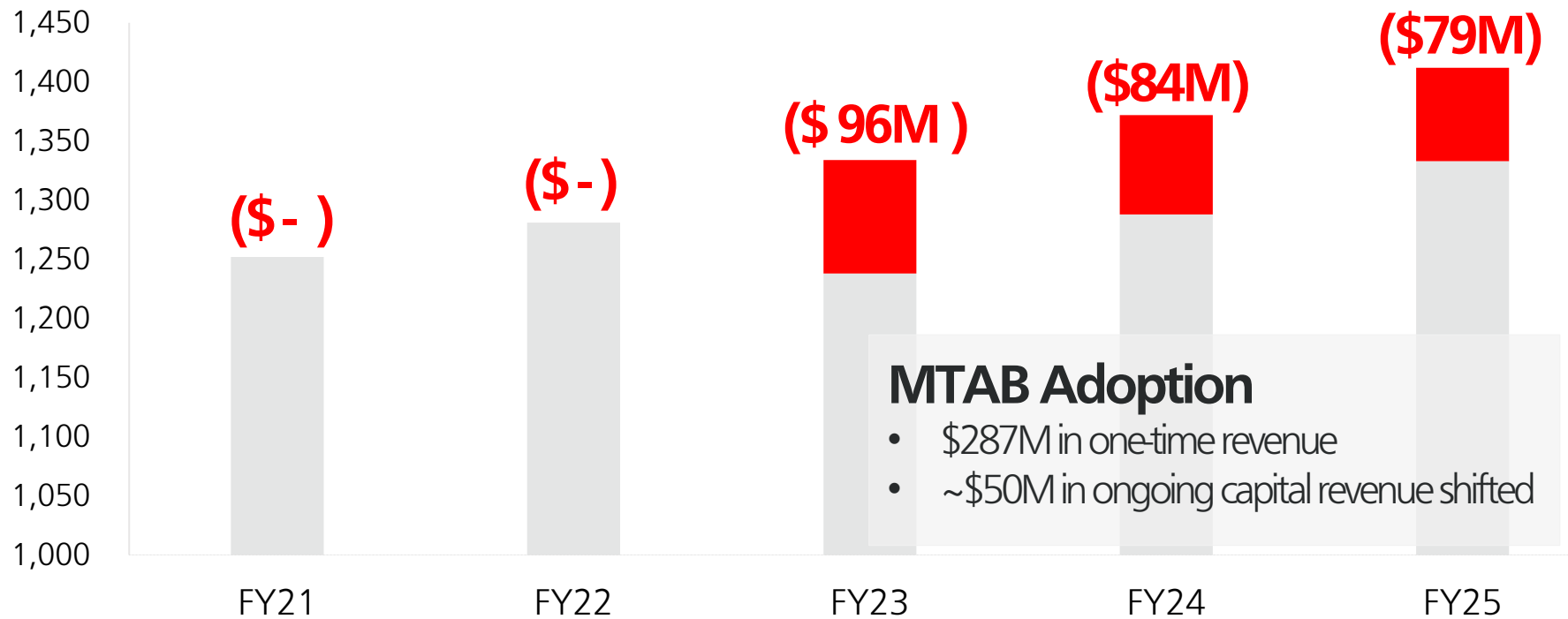
## Structural Deficit: January 28, 2020



Operating Budget, \$M	FY21	FY22	FY23	FY24	FY25
Revenue Ongoing (base)	1,209	1,225	1,245	1,258	1,265
Expenditures	1,275	1,302	1,332	1,381	1,432
Revenue Less Expenditures	(66)	(77)	(87)	(123)	(154)

# Pre-Pandemic

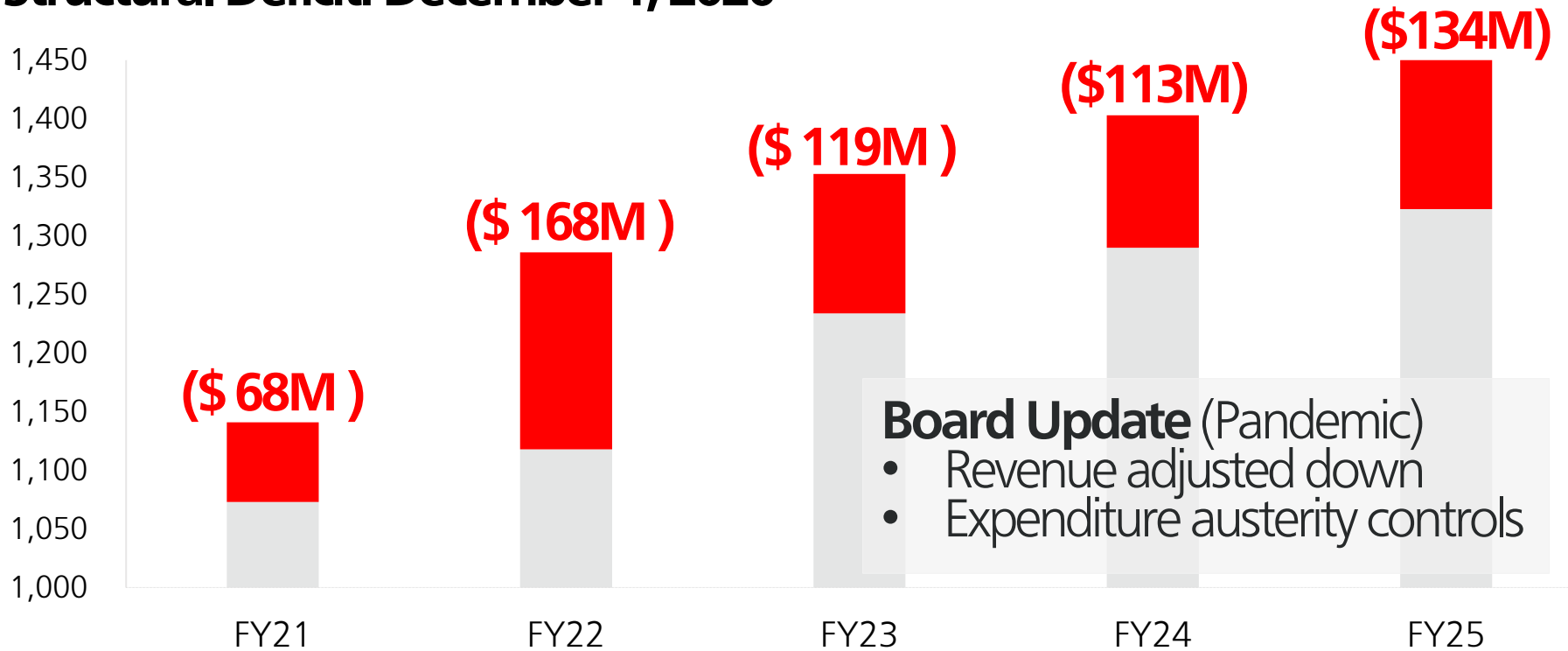
## Structural Deficit: June 30, 2020



Operating Budget, \$M	FY21	FY22	FY23	FY24	FY25
Revenue	1,252	1,281	1,238	1,288	1,333
Expenditures	1,252	1,281	1,335	1,373	1,412
Revenue Less Expenditures	( - )	( - )	(96)	(84)	(79)

# MTA Adopted Budget FY 21 & 22

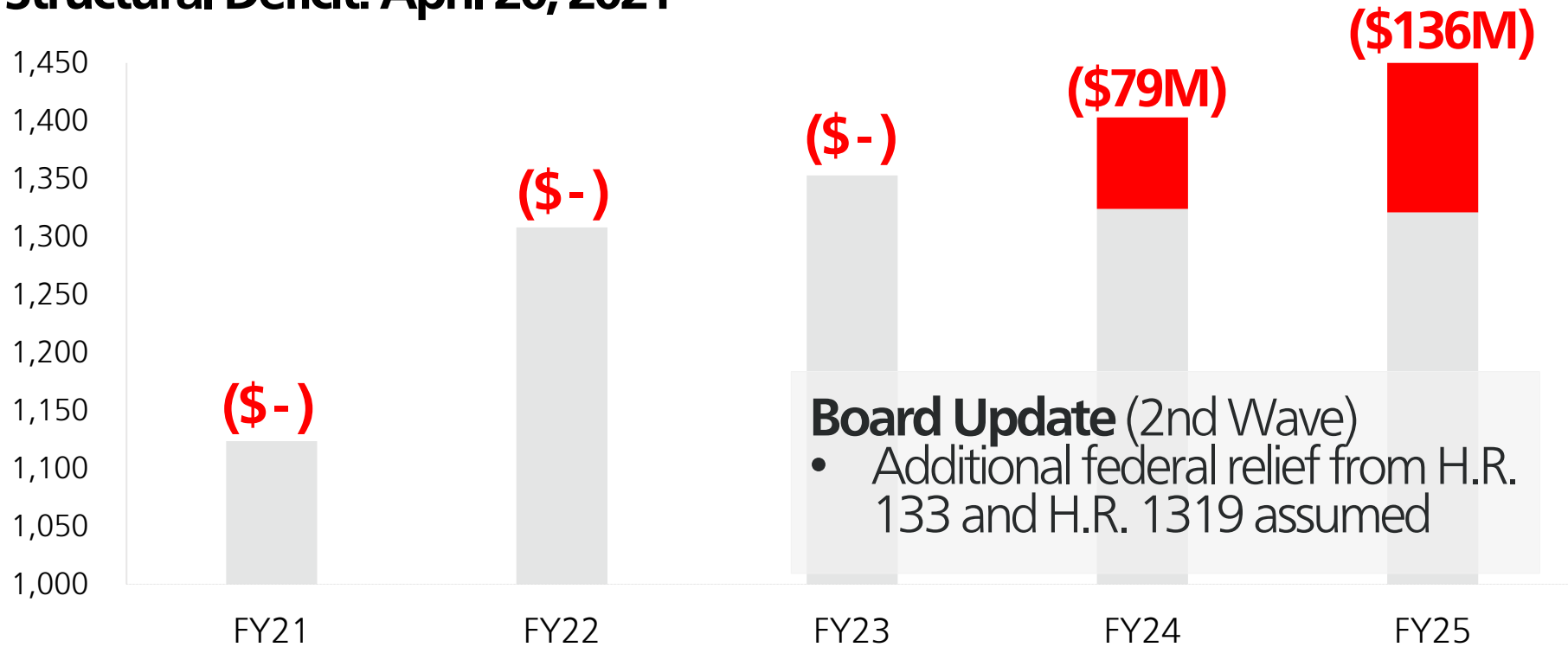
## Structural Deficit: December 1, 2020



Operating Budget, \$M	FY21	FY22	FY23	FY24	FY25
Revenue	1,073	1,118	1,234	1,290	1,323
Expenditures	1,141	1,286	1,353	1,403	1,457
Revenue Less Expenditures	(68)	(168)	(119)	(113)	(134)

# Assessing Pandemic Impact

## Structural Deficit: April 20, 2021



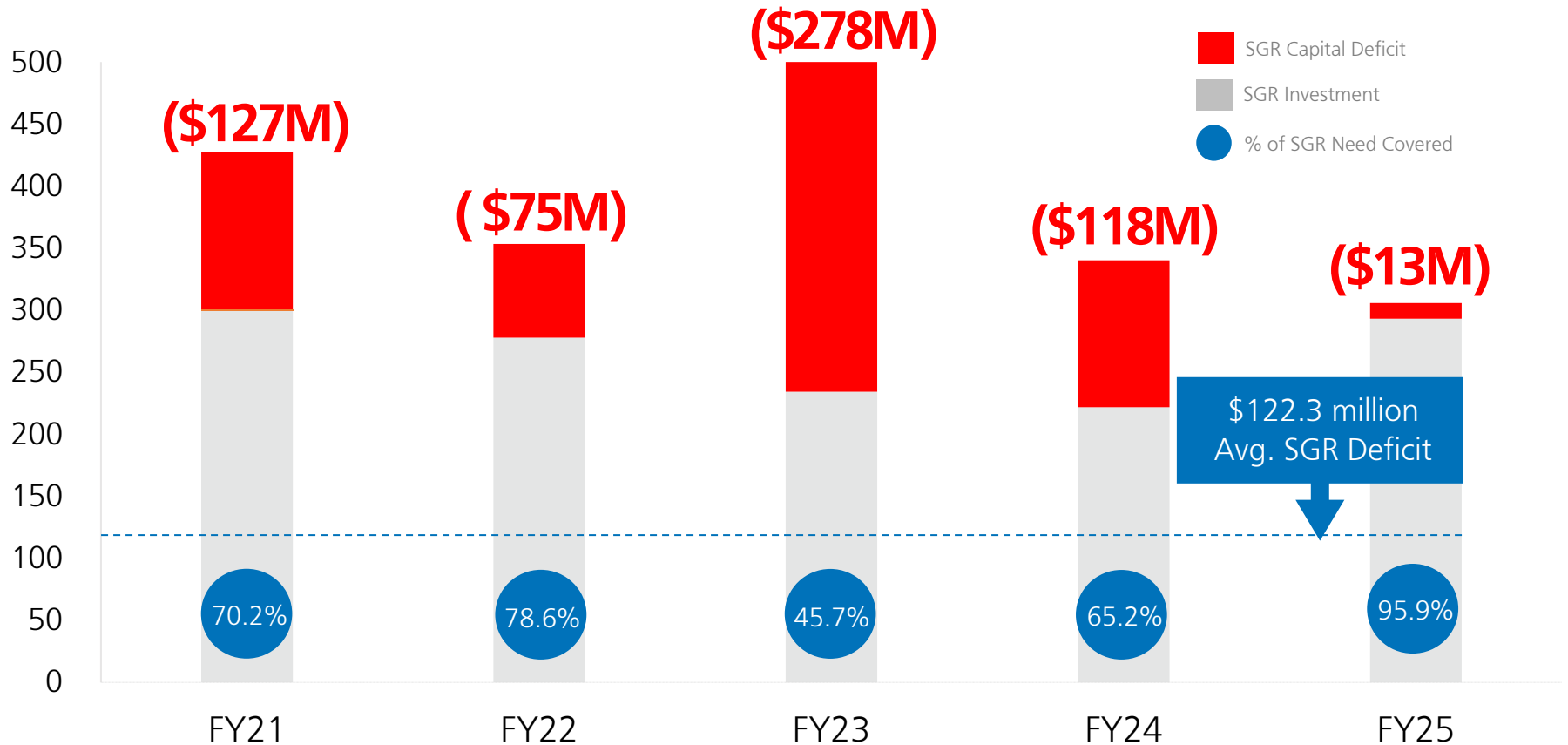
Operating Budget, \$M	FY21	FY22	FY23	FY24	FY25
Revenue	1,124	1,305	1,353	1,324	1,321
Expenditures	1,124	1,305	1,353	1,403	1,457
Revenue Less Expenditures	(-)	(-)	(-)	(79)	(136)

# Assessing 2nd Wave of COVID



## Capital/Infrastructure: Structural Deficit Analysis (April 2021 updates)

In the 5-year CIP period, we are addressing 68.5% of the state-of-good repair (SGR) need, leaving a gap of \$611.5 million.

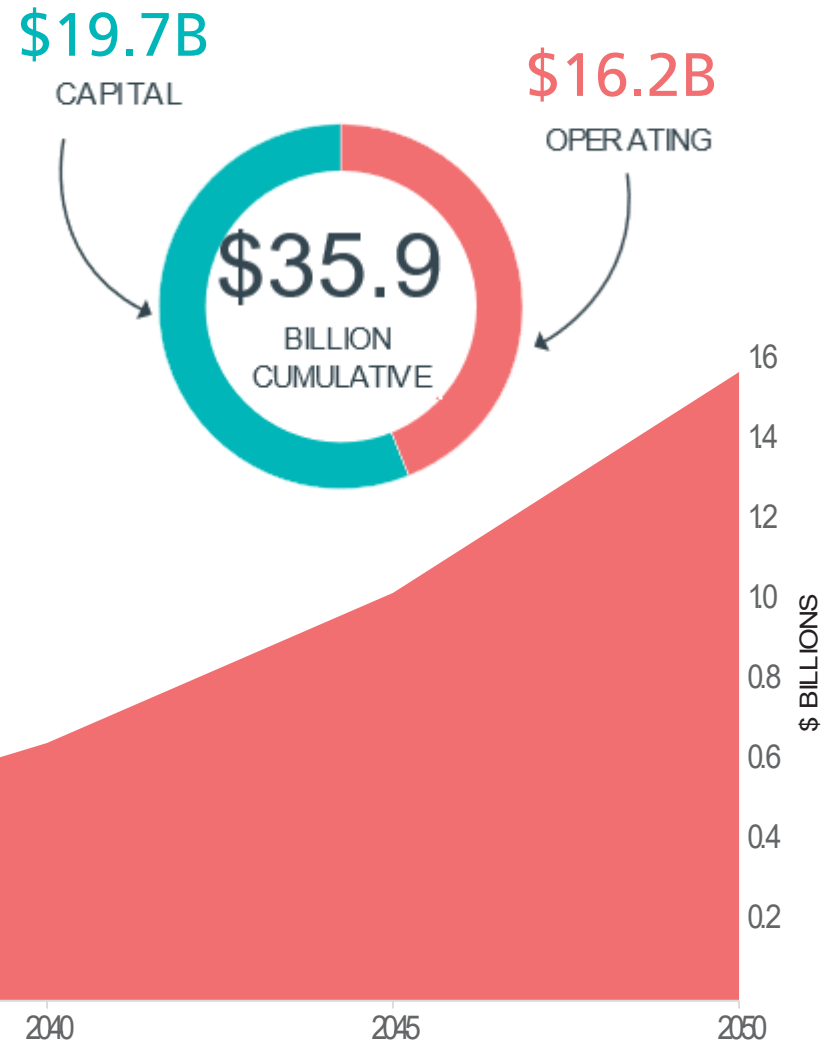


## 2050 Financial Forecast

### OUR FUNDING GAP WILL CONTINUE TO GROW TO A \$35.9B FUNDING SHORTFALL OVER THE NEXT 30 YEARS

By 2050, we anticipate a cumulative funding gap of \$16.2 billion for operating expenses (costs such as staff time, materials and utilities to run service) and \$19.7 billion for capital expenses (projects such as streetscape improvements, vehicles, facilities and rail).

Addressing this gap will require securing stable and consistent funding sources.



Projected operating funding gap

2025

2030

2035

2040

2045

2050

\$ BILLIONS

# Transportation 2050 Funding Potential Revenue Measures (voter required)

<p><b>General Obligation Bond</b></p>	<p>General Obligation Bond, backed by General Fund debt program. Equates to roughly \$56 million in capital annually for 7-years. Funds key infrastructure projects and programs that cannot be funded through other state and federal sources.</p>	<p><b>\$400 million One-Time</b></p>
<p><b>Transportation Community Facilities District</b> <i>Mello-Roos District</i></p>	<p>Implement a citywide Mello-Roos Community Facilities District dedicated to transportation services and infrastructure. Funding to support Muni Transit Service, Transit and Transportation critical infrastructure. Permanent dedication and initial tax (allows for future taxes dedicated to the district over time/need).</p>	<p><b>Up to \$180 million On-Going</b></p>
<p><b>Parking Tax Reform</b> <i>25% tax on total parking charges for all off-street parking throughout the City</i></p>	<p>Look at existing parking tax and consider reforms, increase in rate, on-street and off-street spaces subject to the tax. This would include a review of numerous existing programs.</p>	<p><b>\$75-500 million (further analysis needed)</b></p>
<p><b>Reauthorization Proposition K Transportation Sales Tax</b></p>	<p>The existing Proposition K ½ Transportation Sales Tax requires a new expenditure plan, which would allow financing for key capital projects and financing ability beyond the current 2034 end date.</p>	<p><b>No net new money</b></p>
<p><b>Additional ½ Transportation Sales Tax</b></p>	<p>Expands the current ½ Transportation Sales Tax by an additional ½ cent.</p>	<p><b>Up to \$105 million annually</b></p>
<p><b>Vehicle License Fee</b></p>	<p>San Francisco was authorized a vehicle license fee of 1.35% as authorized under Senate Bill 1492 (Leno).</p>	<p><b>Up to \$70 million annually</b></p>

# Transportation 2050 Funding Program (not voter required)

<p><b>Development on SFMTA Properties</b> BUILDING PROGRESS</p>	<p>The Building Progress Program includes efforts for joint development on numerous SFMTA properties, and an on-going policy goal to reduce costly leases. We will be working on developing housing at the Potrero Yard, on revenue-generating development at the Presidio Yard, 5th and Mission Garage and Moscone Garage. We will also look to joint-development opportunities through a review of all SFMTA parking properties</p>	<p><b>\$25 million On-Going</b></p>
<p><b>Update Cost Recovery Model – Residential Parking Permit Program</b></p>	<p>Review exiting Residential Parking Permit Program Cost Recovery model to ensure the agency is recouping all eligible costs for administration, operations and necessary program support infrastructure.</p>	<p><b>Up to \$2 million On-Going</b> (further analysis needed)</p>
<p><b>Downtown Congestion Pricing</b></p>	<p>Congestion Pricing is a system that uses fees to control roadway demand and uses revenues to fund a package of transportation improvements. The San Francisco County Transportation Authority is exploring how a fee to drive downtown during busy hours could get traffic moving and achieve goals around street safety, clean air, and equity. Congestion Pricing would require state authorizing legislation before San Francisco could implement a pricing program</p>	<p><b>\$60 million + annually</b> (further analysis needed)</p>
<p><b>Federal 10-Year Transportation Bill (increase funding by 10+%)</b></p>	<p>On average, the SFMTA regularly receives \$185 million/annually from the federal government largely for capital infrastructure replacement. There are so significant grants as part of the Capital Investment Grant (CIP).</p>	<p><b>\$20 million+ annually</b></p>
<p><b>State Transportation Funding (increase funding by 10+%)</b></p>	<p>The SFMTA currently regularly receives \$85 million/annually from the State Transit Assistance Program, State of Good Repair Program, sources related to Cap and Trade and other programs part of the 2017 Senate Bill 1.</p>	<p><b>\$8 million+ annually</b></p>