



October 20, 2015

Tiffany Bohee

Executive Director, Office of Community Investment and Infrastructure

1 South Van Ness Avenue, Fifth Floor

San Francisco, CA 94103

RE: SFMTA Transit Service Plan, Enforcement Support and Capital Investment Funding for the Golden State Warriors Event Center & Mixed-Use Development at Mission Bay Blocks 29-32

Dear Ms. Bohee:

On May 15, 2015 the SFMTA sent a letter regarding the Transportation Management Plan (TMP) that includes the management and operating plan designed to provide multimodal access to a range of events at the proposed Event Center and Mixed-Use Development at Mission Bay Blocks 29-32 (the Project). The TMP introduced the Muni Special Events Transit Service Plan for activities at the Event Center. An updated proforma for capital and operating costs has been prepared to account for transportation services required to support special events at the Event Center (Attachment A).

The SFMTA has continued to work closely with the Project sponsor, the Golden State Warriors, the Office of Community Investment and Infrastructure, the Planning Department, and the Office of Economic and Workforce Development to review and refine the Project so as to ensure that it can meet its demand for transit service and traffic enforcement, and that it remains consistent with the SFMTA's goals of providing socially-equitable and sustainable mobility to this growing neighborhood and to all of San Francisco.

The SFMTA cannot unequivocally guarantee future funding for the TSP at the levels analyzed in the Project Description in perpetuity; nevertheless, I am confident the SFMTA will be able to deliver the proposed service for the following reasons:

1. In September 2015, an independent fiscal feasibility analysis of the Project conducted by Economic & Planning Systems and peer reviewed by Keyser Marston Associates, Inc. shows annual anticipated Project-generated City revenues of more than \$14 Million. This projection is anticipated to more than cover the Event Center related operating costs as outlined in the attached updated Pro Forma.
2. The FY 19 operating costs, the first full year of the Event Center operations, are estimated at \$8.2 Million. Of this amount, the SFMTA estimates that \$2 Million from transit fares and parking revenues will be available to cover these costs. In addition, \$3.4 Million is projected to be available from incremental General Fund baseline and parking tax mandated by the charter associated with the Event Center. The remaining \$2.8 million is projected to be available through the Mission Bay Transportation Improvement Fund (Fund), a reserve

fund set aside by the Board of Supervisors from incremental General Fund revenues Associated with the Event Center

3. In addition to the operating needs, the Project requires capital investments totaling nearly \$61.9 Million of which \$27.4 million is expected to be available from an in lieu Transit Impact Development Fee (TIDF) payment and General Fund sources associated with the Event Center. The remaining \$34.5 million will require financing that will be paid back from the Fund. Therefore, it is expected that the City and SFMTA will apply project-generated one-time and annual revenues to address these capital needs for the Project without impacting SFMTA operations or other capital projects underway or planned by the City and SFMTA.

Any gaps in funding are to be addressed by an ordinance creating a Controller's reserve account, the Fund, that dedicates project-generated revenues to pay for City services and capital improvements needed to address transportation and other needs of the community in connection with Warriors basketball games and other events at the Event Center. Within the Fund, the amount of \$1 Million would be set aside as a "Designated Overlapping Event Reserve" that the SFMTA would use to pay for additional operational and capital improvements to multi-modal transportation serving Mission Bay South and surrounding areas, including improvements to handle pre-event peak periods on weekday evenings during certain overlapping evening events at the Event Center and at AT&T Park.

The SFMTA supports the Project with the understanding that the City, the Golden State Warriors, and SFMTA do not expect the SFMTA operating and capital budgets to experience any adverse impact associated with implementing the proposed Transit Service Plan and the capital investments to support it. SFMTA is further encouraged by the proposed ordinance that will establish The Mission Bay Transportation Improvement Fund and Designated Overlapping Event Reserve, funds from which would be appropriated by the Board of Supervisors as needed.

We look forward to working cooperatively with the Office of Community Investment and Infrastructure, the Project sponsor and the Mission Bay community to ensure the success of this Project. Providing robust transit service and enforcement support is good for the Project, good for the environment, and good for San Francisco.

Sincerely,



Edward D. Reiskin
Director of Transportation

Attachment A: Expenditure Plan



Attachment A
Expenditure Plan



	ESTIMATED COST	5-Year Plan					Total 5-Year Plan
	FY13-14 \$	FY14-15 1	FY15-16 2	FY16-17 3	FY17-18 4	FY18-19 5	
PRELIMINARY CAPITAL USES							
<u>Transit Investments</u>							
(4) New Light Rail Vehicles	\$18,300,287	-	-	-	21,000,000	-	\$21,000,000
Installation of (3) single crossovers							
Conceptual Engineering Phase	\$176,134	\$182,299	\$0	\$0	\$0	\$0	\$182,299
Detail Design Phase	\$469,691	\$486,130	\$0	\$0	\$0	\$0	\$486,130
Construction Phase	\$7,058,715	\$0	\$0	\$7,826,123	\$0	\$0	\$7,826,123
Bus Substitution Cost	\$650,000	\$0	\$0	\$720,667	\$0	\$0	\$720,667
Total Installation of single crossovers	\$8,354,540	\$668,429	\$0	\$8,546,790	\$0	\$0	\$9,215,219
(Allocation to projects 70%)	\$5,848,178	\$467,900	\$0	\$5,982,753	\$0	\$0	\$6,450,653
Construct new Center Boarding platform 16.6 feet x 320 feet							
Conceptual Engineering Phase	\$500,000	\$0	\$535,613	\$0	\$0	\$0	\$535,613
Detail Design Phase	\$1,500,000	\$0	\$1,606,838	\$0	\$0	\$0	\$1,606,838
Construction Phase	\$17,000,000	\$0	\$0	\$18,848,204	\$0	\$0	\$18,848,204
Bus Substitution Cost	\$3,500,000	\$0	\$0	\$3,880,513	\$0	\$0	\$3,880,513
Total UCSF platform Center Platform	\$22,500,000	\$0	\$2,142,450	\$22,728,716	\$0	\$0	\$24,871,166
Power augments to idling "event" trains	\$6,800,000			\$7,539,282			\$7,539,282
Total Transit Investments	\$55,954,827	\$668,429	\$2,142,450	\$38,814,788	\$21,000,000	\$0	\$62,625,667
Total Transit Investments - Allocation to Project	\$53,448,465	\$467,900	\$2,142,450	\$36,250,751	\$21,000,000	\$0	\$59,861,101
<u>Traffic/Signals Engineering Investments</u>							
CCTV Cameras @ 5 locations	\$175,000	-	\$65,613	\$126,117	-	-	\$191,729
Variable Message Signs (VMT)	\$405,000	-	\$151,846	\$291,870	-	-	\$443,716
Traffic Signals (South Street and Terry Francois Boulevard, and 16th Street and Terry Francois Boulevard, and Illinois Street / M)	\$1,200,000	-	\$449,915	\$864,800	-	-	\$1,314,714
Transportation Management Center Network Upgrades	\$80,000	-	\$29,994	\$57,653	-	-	\$87,648
Total Traffic/Signals Engineering Investments	\$1,860,000	\$0	\$697,367	\$1,340,440	\$0	\$0	\$2,037,807
Mariposa Street Restriping Study	\$20,000		\$20,000				\$20,000
Total Estimated Capital Uses	\$57,814,827	\$ 668,429	\$ 2,839,817	\$ 40,155,228	\$21,000,000	\$ -	\$64,663,474
Total Estimated Capital Uses Allocation to Project	\$55,308,465	\$ 467,900	\$ 2,839,817	\$ 37,591,191	\$ 21,000,000	\$ -	\$ 61,898,909
PRELIMINARY CAPITAL SOURCES							
In Lieu TIDF (SFMTA)	\$17,436,000	-	-	-	\$19,434,536	-	\$19,434,536
General Fund Capital Sources (see Financial Feasibility Study)	\$7,955,799	\$0	\$3,390,000	\$2,255,583	\$2,310,216	\$0	\$7,955,799
Total Estimated Capital Sources	\$25,391,799	\$0	\$3,390,000	\$2,255,583	\$21,744,752	\$0	\$27,390,335
CAPITAL SOURCES LESS USES	(\$32,423,028)	(\$668,429)	\$550,183	(\$37,899,645)	\$744,752	\$0	(\$37,273,139)
CAPITAL SOURCES LESS USES ALLOCATION TO PROJECT	(\$29,916,666)	(\$467,900)	\$550,183	(\$35,335,608)	\$744,752	\$0	(\$34,508,573)

	ESTIMATED COST					
	FY13-14 \$	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19

PRELIMINARY OPERATING COSTS
Transit Operating Costs by Event Type

Annual Transit Costs: Playoff Basketball Games (16)	\$536,670	-	-	-	\$307,920	\$637,395	
Annual Transit Costs: Basketball Games (43)	\$1,442,300	-	-	-	\$827,536	\$1,713,000	
Annual Transit Costs: Concerts (30)	\$654,000	-	-	-	\$375,240	\$776,747	
Annual Transit Costs: Convention, Theater, Shows & Other Sporting Events (131)	\$916,300	-	-	-	\$525,738	\$1,088,277	
Total Transit Operating Costs (89 large events plus 131 other events/Year)	\$3,549,270	\$0	\$0	\$0	\$2,036,434	\$4,215,419	1.4,7

Enforcement Operating Costs by Event Type

Annual Enforcement Operating Costs: Playoff Basketball Games (16)	334,941	-	-	-	\$192,176	\$397,805	
Annual Enforcement Operating Costs: Basketball Games (43)	\$ 900,155	-	-	-	\$516,474	\$1,069,101	
Annual Enforcement Operating Costs: Concerts (30)	\$ 628,015	-	-	-	\$360,331	\$745,885	
Annual Enforcement Operating Costs: Local Hospital Access Plan (52)	\$ 110,933	-	-	-	\$63,649	\$131,754	
Annual Enforcement Operating Costs: Convention, Theater, Shows & Other Sporting Events (131)	\$ 918,794	-	-	-	\$527,168	\$1,091,239	
Total Enforcement Operating Costs (89 large events, 52 LHAP and 131 other events/Year)	\$ 2,892,838	\$0	\$0	\$0	\$1,659,799	\$3,435,784	1.5,7

Mitigation Measure Cost

Additional PCOs for events 12,500 and over (MM TR-2a)	\$ 226,967	-	-	-	\$130,225	\$269,565	
Additional PCOs during overlapping events (MM TR-11a)	\$ 11,476	-	-	-	\$6,584	\$13,630	
Additional Strategies to Reduce Transportation Impacts of Overlapping Events (M-TR-11c)	\$ 11,476	-	-	-	\$6,584	\$13,630	
Transit Demand Accommodation (22 Fillmore)	\$220,000	-	-	-	\$126,228	\$261,291	
Total Mitigation Measure Operating Costs	\$ 469,918	\$0	\$0	\$0	\$269,621	\$558,115	5.7,8

Total Operating Cost

	\$6,912,026	\$0	\$0	\$0	\$3,965,854	\$8,209,318	
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PRELIMINARY OPERATING SOURCES
Transit Sources Assumptions by Event Type

Annual Transit Fares: Basketball Games (59)	\$396,947	-	-	-	\$221,223	\$454,612	
Annual Transit Fares: Concerts (30)	\$148,800	-	-	-	\$82,928	\$170,417	
Annual Transit Fares: Convention, Theater, Shows & Other Sporting Events (131)	\$322,800	-	-	-	\$179,900	\$369,694	
Total Annual Transit Fares	\$868,547	-	\$0	\$0	\$484,050	\$994,723	1.6,7

Special Event Parking Sources by Event Type

Annual Parking Revenues: Basketball Games (59)	\$411,037	-	-	-	\$229,075	\$470,750	
Annual Parking Revenues: Concerts (30)	\$156,243	-	-	-	\$87,076	\$178,941	
Annual Parking Revenues: Convention, Theater, Shows & Other Sporting Events (131)	\$337,067	-	-	-	\$187,851	\$386,034	
Total Annual Incremental Parking Revenues	\$904,347	-	\$0	\$0	\$504,002	\$1,035,724	1.6,7

Other SFMTA Revenues

Total Other SFMTA Revenue (See Financial Feasibility Study)	\$ 2,981,000	\$0	\$0	\$0	\$1,379,142	\$3,405,761	
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General Fund Sources - Mission Bay Transportation Improvement Fund

Total General Fund Sources (See Financial Feasibility Study)	\$2,158,132	\$0	\$0	\$0	\$1,598,660	\$ 2,773,110	7.10
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Total Operating Sources

	\$6,912,026	\$0	\$0	\$0	\$3,965,854	\$8,209,318	
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OPERATING SOURCES and LESS USES

	\$0	\$0	\$0	\$0	\$0	\$0	
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Notes:

- Total estimated 220 events/year for calculating the operating costs and revenue;
- Costs based on FY2014 \$ and inflated to FY2019 \$ with 3.5% increase annually;
- The proposed plan includes purchasing 4 additional trains and shifting 2 two cars from another route(s) at the end of the PM commute period. This could increase crowding in other parts of the system;
- Transit estimates based on 35% mode share;
- Enforcement time at overtime rates;
- Estimated transit revenue based on 57% of regular service revenues - equal to other special events. Estimated parking revenue assumes special event zone equivalent to half core, premium zone for AT&T park. 2.75% annual inflation;
- FY17-18 operating revenue and expense are calculated for half year instead of full year as the Warrior's Arena is projected to be open for events starting January 2017;
- Operating cost for mitigation measurer M-TR-2a: areawide wayfinding plan for parking facilities service the Event Center and M-TR-4a additional Muni service to accommodate transit demand;
- Capital Funding source: 1) TIDF is paid at Certificate of Occupancy in FY17-18; 2)Construction related taxes include sales taxes and gross receipts, projections from Controller
- General fund sources based on Controller's Estimates