

THIS PRINT COVERS CALENDAR ITEM NO.: 10.7

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Sustainable Streets

BRIEF DESCRIPTION:

Amending the Transportation Code Division II to establish a fee for project sponsors who submit a permit application as part of the Places for People Program to partially recover the SFMTA's costs in administering the program.

SUMMARY:

- The proposed Transportation Code amendment would establish a fee of \$11,275 per permit application to partially reimburse the SFMTA for staff costs related to administering the Places for People (P4P) Program.
- The P4P Program, adopted unanimously by the Board of Supervisors in 2016, facilitates the creation of non-permanent public spaces by permitting temporary closure and installation of reversible treatments in the public right-of-way or vacant parcels.
- SFMTA staff review permit application materials for traffic and transportation impacts related to the temporary right-of-way closures under the P4P program, and review or manage proposed traffic markings and curb restriping, and the installation of ground surface treatments and traffic control devices.

ENCLOSURES:

1. SFMTAB Resolution
2. Transportation Code Resolution

APPROVALS:

DATE

DIRECTOR Tom Maguire

August 13, 2019

SECRETARY R. Boomer

August 13, 2019

ASSIGNED SFMTAB CALENDAR DATE: August 20, 2019

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PURPOSE

Amending Division II of the Transportation Code to establish a fee for project sponsors who submit a permit application as part of the Places for People Program to partially recover the SFMTA's costs of administering the program.

STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

Assessment of the permit application review fee for the Places for People Program will support the following goals and objectives in the SFMTA's Strategic Plan:

Goal 3: Improve the quality of life and environment in San Francisco and the region.

Goal 4: Create a workspace that delivers outstanding service

Objective 4.5: Increase the efficiency and effectiveness of business processes and project delivery through the implementation of best practices.

This action supports the following 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 Street 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.
5. Pedestrian areas shall be enhanced wherever possible to improve the safety and comfort of pedestrians and to encourage travel by foot.

DESCRIPTION

The Places for People Program (P4P Program) was approved by the Mayor and Board of Supervisors through an Ordinance in October 2016. This program allows city residents, local community groups, neighborhood associations or others (Project Sponsors) to create and activate public spaces by temporarily closing and allowing occupancy of the public right-of-way, by means of a permit issued by San Francisco Public Works. For example, if a local non-profit organization wanted to create a temporary public plaza by closing down a block in their neighborhood to create more open space for the community members they serve, they can apply for a permit and implement the project through the P4P Program.

The P4P Program follows the successful "Pavement to Parks" program, an initiative that supported implementation of community-based, publicly accessible, and neighborhood-serving open spaces. Public demand continues to rise for new Pavement to Parks locations, but the City's interagency review process, permitting, technical, and financial assistance services remain based on older models for managing public spaces and rights-of-way.

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The P4P Program reduces barriers and procedural inefficiencies that previously existed and establishes a more efficient and clearer framework, similar to the “Pavement to Parks” program that will effectively create new public spaces in the City. The main goals of the program are as follows:

1. Lower barriers to participation;
2. Facilitate greater equity of projects in all neighborhoods;
3. Enable more activation that is frequent, diverse, and free to the public;
4. Streamline permitting and agency review processes;
5. Create self-financing opportunities to better support long-term stewardship of places; and
6. Define parameters for operations, permit terms, and enforcement threshold.

The P4P Program is managed and administered by the “Places for People Working Group”, which is comprised of a number of City agencies which includes: SFMTA, the San Francisco Planning Department, San Francisco Public Works (SFPW), Department of Real Estate, and the Entertainment Commission. The SFMTA’s administrative role in the Program, as defined by a Memorandum of Understanding, dated December 20, 2018, between the P4P Working Group, is to review permit application materials related to traffic and transportation impacts posed by the proposed temporary right-of-way closures, review and manage proposed traffic marking and curb restriping, review and manage proposed installation of ground surface treatments, and review and manage traffic control devices to be installed as part of the project sponsor’s proposed project.

The proposed application fee of \$11,275 will provide partial cost recovery to the SFMTA for its administrative role in the Program. Pursuant to San Francisco Administrative Code section 94A.11, Public Works may only charge up to 50 percent of costs involved for a permit and SFMTA staff agree that the SFMTA’s fees should be similarly limited to that amount. As a result, the proposed fee only seeks to partially recover SFMTA costs related to administration of the program. The SFMTA will use existing operating funds to cover the remaining costs for SFMTA staff time.

The Places for People Program right-of-way analyses require on average an estimated 15 hours of SFMTA planner labor, and an estimated 115 hours of engineer labor. After accounting for salary, benefits, and overhead, the total cost of this labor was \$22,551 in fiscal year 2019 and 2020. The current permit fee is \$11,275 – just under half of the \$22,551 cost, in accordance with chapter 94.A.11 of the San Francisco Administrative Code.

Note permit fees do not include any costs incurred by SFMTA Shops for the implementation of permitted P4Ps (e.g., traffic striping, sign installation). Costs incurred by the SFMTA Shops will be billed on a time and materials basis, and will be fully recovered.

All fees related to the SFMTA’s review of a Project Sponsor’s permit application will be paid to SFPW, who will then reimburse the SFMTA.

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The proposed fee will be in effect for fiscal year 2020. The proposed fee does not cover parklet applications, since the SFMTA already has another fee for the agency's review of parklets in Division II of the Transportation Code, Section 313. Additionally, Interdepartmental Staff Committee on Traffic and Transportation (ISCOTT) fees for special event street closures including street fairs, athletic events, and neighborhood block parties are separate as defined in Division II of the Transportation Code, Section 316.

STAKEHOLDER ENGAGEMENT

Over the last 12 months, staff from the San Francisco Planning Department, SFPW, and SFMTA have met to discuss the overall process and administration of the program. Following these discussions, staff from all participating departments agreed to support the SFMTA's proposal for a permit application fee to recover the agency's costs for work related to program administration.

Additionally, staff considered concerns that were discussed during program development outreach with various stakeholders. The San Francisco Planning Department spearheaded the outreach effort and spoke with community members and stakeholder groups such as various urban design advocates, business and community improvement districts, Walk San Francisco, San Francisco Bicycle Coalition, Livable City, and more. There was a lot of support for the program and many believed that the process would streamline the development of temporary public plazas and create more opportunities for open space.

A reoccurring theme that staff heard during outreach were concerns regarding barriers to entry and ensuring the process was less costly so that all communities have access to place making. As such, this proposed fee permit only seeks partial cost recovery for the administration of this program by the SFMTA.

ALTERNATIVES CONSIDERED

Not establishing a permit application review fee was considered by SFMTA staff; however, staff concluded that this option would likely create operational and funding issues because of the estimated high cost of program administration. The SFMTA could still carry out its program role and responsibilities but would have to recover staff administration costs from alternative sources, but that would negatively impact other Agency programs and functions.

A full cost recovery option was also considered but decided against because the Administrative Code that guides the program states that other associated fees shall be one-half the fee that the agency or department is authorized to charge. This provision was included into the Administrative Code by staff during the inception of the program in order to reduce barriers to participation.

FUNDING IMPACT

The proposed fee will offset some of the SFMTA's costs associated with administering the Program. It is projected that the SFMTA's staff cost will average approximately \$22,551 per

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permit application based on review of past permit applications.

PUBLISHED NOTICE AND PUBLIC HEARING

Pursuant to Charter Section 16.112 and the Rules of Order of the SFMTA Board of Directors, published notice was placed in the City's official newspaper to provide notice that the Board of Directors will hold a public hearing on August 20, 2019, to consider revising the Transportation Code to authorize a fee for review of applications for projects under the Places for People program. In compliance with these requirements the advertisement ran in the San Francisco Examiner for a five-day period beginning on August 11, 2019.

ENVIRONMENTAL REVIEW

On May 2, 2019, the SFMTA, under authority delegated by the San Francisco Planning Department, determined that the creation of a fee for the Places for People permit application review process is not defined as a "project" under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b).

A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference.

OTHER APPROVALS RECEIVED OR STILL REQUIRED

The City Attorney's Office has reviewed this calendar item.

Certain final SFMTA Decisions, whether made by the City Traffic Engineer or the SFMTA Board, can be reviewed by the Board of Supervisors pursuant to Ordinance 127-18. Information about the review process can be found at:

https://sfbos.org/sites/default/files/SFMTA_Action_Review_Info_Sheet.pdf.

This calendar item is not subject to BOS review because it is not proposing any parking and traffic modifications.

RECOMMENDATION

Staff recommends that the SFMTA Board amends the Transportation Code Division II to establish a fee for project sponsors who submit a permit application as part of the Places for People Program to partially recover the SFMTA's costs of administering the program.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, The Places for People Program and all associated guidelines were approved by the Board of Supervisors in October of 2016, San Francisco Administrative Code Section 94A (“Places for People Program”); and,

WHEREAS, Under the Places for People Program, SFMTA has committed to the Agency’s participation as project administrator by entering into a Memorandum of Understanding with the other Core Agencies, in the Places for People Program; and,

WHEREAS, SFMTA staff and other City staff support the implementation of a permit application fee for permit application review of projects requiring approval by the SFMTA Board of Directors, and the associated implementation of work under SFMTA’s jurisdiction, to recover the SFMTA’s costs associated with this work; and,

WHEREAS, The proposed permit application fee will be collected by the San Francisco Public Works, who will then reimburse the SFMTA for the work associated with each application; and,

WHEREAS, Consistent with the Board of Supervisor’s direction in the Places for People legislation and with the fee collected by Public Works, the proposed fee amount only seeks to recover 50 percent of SFMTA costs related to administration of the program and the SFMTA will use existing operating funds to cover the remaining costs for SFMTA staff time; and,

WHEREAS, On May 2nd, 2019, the SFMTA, under authority delegated by the Planning Department, determined that the creation of a permit application fee for the Places for People Program is not a “project” under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b); and,

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference; and,

WHEREAS, Pursuant to Charter Section 16.112 and the Rules of Order of the Board of Directors, an advertisement was placed in the City’s official newspaper, the San Francisco Examiner, for a five-day period beginning August 11, 2019 to provide notice that the Board of Directors will hold a public hearing on August 20, 2019 to consider the above modifications; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors amends the Transportation Code Division II to establish a fee for project sponsors who submit a permit application as part of the Places for People Program to recover the SFMTA’s

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costs in administering the program.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of August 20, 2019.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

RESOLUTION NO.

[Transportation Code – Places for People Permit Application Fee]

Resolution amending Division II of the Transportation Code to authorize the SFMTA to impose a fee for review of applications for projects under the Places for People Program that are subject to review by the SFMTA Board of Directors, and to set the fee.

NOTE: Additions are single-underline Times New Roman;
deletions are ~~strike-through Times New Roman~~.

The Municipal Transportation Agency Board of Directors of the City and County of San Francisco enacts the following regulations:

Section 1. Article 300 of Division II of the Transportation Code is hereby amended by adding Section 326, to read as follows:

SEC. 326. PLACES FOR PEOPLE APPLICATION FEE.

This fee partially reimburses the SFMTA for staff costs related to the review and approval of applications for projects under the Places for People Program established under Chapter 94A of the Administrative Code that require approval by the SFMTA Board of Directors. This includes SFMTA staff review of and comments on traffic data provided by the applicant including potential traffic circulation impacts, parking and loading impacts, and street sign, striping, or signal changes, as well as SFMTA staff's analysis of the impact of the proposed project on adjacent SFMTA or San Francisco Public Works projects, staff coordination and presentation of the proposal at interdepartmental meetings, and preparation of a report for the SFMTA Board of Directors. The fee set forth below may not exceed 50% of the cost incurred by SFMTA for review and approval of program applications.

Description	FY 2019 Effective July 1, 2018	FY 2020 Effective July 1, 2019
Fee per Application	\$11,275	\$11,275

Section 2. Effective Date. This ordinance shall become effective 31 days after enactment. Enactment occurs when the San Francisco Municipal Transportation Agency Board of Directors approves this ordinance.

Section 3. Scope of Ordinance. In enacting this ordinance, the San Francisco Municipal Transportation Agency Board of Directors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, letters, punctuation marks, charts, diagrams, or any other constituent parts of the Transportation Code that are explicitly shown in this ordinance as additions or deletions in accordance with the "Note" that appears under the official title of the ordinance.

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By: _____
JOHN I. KENNEDY
Deputy City Attorney

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I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of August 20, 2019.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency