

SFMTA
Municipal
Transportation
Agency

File # 160462
Received in Committee
5/18/16
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Budget Overview Fiscal Years 2017 & 2018

Investing in Transportation for Today and Tomorrow

Serving San Francisco

\$1.02 Billion

2016 Annual Operating Budget

\$3.3 Billion

5-Year Capital Budget

1,053 Transit
Vehicles In the
Muni Fleet

Over 700,000 daily
transit boardings
on Muni

Over 3 million hours
of transit service
annually

433 lane miles of
bicycle paths, lanes
and routes

441,950 publicly
available parking
spaces

1,956 taxi
medallions across
the city

1,201 signalized
intersections

281,700 street
signs

More than 5,400
employees

Vision

- **San Francisco: great city, excellent transportation choices**

Goals

- Create a safer transportation experience for everyone
- Make transit, walking, bicycling, taxi, ridesharing and carsharing the most attractive and preferred means of travel
- Improve the environment and quality of life in San Francisco
- Create a workplace that delivers outstanding service

Agency Priorities

- Make streets safer for people
- Fair and equitable transportation
- Improve Muni reliability
- Invest in infrastructure
- Keep our streets moving
- Plan and build for the future



Revenue Changes Included in Budget (\$Mil)

Proposal	Description	Revenue Impact FY17	Revenue Impact FY18
Change Youth Definition	Increase Youth Age to 18 from 17 – similar to the Free Muni Program for Low and Moderate Income Youth. Aligns with regional definition.	(2.2)	(2.2)
Set Discount Fares at 50% of Adult Fares	Establish senior, youth and disabled discount fares at 50% of the adult fares (FTA requires senior fares be set no higher than 50% of adult fares). Low and moderate income seniors, youth and disabled riders have the Free Muni programs and low income adults have access to the Lifeline Program.	1.4	1.5
Discount for Clipper & MuniMobile	Establish an additional \$0.25 fare increase for Muni riders paying cash or using limited use cards to reduce cash payments and to encourage use of Clipper® and Mobile Ticketing. This will reduce dwell times, speed up Muni and improve farebox performance.	3.8	3.9
Monthly “A” Pass Increase (BART)	Increase “A” pass \$5 above indexed price (covers 5.5% BART pass-through increase per trip).	0.7	0.7
Tokens/Passes for Needy Populations	Provide 50% discount to nonprofit agencies	(1.0)	(1.0)

*Civil Rights Act Title VI equity analysis completed on fare proposals.
New Fare Proposals effective January 1, 2017*

Revenue Changes Included in Budget (\$Mil)

Proposal	Description	Revenue Impact FY17	Revenue Impact FY18
Tow Fees	Per Board of Supervisors' recommendation reduce tow fees and create a low-income discount program (<i>Approved by SFMTA Board on March 15, 2016</i>)	(3.5)	(3.5)
Parking Management	Enhanced parking management as recommended by the SFMTA Board		4.0

New Expenditures Included in Budget (\$Mil)

Description	Amount
Transit - supporting the top priority safety, state of good repair and maintenance program proposal	\$6.0
Sustainable Streets - supporting Enforcement, Meter and Signal Shop, Parking, Outreach and Data Analysis efforts	\$2.0
Caltrain Operating Contribution	\$0.9
Safety Compliance	\$0.5
Taxi Investigators and driver drug program support	\$0.2
Storekeepers – supporting Transit Maintenance and Procurement	\$0.3
Communications Outreach	\$0.3
Human Resources Analysts	\$0.2

One Time Uses of Fund Balance (\$Mil)

Description	FY 2017	FY 2018 *
Equipment Needs – Technology equipment including servers and network upgrades, non-revenue vehicles and replacement of old equipment	\$ 4.7	\$16.5
Signal Priority for Transit – J Church, K Ingleside & T Third	\$ 9.6	\$ 8.4
Facility Upgrades – Bancroft roof, underground Storage Tanks Program	\$14.0	\$ 3.0
Cable Car safety improvements and automatic transfer switch and turntable	\$ 3.0	\$12.5
Surface Switch replacement for Transit	\$ 5.0	\$ 5.0
Parking Garage elevator modernization and life safety upgrades	\$ 1.0	\$ 5.0
Vision Zero education and outreach	\$ 1.0	\$ 1.0
Traffic Signals - signal visibility upgrades, new traffic signs, new pavement markers	\$ 1.0	
Parking and Traffic Technology	\$ 0.6	\$ 0.4
Transportation Demand Management outreach	\$ 0.3	

* Portion of the proposed expenditures for FY 18 will be held in reserve, and released only following a positive review of fiscal situation by DOT and CFO

Operating Revenues (\$Mil)

Revenue Category	FY 2016 Year End Projections	FY 2017 Proposed Budget	FY 2018 Proposed Budget
Transit Fares	202.2	205.9	207.9
Operating Grants	136.4	144.8	147.2
Parking and Traffic Fees & Fines	314.4	328.2	340.1
Other (Advertising, Interest, Inter- departmental Recovery, Taxi)	30.2	44.6	66.2
General Fund Transfer	277.0	292.6	304.1
Capital Projects (Development Fees, Population Based General Fund Allocation)	58.0	93.6	61.3
Use of Fund Balance	28.0	45.0	47.0
TOTAL	\$1,046.2	\$1,154.7	\$1,173.8

Operating Expenditures by Division

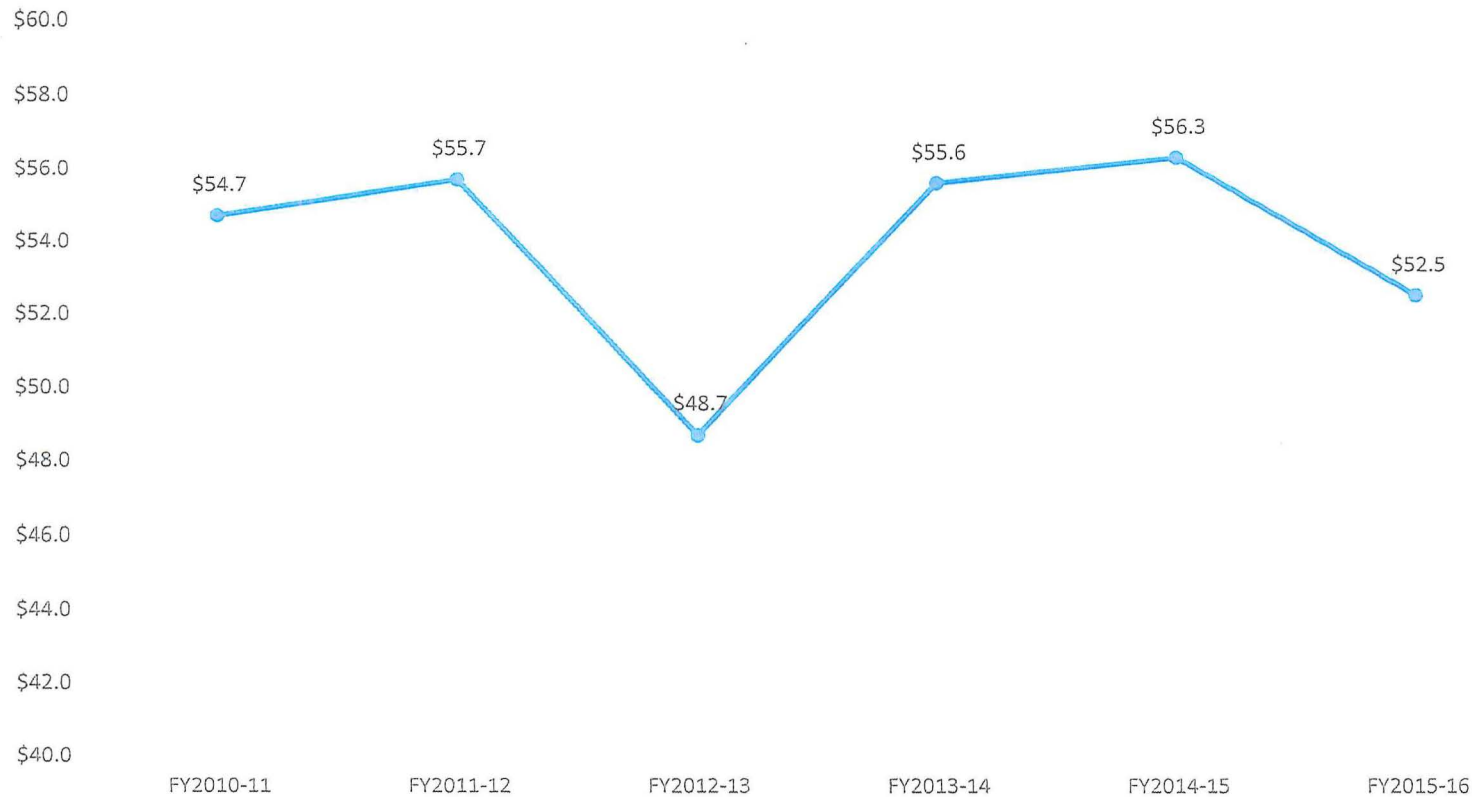
Includes operating expenditures and portion of the capital budget that flows through the operating budget

Expenditure Category	FY 2016 Year End Projections	2016 FTE	FY 2017 Proposed Budget	2017 FTE	FY 2018 Proposed Budget	2018 FTE
Agency-wide	97.7	52.9	150	15.4	155.4	15.4
Board of Directors	0.6	4.0	0.6	4.0	0.7	4.0
Communications	5.8	26.4	7.1	43.6	7.4	44.5
Capital Program & Construction	55.1	158.9	45.4	199.6	49.5	213.9
Director of Transportation	2.5	6.7	1.6	4.7	1.6	4.7
Finance and IT	89.3	367.3	125.4	395.7	111.1	398.5
Government Affairs	1.1	5.0	1.2	5.0	1.2	5.0
Human Resources	37.7	155.2	32.6	167.9	34.4	169.4
Safety	5.4	13.8	4.2	19.3	4.4	19.8
Sustainable Streets	153.7	689.0	170.6	696.5	157.9	699.0
Taxi and Accessible Services	29.2	28.6	30.9	30.5	32.0	31.0
Transit	597.2	3,800.5	585.1	4,092.7	618.2	4,110.5
TOTAL	\$1,075.3	5,308.3	\$1,154.7	5,674.9	\$1,173.8	5,715.7

Overtime - Fiscal 2016 (\$Mil)

The SFMTA has been a good steward of public funds, with a projected overtime reduction of nearly \$3.8 million in FY15-16 compared to FY2014-15, all while adding 10 percent more scheduled Muni service since April 2015.

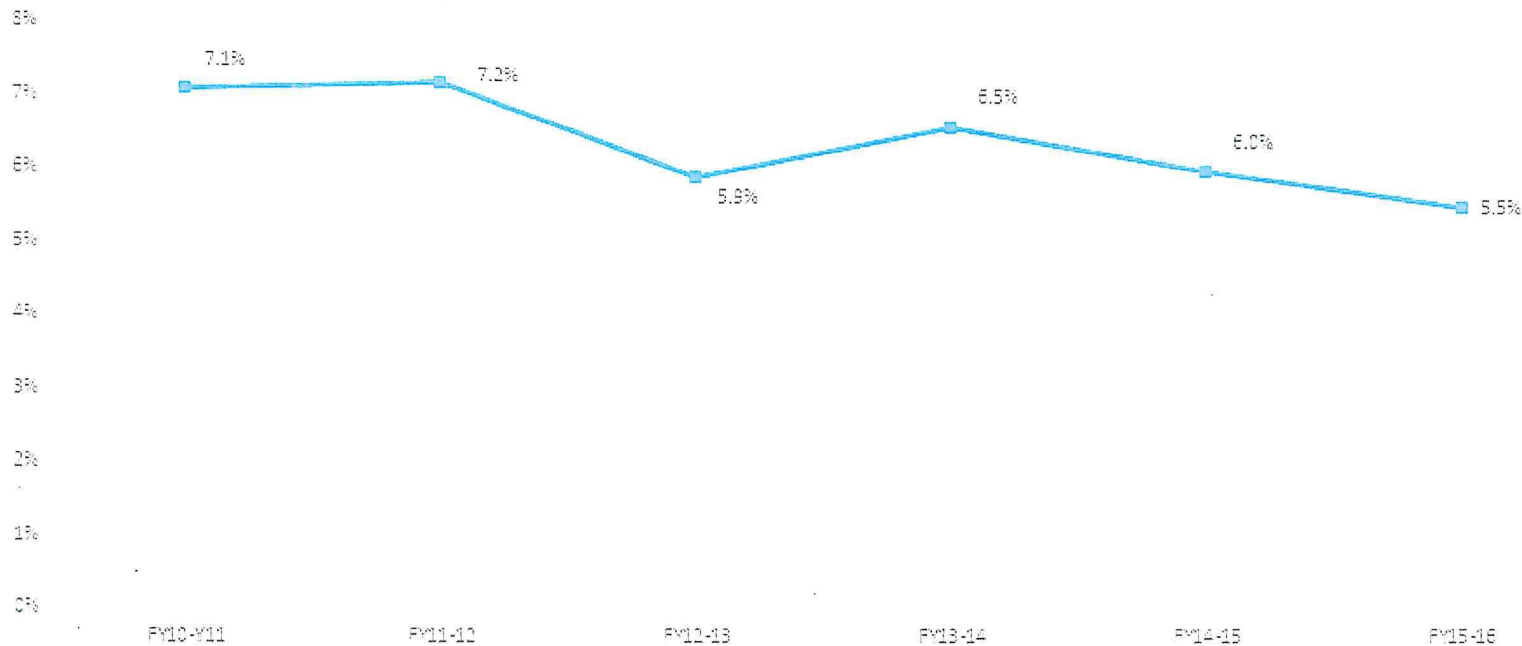
Overtime Expenditures



Overtime - Fiscal 2016

Similarly, overtime as a percentage of the operating budget has declined and is projected to be the lowest for any year in the last half decade.

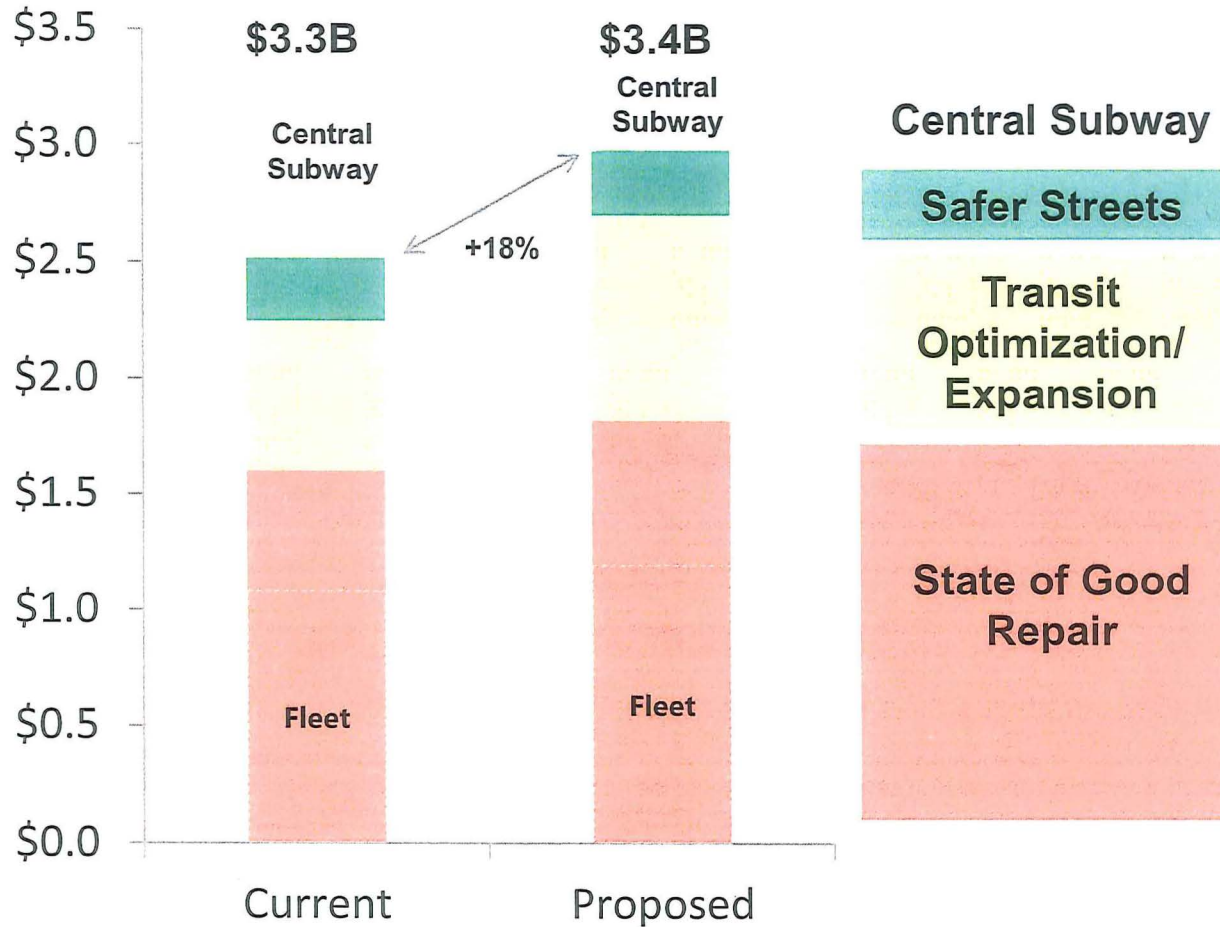
Overtime Expenditures as % of Total Operating Budget



Total Overtime Expenditures: \$54.7M (FY11); \$55.7M (FY12); \$48.7M (FY13); \$55.6M (FY14); \$56.3M (FY15) and \$52.5M (proj. FY16)
 Total Budget: \$772.5M (FY11); \$778.2M (FY12); \$828.2M (FY13); \$851.1M (FY14); \$945.2M (FY15); \$968.2M (proj. FY16)

Capital Improvement Program Revenue Overview

Preliminary FY17-21 CIP (\$B)



The Proposed CIP Includes Revenue from Potential November 2016 and 2018 Ballot Measures

- New revenue sources currently under consideration are needed to fill critical gaps in the agency's capital program.
- Seeking to advance new revenue measures in 2016 and 2018, consistent with Mayor's 2013 Transportation Task Force recommendations
- Specific measure and expenditure plan are under development

\$10 BILLION TRANSPORTATION FUNDING NEED THRU 2030

\$3.7 BILLION IN EXISTING FUNDING

\$3 BILLION IN TTF RECOMMENDATIONS

\$3.3 BILLION UNFUNDED

- ✓ 1st GO Bond: \$500M
- Vehicle License Fee: \$1B
- Sales Tax: \$1B
- 2nd GO Bond: \$500M

Proposed CIP Assumes New Revenue Sources

2016 - 2018 Revenue Measures Would Contribute \$45Mil to \$65Mil per Year

Uses of capital addresses funding gaps for high-priority programs

Transit (FY 18-21)

\$45M - \$55M per year split between:

- Fleet Expansion (Motor Coach and Light Rail Vehicles)
- Facilities (Upgrades/Enhancements)
- Transit Optimization (Muni Forward, Major Corridor and Rail Capacity Strategy Projects)

Streets (FY 20-21)

\$10M per year to support Vision Zero:

- WalkFirst
- Bicycle Strategy
- Streetscape Projects
- Signals

Capital Improvement Program Revenue Overview

Preliminary FY17-21 CIP by Capital Program (\$Mil)

CAPITAL PROGRAM	FY 17	FY 18	FY 19	FY 20	FY 21	2-Year Total	5-Year Total
Central Subway	\$ 154.0	\$ 150.0	\$ 98.5	\$ -	\$ -	\$ 304.0	\$ 402.5
Communications/IT	\$ 8.8	\$ 0.4	\$ 0.7	\$ 0.7	\$ 0.7	\$ 9.1	\$ 11.2
Facility	\$ 105.9	\$ 29.6	\$ 38.9	\$ 10.5	\$ 50.5	\$ 135.5	\$ 235.4
Fleet	\$ 504.6	\$ 352.2	\$ 158.9	\$ 101.3	\$ 73.2	\$ 856.8	\$ 1,190.2
Parking	\$ 1.2	\$ 5.0	\$ 10.0	\$ -	\$ -	\$ 6.2	\$ 16.2
Security	\$ 5.6	\$ 10.1	\$ 3.0	\$ 3.0	\$ 3.0	\$ 15.7	\$ 24.7
Streets	\$ 36.4	\$ 46.8	\$ 75.3	\$ 43.0	\$ 49.7	\$ 83.2	\$ 251.2
Taxi	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.8	\$ 2.0
Traffic/Signals	\$ 23.1	\$ 13.6	\$ 13.8	\$ 8.0	\$ 12.8	\$ 36.7	\$ 71.4
Transit Fixed Guideway	\$ 43.7	\$ 62.9	\$ 86.7	\$ 40.3	\$ 57.7	\$ 106.6	\$ 291.2
Transit Optimization/Expansion	\$ 196.5	\$ 184.4	\$ 241.7	\$ 167.4	\$ 90.4	\$ 380.9	\$ 880.5
Other	\$ 3.7	\$ 4.7	\$ 0.7	\$ 0.8	\$ 0.2	\$ 8.4	\$ 10.0
Total	\$ 1,083.9	\$ 860.0	\$ 728.5	\$ 375.3	\$ 338.7	\$ 1,943.8	\$ 3,386.4


Capital Budget

Key Capital Projects – Transit

Central Subway Completed in 2019

Transit Fixed Guideway

- Muni Metro Twin Peaks Tunnel Track Replacement Project
- Rail Signal Upgrades at Priority Locations
- Key projects addressing train control throughout the Muni Metro



Transit Optimization & Expansion

- Continued rollout of Muni Forward transit priority projects (e.g. 14 Mission, 22 Fillmore, 28 19th Avenue, 30 Stockton)
- Geary Bus Rapid Transit – Near Term Improvements
- Near-term Rail Capacity Strategy projects

Fleet & Facility

- All Motor Coaches replaced by early-2018
- All Trolley Coaches replaced by late-2019
- First of new LRVs to arrive in 2016
- Replacement of 1,200+ fare boxes for entire fleet
- Paratransit fleet will be replaced & expanded in 2017-18
- Employee Life & Safety Projects at SFMTA Facilities

Key Capital Projects – Streets

Complete Streets

- Initial phases of Major Corridor projects including Taylor Street, Folsom-Howard, 6th Street, 7th and 8th Street
- Bicycle Strategy Corridors
- WalkFirst Quick & Effective Projects
- Upper Market Street Pedestrian Improvements (Construction)
- Permanent Painted Safety Zone Conversion



Traffic & Signals

- WalkFirst Pedestrian Signal Countdowns
- Rail Transit Signal Priority
- Gough Street Traffic Signals Upgrades
- Webster Street Pedestrian Signals Upgrades
- Golden State Warriors Traffic Signals Mitigations Measures



Key Capital Projects – Other

Communications & IT

- Implementation of agency-wide WiFi Infrastructure and VoIP/Lync Telephony
- Continued support for Enterprise Asset Management System (EAMS)
- Procurement of Paratransit Scheduling Software

Taxi

- Continued incentive programs for “green” taxi technology, such as rebates for alternative fuel taxis

Security

- Emergency preparedness and threat mitigation projects

Parking

- Ellis/O’Farrell Garage Seismic Upgrade
- Lighting System Upgrades – Multiple Garages



Thank You!

*We're keeping the future
in focus.*

Muni Fare Differential

Clipper & MuniMobile are better!

- Get where you're going faster
 - Muni buses and trains spend 10% to 15% of their time boarding passengers. Processing cash is a large part.
 - Clipper/MuniMobile allow boarding through any door
- Use throughout the Bay Area
 - Clipper can be used on most transit systems
 - Clipper users get fare discount when transferring between agencies
- Have flexibility/convenience
 - Clipper value retained and can be reloaded if card is lost
 - MuniMobile works spur of the moment – can be set up with PayPal if rider doesn't use a credit card
 - Can directly load pre-tax transit dollars onto Clipper Card



Muni Fare Differential

But what's wrong with cash?

- Cash collection process costs \$9 million a year
- 34 full-time staff to empty fareboxes, transport revenue and process revenue for deposit daily
- Security costs for revenue transport and processing facility
- Accounting staff
- Production and distribution of paper bus transfers
- Farebox and software maintenance
- General risk associated with cash management

Muni Fare Differential

What about low-income riders?

- Most-vulnerable populations qualify for free or discounted fares
 - Free Muni programs for Youth, Seniors and People with Disabilities currently serve about 80,000 people.
 - Low-income adult Lifeline passes (50% discount) currently serve 20,000 people
 - Discount fare prices serve all other Youth, Seniors and People with Disabilities (50% savings).
- Planned outreach us to enroll more people in free/discount programs, or Clipper/MuniMobile
 - Will waive \$3 purchase fee on Clipper Card for eligible customers during an extensive outreach push
 - Will market MuniMobile
- Those using cash likely includes those eligible for free/reduced fare (based on past SFMTA and MTC rider surveys), infrequent riders, tourists



Muni Fare Differential

How will people know about this?

- Working with MTC on coordinated outreach
 - Multilingual
 - Community centers
 - Senior centers
 - Schools
 - Metro stations
 - Bus lines
- Opportunity to enroll people in Free Muni programs
- Tie-ins at major events
 - Bay to Breakers, Pride, Giants games, Sunday Streets, etc.
- MuniMobile will be included in all new partnership promotions
 - SFMOMA; SFJazz; Presidio Trust-Off the Grid; etc.
- Tourist-focused program

Civil Rights Act - Title VI Analysis

- No disparate impact or burden from fare changes
- Minority and low-income customers could be more impacted by proposed increase of cash fares to encourage use of Clipper or Muni Mobile cashless options.
- Free Muni programs, Lifeline, tokens from social service agencies mitigates most impacts.
- Focus on easing transition to mobile payment options through increased outreach and expanded vendor options