

File No. 211291

Committee Item No. 3

Board Item No. 12

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee Date February 2, 2022

Board of Supervisors Meeting Date February 8, 2022

Cmte Board

<input type="checkbox"/>	<input type="checkbox"/>	Motion
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Resolution
<input type="checkbox"/>	<input type="checkbox"/>	Ordinance
<input type="checkbox"/>	<input type="checkbox"/>	Legislative Digest
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Budget and Legislative Analyst Report
<input type="checkbox"/>	<input type="checkbox"/>	Youth Commission Report
<input type="checkbox"/>	<input type="checkbox"/>	Introduction Form
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Department/Agency Cover Letter and/or Report
<input type="checkbox"/>	<input type="checkbox"/>	MOU
<input type="checkbox"/>	<input type="checkbox"/>	Grant Information Form
<input type="checkbox"/>	<input type="checkbox"/>	Grant Budget
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<input type="checkbox"/>	<input type="checkbox"/>	Form 126 – Ethics Commission
<input type="checkbox"/>	<input type="checkbox"/>	Award Letter
<input type="checkbox"/>	<input type="checkbox"/>	Application
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Public Correspondence

OTHER (Use back side if additional space is needed)

<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>2030 Mayor's Transportation Task Force Report</u>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>2045 Mayor's Transportation Task Force Report</u>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>2030 Mayor's Transportation Task Force Report</u>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>MTA Transportation 2050 Workshop Report - 8/17/2021</u>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>2022 Muni Reliability and Street Safety Bond Report</u>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>General Plan Referral - 11/18/2021</u>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>MTA CEQA Determination 10/21/2021</u>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>MTAB Resolution No. 211207-6 - 12/7/2021</u>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>FYI Department Referrals - 12/21/2021</u>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>PLN CEQA Determination - 12/23/2021</u>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>SFMTA Presentation - 1/26/2022</u>

Completed by: Brent Jalipa Date January 28, 2022

Completed by: Brent Jalipa Date February 4, 2022

1 [General Obligation Bond Election - Muni Reliability and Street Safety]

2
3 **Resolution determining and declaring that the public interest and necessity demand**
4 **the construction, acquisition, improvement, and retrofitting of transportation, street**
5 **safety and transit related improvements, and other critical infrastructure and facilities**
6 **for transportation system improvements and safety improvements and related costs**
7 **necessary or convenient for the foregoing purposes; authorizing landlords to pass-**
8 **through 50% of the resulting property tax increase to residential tenants under**
9 **Administrative Code, Chapter 37; providing for the levy and collection of taxes to pay**
10 **both principal and interest on such bonds; incorporating the provisions of**
11 **Administrative Code, Sections 5.30–5.36; setting certain procedures and requirements**
12 **for the election; finding that the proposed bond is not a project under the California**
13 **Environmental Quality Act (CEQA); and finding that the proposed bond is in conformity**
14 **with the eight priority policies of Planning Code, Section 101.1(b), and with the General**
15 **Plan consistency requirement of Charter, Section 4.105, and Administrative Code,**
16 **Section 2A.53.**

17
18 WHEREAS, The Mayor's 2030 Transportation Task Force Report, dated November
19 2013 ("2030 Task Force Report") determined that the City's street, transit and transportation
20 infrastructure ("Street, Transit and Transportation System") was unable to meet current and
21 future demands, and that the reliability, efficiency and safety of City streets, transit and
22 transportation infrastructure requires substantial investment for modernization and to
23 maintain a state of good repair and to meet future demands; and

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1 WHEREAS, The 2030 Task Force Report estimated that the required cost of
2 improvements to the Street, Transit and Transportation System is \$10.1 billion over the next
3 15 years; and

4 WHEREAS, The analysis of the 2030 Task Force Report was supplemented by the
5 Mayor's 2045 Transportation Task Force Report, dated January 2018 ("2045 Task Force
6 Report") which identified additional transportation system improvement needs estimated at a
7 cost of \$22 billion; and

8 WHEREAS, Both the 2030 and 2045 Task Force Reports were augmented by the
9 efforts of Transportation 2050 ("Transportation 2050") to update the vision for transportation
10 developed through the City's ConnectSF process, including additional community input
11 received through the SFMTA's 2021 Citywide Community Survey; and

12 WHEREAS, Transportation 2050 outlines the resources needed to achieve a
13 community-driven vision and identify revenue and reliable funding solutions to fund the cost of
14 transportation needs in San Francisco, which includes among other resources, the issuance
15 of general obligation bonds; and

16 WHEREAS, A significant number of Muni bus yards and facilities were constructed
17 decades ago, with some being over one hundred years old, are obsolete and need to be
18 repaired, upgraded and rebuilt to allow for Muni buses to be repaired faster, prevent
19 breakdowns to support reliable Muni service; and

20 WHEREAS, On-street infrastructure improvements for public transit helps reduce travel
21 times and delays for Muni and enables more reliable and more frequent service; and

22 WHEREAS, Muni's train control system is over 20 years old and is obsolete and needs
23 to be replaced in order increase subway capacity, reduce delays and deliver reliable, high-
24 frequency Muni Metro light rail service; and

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1 WHEREAS, Redesigning and constructing streets to improve safety, accessibility and
2 visibility for pedestrians and cyclists, and implementing traffic calming and speed reduction
3 tools, all supports the City's Vision Zero policy of eliminating all traffic deaths in San
4 Francisco; and

5 WHEREAS, Strong public transit systems is one of the most important tools the City
6 has to mitigate the adverse effects of climate change, and by improving the reliability and
7 speed of Muni service and creating safer spaces to for pedestrians and cyclists, the City will
8 become more livable and sustainable; and

9 WHEREAS, Under-investment in the Street, Transit and Transportation System
10 increases the risk of loss and injury to City residents, has an outsized impact on residents who
11 have limited transportation options and rely on Muni, impacts the economic vitality of the City,
12 reduces the City's ability to support growth and reduces the quality of life; and

13 WHEREAS, Substantial investment in the City's Street, Transit and Transportation
14 System will result in improved street safety for all users of City streets, a more reliable and
15 faster Muni, and better pedestrian, bike, and disabled access (collectively, the "Street, Transit
16 and Transportation Project"); and

17 WHEREAS, The Muni Reliability and Street Safety General Obligation Bond ("Bond")
18 will provide a portion of the funding for eligible investments within the Street, Transit and
19 Transportation Program; and

20 WHEREAS, The Board recognizes the need to safeguard and enhance the City's
21 Street, Transit and Transportation System by making significant investments therein; now,
22 therefore, be it

23 RESOLVED, The Board determines and declares that the public interest and necessity
24 demand the acquisition, construction and improvement of street, transit, transportation and

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1 related infrastructure, and the payment of related costs necessary or convenient for the
2 foregoing purposes; and, be it

3 FURTHER RESOLVED, The estimated cost of \$400,000,000 of the Bond is and will be
4 too great to be paid out of the ordinary annual income and revenue of the City, will require an
5 expenditure greater than the amount allowed by the annual tax levy, and will require the
6 incurrence of bonded indebtedness in an amount not to exceed \$400,000,000; and, be it

7 FURTHER RESOLVED, The Board, having reviewed the proposed legislation, makes
8 the following findings in compliance with the California Environmental Quality Act ("CEQA"),
9 California Public Resources Code, Sections 21000 et seq., the CEQA Guidelines, 15 Cal.
10 Code Regs. Title 14, Sections 15000 et seq. ("CEQA Guidelines"), and San Francisco
11 Administrative Code, Chapter 31 ("Chapter 31"):

12 As set forth by the Planning Department, in a determination dated October 21, 2021, a
13 copy of which is on file with the Clerk of the Board in File No. 211291 and incorporated in this
14 Resolution by reference, the Board finds that the bond proposal is not subject to CEQA. As
15 the establishment of a government financing mechanism that does not involve any
16 commitment to specific projects to be constructed with bond funds, it is not a project as
17 defined by CEQA and the CEQA Guidelines. The use of bond proceeds to finance any
18 project or portion of any project will be subject to approval of the applicable decision-making
19 body at that time, upon completion of planning and any further required environmental review
20 under CEQA; and, be it

21 FURTHER RESOLVED, The Board finds and declares that the proposed Bond is (i) in
22 conformity with the priority policies of Section 101.1(b) of the San Francisco Planning Code,
23 (ii) in accordance with Section 4.105 of the San Francisco Charter and Section 2A.53(f) of the
24 San Francisco Administrative Code, and (iii) consistent with the City's General Plan, and
25 adopts the findings of the Planning Department, as set forth in the General Plan Referral

1 Report dated November 18, 2021, a copy of which is on file with the Clerk of the Board in File
2 No. 211291 and incorporates such findings by reference; and, be it

3 FURTHER RESOLVED, The time limit for approval of this Resolution specified in
4 Section 2.34 of the San Francisco Administrative Code is waived; and, be it

5 FURTHER RESOLVED, Under Section 2.40 of the San Francisco Administrative Code,
6 the Ordinance submitting this proposal to the voters shall contain a provision authorizing
7 landlords to pass-through 50% of the resulting property tax increases to residential tenants in
8 accordance with Chapter 37 of the San Francisco Administrative Code; and, be it

9 FURTHER RESOLVED, The City hereby declares its official intent to reimburse prior
10 expenditures of the City incurred or expected to be incurred prior to the issuance and sale of
11 any series of bonds in connection with the Project (collectively, the "Future Bonds"); the Board
12 hereby declares the City's intent to reimburse the City with the proceeds of the Future Bonds
13 for the expenditures with respect to the Project (the "Expenditures" and each, an
14 "Expenditure") made on and after that date that is no more than 60 days prior to adoption of
15 this Resolution; the City reasonably expects on the date hereof that it will reimburse the
16 Expenditures with the proceeds of the Future Bonds, and, be it

17 FURTHER RESOLVED, Each Expenditure was and will be either (a) of a type
18 properly chargeable to a capital account under general federal income tax principles
19 (determined in each case as of the date of the Expenditure), (b) a cost of issuance with
20 respect to the Future Bonds, (c) a nonrecurring item that is not customarily payable from
21 current revenues, or (d) a grant to a party that is not related to or an agent of the City so long
22 as such grant does not impose any obligation or condition (directly or indirectly) to repay any
23 amount to or for the benefit of the City; the maximum aggregate principal amount of the
24 Future Bonds expected to be issued for the Project is \$400,000,000; the City shall make a
25 reimbursement allocation, which is a written allocation by the City that evidences the City's

1 use of proceeds of the applicable series of Future Bonds to reimburse an Expenditure, no
2 later than 18 months after the later of the date on which the Expenditure is paid or the Project
3 is placed in service or abandoned, but in no event more than three years after the date on
4 which the Expenditure is paid; the City recognizes that exceptions are available for certain
5 "preliminary expenditures," costs of issuance, certain de minimis amounts, expenditures by
6 "small issuers" (based on the year of issuance and not the year of expenditure) and
7 expenditures for construction projects of at least 5 years; and, be it

8 FURTHER RESOLVED, Documents referenced in this Resolution are on file with the
9 Clerk of the Board of Supervisors in File No. 211291, which is hereby declared to be a part of
10 this Resolution as if set forth fully herein.

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12 APPROVED AS TO FORM:
13 DAVID CHIU, City Attorney

14 By: /s/ MARK D. BLAKE
15 MARK D. BLAKE
Deputy City Attorney

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Items 2 & 3 Files 21-1290 & 21-1291 <i>(Continued from 1/26/22 meeting)</i>	Department: Municipal Transportation Agency (MTA)
EXECUTIVE SUMMARY	
<p style="text-align: center;">Legislative Objectives</p> <ul style="list-style-type: none"> • File 21-1290: is an ordinance that would call and provide for a special election to be held on June 7, 2022, in order to submit to San Francisco voters a proposition to incur \$400 million of general obligation bonded indebtedness for transportation improvements. In addition, approval of this \$400 million general obligation bond would require approval by at least two-thirds of San Francisco voters. <p>File 21-1291: is a resolution that would determine and declare that the public interest and necessity demand acquisition, construction, and improvement of street, transit, and transportation infrastructure.</p> <p style="text-align: center;">Key Points</p> <ul style="list-style-type: none"> • This is the second of two general obligation bonds recommended by prior studies of Municipal Transportation Agency (MTA) funding needs. The proposed \$400 million would be used to fund the following capital improvement programs: \$42 million for street signals, \$42 million on pedestrian and bicycle improvements, \$30 million for speed management, \$250 million for facility upgrades, \$26 million for Muni network improvements, and \$10 million for the train control system upgrade. • All issuances of the bonds and appropriations of the bond fund proceeds would be subject to future Board of Supervisors approval, at which time CEQA review and approval of the specific projects would be required, and the project costs would be identified. <p style="text-align: center;">Fiscal Impact</p> <ul style="list-style-type: none"> • According to the Office of Public Finance, total estimated debt service is \$690 million, including approximately \$290 million in interest and \$400 million in principal. • The average property tax rate for the proposed bonds would be \$9.61 per \$100,000 of assessed valuation, half of which could be passed through to tenants. • The proposed bonds are consistent with the City's debt policies related to the amount of debt outstanding and the property tax rate cap. <p style="text-align: center;">Recommendation</p> <ul style="list-style-type: none"> • Approve the proposed ordinance and resolution. 	

MANDATE STATEMENT

According to Article 16, Section 18(a) of the State of California Constitution, no county, city, town, township, board of education, or school district, shall incur any indebtedness or liability for any purpose exceeding in any year the income and revenue provided for such year, without the approval of two-thirds of the voters of the public entity voting at an election to be held for that purpose.

City Administrative Code Section 2.34 requires that a resolution of public interest and necessity for the acquisition, construction or completion of any municipal improvement be adopted by the Board of Supervisors not less than 141 days before the election at which such proposal will be submitted to the voters. These time limits may be waived by resolution of the Board of Supervisors.

BACKGROUND

The San Francisco Municipal Transportation Agency (MTA) has undertaken several studies of funding needs, including the Transportation Task Force 2030 (completed in 2013), which recommended the City issue \$1 billion in general obligation bonds to fund transportation infrastructure improvements. In November 2014, San Francisco voters approved a \$500 million general obligation bond for transportation improvements. According to the November 2021 Quarterly Status Report on those bonds, \$493.4 million in bond issuances have occurred, of which \$231.8 million has been spent with an additional \$37.9 million encumbered. The final \$122.8 million of GO Bonds were issued at the beginning of Quarter 1 of FY 2021-22. Expenditures will begin to be reflected in the second and third quarters of FY 2021-22. A second Transportation Task Force 2045 process (completed in 2017) reaffirmed the recommendation for a second Transportation General Obligation Bond.

MTA is proposing a new \$400 million series of general obligation bonds for transportation improvements. The Agency is proposing \$400 million rather than the \$500 million recommended by the Transportation Task Force 2030 and 2045 as the proposed bond is being advanced 2-years earlier, from 2024, and due to the overall City General Obligation capacity within the 10-Year Capital Plan

DETAILS OF PROPOSED LEGISLATION

File 21-1290: The proposed ordinance would call and provide for a special election to be held in San Francisco on June 7, 2022, in order to submit to San Francisco voters a proposition to incur \$400 million of general obligation bonded indebtedness for the transportation improvements summarized in Exhibit 1 below. In addition, approval of this \$400 million general obligation bond would require approval by at least two-thirds of San Francisco voters. The ordinance also requires that the certain funded projects be subject to a project labor agreement as per Administrative Code Section 6.27.

File 21-1291: The proposed resolution would determine and declare that the public interest and necessity demand acquisition, construction, and improvement of street, transit, and transportation infrastructure.

Both the proposed ordinance (File 21-1290) and resolution (File 21-1291) would:

- Find that the estimated cost of \$400 million for such proposed projects will be too great to be paid out of the ordinary annual income and revenue of the City and will require expenditures greater than the amount allowed by the annual tax levy;
- Find that the bond proposal is not subject to review under the California Environmental Quality Act (CEQA);
- Find that the proposed bonds are in conformity with the General Plan, and the eight priority policies of Planning Code, Section 101.1(b);
- Waive the time requirements specified in Administrative Code, Section 2.34;
- Authorize landlords to pass-through 50 percent of the resulting property tax increase to residential tenants under Administrative Code, Chapter 37; and,
- Declare the City's intention to use bond proceeds to reimburse capital expenses incurred prior to the issuance of the proposed bonds

Possible uses of the bond proceeds are shown in Exhibit 1 below.

Exhibit 1: Possible Uses of Bond Funds

Program Area	Possible Uses	Estimated Budget
Muni facility upgrades	Upgrading existing trolley-coach facilities beyond their useful life, expanding rail and bus facilities for additive capacity, installing electric vehicle charging infrastructure	\$250 million
Muni network improvements	Rapid Network enhancements, such as bus-only lanes, smart traffic signals, and sidewalk bulbs	\$26 million
Muni Train Control System	Investment and expansion in the Muni Metro and Subway Train Control System, including local contribution to leverage match for state and federal grants	\$10 million
Street Signal Improvements	Pedestrian and traffic signal improvements and crossings	\$42 million
Corridor Pedestrian & Bicycle Improvements	Sidewalk, bike lane, and transit boarding enhancements	\$42 million
Speed Management	Traffic calming, speed limit reductions, speeding signs	\$30 million
Total		\$400 million

Source: 2022 Muni Reliability and Street Safety Bond Overview, SFMTA

The proposed budgets noted above include estimated citizen oversight committee and audit costs. All issuances of the bonds and appropriations of the bond fund proceeds would be subject to Board of Supervisors approval, at which time CEQA review and approval of the specific projects would be required, and the project costs would be identified.

Rationale for Proposed Costs

MTA's FY 2020-21 to FY 2024-25 Capital Improvement Program does not include the proposed bonds. In May 2022, MTA will update its Five-Year Capital Improvement Program. The Five-Year CIP will be amended to add GO Bond Funding with more specific projects and programs within one-quarter of the June election, pending the outcome.

According to Jonathan Rwers, MTA Acting Chief Financial Officer, the estimated spending on \$42 million street signals, \$42 million on pedestrian and bicycle improvements, and \$30 million speed management is based on the same proportion of spending on those program areas as for the 2014 bonds. The \$250 million for facility upgrades is based on potential spending on facility projects, in consideration of the scarcity of discretionary grant funds for facilities. The \$26 million for Muni network improvements is based on the completion of the next round of Muni Forward corridor treatments across the City. And the \$10 million for the train control system upgrade is based on the estimated local share required by state and federal grants funding that project.

FISCAL IMPACT

Debt Service

If the proposed \$400 million of Muni Reliability and Street Safety Obligation Bonds are approved by San Francisco voters in June 2022, the City is expected to issue multiple series of bonds through FY 2024-25. According to Vishal Trivedi, Financial Analyst in the Office of Public Finance, the proposed bonds are projected to have an annual interest rate of six percent over approximately 20 years, with estimated total debt service payments of \$690 million, including approximately \$290 million in interest and \$400 million in principal. The Office of Public Finance estimates average annual debt service payments of \$30 million.

Property Taxes

Repayment of such annual debt service would be recovered through increases to the annual property tax rate. According to the Office of Public Finance, the average property tax rate for the proposed bonds would be \$9.61 per \$100,000 of assessed valuation, half of which could be passed through to tenants.

Debt Limit

Section 9.106 of the City Charter limits the amount of general obligation bonds the City can have outstanding at any given time to three percent of the total assessed value of property in San Francisco. The FY 2021-22 total assessed value of property in the City is approximately \$312 billion, such that the general obligation debt limit is currently approximately \$9.3 billion. As of December 2021, there was \$2.9 billion of general obligation bonds outstanding, or approximately 0.9 percent of the total assessed value of property in the City. If the proposed \$400 million

general obligation bonds are issued, the outstanding general obligation bonds would total \$3.3 billion, or approximately 1.1 percent of the total assessed value of property.

According to the FY 2021-22 to FY 2030-31 Ten Year Capital Plan, the proposed bonds are consistent with the City's current debt management policy to maintain the property tax rate for City general obligation bonds below the FY 2005-06 rate.

RECOMMENDATION

Approve the proposed ordinance and resolution.

Items 9 & 10 Files 21-1290 & 21-1291	Department: Municipal Transportation Agency (MTA)
EXECUTIVE SUMMARY	
<p style="text-align: center;">Legislative Objectives</p> <ul style="list-style-type: none"> • File 21-1290: is an ordinance that would call and provide for a special election to be held on June 7, 2022, in order to submit to San Francisco voters a proposition to incur \$400 million of general obligation bonded indebtedness for transportation improvements. In addition, approval of this \$400 million general obligation bond would require approval by at least two-thirds of San Francisco voters. <p>File 21-1291: is a resolution that would determine and declare that the public interest and necessity demand acquisition, construction, and improvement of street, transit, and transportation infrastructure.</p> <p style="text-align: center;">Key Points</p> <ul style="list-style-type: none"> • This is the second of two general obligation bonds recommended by prior studies of Municipal Transportation Agency (MTA) funding needs. The proposed \$400 million would be used to fund the following capital improvement programs: \$42 million for street signals, \$42 million on pedestrian and bicycle improvements, \$30 million for speed management, \$250 million for facility upgrades, \$26 million for Muni network improvements, and \$10 million for the train control system upgrade. • All issuances of the bonds and appropriations of the bond fund proceeds would be subject to future Board of Supervisors approval, at which time CEQA review and approval of the specific projects would be required, and the project costs would be identified. <p style="text-align: center;">Fiscal Impact</p> <ul style="list-style-type: none"> • According to the Office of Public Finance, total estimated debt service is \$690 million, including approximately \$290 million in interest and \$400 million in principal. • The average property tax rate for the proposed bonds would be \$9.61 per \$100,000 of assessed valuation, half of which could be passed through to tenants. • The proposed bonds are consistent with the City's debt policies related to the amount of debt outstanding and the property tax rate cap. <p style="text-align: center;">Recommendation</p> <ul style="list-style-type: none"> • Approve the proposed ordinance and resolution. 	

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City Administrative Code Section 2.34 requires that a resolution of public interest and necessity for the acquisition, construction or completion of any municipal improvement be adopted by the Board of Supervisors not less than 141 days before the election at which such proposal will be submitted to the voters. These time limits may be waived by resolution of the Board of Supervisors.

BACKGROUND

The San Francisco Municipal Transportation Agency (MTA) has undertaken several studies of funding needs, including the Transportation Task Force 2030 (completed in 2013), which recommended the City issue \$1 billion in general obligation bonds to fund transportation infrastructure improvements. In November 2014, San Francisco voters approved a \$500 million general obligation bond for transportation improvements. According to the November 2021 Quarterly Status Report on those bonds, \$493.4 million in bond issuances have occurred, of which \$231.8 million has been spent with an additional \$37.9 million encumbered. The final \$122.8 million of GO Bonds were issued at the beginning of Quarter 1 of FY 2021-22. Expenditures will begin to be reflected in the second and third quarters of FY 2021-22. A second Transportation Task Force 2045 process (completed in 2017) reaffirmed the recommendation for a second Transportation General Obligation Bond.

MTA is proposing a new \$400 million series of general obligation bonds for transportation improvements. The Agency is proposing \$400 million rather than the \$500 million recommended by the Transportation Task Force 2030 and 2045 as the proposed bond is being advanced 2-years earlier, from 2024, and due to the overall City General Obligation capacity within the 10-Year Capital Plan

DETAILS OF PROPOSED LEGISLATION

File 21-1290: The proposed ordinance would call and provide for a special election to be held in San Francisco on June 7, 2022, in order to submit to San Francisco voters a proposition to incur \$400 million of general obligation bonded indebtedness for the transportation improvements summarized in Exhibit 1 below. In addition, approval of this \$400 million general obligation bond would require approval by at least two-thirds of San Francisco voters.

File 21-1291: The proposed resolution would determine and declare that the public interest and necessity demand acquisition, construction, and improvement of street, transit, and transportation infrastructure.

Both the proposed ordinance (File 21-1290) and resolution (File 21-1291) would:

- Find that the estimated cost of \$400 million for such proposed projects will be too great to be paid out of the ordinary annual income and revenue of the City and will require expenditures greater than the amount allowed by the annual tax levy;
- Find that the bond proposal is not subject to review under the California Environmental Quality Act (CEQA);
- Find that the proposed bonds are in conformity with the General Plan, and the eight priority policies of Planning Code, Section 101.1(b);
- Waive the time requirements specified in Administrative Code, Section 2.34;
- Authorize landlords to pass-through 50 percent of the resulting property tax increase to residential tenants under Administrative Code, Chapter 37; and,
- Declare the City's intention to use bond proceeds to reimburse capital expenses incurred prior to the issuance of the proposed bonds

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Exhibit 1: Possible Uses of Bond Funds

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Corridor Pedestrian & Bicycle Improvements	Sidewalk, bike lane, and transit boarding enhancements	\$42 million
Speed Management	Traffic calming, speed limit reductions, speeding signs	\$30 million
Total		\$400 million

Source: 2022 Muni Reliability and Street Safety Bond Overview, SFMTA

The proposed budgets noted above include estimated citizen oversight committee and audit costs. All issuances of the bonds and appropriations of the bond fund proceeds would be subject to Board of Supervisors approval, at which time CEQA review and approval of the specific projects would be required, and the project costs would be identified.

Rationale for Proposed Costs

MTA's FY 2020-21 to FY 2024-25 Capital Improvement Program does not include the proposed bonds. In May 2022, MTA will update its Five-Year Capital Improvement Program. The Five-Year CIP will be amended to add GO Bond Funding with more specific projects and programs within one-quarter of the June election, pending the outcome.

According to Jonathan Rewers, MTA Acting Chief Financial Officer, the estimated spending on \$42 million street signals, \$42 million on pedestrian and bicycle improvements, and \$30 million speed management is based on the same proportion of spending on those program areas as for the 2014 bonds. The \$250 million for facility upgrades is based on potential spending on facility projects, in consideration of the scarcity of discretionary grant funds for facilities. The \$26 million for Muni network improvements is based on the completion of the next round of Muni Forward corridor treatments across the City. And the \$10 million for the train control system upgrade is based on the estimated local share required by state and federal grants funding that project.

FISCAL IMPACT

Debt Service

If the proposed \$400 million of Muni Reliability and Street Safety Obligation Bonds are approved by San Francisco voters in June 2022, the City is expected to issue multiple series of bonds through FY 2024-25. According to Vishal Trivedi, Financial Analyst in the Office of Public Finance, the proposed bonds are projected to have an annual interest rate of six percent over approximately 20 years, with estimated total debt service payments of \$690 million, including approximately \$290 million in interest and \$400 million in principal. The Office of Public Finance estimates average annual debt service payments of \$30 million.

Property Taxes

Repayment of such annual debt service would be recovered through increases to the annual property tax rate. According to the Office of Public Finance, the average property tax rate for the proposed bonds would be \$9.61 per \$100,000 of assessed valuation, half of which could be passed through to tenants.

Debt Limit

Section 9.106 of the City Charter limits the amount of general obligation bonds the City can have outstanding at any given time to three percent of the total assessed value of property in San Francisco. The FY 2021-22 total assessed value of property in the City is approximately \$312 billion, such that the general obligation debt limit is currently approximately \$9.3 billion. As of December 2021, there was \$2.9 billion of general obligation bonds outstanding, or approximately 0.9 percent of the total assessed value of property in the City. If the proposed \$400 million

general obligation bonds are issued, the outstanding general obligation bonds would total \$3.3 billion, or approximately 1.1 percent of the total assessed value of property.

According to the FY 2021-22 to FY 2030-31 Ten Year Capital Plan, the proposed bonds are consistent with the City's current debt management policy to maintain the property tax rate for City general obligation bonds below the FY 2005-06 rate.

RECOMMENDATION

Approve the proposed ordinance and resolution.

SAFE, RELIABLE AND AFFORDABLE TRANSPORTATION MAYOR'S TRANSPORTATION TASK FORCE

2030

CITY AND COUNTY
OF SAN FRANCISCO





Acknowledgements

Transportation Task Force Committee Co-Chairs

Gabriel Metcalf, Executive Director, San Francisco Planning and Urban Research, Task Force Co-Chair

Monique Zmuda, Deputy Controller, Task Force Co-Chair

Transportation Task Force Committee Members

David Chiu, President, Board of Supervisors,
San Francisco County Transportation Authority
John Avalos, Board of Supervisors, Chair,
San Francisco County Transportation Authority
Scott Wiener, Board of Supervisors,
San Francisco County Transportation Authority
Steve Heminger, Executive Director,
Metropolitan Transportation Commission
Tilly Chang, Executive Director,
San Francisco County Transportation Authority
Josh Arce, Executive Director, Brightline Defense Project
John Ballesteros, Vice President, San Francisco Travel
Veronica Bell, Manager,
Community and Government Affairs, Google
Gwyneth Borden, Commissioner, Planning Commission
Jeff Buckley, Housing Policy Advisor, Mayor's Office
Ariane Coleman-Hogan,
Local Government Affairs, Genentech
Mark Dwight, Commissioner, Small Business Commission
Theo Ellington, Commissioner,
Community Investment and Infrastructure
Dennis Garden, Director, Transportation Department,
San Francisco Unified School District,
Gillian Gillett, Transportation Policy Director,
Mayor's Office
Horace Green, Buchman Provine Brothers Smith LLP, BOMA
Carl Guardino, President & CEO,
Silicon Valley Leadership Group
Gigi Harrington, Deputy CEO,
San Mateo County Transit District
Kate Howard, Director,
Mayor's Office of Public Policy and Finance
Carla Johnson, Interim Director,
Mayor's Office on Disability
Rick Laubscher, President, Market Street Railway

Marian Lee, Executive Officer, Caltrain Modernization
Program, Peninsula Corridor Joint Powers Board
Bob Linscheid, President & CEO,
San Francisco Chamber of Commerce
John Martin, Director, San Francisco International Airport
Val Menotti, Planning Department Manager, BART
Robert Mitroff, Manager of Fleet & Capacity Planning, BART
Mohammed Nuru, Director, Department of Public Works
Tim Paulson, Executive Director,
San Francisco Labor Council
Jason Porth, Director of Operations,
San Francisco State University
John Rahaim, Director, City Planning
Matt Regan, Vice-President, Public Policy,
Bay Area Council
Ed Reiskin, Executive Director,
San Francisco Municipal Transportation Agency
Ken Rich, Director of Development,
Office of Economic and Workforce Development
Thea Selby, Corresponding Secretary,
San Francisco Transit Riders Union
Leah Shahum, Executive Director,
San Francisco Bike Coalition
Elizabeth Stampe, Executive Director, Walk SF
Brian Strong, Director, Capital Planning Program
Art Swanson, Jr., President,
San Francisco Small Business Network
Fuad Sweiss, Deputy Director for
Infrastructure & City Engineer, Department of Public Works
Michael Theriault, Executive Secretary-Treasurer,
San Francisco Building & Construction Trades Council
Jeff Tumlin, Principal, Nelson/Nygaard
Chris Wright, Executive Director, Committee on Jobs
Malcolm Yeung, Deputy Director,
Chinatown Community Development Center

San Francisco Department Staff

Bill Bacon, San Francisco County Transportation Authority
Rachel Hiatt, San Francisco County Transportation Authority
Ananda Hirsch, Department of Public Works
Alicia John-Baptiste,
San Francisco Municipal Transportation Agency

Maria Lombardo,
San Francisco County Transportation Authority
Douglas Legg, Department of Public Works
Jonathan Rewers,
San Francisco Municipal Transportation Agency

Report Authors

Chava Kronenberg, Controller's Office
Kaitlyn Connors, Capital Planning Program
Jay Liao, Controller's Office
Melissa Whitehouse, Mayor's Office of Public Policy and Finance

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I. Letter from the Co-Chairs

Dear Mayor Lee and Transportation Task Force Members:

In his State of the City address in January of this year, Mayor Edwin M. Lee announced the creation of this Transportation Task Force to develop a plan to address the City's future transportation needs. We are pleased to submit the attached report on the City transportation system's existing conditions, proposed investment strategies, and funding options for San Francisco's transportation infrastructure through 2030.

We believe the key to maintaining and enhancing mobility for all San Franciscans is to invest in a high performing transportation system. However, multiple factors limit the City's ability to make these investments. Infrastructure is aging. The City has limited right-of-way. Transportation resources from the state and federal government are volatile. Despite these constraints, we must find ways to invest in our infrastructure to keep the transportation system reliable while taking innovative steps to maintain the core infrastructure, enhance the system, expand transportation choices, prepare for growth, and improve performance.

Managing future transportation demand requires a balancing of travel modes. All San Franciscans and visitors should be able to choose among many high-quality transportation options. The transportation system must pay special attention to those who face special obstacles in their mobility. The transportation system must serve the needs of all its users while providing efficient and low-cost travel options. The City should prioritize transportation investments that will provide the greatest mobility and promote a balanced multi-modal transportation system.

For these reasons, this report:

- Assesses the extent of San Francisco's transportation program needs, including streets and transit;
- Evaluates and recommends funding options to meet those needs in the upcoming 15 years; and
- Recommends the City pursue additional state and federal sources to fund transportation capital when new revenue opportunities become available.

As a final step, we led the Task Force in discussing the proposals and recommendations. The Task Force concurs with the following areas, and this report reflects these areas of agreement:

- The needs assessment has identified need of \$10.1 billion for transportation infrastructure through 2030.
- The City has already identified \$3.8 billion of funding for transportation infrastructure through 2030 leaving gap of \$6.3 billion.
- Future investments should focus on primarily improving the core, next enhancing the existing system, then expanding to meet growth.
- The Task Force's priorities are to improve transportation reliability, system efficiency, accessibility and safety, equity for all users, and expanding for growth.
- The City should support two General Obligation bonds, each for \$500 million, to fund bond eligible infrastructure improvements.
- Vehicle License Fees should be increased to 2 percent to fund transportation improvements.
- Sales tax should be increased by 0.5 percent to fund remaining highest priority transportation projects.
- The commitment to increase revenue for transportation improvements will position San Francisco to better compete for matching investments from state and federal sources.
- City leaders and regional agencies should continue to seek additional transportation funding to fill the gap of unfunded, underfunded, or delayed projects and priorities.
- City staff should continue to enlist and receive public input and feedback on the elements of the investment plan.
- City staff should document and share expected performance improvements and service enhancements resulting from infrastructure investments.
- This plan is a first step, and costs and investments will be refined through the City's Capital Plan and in coordination with departments and stakeholders.

The Transportation Task Force reviewed and endorsed this report on November 25, 2013.

As a next step, we recommend that this report be transmitted to the Board of Supervisors and be amended into the City's Ten-Year Capital Plan. In the coming months, we will enthusiastically support the implementation of the recommendations. We also look forward to participating in additional community processes to prioritize the projects within the investment plan, and work with the City's local and regional partners to advocate for and coordinate improvements to the transportation network.

Thank you,

Monique Zmuda and Gabriel Metcalf, Co-Chairs

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II. Executive Summary

During his 2013 State of the City address, San Francisco Mayor Lee announced the creation of a Transportation Task Force to develop a coordinated set of priorities and actionable recommendations for funding the City's transportation infrastructure between now and the year 2030. This Task Force represents a first in a generation look at identifying new local investment to address the City's transportation needs.

The City's transportation system is comprised of street, transit, bicycle and pedestrian mobility networks. Additionally, the City has shared obligations with both Caltrain and Bay Area Rapid Transit (BART) -- regional transit operators that provide vital links between San Francisco and the rest of the greater Bay Area. Combined, the City-owned and operated transportation networks, Caltrain, and BART make up the core components of the City's transportation system. This multi-modal network provides many different transportation options for those who work, visit, and live in the City, and has contributed to making San Francisco a unique and vibrant place to live. Choices the City makes today regarding this transportation system will profoundly impact how San Francisco will continue to function and grow in the future.

The City's current transportation policies affirm that a balanced, multi-modal transportation system—including public transit, automobiles, bicycles and pedestrian modes of travel—are necessary to maintain a high quality of life and promote the economic well-being of the community. To ensure a robust and reliable multi-modal transportation network in the future, San Francisco must renew its existing systems and plan for growth.

The regional Plan Bay Area projects that by 2040 San Francisco will grow to nearly one million residents, a 34% increase, and 750,000 jobs, a 29% increase. In light of the demands from future growth and the effects of an aging transportation system, the Task Force conducted a needs assessment to evaluate the current condition of the transportation system, and a funding assessment to evaluate its current and future fiscal requirements. The needs assessment indicated that the City requires infrastructure investment in the following three areas:

- Core: The City's existing transportation capital and infrastructure, which includes the existing transit fleet, streets, traffic signals, rails, bike lanes, and sidewalks.
- Enhance: Efficiency and effectiveness improvements to Core system components.
- Expand: Expansion beyond the Core investments in order to meet current demand or expected growth where Core investments do not meet the need.



The Task Force evaluated the state of the City's transportation system and capital funding needs. The Task Force presents two main findings:

1. The City's infrastructure is inadequate to meet current demand and decline in transportation services will become more severe without new investments as the City grows and demand for transportation increases.
2. Required improvements to the City's transportation system infrastructure are estimated at \$10.1 billion over the next 15 years. The City has identified \$3.8 billion in funding, leaving a \$6.3 billion funding gap over the next 15 years (Table 1).

TABLE 1: TRANSPORTATION SYSTEM FUNDING GAP

Transportation System Funding Needs (2013 dollars, in millions)	Total Need	Funds Identified to date	Unfunded Need	% Funded
Core Investments	\$ 6,608	\$ 3,587	\$ 3,021	54%
Enhance Investments	\$ 1,833	\$ 160	\$ 1,673	9%
Expand Investments	\$ 1,644	\$ 6	\$ 1,638	0%
Total	\$ 10,085	\$ 3,753	\$ 6,332	37%

In order to address the funding gap, the Transportation Task Force recommends an Investment Plan to fund the most critical capital programs, a Revenue Plan to help significantly reduce the funding gap, and a recommendation that the City advocate for more federal, state, and regional dollars to meet the remaining capital need.

Recommendation 1—Investment Plan

The Task Force determined that the City must make improvements to its transportation infrastructure in order to maintain economic competitiveness, promote a healthy environment, keep the City livable and dynamic, and maintain existing systems in a state-of-good repair. The Task Force prioritized the following objectives to guide new investment:

- Maintain existing assets in a state-of-good repair;
- Improve travel time and reliability;
- Reduce costs;
- Serve planned growth; and
- Improve safety and accessibility of the system.

To meet these objectives, the Task Force recommends a balance of investments that would allocate 54% of new funding to Core investments, 32% to Enhance investments, and 14% to Expand investments (Table 2).

TABLE 2: 15 YEAR INVESTMENT PLAN

15 Year Investment Plan (2013 dollars, in millions)	Proposed 2030 Spending	% of Investment Plan
Core Investments	\$ 1,586	54%
Enhance Investments	\$ 948	32%
Expand Investments	\$ 421	14%
Total	\$ 2,955	100%

The \$2.96 billion Investment Plan represents a significant step in a series of many needed to improve the City's transportation system.

Recommendation 2—Revenue Plan

In order to significantly reduce the City's funding gap, the Transportation Task Force recommends a Revenue Plan including two General Obligation Bonds, the first in 2014, and the second in 2024. Combined, these bonds would generate \$1 billion in new revenue by 2024, which would equal bond revenue of \$829 million in 2013 dollars. The Revenue Plan would also increase the Vehicle License Fee by 1.35% and increase the sales tax by 0.5% (Table 3). Over the 15 year period, the estimated rates of revenue growth and cost escalation will vary. If costs grow more quickly than revenues, then the City's Investment Plan will need to be re-prioritized and some projects adjusted or deferred.

TABLE 3: 15 YEAR REVENUE PLAN

15 Year Revenue Plan (2013 \$, in millions)	Proposed 15 Year Revenue Total	Average Per Year 2015–2030
General Obligation bond	\$ 829	\$ 55
Vehicle License Fee increase	\$ 1,096	\$ 73
Sales Tax 0.5% increase	\$ 1,030	\$ 69
Total	\$ 2,955	\$ 197

Recommendation 3—Advocate for Additional Funding

The Task Force recognizes that additional local funding cannot be the only solution to significant funding gaps and high levels of need. The Task Force recommends that the City continue to pursue additional revenue for transportation improvements through other methods. This includes regional, state, and federal advocacy, pursuing funding coordination opportunities, and consideration of policies proposed in the San Francisco County Transportation Authority's (SFCTA) Countywide Plan.



The recommended revenue measures require voter approval, some as early as November 2014. If this Task Force's Revenue Plan is accepted, the Mayor and the Board of Supervisors will work to develop proposed ballot and Charter legislation and the Board of Supervisors will conduct public hearings on the proposals. For this legislative process to be successful, elected officials and City staff must collaborate with stakeholders to ensure that proposals reflect the needs of the City and its voters.

If voters approve new revenue, the City will continue to engage with the public through forums including the annual budget process and capital planning process and with project outreach to be performed by City staff.

Though the Task Force's role is concluding, this effort is intended as the start of a much longer and larger process to secure funding for the priority transportation projects that the City's policymakers and citizens want to see implemented. Without a focused effort to secure new sources of investment, many of these transportation projects and programs will not be implemented. The Task Force will move forward with the following steps in the coming months to ensure that new investment is realized. The Task Force will:

- Submit Task Force Recommendations to the Mayor, the Board of Supervisors/ Transportation Authority, the SFMTA Board of Directors, and the Capital Planning Committee. This will institutionalize the recommendations and prepare them for placement on future ballots.
- Communicate the goals and recommendations of the Task Force to the public and interested parties. The Task Force will share the recommendations and outcomes that the public can expect as a result of the new investment.
- Keep a strong coalition to realize the goals of the Task Force through implementation. The Task Force's transportation capital project recommendations extend through 2030. A coalition comprised of City agencies and stakeholders that are dedicated to implementation of Task Force recommendations in the coming years will help ensure that the City's transportation infrastructure will meet users' needs.



III. Introduction

By 2040, San Francisco is projected to grow to nearly one million residents (about a 34% increase in households) and grow to 750,000 jobs (a 29% increase in employment). This increased population will place stress on the City's existing transportation system, which even today is slow, inefficient, and deteriorating. With development and growth plans in targeted areas of the City either already completed or underway, the need for efficient, available transportation becomes more evident. Lacking new investment, the City will experience failing transportation infrastructure that will further compromise the City's transportation effectiveness.

In response to this challenge, on January 28, 2013, San Francisco Mayor Lee announced during his State of the City address the creation of a Transportation Task Force (the Task Force) focused on improving the City's transportation system between now and the year 2030. The Task Force was charged with developing a coordinated set of transportation priorities and identifying new revenue sources dedicated to making the City's transportation system more reliable, efficient, and better prepared to accommodate future growth. The Task Force included representation from regional transportation agencies, private sector partners, transportation advocates, City department representatives, organized labor, and other key stakeholders.

Over the past nine months the Task Force, in coordination with City staff and regional transportation providers, identified the unfunded capital needs of the City's transportation system, and researched and identified new revenue sources to meet those needs. This report gives an overview of the many agencies, departments, commissions, and authorities that govern transportation project funding, decision-making, prioritizing and implementation. It also examines the needs for capital programming and provides recommendations for raising revenue to fund critical infrastructure improvements. The scope of this report focuses on identifying capital improvements for transportation that require strategic new investment; it does not address system operating deficits. However, the Task Force believes that as the City starts to consistently invest in critical transportation system infrastructure, it will reduce system operating costs and on-going maintenance expenses.

This report is the main product of the Task Force; it was written by department staff from the Controller's Office, Mayor's Office, and the Capital Planning Program with valuable insight from the Department of Public Works, the Municipal Transportation Agency, the San Francisco County Transportation Authority, and the Planning Department. The contents and recommendations of this report were developed between February 2013 and October 2013 and endorsed by the Task Force at its meeting of October 29, 2013. The Task Force adopted this report at its final meeting on November 25, 2013. The authors graciously thank Task Force members, staff, community representatives, and supporters who gave time and guidance, provided key content, and helped shape this report.



IV. Transportation System Background

As the only California municipality that is both a city and a county, San Francisco is uniquely responsible for providing a broad array of city, county and regional services supported by significant physical infrastructure, including a highly complex transportation network. Serving residents, workers, businesses, and visitors alike, San Francisco's transportation system plays a vital role in maintaining the economic health and vitality of the City and the larger Bay Area.

The City's transportation system is an intricate web of street, transit, bicycle, and pedestrian mobility networks. Examples of major transportation system components are described in Figure 1:

FIGURE 1: EXAMPLES OF SAN FRANCISCO'S TRANSPORTATION CAPITAL



Fleet

505 Hybrid/ Diesel Buses
311 Trolley Buses
151 Light Rail Vehicles
25 miles Overhead Wire
71.5 miles Light Rail Tracks



Facilities

33 Stations
9 Elevators & **28** Escalators
19 Support Facilities



Regional Connections

2 Regional Rail Systems
4 Regional Bus Operators
3 Ferry Systems
2 Bridge Authorities
2 Interstate Highways



Streets & Signals

940 miles of streets
281,700 street signs
1,193 traffic signals
360 street structures



Parking

40 Garages & Lots
28,862 Meters



Bicycle

217 miles of bicycle network
3,060 bicycle racks
35 bicycle sharing stations with **350** bicycles available

There are a number of state and regional agencies that play an important role in maintaining, planning, and funding the City's transportation system. These are:

- *Metropolitan Transportation Commission (MTC)*: MTC is responsible for planning, coordinating, and financing transportation for the nine-county San Francisco Bay Area. MTC is the state's designated regional transportation planning agency and the federal regional metropolitan planning organization (MPO).
- *San Francisco County Transportation Authority (SFCTA)*: The sub-regional county-designated congestion management agency and distributor of an existing local half-cent sales tax, known as Proposition K.
- *San Francisco Municipal Transportation Agency (SFMTA)*: The City agency that oversees Muni's trolley, bus, cable car, train and streetcar network, bike and pedestrian programs, taxi regulation, parking management, and traffic control operations in the City.

- *San Francisco Department of Public Works (Public Works)*: The City department responsible for maintaining streets and right-of-way infrastructure.
- *Caltrain*: The Joint Powers Board responsible for providing commuter rail service along the San Francisco Peninsula corridor.
- *Bay Area Rapid Transit (BART)*: The agency responsible for managing a rapid transit subway system that connects San Francisco to the East Bay and northern San Mateo County.

Additional agencies that maintain or operate in San Francisco include state highway operations from CalTrans, and commuter ferries and buses. Authorities that have jurisdiction within San Francisco include the Bay Area Tolling Authority and the Transbay Joint Powers Authority. The work of these providers is part of the fabric of transportation in San Francisco; more information on their roles and responsibilities is provided in Appendix A: San Francisco Transportation Providers.

Funding Background

San Francisco relies heavily on local dollars to fund the existing transportation system. SFCTA estimates that between FY 2012-13 and FY 2039-40, the City's transportation system will receive approximately \$75 billion for both capital and operating purposes; of this amount, local revenue sources represent 68% of the total, while federal and state funding make up 15% and 12% respectively.

Federal and state funding to SFMTA has been extremely volatile. Funding levels from federal and state sources in the last decade have varied by 54% and 22% respectively, compared to the City's sales tax, which has only varied by 7% in the same period. While large one-time projects that receive federal and state funding account for some of the variation, the unpredictability of federal and state funding makes these sources less reliable, and local funding sources all the more important.

Policymakers and City staff have taken clear steps in the past few years to address the funding gaps and improve transportation system operational efficiency and capital project delivery.

These are described in detail in Appendix B: Financial Documentation and Efficiency Improvements. Despite these operational cost savings efforts, a large funding gap remains.



¹ City and County of San Francisco, Controller's Office calculations.

² Association of Bay Area Governments, Plan Bay Area: Jobs-Housing Connection Strategy, May 12, 2012

V. Transportation System Needs Assessment

Single-occupant automobiles are the predominant mode of transportation in the United States and within San Francisco. In the past, the City facilitated the movement and accessibility of the automobile, constructing freeways, parking lots and garages, widening streets and narrowing sidewalks. Despite this, the operation of an automobile in the City remains constrained by traffic congestion, parking scarcities and an older street network not designed for cars. Moreover, these past efforts to accommodate cars have had repercussions on other aspects of City life through traffic congestion, divided neighborhoods, and negative environmental outcomes. Any increase in auto traffic levels will reduce the desirability of the City's residential and business environments.

The City must balance its transportation system by improving and promoting public transit, bicycling, and walking as alternatives to the single-occupant automobile. A multi-modal transportation system that includes public transit, automobiles, bicycles, and pedestrians, is necessary not only for a high quality of life, but also to maintain the economic well-being of the community. This Task Force builds on City's stated assumptions as described above and in the City's General Plan for the transportation sector, which embraces a multi-modal strategy. The Task Force's needs assessment examined regional planning goals that guide the City's sustainable growth and the existing conditions of its transportation infrastructure.

1. Regional Planning Goals

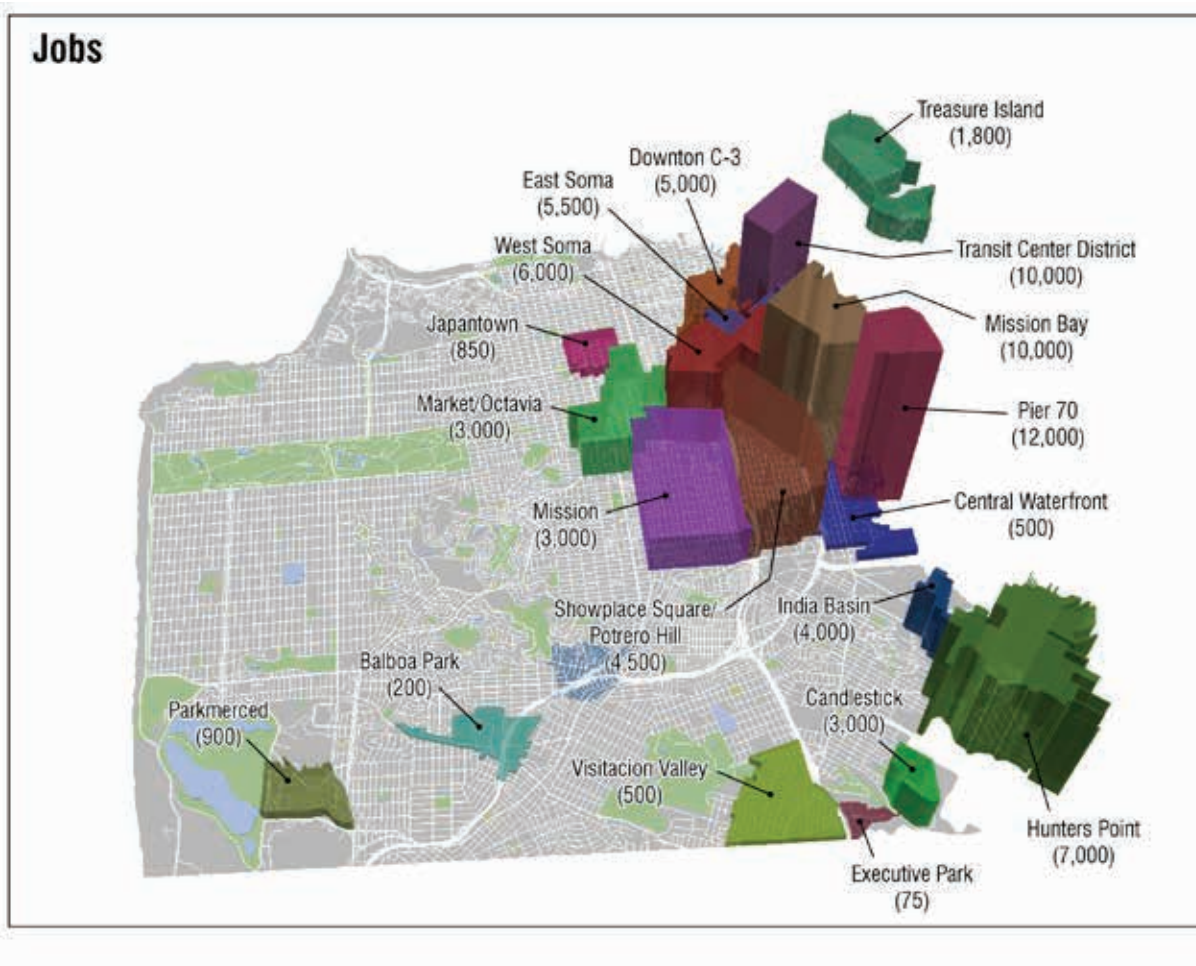
In addition to operating a large and complex transportation system, the City must also prepare for anticipated growth in the future, which will increase demands on its already stretched transit system. By 2040, the nine-county Bay Area is expected to grow by roughly two million people and one million jobs. To address this anticipated growth, the state-mandated Regional Transportation Plan—*Plan Bay Area*—sets goals and plans for housing, employment, and transportation in the nine county Bay Area, including San Francisco.

Plan Bay Area affirms San Francisco's placement as a regional transit nexus and job center. Targeting growth in urban cores and in San Francisco in particular, creates a more sustainable environment and more stable workforce and residential base. Over the life of *Plan Bay Area*, San Francisco is projected to add 92,410 housing units and 191,000 jobs. San Francisco's own planning efforts have directed growth towards "Priority Development Areas," which are those areas for which the City has a completed plan or strategy for growth (Figure 2).

² Association of Bay Area Governments, *Plan Bay Area: Jobs-Housing Connection Strategy*, May 12, 2012

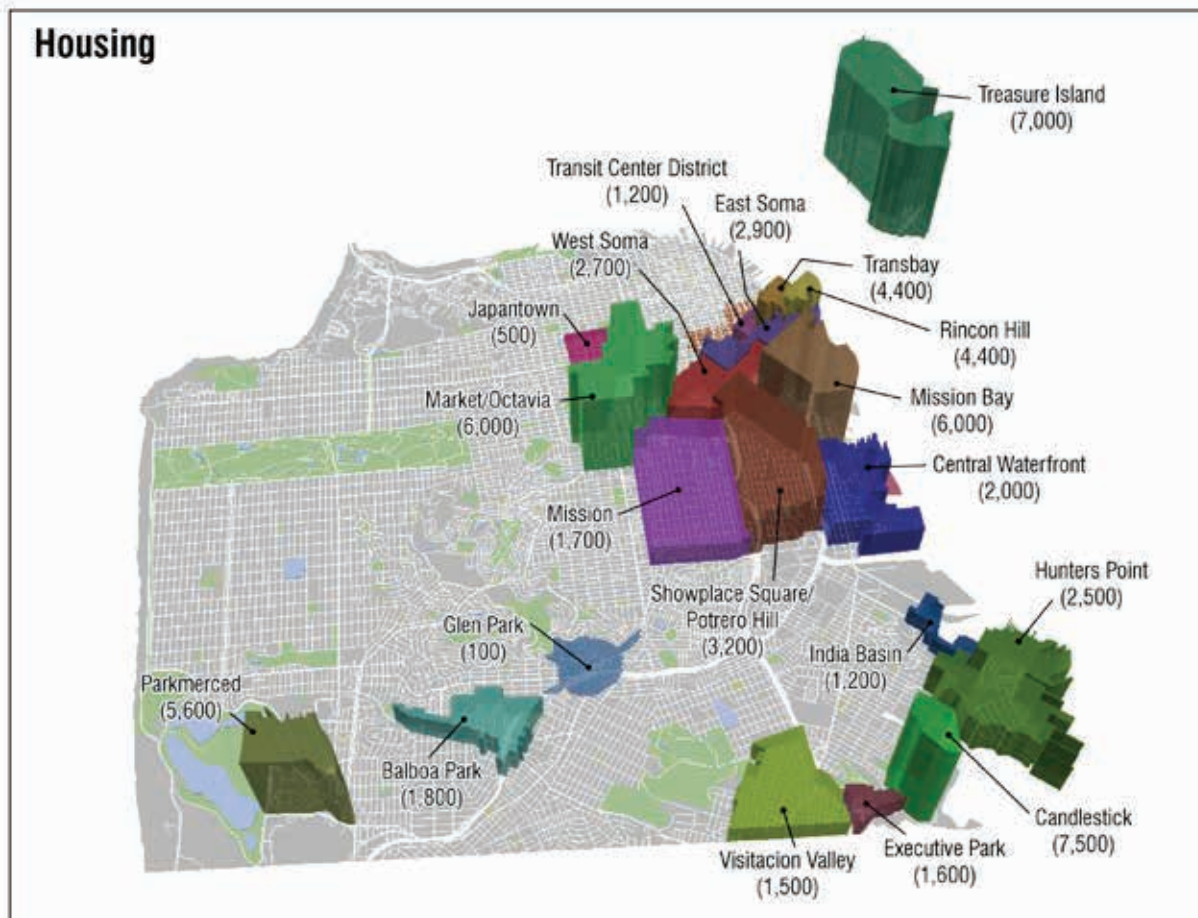
³ *Plan Bay Area* supports the regional obligations under California Sustainable Communities and Climate Protection Act of 2008 (California Senate Bill 375, Steinberg), which requires each of the state's metropolitan areas to reduce greenhouse gas emissions from cars and light trucks

**FIGURE 2: SAN FRANCISCO IS PLANNING FOR GROWTH
IN JOBS AND IN HOUSING**



To accommodate new jobs and new residents, the City's transportation system must be able to transport current and future users while meeting greenhouse gas emissions reduction targets. Plan Bay Area meets these targets by planning for an overall mode shift, or a change in the relative reliance on one form of travel to another (typically more sustainable form), such as from single-occupant vehicles to public transit.

Long prior to Plan Bay Area, the City has supported reducing environmental impacts from transportation. The City's forward-looking Transit First policy, established in 1973, connects the use of fossil fuels to negative environmental outcomes and global climate change, and gives street priority to transit, walking, and cycling. The Priority Development Areas are planned with the City's stated goals for a balanced transportation system in mind, and include zoning that deters car ownership and instead encourages alternative options such as transit, walking, and cycling. The City must therefore provide all residents with reliable and robust transit, pedestrian, and bicycle networks to reduce the number and length of trips made by single occupancy vehicles.



2. Transportation Infrastructure Existing Conditions

San Francisco's transportation system faces a growing backlog of deferred capital improvement projects given resource limitations. As a result, the costs of what should be routine replacements or renewals have significantly increased. This growing backlog has also made it more challenging for the City to maintain current levels of service and meet transportation users' needs with older and outdated infrastructure. The financial and operational impacts of deferring capital investments are compounded by anticipated growth in ridership demand.

Before determining transportation project priorities, the Task Force examined the existing capital infrastructure and the operating impacts from underinvestment. The needs assessment indicated that the City requires infrastructure investment in the following three areas:

- **Core:** The City's existing transportation capital and infrastructure, which includes the existing fleet, streets, traffic signals, rails, bike lanes, and sidewalks.
- **Enhance:** Efficiency and effectiveness improvements on Core components.
- **Expand:** Expansion beyond the Core investments in order to meet current demand or expected growth where Core investments do not meet the need.



Core: Underinvestment In Existing Systems

A top priority for the City is to maintain its Core infrastructure; the City must invest in existing facilities and capital to ensure they are working properly before it enhances or expands existing or new services. Core infrastructure needs significant capital asset investment to be in a state-of-good repair. Any person who currently lives, works, or visits San Francisco can describe some of the problems that occur daily: frequent breakdowns of unreliable and aging buses, crowded vehicles, poorly paved streets, low on-time performance, inaccessible and aging transportation vehicles, and decaying facilities. The impact of low investment in transportation has been disproportionately borne by some communities.

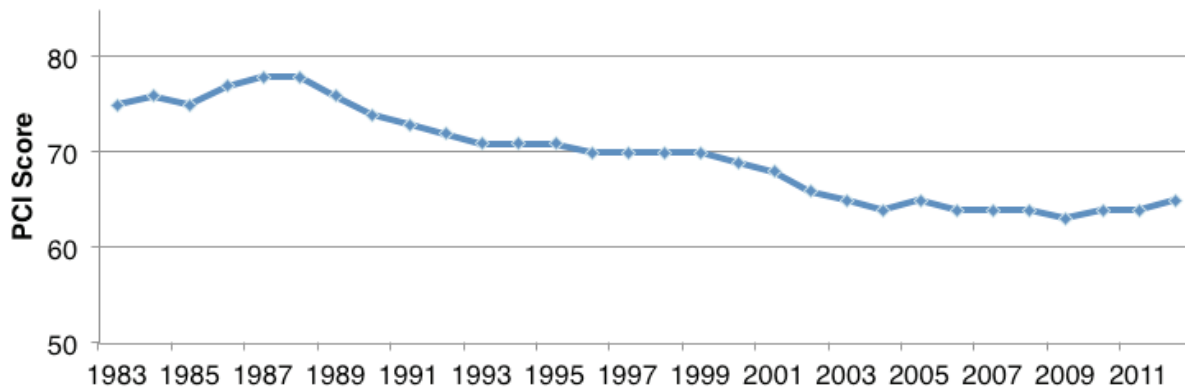
Further, underinvestment in core capital leads to higher operating costs as transportation providers invest in emergency repairs and wholesale replacement of assets, rather than less expensive, ongoing maintenance. Chronic and long-term underinvestment in capital leads to difficult operational choices, such as reducing transit service provision or decreasing maintenance.

Underinvestment in transportation is quantified through measures including the Pavement Condition Index (PCI), transit vehicle crowding projections, Muni vehicle lifespan, and distribution of pedestrian injuries and fatalities in disadvantaged communities. Each of these indicators is addressed below.

- **Pavement Condition is inadequate**

A nationally used measurement, Pavement Condition Index (PCI) is a numerical index between 0 and 100 which is used to indicate the general condition of a pavement. As shown in Figure 3, the City's (PCI) has slowly fallen over time to the low 60s (fair) from the upper 70s (good). The PCI score is projected to fall into the 50s (at-risk) by 2030 without additional investment in street repair.

FIGURE 3: PAVEMENT CONDITION INDEX, 1983-2011.

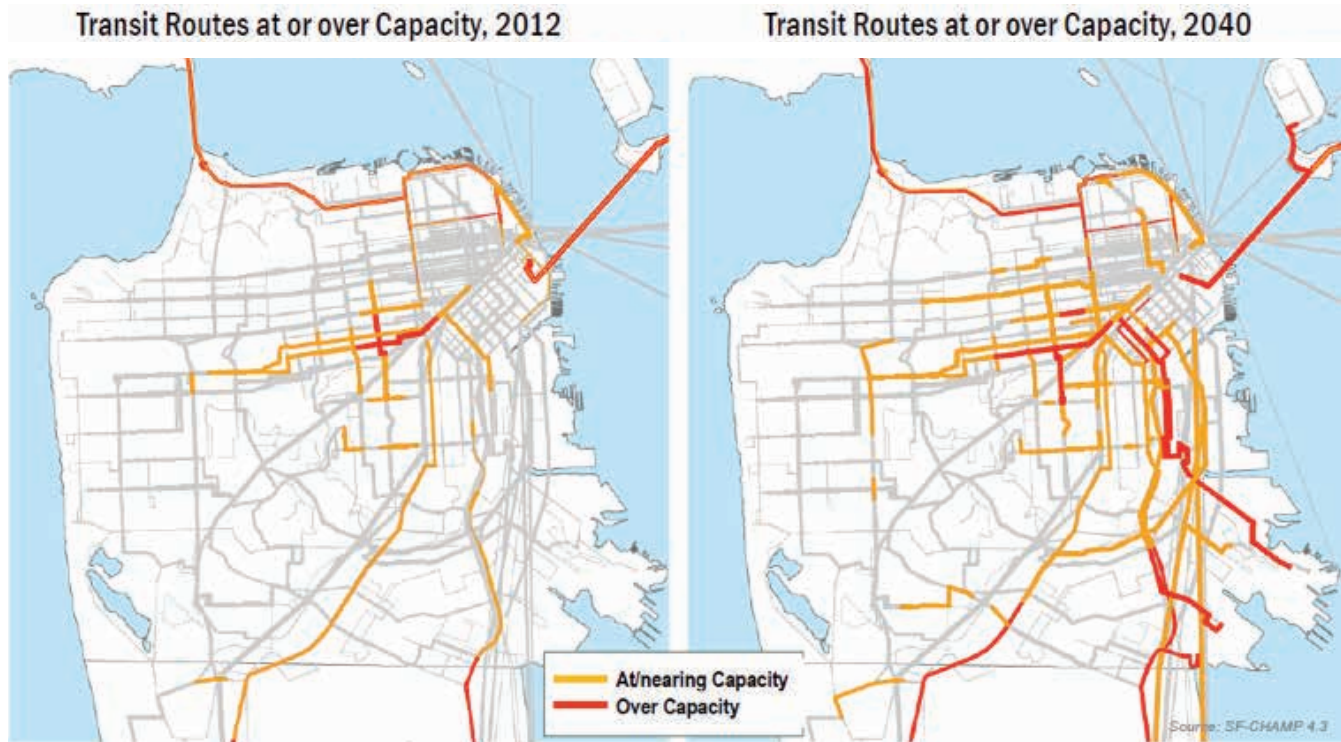


Past underinvestment in the City's repaving program has significant impact on current operating budgets. Over the last three decades, the City's PCI score has fallen from 75 to 64, reflecting a lack of investment in and maintenance of roadways. To restore a block with a PCI of 64-80 to excellent condition (a PCI of at least 90) costs \$9,000. If that block is left untreated until its condition falls to a PCI of 50, it would cost \$436,000 to bring that block back up to excellent condition. The longer the City defers maintenance on a street, the higher the cost required to repair the street. Maintaining assets at a steady pace over time is significantly less expensive than restoring assets in a state of disrepair or repairing assets at the end of their useful life. Consistent investment significantly decreases the overall cost to maintain the City's street network over time.

- Transit crowding will get worse

Muni serves over 700,000 riders daily; regional transit services provide an additional 370,000 riders with daily trips in and out of the City. At peak travel times, these riders crowd buses and trains. SFCTA models (shown in Figure 4) predict that without new investment, transit crowding is projected to get worse in the future, expanding to more routes and lines at the busiest times of day.

FIGURE 4: ROUTES OVER CAPACITY GIVEN LEVELS OF EXISTING INVESTMENT, 2012 AND 2040



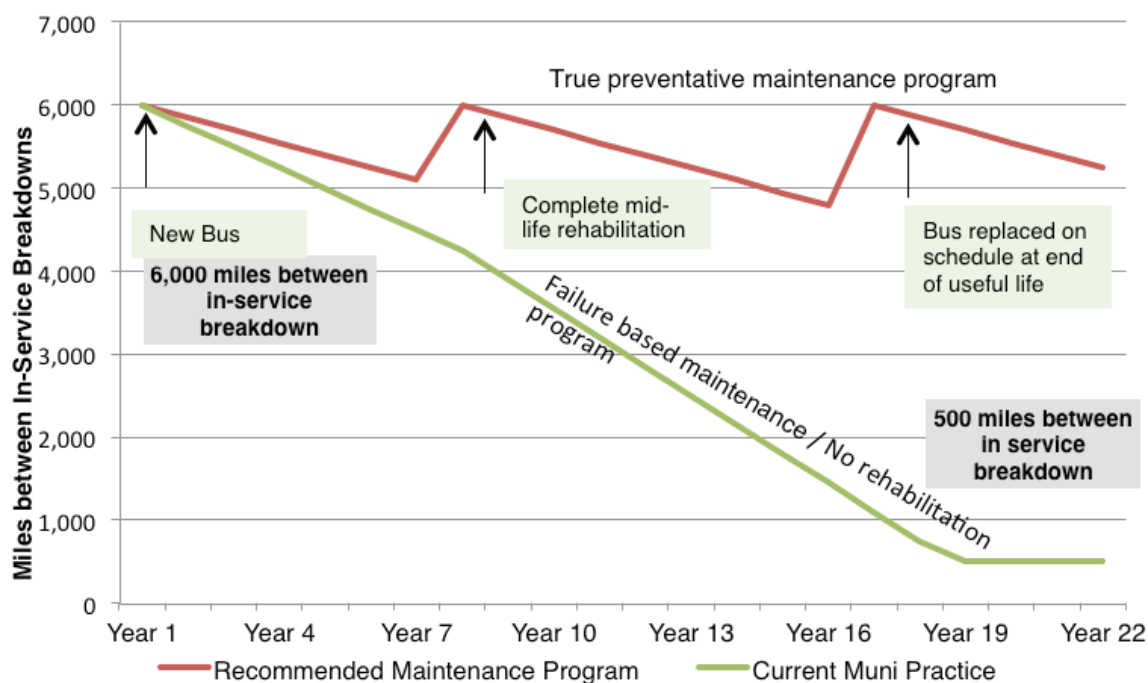
Beyond rider discomfort, crowding has a serious impact on service reliability. A crowded bus has a longer dwell time at stops, moving slower and creating undesirable bunches in service. This bunching leads to increased congestion for all roadway users that can instigate a cycle of further slowing transit and therefore increasing street congestion.

- Muni vehicle life span, drastically reduced

Muni's fleet is aging and deteriorating as a result of underinvestment in routine maintenance. During years of constrained budgets, SFMTA deferred maintenance in order to provide scheduled daily transit service. As a result, Muni's vehicles have not received mid-life rehabilitations or replacement, resulting in a fleet that has high service unreliability and frequent and expensive emergency repairs. If Muni had prioritized available resources towards maintenance, rehabilitation, and replacement over the past 20 years, there would be fewer and less significant in-service vehicle breakdowns (Figure 5).



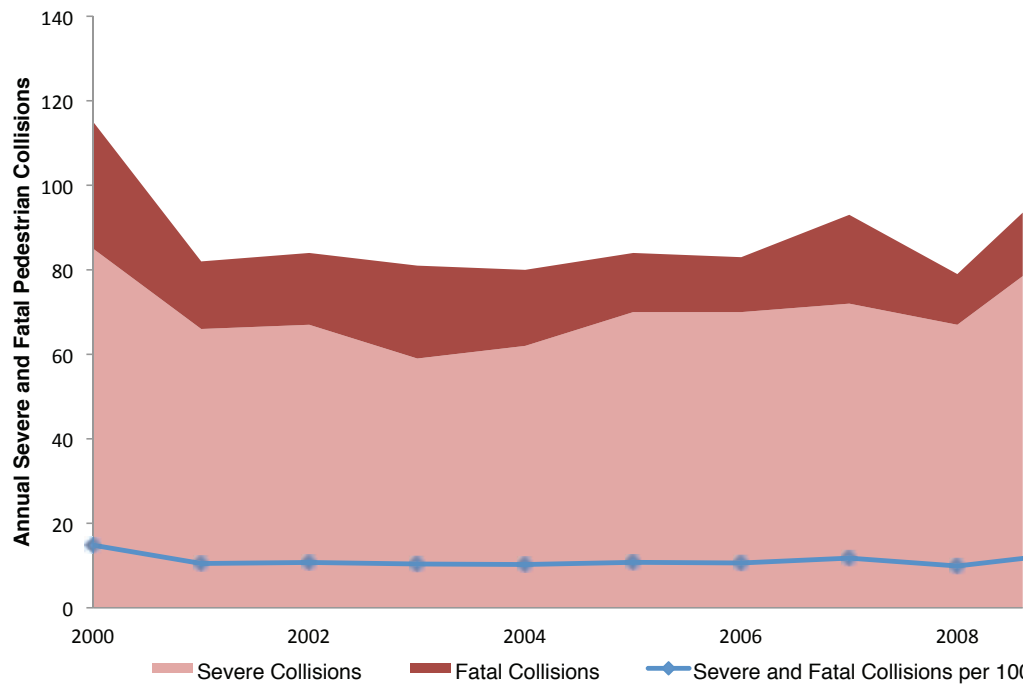
FIGURE 5: VEHICLE MAINTENANCE- LIFECYCLE OF A TROLLEY BUS



- Pedestrian injuries and fatalities are disproportionately occurring in Communities of Concern.

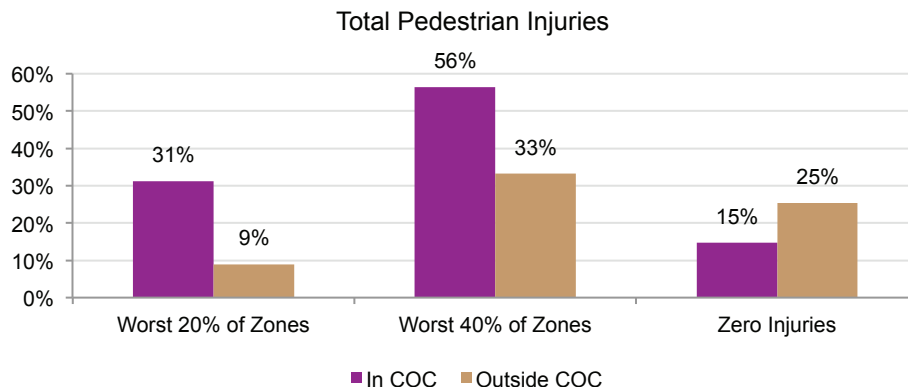
The City's rate of severe injuries and fatalities for pedestrians has not changed in the past ten years, as seen in Figure 6.

FIGURE 6: LACK OF INVESTMENT IN PEDESTRIAN SAFETY HAS RESULTED IN STATIC RATES OF SEVERE INJURIES AND FATALITIES



Current data also show that the pedestrian injuries occur disproportionately in Communities of Concern. SFCTA analysis found that by total pedestrian injuries, Communities of Concern are far overrepresented 31% of total pedestrian injuries occur in Communities of Concern, versus 9% in non-Communities of Concern. Fewer neighborhoods in Communities of Concern have zero pedestrian injuries, as seen in Figure 7.

FIGURE 7: TOTAL PEDESTRIAN INJURIES ARE DISPROPORTIONATELY HIGHER IN COMMUNITIES OF CONCERN (COC)



⁴ Communities of Concern are defined by the Metropolitan Transportation Commission (MTC) as those that exceed thresholds on four of eight “degrees of disadvantage,” criteria that include the percent of the population that is low-income, a racial/ethnic minority, or disabled, among others. The criteria were chosen and thresholds defined through a year-long process led by MTC.

In 2011 Mayor Lee released the Pedestrian Strategy, which set a goal to reduce severe injuries and fatalities by 50% by 2021. As the City works towards the Mayor's charge of reducing total pedestrian severe injuries and fatalities, consideration will be given to communities that are most in need of safety improvements and investment.

Enhance: Existing System Cannot Meet Growing Demand

Increased demand for public transit, walking, and cycling infrastructure is anticipated as the City continues to develop, as its population grows, as people change their travel preferences, and as fuel costs increase. City policies that encourage sustainable modes of transportation to reduce emissions and improve environmental outcomes will also result in higher demand on transportation alternatives.

To accommodate increasing demand on the transportation system, the City, in addition to maintaining Core infrastructure, needs to enhance the existing networks to make them more efficient. Without investment, system capacity will be exceeded sooner and unsafe conditions will persist and grow. Examples of potential enhancement investments include improvements to Muni speed and reliability, BART downtown station capacity improvements, and cyclist safety improvements.



FIGURE 8: MUNI AVERAGE TRAVEL TIMES IN NORTHEAST SAN FRANCISCO



- Existing Muni service is slow and unreliable

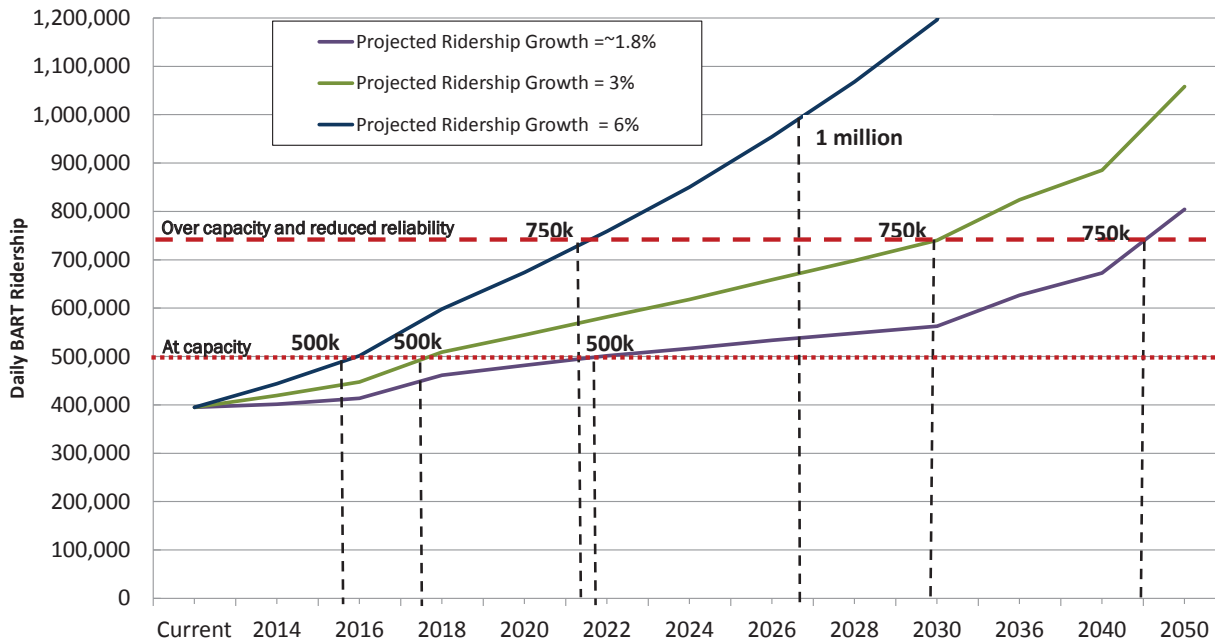
More than 95% of San Franciscans live within a quarter mile of a Muni route. Muni services are provided 24 hours daily on some routes, and high-demand bus lines run as frequently as every five minutes. As a result, Muni is a popular transit choice. But it is historically slow, with an average operating speed of eight miles per hour. It is also unreliable, with a current on-time performance of less than 63% for the overall transit system. Muni's travel times are slowest, averaging less than six miles per hour, in the City's downtown and northeast corners, as seen in Figure 8.

The City must enhance the Muni system to meet stated customer preferences of improving transit speed, improving reliability, and increasing safety to continue to grow ridership among current and future residents. These enhancements should prioritize transit on streets that are most congested, improve operational efficiency, and increase the cost effectiveness of service provision.

- San Francisco BART stations will exceed capacity

75% of all BART trips begin or end in San Francisco stations. As the number of people living and working in San Francisco grows, the demand on BART's system and stations will also grow. However, the BART system is nearing capacity and lacks the ability to accommodate further growth. BART estimates that stations will be at capacity in 2016, with 500,000 daily riders. At 750,000 daily riders, the BART system have significantly increased unreliability.

FIGURE 9: BART SAN FRANCISCO DOWNTOWN CAPACITY



As shown in Figure 9, projections differ regarding when these ridership levels will occur, but all indicators project growth that will result in the system exceeding its capacity by the year 2030. This indicates a need to invest in BART system enhancements to ensure it is able to accommodate future anticipated demand.

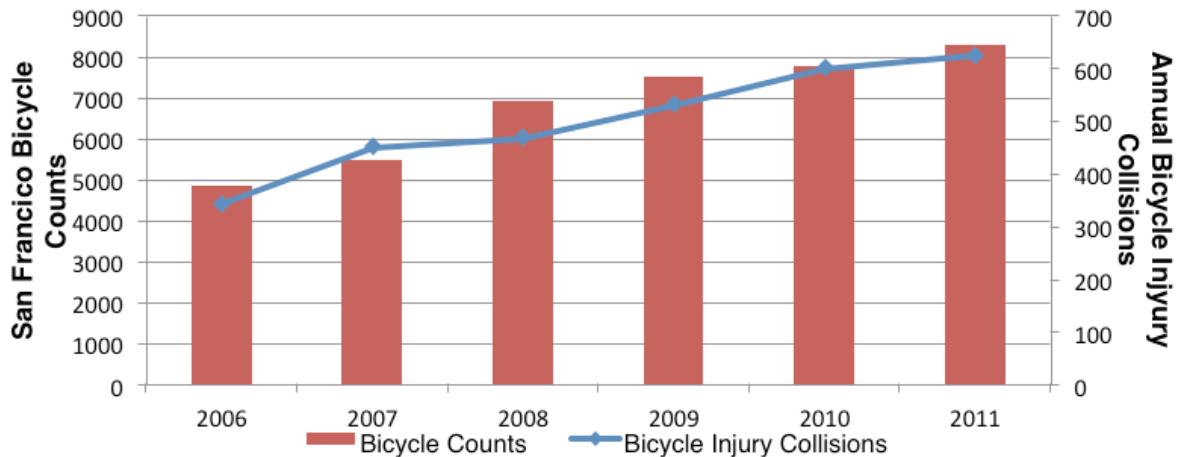
- Safety must be improved for cyclists

Growth in rates of walking and cycling is encouraged and expected.

However, pedestrians and cyclists are vulnerable users of the City's transportation system. As the transportation system and its users change habits and shift modes over time, the system must be enhanced to accommodate the increased use of non-auto modes. Figure 10 demonstrates that the frequency of cyclist-auto collisions has increased at the same rate as the growth in bike ridership over the past six years.



FIGURE 10: BICYCLE COLLISIONS CONTINUE TO RISE WITH RIDERSHIP GROWTH



It is the goal of Mayor Lee and the Board of Supervisors to increase the use of non-auto modes of transportation, and to strengthen safety for vulnerable users. However, the City needs additional investment to reduce collisions between bikes and automobiles and improve City-wide safety for cyclists.

- Enhancing accessibility requires higher levels of investment

San Francisco must make its transportation system more accessible for vulnerable San Franciscans and compliant with changing federal codes and state laws. The Americans with Disabilities Act (ADA) of 1990 requires that all public facilities be equally accessible for all users.

As an older city, San Francisco has infrastructure that was grandfathered for this mandate, and therefore maintenance and improvements can have higher than average costs. For example, resurfacing the pavement of a single block costs an average of \$70,000. However, if paving is planned for an intersection that lacks curb ramps or where the ramps are not up to current standards, the cost of the project increases to approximately \$124,000 for the resurfacing and curb ramp construction. These are necessary and critical changes to the City's transportation system to ensure equal access to its users; however, investment will need to be made as the City transitions to full accessibility.

Expand: Invest in system expansion to accommodate growth

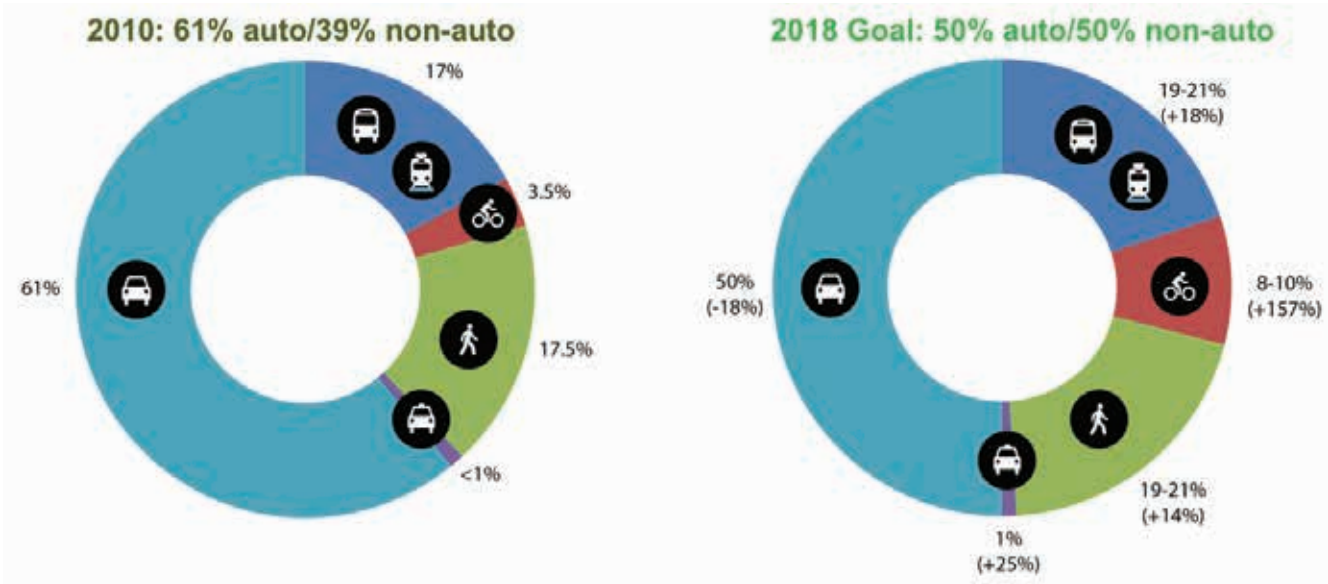
San Francisco is anticipated to add over 90,000 housing units and 190,000 jobs over the next 30 years. In its recent comprehensive plans, the City calls for the majority of this growth in walkable neighborhoods in areas that take advantage of existing or planned transit facilities. These plans will largely accommodate the City's share of expected regional growth, based on economic and demographic trends.

This growth, in addition to the existing need from current residents, will increase demand for transportation services. Investments in additional capacity to the transportation system are needed to accommodate the new residents and workers that this growth will bring, and to alleviate crowding and enhance the reliability of the transportation system for all users.

San Francisco has fixed capacity on its roadways with limited opportunities to expand. Therefore, as the City grows, San Francisco plans to increase the capacity of the transportation system in other ways: by expanding the frequency and capacity of the transit system and improving conditions for bicycling and walking, consistent with the City's established Transit-First Policy.

The City has established goals for bicycle, pedestrian, and transit shares of all trips taken in the City, as shown in Figure 9. Additional investments in the City's pedestrian, bicycle, and transit networks are necessary to achieve these goals and move towards a more sustainable transportation system.

FIGURE 11: MODE SHIFT GOALS CALL FOR FEWER MOTORISTS EVEN IN THE FACE OF INCREASING DEMAND ON ALL TRANSPORTATION MODES



Not meeting mode shift goals will inhibit the City's competitiveness and adversely impact its environment. Gridlock and traffic could discourage new jobs and employment sectors from locating in the City. Without continued investment in alternative transportation options, the City's streets will grow more congested, which will reduce the City's economic competitiveness and quality of life, and increase its environmental footprint.

Revenues from new development will pay for a portion of the investment in this necessary transportation infrastructure. However, additional local funding is needed to fully fund investments in transportation infrastructure to accommodate new growth and alleviate strains on the City's transportation system.

3. Current Transportation Planning

The needs assessment performed by Task Force staff included a review of past transportation plans; many of these efforts had little to no funding to support them. The goals of the Task Force's needs assessment were to identify local funding and also to leverage additional outside funding sources to finance identified transportation projects.

Past processes and reports that informed the needs assessment include:

- San Francisco Ten-Year Capital Plan;
- San Francisco Five-Year Financial Plan;
- 2011 SFMTA 20-Year Capital Plan;
- SFCTA Countywide Transportation Plan (San Francisco Transportation Plan);
- Plan Bay Area;
- SFMTA Strategic Plan 2013-2018;
- Transit Effectiveness Project;
- 2012 SFMTA Bicycle Strategy;
- 2013 SF Pedestrian Strategy;
- SFMTA Real Estate and Facilities Vision for the 21st Century;
- Waterfront Transportation Assessment; and
- Better Market Street proposal.

Also, the Planning Department and the former San Francisco Redevelopment Agency have completed area plans in close coordination with community groups to identify transportation needs for the following communities:

- Balboa Park Station,
- Bayview /Hunter's Point Shipyard,
- Eastern Neighborhoods and ENTRIPS,
- Executive Park Neighborhood Plan,
- Market & Octavia Area Plan
- Parkmerced project,
- Rincon Hill Plan
- Transit Center District Plan,
- Western SOMA Plan.

All of these plans represent many hours of community engagement and processes that the SFMTA, Public Works, the City Planning Department, SFCTA and MTC have undertaken to develop transportation priorities. It is evident that impact fees and other existing local sources cannot cover the large need identified for transportation projects in addition to maintaining the current system. Without new revenue many of these plans and identified projects cannot be implemented.

VI. Transportation System Funding Gap

The City's transportation system's total need over the next 15 years is estimated at nearly \$10.1 billion (in 2013 dollars). To date, the City has identified \$3.8 billion dollars of funding, leaving a funding gap of \$6.3 billion (Table 4). The funding assessment looked at the same three areas as the needs assessment, and evaluated funding needs for projects within each area:

- **Core:** This investment includes projects that would ensure transportation services will be at levels of state-of-good repair. This includes street repaving, transit fleet state-of-good-repair, and core improvements for pedestrian and cyclist safety. The Task Force estimates that this category has an unfunded need of \$3.0 billion over next 15 years.
- **Enhance:** This investment includes projects such as Market Street streetscape and transportation improvements, the Transit Effectiveness Project, and enhancements to fleet, pedestrian, cyclist, and street infrastructure. These projects augment existing core components and expand Muni operating capacity through efficiency improvements. The Task Force estimates that this category will face nearly a \$1.7 billion shortfall over the next 15 years.
- **Expand:** This category includes projects such as an expansion of the existing Muni fleet, investment in growing and emerging neighborhoods, and seed funding for future large-scale transportation system expansions. The Task Force estimates that this category will face a \$1.6 billion shortfall over the next 15 years.

TABLE 4: 15 YEAR NEEDS ASSESSMENT

Transportation System Funding Needs (2013 dollars, in millions)	Total Need	Funds Identified to date	Unfunded Need	% Funded
Core Investments	\$ 6,608	\$ 3,587	\$ 3,021	54%
Enhance Investments	\$ 1,833	\$ 160	\$ 1,673	9%
Expand Investments	\$ 1,644	\$ 6	\$ 1,638	0%
Total	\$ 10,085	\$ 3,753	\$ 6,332	37%

1. Core: Funding Gap - \$3.0 Billion

The Task Force found a funding gap of \$3.0 billion over 15 years to Core investments. Programs in this category are intended to keep existing systems such as Muni and Caltrain fleet, streets and traffic signals, maintenance facilities, and pedestrian and bicycle safety networks in a state-of-good repair for all San Franciscans. These programs benefit all current San Francisco residents, visitors, and workers, and allow enhancement and expansion programs to be built upon a strong existing foundation. Projects and programs in this category that do not have full funding include:



- maintenance of the current Muni Fleet,
- infrastructure and capital improvements to Caltrain,
- streets and traffic signals repaired at regular intervals,
- replacement of Muni maintenance facilities,
- full implementation of the City's Pedestrian Strategy,
- rehabilitation of elevators and escalators, and expanded installation improvements for blind and low vision customers at shared Muni/BART stations.

2. Enhance: Funding Gap - \$1.7 Billion

The Task Force found a funding gap of \$1.7 billion over 15 years to Enhance investments. Projects and programs in the Enhance category are intended to make existing systems more efficient, reliable and effective at providing safe and equitable transportation in the City. These are focused on projects that make the Muni Rapid Network an excellent transportation choice, and following work in Core projects and programs with enhancements not included in that programming. Examples of projects and programs in this category that are currently under- or unfunded include:

- the Transit Effectiveness Project,
- Market Street Transportation and Streetscape Improvements,
- Geary Rapid Network Improvements,
- replacing standard Muni buses with larger vehicles, and
- full implementation of the Bicycle Strategy and streetscape improvements to support pedestrian and bicycle transportation.

3. Expand: Funding Gap – \$1.6 Billion

The Task Force found a funding gap of \$1.6 billion over 15 years to Expand investments. Major capital projects in this category will increase capacity in the transportation system to serve new residents and workers. These include investments in new Muni vehicles, build-out of the bicycle network, pedestrian and streetscape enhancements in growth areas, and major transit projects that will expand the capacity of the system in geographical areas where the City is growing the most.

Examples of projects and programs in this category that are currently or unfunded include:

- expansion of the Muni fleet to meet future demand,
- Caltrain Downtown Extension to the Transbay Terminal, and
- streetscape enhancements on major corridors in growing neighborhoods and communities.



VII. Findings & Recommendations

1. Findings

Based on the transportation capital needs assessment, the Transportation Task Force concluded that there were two major findings:

1. The City's infrastructure is inadequate to meet current demand and decline in transportation services will become more severe without new investments as the City grows and demand for transportation increases.
2. Required improvements to the City's transportation system infrastructure are estimated at \$10.1 billion over the next 15 years. The City has identified \$3.8 billion in funding, leaving a \$6.3 billion funding gap over the next 15 years.

To address these findings, the Task Force and City staff developed an Investment Plan (Recommendation 1) and a Revenue Plan (Recommendation 2). These plans will significantly reduce the funding gap and strategically fund projects to help maintain and improve the current level of transportation service. The Task Force has outlined an Investment Plan that would focus on five main objectives:

The Task Force has outlined an Investment Plan that would focus on five main objectives:

- Maintain existing assets in a state-of-good repair;
- Improve travel time and reliability;
- Reduce costs;
- Serve planned growth; and
- Improve safety and accessibility.

By focusing on these objectives, the City would meet stated policy goals, such as improved environmental and public health outcomes; increased transportation geographic equity; and greater use of sustainable transportation options such walking, bicycling, and public transit.

In order to fund these objectives, the Task Force has identified over \$2.96 billion dollars for transportation over the next 15 years by issuing general obligation bonds, increasing the Vehicle License Fee, and increasing the sales tax rate.

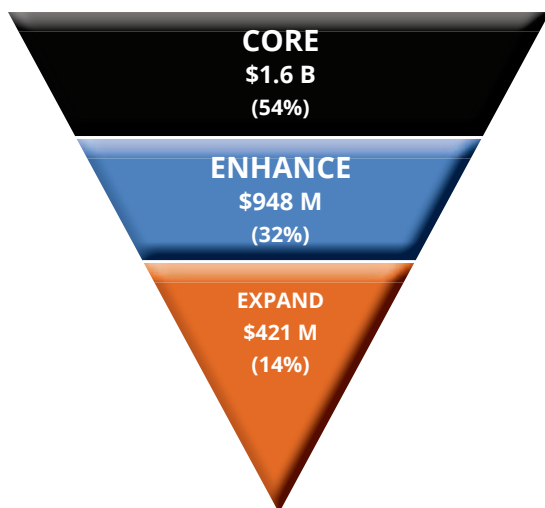
The Task Force recognizes that additional local revenue will not meet the entire funding need. In order to cover the entire funding shortfall, the Task Force recommends the City advocate for more federal, state, and regional dollars, and consider policy changes such as those identified in the SFCTA Countywide Plan (Recommendation 3).

2. Recommendation 1: Investment Plan

Summary Recommendation 1: Invest to maintain core infrastructure; enhance existing road, bicycle, pedestrian, and transit services; and expand the transportation system. This investment will build on existing City resources and leverage outside funding sources. Investments are recommended for strategic programs such as:

- Maintaining, repaving and replacing streets and signals;
- Rehabilitating and expanding Muni vehicle fleet and facilities;
- Providing better accessibility for City transportation services;
- Committing to steady resources for Caltrain, BART and regional connections;
- Enhancing the Muni Rapid network;
- Delivering safety improvements for people who walk and bicycle;
- Developing safe and complete streets; and
- Ensuring equitable transportation throughout the City.

FIGURE 12: FUNDING CATEGORIES



The Task Force first identified the necessary funding level to maintain the core transportation system in a state-of-good repair, then analyzed unfunded needs to determine where additional funding should be allocated to improve the City's transportation system with enhancements and expansion projects. The Task Force's recommended investment plan would allocate 54% of these new dollars to core investments, 32% to enhancements, and 14% to expansion projects (Figure 12). While this investment plan does not fully meet the capital need identified in the Task Force's assessment, if fully realized, it will result in an historic increase in investment on transportation infrastructure that will almost double funding levels. The overall plan cuts the transportation system's unfunded need almost in half, financing two-thirds of the City's identified priority needs in the transportation sector (Table 5).

⁵ Important Considerations:

- *Expenditure Plan:* This spending plan represents a proposal for how the recommended funding sources should be spent across different infrastructure categories. This expenditure plan does not link specific funding sources to specific funding categories, although the Task Force did take into account projects that are eligible/ineligible for General Obligation bond funding. It is also important to note that the projected investment outcomes listed in the following sections represent a sampling of the projects that could be realized through these investments. The Task Force's primary goal was to allocate

TABLE 5: INVESTMENT PLAN

15 Year Investment Plan (2013 dollars, in millions)	Total Need	Funds Identified	Unfunded Need	Proposed 2030 Spending	% Funded (after 2030 contribution)
Core Investments	\$ 6,608	\$ 3,587	\$ 3,021	\$ 1,586	78%
Enhance Investments	\$ 1,833	\$ 160	\$ 1,673	\$ 948	60%
Expand Investments	\$ 1,644	\$ 6	\$ 1,638	\$ 421	26%
Total	\$ 10,085	\$ 3,753	\$ 6,332	\$ 2,955	67%

Within each investment category, projects are placed into the Task Force stated priorities:

- *Reliability:* Projects aimed at improving reliability help reduce delays related to vehicle or other support system breakdowns. This includes the investment necessary for keeping the City's transportation capital assets in a state-of-good repair and to ensure that vehicles are available for use when they are needed.
- *Efficiency:* Projects aimed at improving efficiency are investments that reduce maintenance costs, improve transportation service delivery, and replace capital and infrastructure at recommended intervals.
- *Safety and Accessibility:* Investments in safety and accessibility projects will reduce collisions, injuries, and fatalities for motorists, cyclists, and pedestrians, as well as improve workplace safety for transportation operations professionals. In addition, accessibility improvements will increase mobility and system equity for visitors and residents.
- *Growth:* These investments support existing and future growth citywide. Transportation enhancements and service expansion provide alternative transportation options to current and future residents, ensuring that neighborhoods that are absorbing new jobs and residents are provided with safe and sustainable transportation options.

While this investment plan will significantly improve the City's transportation system, it represents only the first of many steps needed to tackle an even larger need. The Task Force's main focus is to address urgent capital needs; this report does not take into account a number of factors that will impact future transportation costs such as operating deficits, other deferrals, and potential increases in overall operating costs associated with new investments.

revenue across the various infrastructure categories to achieve its stated objectives. The Task Force recognizes that the City will need to conduct further analysis regarding technical feasibility, project coordination, and voter preferences to further refine this spending plan.

- *Assumptions:* Cost estimates will need to be revisited as projects are further vetted and come closer to implementation; assumptions for projects planned further than ten years-out may change in the future. However, this process sets up a recommended framework for the types of projects the City should strive to fund with these additional sources of funds. For both revenue and expenditure assumptions, all estimates are in 2013 dollars.

Core Investments - \$1.59 Billion (54% of Expenditure Plan)

Reliability – 40%
(\$630 million)

Efficiency – 50%
(\$800 million)

Safety – 10%
(\$156 million)

The Task Force recommends that the City dedicate \$1.59 billion for the City's core transportation system. The Core investments category funds projects to maintain the existing transportation system in a state-of-good repair, and emphasizes investments that will improve the City's transportation system by making it more reliable, efficient, and safe.

- *Reliability:* Investments total \$630 million and include funding state-of-good repair maintenance at the SFMTA, such as assigning \$228 million for Muni's bus and light rail fleet replacement, and \$317 million for repair and replacement of Muni's rail and overhead wires over the next 15 years. This category also includes \$85 million for San Francisco's share of Caltrain capital maintenance over the same period, including maintenance to rail and supportive rail facilities. Investment in these reliability improvements will reduce delays related to vehicle or support system breakdowns, and will ensure vehicles are available for use when they are needed. These investments will reduce maintenance costs, improve transportation service delivery and replace key systems at recommended intervals.
- *Efficiency:* Investments total \$800 million, including nearly \$625 million over the next 15 years to ensure the City's street repaving program is fully funded at a Pavement Condition Index (PCI) of 70, or a "good" level. In addition to the repavement program, the investment plan allocates \$53 million to replace aging traffic signals and signal infrastructure, and \$122 million to the SFMTA to improve its core facilities. These improvements will enhance service delivery and reduce long-term maintenance costs.
- *Safety and Accessibility:* Investments total \$156 million, including \$42 million over the next 15 years to improve transportation infrastructure and systems and \$45 million to improve system accessibility, such as maintenance and replacement of shared Muni/ BART station escalators and elevators and new accessible stops on surface light rail lines. This category also proposes \$21 million towards the Pedestrian Strategy and \$37 million towards the Bicycle Strategy to fund improvements that will reduce collisions, severe injuries, and fatalities for people who cycle and walk. Investments in these safety improvements will improve workplace safety for SFMTA operations professionals, increase accessibility, and improve walking and cycling safety for San Francisco visitors and residents on public roads and sidewalks.



BEFORE



AFTER

Enhance Investments - \$948 M (32% of Expenditure Plan)

Reliability – 39%
(\$367 million)

Efficiency – 16%
(\$153 million)

Safety – 25%
(\$240 million)

Growth – 20%
(\$188 million)

The Task Force recommends that the City dedicate \$948 million, 32 percent of the new sources, to enhance the City's transportation system. This category builds on the investments in the core system, increases system capacity, and enhances safety and operational effectiveness.

- *Reliability*: investments would receive \$367 million, which includes \$282 million over the next 15 years to fund transit operational improvements and strategic enhancements on the heaviest-used Muni routes to improve speed and service through the SFMTA's Transit Effectiveness Project (TEP) and additional \$27 million for Geary Corridor rapid network enhancements that would improve transit travel time on one of the heaviest used bus routes in San Francisco. This additionally provides some of the local match (\$58 million of \$100 million) needed for the regional competitive transportation source- Transit Performance Initiative, for a program that reduces travel times and can measurably improve existing transit services.
- *Efficiency*: totals \$153 million in funding, and over the next 15 years includes \$50 million for the SFMTA to enhance its facilities and \$30 to further replace and improve the Muni fleet. In addition, \$34 million in coordinated street improvements to complement concurrent street improvements such as a rail or sewer replacement. The investment plan additionally funds \$39 million as San Francisco's share of Caltrain electrification that will improve Caltrain environmental outcomes and prepare the system for future High Speed Rail.
- *Safety and Accessibility*: totals \$240 million, with safety improvements valuing \$120 million for people walking and \$90 million for people cycling. These investments would work to meet City goals to reduce severe injuries and fatalities for pedestrians and cyclists throughout the City beyond Core investments, including more robust treatments and strong interventions at key corridors and intersections. This investment additionally funds canopies at shared BART and Muni stations, with \$30 million contributed by the City to protect transit stations and improve accessibility to the portals.
- *Growth*: includes \$188 million to fund Market Street transportation and streetscape improvements. These improvements are expected provide transit travel time improvements and pedestrian and bicycle safety enhancements on the most intensively used corridor in the City.



Expand Investments - \$421 M (14% of Expenditure Plan)

Safety – 11%
(\$48 million)

Growth – 89%
(\$373 million)

The Task Force recommends investing \$421 million to expand the City's transportation system. The Expand investments category funds future system growth and ensures the City is planning for transportation improvements beyond the 2030 horizon. These projects represent both new transportation investments that will benefit all City communities and support new development growth, especially in Planning Department plan areas.

- Safety: Investments include \$48 million to expand and improve bicycle infrastructure that makes it safe for all San Franciscans to choose to bicycle for everyday transportation.
- Growth: Investments total \$373 million over the next 15 years and include \$91 million for transportation infrastructure and streetscape enhancements in developing and changing communities. Projects include providing smoother pavement and safer street crossings for pedestrians in Priority Development Areas. This category also includes \$20 million for planning the Caltrain Downtown Extension; \$240 million to expand the Muni fleet to accommodate growth and increasing demand on the system. An additional \$22 million is targeted to fund coordinated transportation projects from SFMTA, SFCTA, Public Works, and City Planning- this project will help ensure the City is moving large projects forward to access competitive outside funding sources as they become available.

Table 6 gives a high-level overview of the capital funding categories that comprise the Investment Plan. Appendix C gives further detail on each of these funding categories, including the description and impact of investment in each category.

TABLE 6: DETAILED INVESTMENT PLAN

#	Project	Investment Category	Investment Sub-Category	Total Need	Funds Identified	% Funded	Unfunded Need	2030 Proposed Funding	% Funded (after 2030 contribution)
1	Market Street Transportation and Streetscape	Enhance	Growth	\$463	\$97	21%	\$366	\$188	62%
2	Canopies for BART/Muni Metro Stations	Enhance	Safety	\$30	\$0	0%	\$30	\$30	100%
3	Caltrain Capital Maintenance	Core	Reliability	\$93	\$8	9%	\$85	\$85	100%
4	Caltrain Electrification	Enhance	Efficiency	\$62	\$23	37%	\$39	\$39	100%
5	Caltrain Downtown Extension	Expand	Growth	\$450	\$0	0%	\$450	\$20	4%
6	Citywide Bicycle Strategy	Core	Safety	\$118	\$81	69%	\$37	\$37	100%
7	Citywide Bicycle Strategy –	Enhance	Safety	\$108	\$0	0%	\$108	\$90	83%
8	Citywide Bicycle Strategy –	Expand	Safety	\$215	\$0	0%	\$215	\$48	22%
9	Citywide Pedestrian Strategy Core Projects	Core	Safety	\$66	\$45	68%	\$21	\$21	100%
10	Citywide Pedestrian Strategy	Enhance	Safety	\$297	\$0	0%	\$297	\$120	40%
11	Citywide Traffic/Signals –	Core	Efficiency	\$402	\$144	36%	\$258	\$53	49%
12	Complete Streets Elements	Enhance	Efficiency	\$34	\$0	0%	\$34	\$34	100%
13	Geary Rapid Network Improvements	Enhance	Reliability	\$243	\$38	16%	\$205	\$27	27%
14	Muni Fleet –	Core	Reliability	\$2,656	\$2,057	77%	\$599	\$228	86%
15	Muni Fleet – Enhance	Enhance	Efficiency	\$42	\$0	0%	\$42	\$30	71%
16	Muni Fleet – Expand	Expand	Growth	\$802	\$6	1%	\$796	\$240	31%
17	Muni Transit Fixed Guideway	Core	Reliability	\$1,541	\$636	41%	\$905	\$317	62%
18	SFMTA Facilities	Core	Efficiency	\$192	\$20	10%	\$172	\$122	74%
19	SFMTA Facilities	Enhance	Efficiency	\$170	\$0	0%	\$170	\$50	29%
20	Strategic Transportation Planning Initiative	Expand	Growth	\$30	\$0	0%	\$30	\$22	73%
21	Citywide Street Resurfacing (PCI 70)	Core	Efficiency	\$1,106	\$481	43%	\$625	\$625	100%
22	Streetscape Enhancement	Expand	Growth	\$147	\$0	0%	\$147	\$91	62%
23	Transit Effectiveness Project	Enhance	Reliability	\$284	\$2	1%	\$282	\$282	100%
24	Transit Performance Initiative –	Enhance	Reliability	\$100	\$0	0%	\$100	\$58	58%
25	Transportation Safety Infrastructure	Core	Safety	\$288	\$67	23%	\$221	\$42	38%
26	Transportation System Accessibility	Core	Safety	\$90	\$8	9%	\$82	\$45	59%
27	Transportation System Security	Core	Safety	\$56	\$40	71%	\$16	\$11	91%
TOTAL				\$10,085	\$3,753	37%	\$6,332	\$2,955	67%

Task Force Priorities and Strategic Program Outcomes

The Task Force Investment Plan uses capital planning categories to identify funding gaps and guide Task Force investment (Core, Enhance and Expand). Another way to view these investments is how they impact eight strategic programs:

- Maintaining, repaving and replacing streets and signals;
- Rehabilitating and expanding Muni vehicle fleet and facilities;
- Providing better accessibility for City transportation services;
- Committing to steady resources for Caltrain, BART and regional connections;
- Enhancing the Muni Rapid network;
- Delivering safety improvements for people who walk and bicycle;
- Developing safe and complete streets; and
- Ensuring equitable transportation throughout the City.

This section provides discusses how Investment Plan recommendations will benefit the eight strategic programs as projects are defined, prioritized and implemented.

Strategic Program: Streets and Signals

EXISTING CONDITIONS: Based on the Pavement Condition Index, the City's average street is considered in "fair" condition, with many streets ranked as "poor." The majority of the traffic signals in the City have not been replaced in more than 50 years. As these facilities age, the costs associated with routine maintenance significantly increase, and system reliability and usability decreases.

TASK FORCE RECOMMENDATION: The Task Force recommends improving the streets for all users through targeted improvements to pavement and signals by raising the average City street to a condition of "good" and cutting in half the time it takes to replace an aging signal. This investment will results in smoother roads and crosswalks for drivers, people with disabilities, transit users, and cyclists, and more reliable traffic signals for all users. Further, modernized signals are more easily coordinated and monitored and less likely to fail, reducing congestion City-wide. These improvements will occur along the Muni and bicycle networks, in addition to streets that carry high numbers of vehicles, ensuring that the benefits are shared among all road users and improve conditions for the highest number of total San Francisco residents and visitors. These improvements avoid the high construction costs of full street replacement and the high maintenance costs associated with older streets and signals.

PROPOSAL OUTCOMES:

- Raise the level of the average City street paving to a "good" condition, targeting improvements on the heaviest-used networks equitably across the City.
- Install and upgrade curb ramps and smooth crosswalks to improve accessibility City-wide.
- Replace one-quarter of the City's traffic and pedestrian signals within 15 years for improved traffic flow and signal reliability.
- Modernize signals to reduce traffic congestion and improve transit priority.

Strategic Program: Muni Vehicle Fleet Rehabilitation and Expansion

EXISTING CONDITION: Muni's existing fleet is aging, with diesel buses averaging 12 years old and light rail vehicles averaging 15 years old. Older vehicles break down more frequently and have higher maintenance needs, resulting in high costs and reduced transit service. In 2013, only 75% of Muni's light rail fleet was available for use on an average weekday. Muni's performance measures of vehicle service quality shows that the number of service disruptions per mile travelled has increased over the past 10 years. Crowding on popular Muni bus routes could be reduced if more 60-foot buses were available, but currently there is not enough fleet of this type to service the crowded routes. Maintenance facilities, including bus and rail yards, have not been updated to accommodate new fleet and parts types, severely hampering the SFMTA's ability to timely maintain its vehicles.

TASK FORCE RECOMMENDATION: The Task Force recommends significant investment in Muni's fleet and associated support facilities, with a focus on preventative maintenance and mid-life overhauls of existing fleet. The investments will reduce the average age of Muni's vehicle fleet by half and improve customer experience on buses and trains, provide greater service reliability through reduced breakdowns, and increase Muni service through greater vehicle availability. The Task Force recommends upsizing from the current 40-foot buses to 60-foot buses on the most crowded routes. This will reduce crowding on heavily used routes, improve customer satisfaction, and provide additional capacity for new riders. The Task Force recommends improvements to Muni's shops and yards that will make maintenance operations more efficient and effective and, in turn, provide more vehicle availability to meet the City's transit needs, and improve work site conditions for Muni employees. The Task Force lastly recommends that the City increase the Muni fleet to provide new service in expanded service areas and additional service on existing routes and lines. This investment ensures that Muni will be able to provide more frequent service as demand for transit grows, and that new fleet is available to accommodate an expanded transit network.

TASK FORCE PROPOSAL OUTCOMES

- Improved service reliability, accessibility, and availability through reduced breakdowns by replacing aging vehicles and performing preventative maintenance on existing fleet.
- Additional capacity to reduce crowding and attract new riders by serving busy routes with larger vehicles.
- Improved maintenance efficiency and employee safety by replacing older service yards and facilities.

Strategic Program: Accessibility

EXISTING CONDITIONS: The federal Americans with Disabilities Act (ADA) requires the City to provide equal access to all public facilities for residents and visitors. The City strives to meet and surpass the requirements under the federal law, and improve facilities, systems, and networks for all visitors and residents, including people with disabilities.

TASK FORCE RECOMMENDATION: The Task Force recommends meeting and exceeding federal requirements for accessibility in the public realm. The Task Force recommends Market Street transportation and streetscape improvements that would increase accessible bus platforms, upgrade accessible curb ramps, and improve wayfinding for people who are blind or low-vision. These initiatives can be incorporated into the Street Resurfacing program, which is the largest contributor to the City's effort to install and upgrade curb ramps. Improved road maintenance will create smoother crosswalks, eliminating a barrier to accessible travel. New Muni fleet vehicles will provide easier access for all users through new, low-floor vehicles and improved accessibility features; additionally, Muni's paratransit fleet will be expanded. The Task Force recommends upgrading sidewalks to required standards,



including slope for wheelchair users and tactile warning devices for blind or low-vision pedestrians. New intersection crossing signals will notify a blind or low-vision person with audible pedestrian warnings that state when it is safe to walk. The Key Stop Program, which makes Muni light rail vehicle stops accessible for people who use wheelchairs, will be expanded through the Transportation System Accessibility category. Procurement of new systems, across categories, will ensure that more of the City's facilities meet ADA standards. The Task Force recommends that accessibility for people with disabilities be integrated across all improvements.

PROPOSAL OUTCOMES:

- Met and exceeded federal guidelines for accessibility under the Americans with Disabilities Act.
- Enhanced accesses to transportation, including Muni and streets, for people with disabilities.
- Reduced barriers to transportation to enable independent living for people with disabilities.

Strategic Program: Caltrain, BART, and Regional Connections

EXISTING CONDITIONS: Caltrain and BART provide high-quality regional transit. But without significant investment these systems will deteriorate and not be able to provide adequate service to the growing regional ridership anticipated by 2030. Moreover, San Francisco's joint facilities with BART require a strong local resource commitment to ensure that future planning for enhancements and expansion include the portions of the BART network in the City.

TASK FORCE RECOMMENDATION: The Task Force recommends high levels of implementation of SFMTA's Bicycle and Pedestrian Strategies. Investment in the Bicycle Strategy will improve safety and connectivity for people traveling by bicycle, increase convenience for trips made by bicycle, normalize riding bicycles through holistic investment in cycling infrastructure and complete streets in targeted corridors citywide, throughout the City. Investment in the Pedestrian Strategy is targeted at helping the City to reach its goal to reduce severe and fatal pedestrian injuries by the goals of 25% by 2016 and 50% by 2021. The investment will additionally reduce pedestrian injury inequities among neighborhoods and increase walking trips. The investment in both cycling and walking infrastructure will increase safety for vulnerable users, decrease vehicle emissions and improve city health outcomes.

PROPOSAL OUTCOMES

- Provided reliable and efficient transit service from San Francisco to the larger Bay Area through 2030.
- Reduced emissions by replacing Caltrain diesel fleet with electric fleet.
- Reduced maintenance and operating costs from improvements at shared BART/ Muni Metro station entrances. Decreased debris and unauthorized uses result in more reliable escalators and cleaner stairs.
- Demonstrated clear commitment from San Francisco to regional transportation providers to participate in improvements to regional transportation.
- Enhanced accessibility between regional transportation providers and local Muni system.

Strategic Program: Bicycle and Pedestrian Improvements

EXISTING CONDITIONS: San Francisco is a national leader in promoting walking and cycling. A large number of City visitors and residents choose to walk or bicycle for everyday transportation. Unfortunately, this has resulted in high rates of severe injuries and fatalities for pedestrians and cyclists. More vulnerable users, such as seniors and people with disabilities, have disproportionately worse outcomes when a collision occurs. Without improvements, conditions for cyclists and pedestrians will continue to be unsafe and these sustainable transportation options will not attract more users.

TASK FORCE RECOMMENDATION: The Task Force recommends high levels of implementation of SFMTA's Bicycle and Pedestrian Strategies. Investment in the Bicycle Strategy will improve safety and connectivity for people traveling by bicycle, increase convenience for trips made by bicycle, and normalize riding bicycles through holistic investment in cycling infrastructure and targeted cycling corridors City-wide. Investment in the Pedestrian Strategy is aimed at helping the City to reach its goal to reduce severe and fatal pedestrian injuries by 25% in 2016 and 50% in 2021. Investments in the Pedestrian Strategy will also reduce pedestrian injury inequities among neighborhoods and increase walking trips. The investment in both cycling and walking infrastructure will increase safety for vulnerable users, decrease vehicle emissions, and improve City health outcomes.



PROPOSAL OUTCOMES

- Reduced number of severe injuries and fatalities to pedestrians through engineering, education, and enforcement, and improved walking conditions on San Francisco's busiest walking streets. Targeted for at least a 50% reduction.
- Implemented proven engineering countermeasures such as signals, speed reduction, and street design on 70 miles of San Francisco's high-injury corridors and intersections.
- Used proven bicycle safety design on bike facilities City-wide to encourage all visitors and residents, ages 8 to 80, to use a bicycle for everyday transportation.
- Provided safe facilities for bicycle storage and bicycle sharing to encourage bicycle use for transportation.
- Invested, enhanced, and expanded facilities to encourage more residents and visitors to choose sustainable forms of transportation to meet City climate goals.
- Kept the City economically competitive and culturally unique by promoting walking and cycling for transportation and recreation.

Strategic Program: Rapid Network Enhancements- Transit Effectiveness Project, Market Street and Geary Corridor

EXISTING CONDITIONS: Muni is one of the most widely used public transit systems in the United States, with an extensive service network across the City, high vehicle frequency, and a long day of service. Despite its popularity, Muni is slow and unreliable, and the system is projected to deteriorate further without significant capital investment to improve the network and enhance its most heavily used routes and lines.

TASK FORCE RECOMMENDATION: The Task Force recommends full investment in Muni's Transit Effectiveness Project (TEP). Investment in the TEP will improve service reliability, reduce travel time on transit, and improve customer experiences and service efficiency. As part of the Muni Rapid vision and in conjunction with other Muni programs, the TEP is the blueprint for making Muni an excellent transportation choice for residents and visitors. An unprecedented level of ridership data; best practice research from other transit systems; and extensive public outreach to community stakeholders, customers, policymakers, and SFMTA employees helped shape the TEP. The Task Force supports TEP proposals for route restructuring, frequency increases, accessibility, and travel time improvements on the busiest Muni routes.

The Task Force recommends investment in Market Street transportation and streetscape improvements. Market Street is San Francisco's civic backbone, connecting water to hills, businesses to neighborhoods, cultural centers to recreational opportunities. Market Street transportation and streetscape improvements will improve transit travel time and enhance safety for people who walk and bicycle on the most intensively used corridor in the City. This project would add TEP-style improvements on the Muni Rapid network along Market Street. Investment in a renewed Market Street will anchor neighborhoods, link public open spaces, and connect the City's civic center with cultural, social, convention, tourism, and retail destinations, as well as with the regional transit hub centered at the Transbay Terminal. The proposed Better Market Street project will begin an environmental assessment in 2014.

The Task Force recommends strategic investment on the Geary Boulevard corridor. Investment would improve speed and reliability on the most heavily used bus route west of the Mississippi. Geary Boulevard is part of the Muni Rapid Network and the environmental assessment of the Geary project is underway.

PROPOSAL OUTCOMES:

- Improved speed up to 20% on routes serving more than three-quarters of Muni riders.
- Improved reliability on all routes that will make the transit experience less stressful for current customers and attract new riders to use Muni.
- Increased quality of service and customer satisfaction as a result of reliability and travel time improvements for transit-dependent users who are otherwise unable to choose another transportation option.
- Effectively used Muni operating dollars through route restructuring that supports getting customers where they want to go on public transit.
- Invested in Muni routes that improved the customer experience, from improved bus stop and transfer facilities to new pedestrian facilities that helps customers to arrive safely at the bus stop.

Strategic Program: Safe and Complete Streets

EXISTING CONDITIONS: Though the City maintains its streets through scheduled street and signal work, funding is always not available to simultaneously implement minor street improvements that can improve safety for people walking and cycling. As a result, the City misses opportunities to coordinate construction work and maximize funding efficiency. Fewer projects are completed and improvements to the bicycle network and walking environments take longer to implement. Transportation infrastructure in San Francisco's emerging neighborhoods may not reflect residents' changing uses of the street and travel patterns. Lacking quality transit connections or safe cycling and pedestrian infrastructure, residents and employees may choose to drive alone.

TASK FORCE RECOMMENDATION: The Task Force supports additional investment in the Complete Streets implementation (currently known as the “Follow the Paving”), which coordinates pedestrian and other safety improvements in conjunction with repaving and ADA curb ramp projects. These minor engineering improvements, when performed in conjunction with the paving program, will increase pedestrian safety and effectively use resources and minimize inconvenience. The Task Force recommends installing streetscape enhancements that improve the walking experience, including engineering improvements for safer street crossings for pedestrians; typically installed on major commercial corridors.

The Task Force supports streetscape enhancements on commercial corridors and in growing communities that will add street elements and safety countermeasures identified in the City’s Better Streets Plan for safety, accessibility, and place making purposes. This investment results in increased economic development, mobility, safety and attractiveness of the corridors, and will attract new visitors, residents, and businesses to developing corridors.

TASK FORCE PROPOSAL OUTCOMES

- Implemented safe, accessible, and livable streets improvements on key neighborhood corridors and in growing communities
- Maximized funding efficiency of street improvements and minimized street closures.
- Coordinated across projects and departments to ensure efficient and effective improvements to the right-of-way, with appropriate application of the Better Streets Plan.

Strategic Program: Equitable Transportation Improvements in the City

EXISTING CONDITIONS: Public transportation is the lifeline for many in San Francisco – more than 30% of residents do not own a car and use other modes of travel. For some without personal vehicles, their mode of travel is a choice; for others, transit-dependency is related to income and other socio-economic factors. Muni provides numerous lines and routes to communities in the City’s outer neighborhoods, but unreliable service and long travel times disproportionately impact those who do not have other transportation choices. Considerations of equity must be included when deciding where and how transportation investments will be allocated and prioritized.

TASK FORCE RECOMMENDATION: The Task Force recommends considering transportation projects through a lens of equity. This includes reviewing potential projects’ the impact on socioeconomic and neighborhood equity. The City-wide transportation investments recommended by the Task Force will improve service for all residents to ensure benefits are shared among all communities, equity analysis should be considered at key intervals. Equity is an important factor to consider when prioritizing City funds in conjunction with other prioritizing criteria such as safety, reliability, efficiency, accessibility and future growth. The Task Force recommends continued outreach and engagement with existing citizens advisory groups and external community stakeholders to ensure full participation and engagement as transportation projects are developed.

TASK FORCE PROPOSAL OUTCOMES

- Considered transit-dependent residents and Communities of Concern as part of prioritizing transportation investments.
- Improved the transportation network for the most vulnerable transit users.
- Engaged existing citizens advisory groups and key stakeholders on project prioritization to ensure benefits for all users.

3. Recommendation 2: Pursue Three Key Revenue Sources

Summary Recommendation 2: Pursue three revenue sources—general obligation bonds, vehicle license fee, and sales tax—to address a significant percentage of the City’s transportation needs through 2030. These revenue sources must be approved by the Mayor, Board of Supervisors, and voters.

- Transportation General Obligation Bonds: Issue \$500 million in 2014 and \$500 million in 2024, which in nominal terms will equal \$1 billion. For budgeting purposes, this number was converted to 2013 dollars to conform to the estimates in the investment plan, which lowers the revenue to \$829 million.
- Vehicle License Fee: Place a ballot measure to increase the annual vehicle license fee to 2% of vehicle value.
- Half-cent sales tax: Place a ballot measure to increase the sales tax from 8.75% to 9.25%.
- The Task Force recommends that the Mayor and Board of Supervisors consider the optimal timing of these proposals. For planning purposes, the Task Force estimates that Vehicle License Fee revenue would be available after passage of the increase on the November 2014 ballot and Sales Tax revenue would be available after passage on the November 2016 ballot.

The City’s current estimate of unfunded transportation capital projects is \$6.3 billion. In response, the Task Force analyzed various new revenue sources to help address the City’s critical unfunded transportation needs. The Task Force considered the following criteria when selecting its preferred revenue options:

- Ability to provide significant resources for transportation projects
- Overall feasibility of securing the revenue source within a relatively short time frame
- Clear nexus between the funding source and benefit to transportation users.

Based on the above criteria, the Task Force recommends that the City immediately begin pursuing the following three revenue sources:

- Transportation General Obligation (G.O.) Bonds
- A Vehicle License Fee
- A half-cent sales tax.

In the next 15 years, the rate of revenue growth and estimated cost escalation will vary. If costs grow more quickly than revenues, then the Investment Plan will need to be re-prioritized and the timing of project delivery will need to be adjusted and deferred.

⁶ Revenue sources analyzed included but were not limited to: 1) General obligation bonds, 2) vehicle license fee, 3) 0.5% increase in sales and use tax, 4) large event ticket fee, 5) advertising on MTA property, 6) increasing the parking tax rate, 7) local gas tax, 8) vehicle miles traveled fee, 9) parcel tax, 10) roadway pricing

Revenue Source #1: General Obligation Bond to Support Transportation

Proposal

The Task Force recommends the City increase currently proposed Transportation General Obligation Program, and ask voters to approve two \$500 million General Obligation (G.O.) Bond measures over the next 15 years to fund transportation improvements. Combined, these two G.O. Bonds will generate \$1.0 billion in new revenue for the transportation system. (For budgeting purposes, this revenue was reduced to its value in 2013 dollars, which equals \$829 million.) The Task Force recommends placing the first \$500 million bond measure on the November 2014 ballot, and the second \$500 million bond measure on the ballot in 2024. The Task Force further encourages the City to add Transportation to its recurring bond issuance cycle when debt capacity is available, similar to the cycle of bonds for Parks and Emergency Services.

The Task Force recommends the City continue to adhere to its policy of issuing debt only as it retires old debt or as the property tax base grows, to ensure that property tax rates remain below 2006 levels. The City's current Ten-Year Capital Plan already proposes a \$150 million Transportation G.O. Bond in November 2014. Given a recent increase in the City's property tax base, the Controller's Office estimates the City could increase the transportation bond to \$500 million while maintaining the Capital Plan's other ongoing bond programs without exceeding the 2006 tax rate. An additional \$500 million in 2024 dollars is estimated to be available given increases to property values and other economic growth factors.

Revenue Projection

Over the next 15 years, this proposal would generate \$1 billion in revenue for transportation capital projects, or \$829 million in 2013 dollars. On average, in 2013 dollars, the City would receive approximately \$55 million annually over the next 15 years. In the first ten years, the Controller's Office estimates that the City can issue \$500 million in G.O. bonds for transportation in the City's adopted Ten-Year Capital Plan. Actual issuance of debt will be based on the timing of anticipated project delivery from departments and the City's debt capacity.

Background

G.O. bonds are a long-term debt financing tool that the City uses to fund large capital improvement projects. G.O. bonds are secured by a pledge to use ad valorem property tax revenue to repay the debt. Article XIII A of the State Constitution restricts the use of G.O. bonds to "the acquisition and improvement of real property with a long useful life." Vehicles, equipment, furnishings, supplies, and labor may not be financed with G.O. bonds.

While the City has placed G.O. bonds on the ballot for street improvements, it has not placed a bond on the ballot for the transit system since 1966. The Task Force believes that transportation is a top capital priority and recommends that the City increase the proposed G.O. bond amount by seeking voter approval for two \$500 million G.O. bond authorizations between now and 2030. In addition, the Task Force recommends that a transportation category be included in the Capital Plan's ongoing G.O. bond program by adding new transportation-related bonds with consideration to program debt capacity and other capital funding priorities.

Debt Limitations

G.O. bonds are repaid with proceeds from ad valorem property taxes calculated on the assessed value of property. Section 9.106 of the City Charter establishes the limit on outstanding G.O. bond indebtedness at 3% of the assessed value of all taxable real and personal property located within the City and County. However, the Ten-Year Capital Plan places tighter restrictions on bond indebtedness by limiting the property tax rate at the FY 2005-06 level of approximately 1.12%. Generally, debt issuances are limited to keep the property tax rates stable and only added as other debt is retired. As of August 2013, the City and County had \$1.3 billion in outstanding debt. The Controller's Office estimates that over the next 15 years, the City will have \$1 billion in debt capacity available to fund capital projects for the City's transportation needs.

Authorization

The Mayor, the Board of Supervisors, the Capital Planning Committee (CPC), and a two-thirds majority of voters in the City and County of San Francisco must all approve G.O. bond authorization. In order to sell a series of voter-approved G.O. bonds, the department requesting the sale must submit a Bond Accountability Report to the Board of Supervisors 60 days before the Board is scheduled to approve the sale of the bonds. The Citizens' General Obligation Bond Oversight Committee oversees bond expenditures by ensuring that the proceeds are expended in accordance with the applicable ballot measure or authorizing legislation.

Revenue Source #2: Vehicle License Fee Increase

Proposal

The Transportation Task Force supports a proposal to enact a Vehicle License Fee equal to 1.35% of the market value of any registered vehicle with no sunset date. This would bring the total Vehicle License Fee rate to its full allowable value of 2%. A ballot measure for a Vehicle License Fee could be targeted as early as November 2014. However, the Mayor and the Board of Supervisors should consider the optimal timing of such a proposal.

In addition to the local Vehicle License Fee, the Task Force supports a measure that would amend the City Charter and establish a set aside for transportation projects. The proposal would call for the City to appropriate funds in FY 2015-16 to the new fund, which is the same year the Vehicle License Fee would go into effect if passed. In subsequent years, this amount would be adjusted by growth factors defined in the charter language.

Revenue Projection

The Controller's Office estimates that the total potential annual revenue from raising a 1.35% local Vehicle License Fee would be approximately \$73 million on average, net of administrative costs and reimbursements to the state to offset increased personal income tax deductions, and also accounting for demand impacts. This amounts to nearly \$1.1 billion to the City over the next 15 years.

⁷ CCSF General Obligation Bonds: <http://sfcontroller.org/Modules/ShowDocument.aspx?documentid=1411>

⁸ California State Constitution Article 16

Background

Californians have paid the Vehicle License Fee, also called the “motor vehicle in-lieu tax,” with their vehicle registrations since 1935. From 1948 through 2004, the Vehicle License Fee tax rate was 2%. As a part of the 2004 budget agreement, the State Legislature reduced the Vehicle License Fee maximum tax rate. Currently, the state assesses a 0.65% Vehicle License Fee on vehicles based on their purchase price when ownership is transferred or when a car’s registration is renewed each year.

Since the passage of California Senate Bill 1492 in 2012, San Franciscans can enact a voter-approved local assessment for general revenue purposes. Under this proposal, the Vehicle License Fee amount paid by all City residents would increase from 0.65% to 2% of the market value for any registered vehicle. The fee would be collected and distributed by the California Department of Motor Vehicles (DMV), which would charge an estimated \$200,000 for initial setup of the program, and \$100,000 annually for ongoing administration fees. Additionally, the City would be required to reimburse the state for increased personal income tax deductions made as a result of the increased fee.

Authorization

Authorization for a local Vehicle License Fee requires that the ordinance proposing the assessment is approved by two-thirds of all members of the Board of Supervisors. The ordinance would then be placed on the ballot and would require a majority vote in order to enact the assessment. If approved in a November election, the Vehicle License Fee increase would be effective the following July, or seven months after approval.

Revenue Source #3: Sales Tax Increase

Proposal

The sales tax has the ability to generate revenue across a diverse cross-section of consumers, including workers and visitors outside the City that use the City’s transportation system. The Transportation Task Force supports a proposal to increase the sales and use tax by 0.5%. This increase would put the effective sales tax rate in San Francisco at 9.25%. There would be no sunset date for this revenue source. The Mayor and Board of Supervisors should consider the optimal timing of a ballot measure.

Revenue Projection

The Controller’s Office estimates that a 0.5% increase in the sales tax rate will generate over \$1 billion by the end of fiscal year 2029-30 if approved in November 2016. If the sales tax is approved in November 2016, the first year of the full revenue stream would occur in FY 2017-18. Therefore, during the 15 years of this plan between FY 2015-16 and FY 2029-30, this tax would generate \$69 million annually.

Background

In November 2012, the State of California increased its sales tax rate by 0.25%, which increased San Francisco’s sales tax rate from 8.5% to 8.75%. The statewide sales and use tax rate is 6.5%, but the rate in any given jurisdiction may be higher depending on special district taxes.

California cities have comparatively high sales tax rates compared to national averages. At a minimum, California residents face a sales tax rate of 7.5%, but a city or a county can raise the rate to as high as 9.5%. High sales tax rates are not unusual in large cities. For example, Chicago has a 9.25% sales tax, Seattle a 9.5% sales tax, New Orleans a 9.0% sales tax, and New York City an 8.875% sales tax.

⁹ California State Senate Bill 1492

San Francisco's current sales tax rate places it below the mean and median rates of its neighboring cities (Table 7: Bay Area Sales Tax Rates). In 2012, San Mateo raised its sales tax rate, making it the highest among neighboring cities. If this proposal is enacted, San Franciscans will face a higher sales tax rate compared to most of its neighbors except for San Mateo.

TABLE 7: BAY AREA SALES TAX RATES

Neighboring Cities	Tax Rates
San Mateo	9.25%
San Francisco (After Rate Increase)	9.25%
Berkeley	9.00%
Colma	9.00%
Daly City	9.00%
Emeryville	9.00%
Fremont	9.00%
Millbrae	9.00%
Oakland	9.00%
South San Francisco	9.00%
San Rafael	9.00%
San Francisco (Current Rate)	8.75%
San Jose	8.75%
Corte Madera	8.50%
Sausalito	8.50%
Average of Neighboring Cities (excluding San Francisco)	8.92%
Median of Neighboring Cities (excluding San Francisco)	9.00%

Source: California Board of Equalization, Rates for Cities and Counties effective 7/11/13

Raising a sales tax has the benefit of spreading the transportation cost burden across a diverse cross-section of consumers, including workers and visitors outside the City that use the City's transportation system. The Controller's Office estimates that over half of the burden would fall on non-residents. About 37% of sales taxes are paid by visitors and 14% by business. These are comparatively high shares paid by non-residents versus standard distributions in many other cities and counties.

Authorization

In order to be placed on the ballot, this proposal would need the approval of two-thirds of the Board of Supervisors. If the revenue from this tax were dedicated to transportation, the measure would need the approval of two-thirds of voters before it can become law; otherwise, if it is general revenue, then it would need a simple majority of voters. If approved in a November election, the half-percent sales tax would be effective on April 1st or five months after approval.

¹⁰ These are Controller's Office of Economic Analysis estimates based on MuniServices taxable sales data and taxable expenditures by visitors from San Francisco Travel Association, "Visitor Industry Economic Impact Estimates, 2010."

¹¹ Proposition 218 was passed by voters in November of 1996, which changed the requirements for local governments to raise revenue. The intent for proposition 218 is to ensure that all taxes and most charges on property owners are subject to voter approval. If this sales tax revenue is designated for the any "special tax" must be approved by a two-third majority.

TABLE 8: REVENUE PLAN

Revenue Source (2013 \$)	Annual Average	15 Year Total	Recommendation Description	Authorization /Legal Requirements	Key Advantages
\$1.1 Billion in General Obligation Bond Debt (\$829 million in 2013 dollars)	\$55 Million	\$829 Million	<ul style="list-style-type: none"> -Two \$500 million bond measures. -First measure targeted for November 2014 ballot -Second measure targeted for 2024 -Add Transportation program to the City's on-going G.O. bond program through the Ten-Year Capital Planning Process. 	<ul style="list-style-type: none"> -Capital Planning Committee approval -Majority Board of Supervisors (BOS) approval -Two-thirds (super majority) voter approval 	<ul style="list-style-type: none"> -Transportation revenue raised without increasing tax rate - City will issue new debt only as it retires old debt (or as the property tax base grows) to ensure tax rates remain at 2006 levels. -Spreads cost of paying for improvements across current and future residents
Vehicle License Fee (1.35%) Increase	\$73 Million	\$1.1 billion	<ul style="list-style-type: none"> -A fee assessment equal to 1.35% of the market value of any registered vehicle, -brings the rate up to full 2004 allowable limit. -Targeted for November 2014 ballot 	<ul style="list-style-type: none"> -Fee must be general revenue -Two-thirds BOS approval -50% + 1 voter approval -Companion legislation needed for a General Fund set-aside for Transportation/ Streets through a Charter amendment 	<ul style="list-style-type: none"> -Strong connection between fee payers (vehicle drivers) and the transportation system -Generally accepted in concept by San Francisco voters in the past
0.50% Sales Tax Increase	\$69 Million	\$1.0 billion	<ul style="list-style-type: none"> -Increases effective sales tax rate from 8.75% to 9.25% -Targeted for 2016 ballot 	<ul style="list-style-type: none"> -Two-thirds BOS approval -Two-thirds (super majority) vote approval should the revenue be dedicated -A general use sales tax would only require a majority of voters 	<ul style="list-style-type: none"> -Comparable to other Bay Area sales tax rates -Oakland, Berkeley, Emeryville: 9% -San Mateo: 9.25% -San Jose: 8.75% -Sausalito: 8.5% -Spreads transportation cost burden amongst a diverse cross section of transportation consumers, including businesses and visitors.
Grand Total:	\$197 Million	\$2,955 Billion			

4. Recommendation 3: Use Strategic Policy Tools for Additional Future Revenue

Summary Recommendation 3: Identify and support additional revenue opportunities for unfunded high-priority transportation projects. The Task Force recommends:

- Advocating for additional revenue from regional, state, and federal funding.
- Be responsive to City department recommendations for improved funding coordination.
- Consider policies and opportunities described in the San Francisco Transportation Authority Countywide Plan

Task Force Recommendations 1 and 2 identified significant capital funding needs in the transportation sector and recognized that additional local funding cannot be the only solution. The third Task Force recommendation is that the City continues to secure additional revenue for transportation through other sources. This includes regional, state and federal advocacy; pursuing funding coordination opportunities; and review of policies proposed in the San Francisco County Transportation Authority's (SFCTA) Countywide Plan.

The Task Force recommends that the City provide seed funding or planning dollars in the next 15 years for some projects identified in the Investment Plan. Additionally, the City should secure revenue from outside sources for identified priority projects. Many of these state, federal, and regional revenue sources are projected to occur within the timeframe examined by the Task Force, but cannot be pursued only by the City; other jurisdictions must participate in the funding request. Table 9 presents a list of priority projects recommended for outside funding sources by the Task Force.

TABLE 9: TASK FORCE PRIORITY PROJECTS FOR ADDITIONAL FUNDS

#	Project (2013 \$, in millions)	TOTAL NEED	Funds Identified	% Funded	Unfunded Need	2030 Proposed Funding	% Funded (after 2030 contribution)
1	Market Street Transportation and Streetscape Improvements*	\$463	\$97	21%	\$366	\$188	62%
5	Caltrain Downtown Extension *	\$450	\$0	0%	\$450	\$20	4%
8	Geary Rapid Network Improvements*	\$243	\$38	16%	\$205	\$27	27%
28	BART San Francisco Station Modernization	\$100	\$50	50%	\$50	n/a	n/a
29	BART Embarcadero/ Montgomery Improvements	\$84	\$14	17%	\$70	n/a	n/a
30	BART Embarcadero/ Montgomery Capacity Expansion	TBD	TBD	TBD	TBD	n/a	n/a
31	Harney Way Roadway Improvements	\$24	\$22	92%	\$2	n/a	n/a
32	Hunters Point Shipyard/Candlestick Ph. 1	\$1,186	\$1,147	97%	\$39	n/a	n/a
33	Mission Bay Roadway Network	\$103	\$94	91%	\$9	n/a	n/a
34	Muni M-Line Alignment Improvements	\$270	\$70	26%	\$200	n/a	n/a
TOTAL		\$2,923	\$1,532	52%	\$1,391		

*Includes Task Force funding

The Task Force highlights these as priorities based on a number of reasons: existing funding to date, City policies and commitments, project regional competitiveness, voter-approved ballot measures, and the projects' capacity to support growth in priority development areas. The Task Force, by identifying these as priorities for additional funding, recommends that these projects continue to move forward and be supported by the City. The Task Force recommends the following steps be taken to achieve new revenue:

Additional Revenue from Partners

The Task Force recommends the City advocate for an increase to federal, state, and regional dollars. Examples of such advocacy might include increased funding to the City in federal transportation reauthorization, cap-and-trade from the state, or adjustments to regional formulas to support San Francisco needs. Other potential funding sources could include new bridge tolls (through a future Regional Measure), competitive Small or New Starts funding (through the Federal Transit Administration), and public-private partnerships.

Based on the effort of the Task Force with supporting documentation from City departments and the SFCTA, the Metropolitan Transportation Commission proposed a targeted \$74billion Core Capacity Challenge Grant, of which \$2.3 will be new funds assigned to SFMTA. Per staff recommendations dated November 2013, these funds will be available over a 15 year period for core improvements to facilities, in addition to fleet replacement and expansion. The sources of funds include accelerated Federal Transit Administration formula funds, accelerated bridge tolls, and potential cap-and-trade revenue. These funds are proposed as a direct response to the expected commitment of local contributions defined by the recommendations of this Task Force. This funding reaffirms the expectation that a strong contribution locally will be met by funding partners. In the future, the City will continue to advocate for additional financial commitments from federal partners as well.

Pursue Coordination Opportunities and New Policies

Further, the City should pursue opportunities to improve coordination of funding to disparate transportation providers operating in the City. The Capital Planning Program has recently completed a study examining options for dedicated revenue to Caltrain across the three partner counties (San Francisco, San Mateo, and Santa Clara). The Task Force recommends the City continue to look for methods to improve collaboration across providers and find more efficient and effective means to provide local and regional transportation services in the City.

The forthcoming SFCTA Countywide Plan examines potential changes to existing City policies and processes that would support the City's Transit First policy and generate additional revenue for transportation services. The Task Force recommends the City consider these policies and programs, including public dialogue and further refinement to these policies prior to implementation.

VIII. Conclusions and Next Steps

The Transportation Task Force developed an understanding of San Francisco's transportation needs and emphasized the role that transportation infrastructure plays in the City's long-term sustainability and vitality. The recommendations of the Task Force are just the beginning of a 15-year process that will bring transportation infrastructure into the 21st century, improve mobility and access for current residents and workers, and support the City's growing demand for improved transportation.

If new revenue sources are approved by San Francisco voters, the projects will be subject to the City's annual budget, capital planning, and project definition and outreach processes. These processes will incorporate input from a wide variety of stakeholders and allow for further community feedback as policymakers move towards budgeting and expending these funds.

1. City Next Steps

The recommended revenue measures require voter approval, some as early as November 2014. The Mayor and the Board of Supervisors will work to develop proposed ballot and Charter legislation, and the Board of Supervisors will conduct public hearings on the Charter legislation. For this legislative process to be successful, elected officials and City staff will collaborate with stakeholders to ensure that proposals reflect the needs of the City and its voters. If new revenue is approved by voters, City staff will continue to engage with the public through existing and proposed processes to deliver transportation projects that meet the priorities of the City, its neighborhoods, and residents. These next steps include the annual budget process, capital planning process, and project outreach and prioritization to be performed by City staff.

Annual City Budget Process

As new resources are added to the budgets of Public Works and SFMTA, stakeholders and the public may examine City priorities and give input through the annual City budget process. For MTA-related projects, the MTA Board will hold public hearings on the agency's budget, including proposed spending on infrastructure improvements. For both the Public Works and the MTA, their proposed budgets will also be referred for approval to the Board of Supervisors, which will include a public hearing.

Capital Planning Process

The Ten-Year Capital Plan is a tool to inform the Mayor, the Board of Supervisors, and the public with an assessment of the City's capital infrastructure needs and a financing plan that addresses those needs. The Plan is reviewed and adopted by the Mayor and the Board of Supervisors every two years, and it is the central tool for development of the City's capital budget. The Capital Planning process meetings are open to the public to express their suggestions and input. The Task Force investments will be re-examined and moved forward every two years as part of the regular update of the City's Ten-Year Capital Plan. This provides an additional opportunity for the public to weigh-in on department choices and City prioritization of transportation projects.

Project Definition Outreach and Prioritization

The Task Force's recommendations have involved categories of funding for different transportation programs, with specific projects to be defined at a later date. City departments will develop processes to define these projects and prioritize them as revenue projections are re-examined annually and as projects continue to develop in scope and budget.

In addition to all of the above processes, the SFMTA, Department of Public Works, the City Planning Department and the SFCTA are committed to establishing additional processes to engage the public on the use and implementation of these funds if these revenue sources are pursued and granted by the voters.

If new revenue is approved, City staff must continue to revise investment and revenue estimates to prioritize the projects and programs. Cost and revenue estimates are based on 2013 dollars. Over the 15 years, the rate of revenue growth and estimated cost escalation will vary. In the event that costs grow more quickly than revenues, the investment plan should be re-prioritized by the City and project delivery may be adjusted or deferred.

2. Conclusions

The work of the Mayor's 2030 Transportation Task Force focused on understanding the City's transportation capital needs; this report is just a first step towards making improvements to the system to address these needs. The Task Force has agreed that the City has \$10.1 billion in transportation needs over the next 15 years, and only \$3.8 billion in identified funds. The Task Force identified existing transportation programs and projects that do not have sufficient resources to meet the needs of San Francisco through 2030. The Task Force recommends sources to address this gap and, if these sources are realized, where to prioritize the funding to gain maximum improvement to the City's transportation system.

Though the Task Force process is concluding, a much larger process will begin to identify and prioritize transportation projects that the City's policymakers and citizens want to see implemented. It is also certain that without new sources of investment, many of these projects and programs will not be implemented for lack of funding.

The Task Force will move forward with the following steps in the coming months to ensure that new investment is realized and City processes may begin:

- **Submit Task Force Recommendations to the Mayor, the Board of Supervisors/ Transportation Authority, the SFMTA Board of Directors, and the Capital Planning Committee.** This will institutionalize the recommendations and prepare them for placement on the ballot.
- **Communicate the goals and recommendations of the Task Force to the public and interested parties.** The Task Force will share the recommendations and outcomes that the public can expect as a result of the new investment.
- **Keep a strong coalition to realize the goals of the Task Force through implementation.** Task Force recommendations intend to address high-priority capital projects in the transportation sector through 2030. Ensuring that a group of committed stakeholders exists to maintain a focus on implementation of Task Force recommendations in the coming 15 years will help ensure that much-needed transportation projects are completed in the City.

IX. Appendices

Appendix A: San Francisco Transportation Providers

Agency Name	Description	Governance Structure	Major Roles & Responsibilities
Metropolitan Transportation Commission (MTC)	<ul style="list-style-type: none"> The transportation planning, coordinating, and financing agency for the nine-county San Francisco Bay Area; State's designated regional transportation planning agency; Federal agency's regional metropolitan planning organization (MPO). 	<ul style="list-style-type: none"> Governed by a 21 member policy board; <i>San Francisco</i>: 2 representatives appointed by the Board of Supervisors and the Mayor (one designee each). 	<ul style="list-style-type: none"> Updates the Regional Transportation Plan (<i>Plan Bay Area</i>) which establishes transportation priorities and guides investments for the Bay Area; Administers key federal and state funding such as federal formula funds; Screens requests from local agencies for state and federal transportation grants.
San Francisco County Transportation Authority (SFCTA)	<ul style="list-style-type: none"> The sub-regional county-designated congestion management agency (CMA). 	<ul style="list-style-type: none"> Governed by an Authority Board consisting of San Francisco's 11-member Board of Supervisors. 	<ul style="list-style-type: none"> Administers the Proposition K half-cent local transportation sales tax program; Administers San Francisco's Congestion Management Program through the preparation of San Francisco's long-range Countywide Transportation Plan and through its annual recommendations of local projects for state and federal funds; Manages grants from the Transportation Fund for Clean Air; Administers Proposition AA \$10 Annual Vehicle Registration Fee on registered vehicles in San Francisco.
San Francisco Municipal Transportation Agency (SFMTA)	<ul style="list-style-type: none"> The City agency that oversees Muni's trolley, train and streetcar network, bike and pedestrian programs, taxi regulation, parking management and traffic control operations in the city. 	<ul style="list-style-type: none"> Governed by a 7 member Board of Directors appointed by the Mayor of San Francisco. 	<ul style="list-style-type: none"> Operates the San Francisco Municipal Railway (Muni) encompassing five transit fleet types: bus, trolley, light rail, historic streetcar, and cable car; Manages the planning and programming related to traffic control, biking, walking, and taxi regulation; Operates City-owned parking garages and meters; Produces the 5-Year SFMTA Capital Improvement Program (CIP). Produces the 2-Year SFMTA Capital Budget.

San Francisco Department of Public Works (Public Works)	<ul style="list-style-type: none"> The City department responsible for maintaining streets and street and right-of-way infrastructure. 	<ul style="list-style-type: none"> Headed by the Director of Public Works, reports to the City Administrator. 	<ul style="list-style-type: none"> Manages the following City programs: street resurfacing; curb ramp inspection and replacement; street structures; street trees; sidewalk improvements and repairs; and median maintenance; Responsible for planning and/or implementing an array of accessibility, streetscape, bicycle, and pedestrian improvement projects.
Caltrain	<ul style="list-style-type: none"> The Joint Powers Board responsible for providing commuter rail service along the San Francisco Peninsula corridor. 	<ul style="list-style-type: none"> Owned by the Peninsula Corridor Joint Powers Board, consisting of representatives from San Francisco, San Mateo, and Santa Clara counties; <i>San Francisco</i>: 3 representatives appointed by the Board of Supervisors, the Mayor, and the SFMTA (one designee each). 	<ul style="list-style-type: none"> Manages Caltrain rail systems' operating and capital programs, including the Caltrain Modernization Program, which includes shifting to electric power and preparation for delivery of California High Speed Rail.
Bay Area Rapid Transit (BART)	<ul style="list-style-type: none"> The agency responsible for managing a rapid transit subway system that connects San Francisco to the East Bay and northern San Mateo County. 	<ul style="list-style-type: none"> Managed by a 9 member elected Board of Directors; 1 Board member is elected from each of the 9 BART districts; board members serve a 4-year term. 	<ul style="list-style-type: none"> Manages BART transit operating and capital programs, including special projects such as BART extension programs and station remodels.

Appendix A, continued: Additional San Francisco Transportation Agencies

Caltrans

The California Department of Transportation (Caltrans) is an executive department within California; its purpose is to improve mobility across the state. Caltrans manages the state highway system (which includes the California Freeway and Expressway System). Caltrans oversees operations in San Francisco on Highways 101, 280, associated on- and off-ramps and state-owned roads such as Van Ness Avenue, 19th Avenue, and Lombard Street. Under Governor Jerry Brown's 2012 reorganization plan, Caltrans will be transferred to the new California Transportation Agency along with the California Transportation Commission by July 2013. Caltrans is overseen by the state Director of Transportation, appointed by the Governor.

Transbay Joint Powers Authority

The purpose of the Transbay Joint Powers Authority is to design, build, operate, and maintain the new Transbay Transit Center and associated facilities in downtown San Francisco, including the extension of the Caltrain commuter rail 1.3 miles into the new Transit Center, and accommodations for future California High Speed Rail. The TJPA is overseen by a six-member Board of Directors appointed by the SF Board of Supervisors, AC Transit, Peninsula Corridor Joint Powers Board, the Mayor of San Francisco, SFMTA, and Caltrans (ex officio).

Ferries

San Francisco serves as a ferry port for public and private operators. Commuter service includes ferries from Marin, Alameda, Solano and San Mateo counties. Ferry ports within the city are located at AT&T Park, San Francisco Ferry Building, and San Francisco Pier 41. Marin-based ferries are governed by the Golden Gate Transportation District; East Bay and Peninsula ferries are governed by the Water Emergency Transportation Authority.

Regional Bus Operators

San Francisco serves commuter bus service from Marin, San Mateo, Contra Costa, and Alameda counties at the former Transbay Terminal and in the future Transbay Transit Center. Governance for Golden Gate Transit, SamTrans, and AC Transit commuter bus service is provided by their respective independent authorities.

Bridges

Two bridges give access to the City of San Francisco: the Golden Gate Bridge and the Bay Bridge. The Golden Gate Bridge District oversees the Golden Gate Bridge, and the Bay Area Toll Authority oversees the Bay Bridge.

Appendix B: Financial Documentation and Efficiency Improvements

The City's transportation infrastructure deficiencies result from years of under-investment in capital. This appendix reviews areas where the City has improved processes to ensure investment is targeted, efficient, and maximizes the positive impact to the City's transportation system users. In particular, this section discusses improved capital planning efforts, the City's oversight processes for expending G.O. bond funds, maintenance improvement processes, new customer information systems, project delivery improvements, and increased institutional coordination between city and regional transportation agencies.

Financial Planning Documentation

Multiple City planning processes—including the City's Ten-Year Capital Plan and the SFMTA's 20-Year Capital Plan and its financially constrained Five-Year Capital Improvement Program—have identified the need to invest in the transportation sector. These planning processes, all implemented within the last ten years, improve clarity and assist in prioritization of new projects and programs in the transportation sector.

Long-range transportation planning also provides information to policymakers on the magnitude of the funding needed to maintain the City's infrastructure, and the even higher costs of not making these investments. For example, the need for new transportation revenue sources were considered and articulated in the City's most recent Ten-Year Capital Plan, which was adopted by the Mayor and the Board of Supervisors in April 2013. The Plan called for a Transportation and Streets Infrastructure Package (TSIP), a ten-year, \$790 million investment strategy aimed at improving the City's Pavement Condition Index; addressing long-term Muni state-of-good repair needs; investing in safe and complete streets for autos, bikes, pedestrians, and transit vehicles; and planning for increased demand on streets and transit services due to growth. Though TSIP will be superseded by any recommendations of this Task Force, the exercise called attention to the needs of transportation infrastructure in San Francisco and institutionalized coordinated capital planning for transportation.

Bond Oversight and Management

The City has institutionalized methods for ensuring proper use of general obligation (G.O.) bonds and provides extensive oversight to maintain the City's credit rating and ensure excellent fiscal stewardship of public funds. For example, the Citizens' General Obligation Bond Oversight Committee (GOBOC) was established to monitor the expenditure of general bond proceeds and inform the public. The GOBOC reviews cost and schedule information, publishes regular reports, and reviews audits performed by the City Controller, City Services Auditor Division. Additionally, all debt issuance and use of bond proceeds must be approved by the Mayor, Board of Supervisors, and the City's Capital Planning Committee. These established practices help ensure successful use of funds and execution of projects resulting from future G.O. bonds.

Customer Information

Muni is improving on the customer experience to enhance rider satisfaction and attract new ridership. To improve service, real-time customer information is now provided on Twitter and NextBus signs on weekdays from 5:00 am to 9:00 pm. Muni is planning subway audio and sign upgrades within the next 12 months. SFMTA has increased its presence on desktop and mobile platforms through the launch of new SFMTA website in May 2013 and the improved use of social media. These targeted efforts are designed to give consumers a better transit experience from doorstep to doorstep.





Project Delivery Improvements

SFMTA has developed strategic plans, goals, and projects for the use of capital funds. The SFMTA's comprehensive Five-Year Capital Improvement Program was adopted in April 2012 for FY 2012-2013 through FY 2016-17; this Plan totals \$3.2 billion from more than 30 different federal, state, and local sources containing 350 projects in 16 capital programs. To deliver these programs, SFMTA has recently instituted a robust information technology system that provides capital project managers a holistic view to monitor the scope, schedule, and budgets of their projects, along with document management. This system enables SFMTA to monitor performance and effectively manage project portfolios.

Institutional Coordination

Although the City is one entity, it is comprised of many different departments with different management structures and cultures. In the past, this had led to challenges in project delivery for projects that cross multiple departments. In recent years, the City has worked through the Capital Planning Committee process to ensure departments are coordinating and effectively working together to implement projects to ensure economies of scale. To improve coordination with external City departments and agencies and improve on cross-agency programs and projects, functional task forces have been implemented to review and discuss projects, timelines, budgets, potential funding sources, and next steps. In addition, the City is working to institutionalize improvements between its various transportation related agencies, departments, and jurisdictional authorities to ensure project success and efficient completion.

Appendix C: Investment Plan Descriptions

#1 Market Street Transportation and Streetscape Improvements

DESCRIPTION

The Market Street Transportation and Streetscape Improvements program is a comprehensive renovation of Market Street from the Embarcadero to Octavia Boulevard which will improve all modes of transportation, foster economic development, and create vibrant public spaces. Market Street is the most important corridor in San Francisco. It integrates three levels of public transportation (BART, Muni Metro, and street-level buses and streetcars) and carries almost 200,000 passengers a day on the street-level alone. On a typical weekday, over 200,000 people walk along its length, getting to work, going shopping, visiting museums and enjoying the sites of the city. At various times during the day, bicycles outnumber vehicles.

Market Street currently accommodates the demands of the various modes, but it is unreliable and inefficient. Transit service moves slowly through the corridor; there are many points of significant conflict between bicycles and vehicles; large volumes of fast-moving traffic crossing Market Street create barriers for people walking; and the odd angles of intersections result in unusually long and awkward places for people to cross. This project seeks to improve the safety, efficiency, comfort and ease of Transit First modes through the corridor.

IMPACT

The project will significantly improve mobility and safety for all users of Market Street. It will provide travel time improvements in coordination with safety and accessibility enhancements on the City's most intensively used transportation corridor.

This project funds street design to improve transportation on Market Street, including improved transit access, ticketing and wayfinding signage, new roadway pavement, reconstructed sidewalks and crosswalks, rehabilitated Muni overhead wires, upgraded traffic signal infrastructure, improved bicycle facilities, and repaired or replaced sewer lines and auxiliary water systems below the road surface. Moreover, because more than half of all Muni routes interact with the Market Street corridor, the benefits of travel time and reliability will improve systemwide performance for all transit riders.

The Market Street Transportation and Streetscape Improvements program is a joint partnership among five city agencies. Robust community outreach on this project include public workshops, webinars, a Citizens' Advisory Committee, continual updates on the project website and future work to gather feedback and community interaction. The project will continue to gather feedback and learn more about the needs of the corridor as the project progresses through environmental review.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED BEFORE ADDITIONAL FUNDING	% OF PROJECT FUNDED AFTER ADDITIONAL FUNDING
\$463	\$97	\$366	\$188	21%	62%

#2 Canopies for Market Street BART/Muni Metro Stations - SF Contribution (50% of total)

DESCRIPTION

Market Street has 27 open air station entrances to access shared BART and Muni Metro platforms. These four stations (Embarcadero, Montgomery, Powell and Civic Center) are used by more than 350,000 people daily. The original design of these canopies exposes the well-used escalators and staircases to debris from the surrounding areas and prevents BART and Muni from closing access during non-operating hours. This exposure has resulted in significant negative impacts on escalator reliability and customer experience. The current design prototype for the canopies calls for a durable, transparent shelter which fits into the surrounding cityscape and incorporates environmentally sustainable features such as natural lighting and ventilation. This project is a collaboration between Public Works, SFMTA and BART, complementary to the work that will be performed as a part of Market Street Transportation and Streetscape Improvements.

IMPACT

This project funds the installation of BART/Muni Metro Canopies on Market Street between the Embarcadero and Civic Center Stations. A total of 27 will be installed between Embarcadero and Civic Center stations along Market Street and in coordination with BART. The canopies for shared BART/Muni metro station entrances will protect station entrances and escalators from the elements and prevent unauthorized access during non-operational hours. This project will create a comfortable and safe entrances for all subway users on Market Street and enhance the customer experience. The canopies will also extend the service life of open air escalators reduce escalator repairs and improve escalator reliability.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED <u>BEFORE</u> ADDITIONAL FUNDING	% OF PROJECT FUNDED <u>AFTER</u> ADDITIONAL FUNDING
\$30	\$0	\$30	\$30	0%	100%

#3 Caltrain Capital Maintenance – SF Contribution

DESCRIPTION

Caltrain is a key part of the regional transportation network and provides daily rail service between San Francisco, the Peninsula, and San Jose, and is vital to the Bay Area’s economic health. Each year, the Joint Membership Partners, San Francisco, the San Mateo County Transit District (SamTrans), and the Santa Clara County Valley Transportation Authority (VTA), must equally contribute (pursuant to an agreement) to capital projects in order to maintain the Caltrain system

in a state-of-good repair. However, the funding contributions for capital state-of-good repair have been historically volatile and unreliable as a result of the budgetary pressures on the three individual members and their respective competing capital maintenance requirements. The Caltrain capital maintenance project will provide a consistent funding source for San Francisco’s share of the total capital maintenance costs.



IMPACT

This project funds on-going infrastructure and fleet maintenance to maintain Caltrain system reliability and on-time performance. This project will maintain Caltrain’s infrastructure in a state-of-good repair by completing necessary track, signal, systems and structures rehabilitation and replacement. This project will assist in ensuring vehicle reliability by rehabilitating components of the current fleet of passenger cars and locomotives, and improving safety for adjacent communities through the extension of fencing along track right-of-way. Further, by providing a reliable and consistent funding source for Caltrain state-of-good repair, partner counties may choose to provide a similarly consistent commitment, improving long-term Caltrain planning. This work is an on-going partnership by SamTrans, VTA and SFMTA, on behalf of the City and County of San Francisco.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED <i>BEFORE</i> ADDITIONAL FUNDING	% OF PROJECT FUNDED <i>AFTER</i> ADDITIONAL FUNDING
\$93	\$8	\$85	\$85	9%	100%

#4 Caltrain Electrification – SF Contribution

DESCRIPTION

The Caltrain Electrification project modernizes Caltrain for 21st century operations, including preparation for High Speed Rail to San Francisco. The Corridor Electrification Project is a key component of the Caltrain Modernization Program and consists of converting Caltrain from diesel to high performance electric trains for service between San Jose and the Fourth Street and King Station in San Francisco. The project would include the installation of new electrical infrastructure and install a new advanced signals system that meets federally-mandated safety improvements. As a member of the Peninsula Corridor Joint Powers Authority, which governs Caltrain, the City has agreed to share the cost of the electrification project. This project will be coordinated with Caltrain partners in San Mateo and Santa Clara.

IMPACT

This project would result in increased Caltrain reliability and efficiency, along with significantly reduced emissions. This project funds the key infrastructure to prepare Caltrain right-of-way and fleet for electrification, including poles, catenary wires, traction power system, Electric Multiple Units, wayside and on-board hardware and software for the advanced signal system. Caltrain will be a more sustainable form of transportation upon complete electrification; this project will convert 70% of the existing Caltrain diesel engine-driven commuter rail service to electrically-powered service along the 50-mile corridor from San Francisco to San Jose. Further, this project will improve service cost-effectiveness as conversion from diesel to electricity will reduce fuel costs. An electrified Caltrain system will set the stage for an enhanced, modern commuter rail service and for future blended High Speed Rail service.

Caltrain has engaged in outreach on the modernization and electrification program, meeting with community groups and elected officials for the past several months. Current outreach is focusing on the process of preparing and obtaining state environmental review and approval of the project. This project is a partnership among the Joint Powers of Caltrain and the California High Speed Rail Authority.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED <i>BEFORE</i> ADDITIONAL FUNDING	% OF PROJECT FUNDED <i>AFTER</i> ADDITIONAL FUNDING
\$62	\$23	\$39	\$39	37%	100%



#5 Caltrain Downtown Extension – (SF Estimated Contribution)

DESCRIPTION

The Transbay Transit Center Project is a transportation project that transforms downtown San Francisco and the San Francisco Bay Area’s regional transportation system by creating a “Grand Central Station of the West” in the heart of a new transit-friendly neighborhood. The project will replace the current Transbay Terminal at First and Mission streets in San Francisco with a modern regional transit hub currently under construction, which will connect the eight Bay Area counties and the State of California through 11 transit systems, including the future High Speed Rail.

The second phase of the Transbay Transit Center Project will extend the Caltrain rail line downtown into the new Transit Center proximate to the Financial District in the heart of the burgeoning SoMa community. Caltrain serves as a vital regional link by connecting San Francisco to the Peninsula, Silicon Valley and San Jose, but currently terminates 1.3 miles from downtown San Francisco. This extension connects the region to San Francisco’s employment and the key regional connections at the Transbay Transit Center.

IMPACT

This project provides seed funding for the second phase of the Transbay Transit Center project. This project will reinforce San Francisco’s location as a transportation nexus and the center of the region, keeping the City economically vibrant. Extending Caltrain to the Transbay Transit Center will save regional commuters almost an hour a day in travel time, and will result in increased Caltrain ridership and fewer private vehicle trips into the City from the Peninsula. The underground rail line is being designed to accommodate future High Speed Rail and rail connections to the East Bay, making the new Transit Center the future hub for High Speed Rail in Northern California.

As part of the Transit Center District Plan, this project has had significant outreach amongst stakeholders and discussion as the premier transportation expansion priority for San Francisco. This project funds conceptual design and engineering of the Downtown Extension to prepare the project to leverage federal, state and private sector funding opportunities. The Task Force investment provides seed funding for the Downtown Extension. The majority of the project will be funded and delivered through other revenue sources.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED <u>BEFORE</u> ADDITIONAL FUNDING	% OF PROJECT FUNDED <u>AFTER</u> ADDITIONAL FUNDING
\$450	\$0	\$450	\$20	0%	4%

#6 Citywide Bicycle Strategy – Base System

DESCRIPTION

As the population of San Francisco grows and increases in density, traffic congestion will grow unless the City is thoughtful and efficient about the limited use of the public right-of-way. Currently, the existing network accommodates 3.5% bicycle mode share on a fragmented bicycle network. As cycling becomes a more popular mode, it is important that the streets of San Francisco are safe and accessible for everyone. Additionally, as use of the system grows, the bike network will need to be expanded, bicycle parking spaces will need to be added, and the bicycle sharing program will need to be expanded to meet higher demand.

San Francisco’s Bicycle Strategy, building on the 2009 Bicycle Plan, lays out the key investments needed for the City to promote cycling for everyday transportation. The Strategy proposes investments to enhance and expand the City’s bike network to accomplish its goal of 20% bicycle mode share. The Bicycle Strategy Base System proposes improvements that will increase mode shift to 8%.

IMPACT

The proposed investment will complete the projects identified in the 2009 Bicycle Plan, as well as some of those proposed in the Bicycle Strategy; these investments will improve safety, accessibility and reliability of the bicycle network in San Francisco. These improvements include upgrading existing bike lanes, buffered bike lanes, basic and deluxe cycle-tracks, colored pavement treatments and shared bike/ bus lanes. The benefits of this investment include safer streets for all users and a smarter, more efficient transportation system. Implementation of the 2009 Bicycle Plan includes citywide investment that will serve all neighborhoods. As projects are identified, community outreach will be performed to ensure that the proposals meet City goals and neighborhood needs for improved bicycle network connectivity and safer routes for all users.

This project programmatically funds completion of the existing bicycle network identified in the 2009 Bicycle Plan, upgrades to 20 miles of existing bicycle network, upgrade of 20 intersections for bicycle circulation and control increasing safety and comfort, installation of 8,000 bicycle parking spaces to reduce theft and increase bicycle network accessibility, and completion of the first phase of the Bay Area Bike Share system in San Francisco, with 500 bicycles total.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED <u>BEFORE</u> ADDITIONAL FUNDING	% OF PROJECT FUNDED <u>AFTER</u> ADDITIONAL FUNDING
\$118	\$81	\$37	\$37	69%	100%

#7 Citywide Bicycle Strategy – Enhanced System

DESCRIPTION

As the population of San Francisco grows and increases in density, traffic congestion will grow unless the City is thoughtful and efficient about the limited use of the public right-of-way. Currently, the existing network accommodates 3.5% bicycle mode share on a fragmented bicycle network. As cycling becomes a more popular mode, it is important that the streets of San Francisco are safe and accessible for everyone. Additionally, as use of the system grows, the bike network will need to be expanded, bicycle parking spaces will need to be added, and the bicycle sharing program will need to be expanded to meet higher demand.

San Francisco's Bicycle Strategy, building on the 2009 Bicycle Plan, lays out the key investments needed for the City to promote cycling for everyday transportation. The Strategy proposes investments to enhance and expand the City's bike network to accomplish its goal of 20% bicycle mode share. The Bicycle Strategy Enhanced System proposes improvements that will increase mode shift to 10%.

IMPACT

To improve safety, some existing bike routes will be upgraded to separate facilities to reduce collisions. These enhancements are designed to increase the safety, comfort and accessibility of bicycling as a mode of transportation, increasing the number of trips by bike and the overall mode share in San Francisco. The goal is to maximize bicycling at a mode share of 10%. Upgrades of the bicycle network will be performed citywide and will serve all neighborhoods. As projects are identified, community outreach will be performed to ensure that the proposals meet City goals and neighborhood needs for improved bicycle network connectivity and safety for all users.



This project programmatically funds upgrades to an additional 20 miles of the bicycle network, addition of approximately 10,000 bicycle parking spaces, 1,800 bicycles to the Bay Area Bike Share system in the City, and addition of 10 miles of new bicycle facilities to San Francisco's bicycle network.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED <i>BEFORE</i> ADDITIONAL FUNDING	% OF PROJECT FUNDED <i>AFTER</i> ADDITIONAL FUNDING
\$108	\$0	\$108	\$90	0%	83%

#8 Citywide Bicycle Strategy – Full Build-Out

DESCRIPTION

As the population of San Francisco grows and increases in density, traffic congestion will grow unless the City is thoughtful and efficient about the limited use of the public right-of-way. Currently, the existing network accommodates 3.5% bicycle mode share on a fragmented bicycle network. As cycling becomes a more popular mode, it is important that the streets of San Francisco are safe and accessible for everyone. Additionally, as use of the system grows, the bike network will need to be expanded, bicycle parking spaces will need to be added, and the bicycle sharing program will need to be expanded to meet higher demand.

San Francisco’s Bicycle Strategy, building on the 2009 Bicycle Plan, lays out the key investments needed for the City to promote cycling for everyday transportation. The Strategy proposes investments to enhance and expand the City’s bike network to accomplish its goal of 20% bicycle mode share. Full Build-Out of the Bicycle Strategy is designed to provide a system in San Francisco that offers cycling as an equal choice for transportation compared to other modes. Investments in this category will lead to safer routes and connections for bikes citywide, secure parking for bikes, and access to shared bicycles. The Bicycle Strategy Expanded Full Build-Out proposes improvements that will increase mode shift to 10-20%.

IMPACT

This project funds the first portions of the full build out the Bicycle Network consistent with the Bicycle Strategy resulting in a bicycle mode share in San Francisco from 10 – 20%. As San Francisco continues to grow, congestion of the public right-of-way will grow. A goal of these investments is to make cycling an affordable, safe transportation mode that connects to all areas of the City and provides reliable mobility for people that choose to bike. Upgrades and expansion of the bicycle network will be performed citywide and will serve all neighborhoods. As projects are identified, community outreach will be performed to ensure that the proposals meet City goals and neighborhood needs for improved bicycle network connectivity and safety for all users.

This project programmatically funds upgrades to an additional 33 miles of the bicycle network, upgrades to 40 intersections to improve circulation and safety, construction of enough bicycle parking space demand to meet 50% of demand, addition of 5 miles of new bicycle facilities to San Francisco’s bicycle network and increasing San Francisco’s bicycle sharing system to approximately 2,500 bicycles.

FUNDING

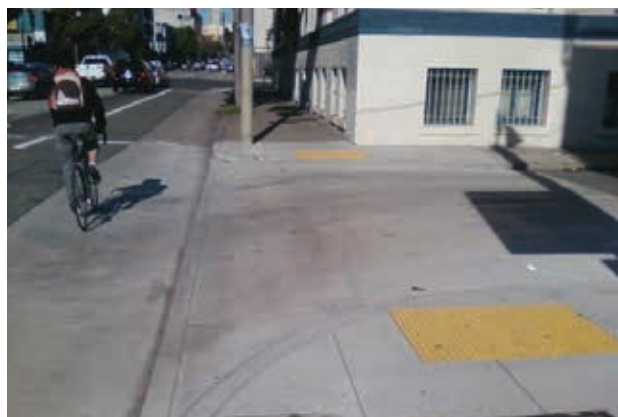
(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED <i>BEFORE</i> ADDITIONAL FUNDING	% OF PROJECT FUNDED <i>AFTER</i> ADDITIONAL FUNDING
\$215	\$0	\$215	\$48	0%	22%

#9 Citywide Pedestrian Strategy Core Projects and Pilots

DESCRIPTION

Over 800 individuals are hit by cars in San Francisco each year, and 100 are severely injured or killed. These collisions cost millions of dollars in public funds and untold costs for victims and families. Each is a tragedy, and each is preventable. Given the key role of walking in San Francisco, the street environment is the focus of numerous specific initiatives and ongoing investment programs and is officially recognized through the City's Transit First policy and Better Streets Plan. In an effort to improve walking conditions in San Francisco, the City identified 70 miles of streets as priority candidates to receive safety improvements between now and 2021. In January 2013, the San Francisco Pedestrian Strategy was released to identify actions that reduce severe and fatal injuries.



The City's streets must be safe for all individuals and modes of travel. By increasing street safety, more trips can be made by walking, which will reduce congestion and help meet the City's goals of cutting greenhouse gases (below 1990 levels) 25% by 2017 and 40% by 2025.

These Core Projects investments will include implementation of proven engineering tools that improve safety on streets for those who choose to walk, particularly on high injury intersections, including: installing 15 mph speed signs; re-opening closed crosswalks; installing countdown signals and other engineering improvements. This program will also implement pilot tests for innovative treatments to improve safety and walkability throughout San Francisco.

IMPACT

Implementing the Core Projects and Strategic Pilots will make streets safer and more accessible for all users, specifically vulnerable citizens- seniors, people with disabilities and children, who are more likely to be severely injured if involved in collisions. Increasing walking by improving street safety results in many benefits, not only for individual health, but also for economic development, neighborhood vitality, and environmental sustainability. The strategy will reduce injuries and collisions in neighborhoods and increase walking trips by improving the walking environment for those who choose to walk, contributing to the City's larger mode-shift goal.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED <u>BEFORE</u> ADDITIONAL FUNDING	% OF PROJECT FUNDED <u>AFTER</u> ADDITIONAL FUNDING
\$66	\$45	\$21	\$21	68%	100%

#10 Citywide Pedestrian Strategy Full Build-Out

DESCRIPTION

Over 800 individuals are hit by cars in San Francisco each year, and 100 are severely injured or killed. These collisions cost millions of dollars in public funds and untold costs for victims and families. Each is a tragedy, and each is preventable. Given the key role of walking in San Francisco, the street environment is the focus of numerous specific initiatives and ongoing investment programs and is officially recognized through the City's Transit First policy and Better Streets Plan. In an effort to improve walking conditions in San Francisco, the City identified 70 miles of streets as priority candidates to receive safety improvements between now and 2021. In January 2013, the San Francisco Pedestrian Strategy was released to identify actions that reduce severe and fatal injuries.

The City's streets must be safe for all individuals and modes of travel. By increasing street safety, more trips can be made by walking, which will reduce congestion and help meet the City's goals of cutting greenhouse gases (below 1990 levels) 25% by 2017 and 40% by 2025.

A Full Build-Out of the Pedestrian Strategy would include the permanent implementation of pilot treatments that have proven successful in improving safety and walkability of the streets of San Francisco. The City will make these improvements in concert with other planned construction wherever possible to save costs and minimize disruption to residents and businesses.

IMPACT

Fully funding the implementation of the San Francisco Pedestrian Strategy will reduce collisions and injuries by half in ten years with strategic capital investment on 70 key City miles. This project aims to meet the Mayor Ed Lee's goal to reduce severe injuries and fatalities on San Francisco streets 50% by 2021. This project would fund targeted investment in key permanent safety countermeasures on the 70 miles of High Injury Corridors.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED <i>BEFORE</i> ADDITIONAL FUNDING	% OF PROJECT FUNDED <i>AFTER</i> ADDITIONAL FUNDING
\$297	\$0	\$297	\$120	0%	40%

#11 Citywide Traffic/Signals – State-of-Good Repair

DESCRIPTION

Transportation system management and operations strategies, known as intelligent transportation systems, improve roadway system efficiency for all modes. Traffic signals are made up of three major components, with varying useful lives – a signal controller, underground conduit infrastructure and the actual signal and mast arm. The full signal has a useful asset life of 21 years. This project will keep traffic infrastructure and signals in a state-of-good repair through replacement and upgrade of deteriorated or obsolete signal hardware, which will optimize movement on San Francisco streets.

This project will additionally bring improved technology to the traffic signal system, with smart tools that allow real time traffic management and traffic signal priority. In addition, upgraded traffic signals with new technology will be able to disseminate information to transportation service providers and to the public via traffic alert notification tools such as 511. Additionally, when traffic signals are upgraded, the SFMTA is able to install more countdown and audible signals at intersections.

IMPACT

This project will maintain signal timing and safety infrastructure to improve congestion management in addition to the flow of all modes. This project will reduce traffic congestion, improve travel time reliability for all road users, and improve roadway efficiency. It will have beneficial environmental outcomes through reduced idling related emissions citywide. Signal equipment upgrades will improve transit travel time and reduce delay reduced breakdown and new technology system uses such as signal priority. Upgrades to signals will be performed citywide and will serve all neighborhoods.

Countdown and audible signals will be installed in conjunction with signal replacement, if these safety tools are not already in place. These safety and accessibility infrastructure are proven ways to reduce injuries and improve safety at intersections. Costs are minimized and the improvement to pedestrian safety and accessibility is measurable.

This project funds replacement and upgrade signals, signal poles and foundations, and signal hardware for almost half of City signalized intersections. It additionally funds intelligent transportation management systems along 10 corridors totaling approximately 85 blocks. It installs countdown and audible signals at locations where this infrastructure is not already installed.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED <i>BEFORE</i> ADDITIONAL FUNDING	% OF PROJECT FUNDED <i>AFTER</i> ADDITIONAL FUNDING
\$402	\$144	\$258	\$53	36%	49%

#12 Complete Streets Elements (Follow the Paving)

DESCRIPTION

The Complete Streets Elements (formerly Follow the Paving) project coordinates street safety improvements recommended by the 2008 Better Streets Plan as the City’s streets are repaved. In conjunction with repaving projects performed by the Department of Public Works, this project seeks to maximize cost efficiency and minimize street closures affecting the public.



Complete Streets Elements is an opportunity to perform strategic improvements at specific locations on paving projects that may have older designs that do not fully account for safety, particularly for vulnerable users. These improvements efficiently supplement on-going improvements performed through pedestrian, traffic calming, school safety, and bicycle plans. Improvements use tools from the 2008 Better Streets Plan and may include new curb alignments, improved crossing facilities, and new bicycle lanes. Examples of Complete Streets Elements projects include the Euclid Avenue repaving project, where sidewalk corners were modified for safety.

IMPACT

Walking and bicycling safety and access improvements that are performed in conjunction with the City’s street resurfacing program can projects costs by up to 75%.This program extends the benefits of the walking and bicycling strategies to streets that are undergoing routine repaving and improves safety for all street users citywide. It equitably distributes improvements, including improved safety for all in neighborhoods as paving occurs. The project complements the accessibility improvements performed through the Pedestrian Strategy and the ADA Transition Plan curb ramp program. Coordination also minimizes the number of street closures performed by the City, with reduced impact on the community from construction-related noise and debris impacts. This program is citywide and will serve all neighborhoods. Outreach for this program is performed on a project-by-project basis within the paving program.

This project funds street safety improvements citywide such as curb extensions, pedestrian islands, and crosswalk enhancements including new striping. This project additionally funds bicycle enhancements, such as new or improved bicycle lanes. Project details will be determined as sites as are prioritized.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED BEFORE ADDITIONAL FUNDING	% OF PROJECT FUNDED AFTER ADDITIONAL FUNDING
\$34	\$0	\$34	\$34	0%	100%

#13 Geary Rapid Network Improvements

DESCRIPTION

Geary Boulevard is one of the most heavily used bus corridors west of the Mississippi. Over 50,000 daily transit riders rely on Geary bus service, which is often unreliable and crowded. This project will invest in reduced travel time, significant improvements to transit reliability and enhancements to overall safety on the Geary corridor. The implementation of Bus Rapid Transit features, such as dedicated bus lanes and improved customer amenities, is being considered to improve service for existing riders and attract new transit riders.

IMPACT

Experience in other North American cities has shown that bus rapid transit or similar features can reduce transit travel time by 15-30%, and improve transit reliability by 25-50%. Faster and more reliable transit service will result in shorter transit commute times and more people traveling to the Geary corridor for shopping, restaurants, and other commercial activities. Street improvements and landscaping can also encourage walking and foot traffic by making Geary a more pleasant place to shop and stroll. The project further includes major investment in the street environment, including well designed medians, shorter crossing distances, landscaping, and countdown signals. The project is expected to make Geary safer for everyone.

Outreach for the Geary Rapid Network Improvement project has included over six years of community engagement with dozens of outreach events and an on-going Community Advisory Committee that has overseen progress and commented on decision-making.

This project funds speed and reliability improvements for transit on the Geary corridor. Improvements could include significant corridor level construction of bus rapid transit platforms, conduit and fiber for traffic signal priority, new fleet, dedicated lanes and safety improvements for all who use this corridor.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED <i>BEFORE</i> ADDITIONAL FUNDING	% OF PROJECT FUNDED <i>AFTER</i> ADDITIONAL FUNDING
\$243	\$38	\$205	\$27	16%	27%

#14 Muni Fleet – State-of-Good Repair

DESCRIPTION

The Muni Fleet is composed of different vehicle types, with different useful lives. Currently, useful life of a transit vehicle is measured by guidance provided by the Federal Transit Administration in which the FTA will subsidize 80% of the replacement cost at the end of a certain period. For a motorcoach, the useful life is 12 years, for an electric trolley coach it is 15 years, and for a Light Rail Vehicle it is 25 years. During the life of a vehicle, major components need to be replaced; this includes doors and steps on a light rail vehicle, drive train rebuilds, and doors on motor and trolley coaches. Keeping Muni’s fleet of buses and trains in a state-of-good repair through consistent vehicle replacement and rehabilitation will ensure that the transit system is reliable. Further, the SFMTA is continually working with its partners to ensure that vehicles are retired and that existing vehicles are maintained in a state-of-good repair.



IMPACT

New investment will improve Muni’s quality of service by ensuring that transit fleet vehicles are replaced at the end of their useful life and mid-life overhauls are performed on targeted fleet. Vehicle replacement and mid-life overhauls will increase the number of vehicles available for service on a given day, increasing Muni’s reliability and on-time performance. Research and analysis has found that in San Francisco, adults who make travel choices are most impacted by reliability and travel time, with the top customer issue being transit service reliability. This program helps to address this core concern for Muni’s customers.

This category also will improve the City’s air quality and public health by upgrading older vehicles to fleet that use cleaner fuels more efficiently. This project will additionally improve accessibility through new, improved vehicles that are low-floor and have improved wheelchair and other accessibility and customer service accommodations. This fleet will be distributed throughout the City, serving all of San Francisco’s neighborhoods and benefitting all Muni riders.

This project funds the replacement of the entire Muni fleet (1,050 vehicles) by 2030 and targeted mid-life component overhauls to keep vehicles in a state-of-good repair. This does not fully fund all mid-life overhauls for all fleet.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED <i>BEFORE</i> ADDITIONAL FUNDING	% OF PROJECT FUNDED <i>AFTER</i> ADDITIONAL FUNDING
\$2656	\$2057	\$599	\$228	77%	86%



#15 Muni Fleet - Enhance

DESCRIPTION

For some high frequency Muni routes, service would be improved if the corridor were served with larger vehicles that provide more rider capacity where additional service frequency would be difficult. However, Muni does not currently have enough 60 foot vehicles for all service corridors that could benefit from the larger bus. Further, not all fleet have Automatic Passenger Counters and cameras that improve data collection and Muni staff's ability to understand existing conditions. Some of the Muni fleet does not provide optimal customer service as some vehicles use outdated messaging and voice technology. This project will allow Muni to "upsized" vehicles by replacing 40 foot vehicles with 60 foot vehicles and also adds fleet enhancements such as Automatic Passenger Counters, improved customer amenities, and on-board cameras on additional vehicles.

IMPACT

This investment will allow Muni to serve more customers on its most popular and crowded routes, adding service to all customers while improving the customer experience. These replacement vehicles will additionally have similar benefits to vehicles purchased through the Muni Fleet state-of-good repair category, such as improved reliability and accessibility. Additional enhancements will benefit customers through data that will improve overall Muni safety and contribute to larger data-driven efforts to improve Muni reliability and efficiency.

This project funds replacement vehicles to be upsized from a 40 foot vehicle to a 60 foot vehicle, an upgrade of on-board video camera equipment for 33% of the transit fleet, new forward-facing cameras, transit-only lane enforcement equipment for 33% of the fleet, and upgrades to fare collection.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED <u>BEFORE</u> ADDITIONAL FUNDING	% OF PROJECT FUNDED <u>AFTER</u> ADDITIONAL FUNDING
\$42	\$0	\$42	\$30	0%	71%

#16 Muni Fleet - Expand

DESCRIPTION

The SFMTA will extend a number of lines and routes by 2030, planned in such projects as the Transit Effectiveness Project and Central Subway. Additionally, Muni intends to provide additional service frequency on current routes that meet or exceed capacity at certain times of day. Lastly, routes that are currently near capacity are projected to grow in demand, and Muni will meet this demand with increased service. To provide this service, Muni will invest in new fleet. This project category provides for acquisition of additional motor coach and light rail vehicles at the time it is needed to keep Muni service at stated goals to maintain reliability and meet schedules. New vehicles with new messaging, lighting and voice system technology will also improve the Muni customer experience.

IMPACT

This funding category expands the Muni Fleet consistent with the SFMTA's Fleet Plan in order to accommodate projected growth, provide a higher level of service, and meet zero emissions targets. Fleet expansion is also critical to ensure future service reliability. Expanding and modernizing Muni's fleet not only allows for greater capacity, but also enhances system speed, reliability and the overall customer experience. This project is intended to meet the growth expected in the City, but will serve all current customers Citywide. This project will improve system accessibility through new fleet features such as low-floor boarding, improved voice systems and new on-board wheelchair equipment.

This project funds acquisition of additional motor coaches and light rail vehicles to support the service expansion proposed by Muni Central Subway and Transit Effectiveness Project, and to meet current and future service frequency goals and enhance the customer experience. These projects have had significant outreach and public participation, and increases to operations and improved service delivery are stated priorities for Muni riders.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED <u>BEFORE</u> ADDITIONAL FUNDING	% OF PROJECT FUNDED <u>AFTER</u> ADDITIONAL FUNDING
\$802	\$6	\$796	\$240	1%	31%

#17 Muni Transit Fixed Guideway Description

The Muni Metro Light Rail system and Muni Trolley coach lines run on Fixed Guideways- track, rail, overhead line, switches and passenger platforms support fleet that cannot move independently of these systems. To keep the Muni light rail and trolley systems running reliably and efficiently, this Fixed Guideway infrastructure must be maintained, rehabilitated and replaced regularly. This project will improve reliability through replacement and rehabilitation of rails and overheard wires for- light rail, trolley coach, historic streetcars and cable cars.

IMPACT

This project will replace and rehabilitate rail lines, overhead wires for electric trolley coaches, and all guideways needed for light rail, historic streetcar, cable car and trolley coach services, enhancing system reliability and performance. Fixed Guideway assets in good condition result in a higher-performing transit system, reduce frequency of instances that trains move at a lower speed in Muni tunnels, and reduce trolley vehicles failure due to issues with poor switches or overhead wires. This supports improved travel time and reliability across the entire trolley and light rail systems.

Trolley coaches will also have improved performance and reliability when the overhead system is in a state-of-good repair, resulting in fewer vehicle failures in service, improved service reliability and faster travel time. Fixed Guideway transit routes and lines serve some of the heaviest used transit corridors in the Muni system and provide mobility to individuals who do not have vehicles, such as seniors and persons with disabilities, access to employment, basic services, and leisure. This infrastructure is citywide and improvements to this infrastructure will benefit all users of the system.

This project funds state-of-good repair for more than 100 miles of Overhead Catenary System (OCS) replacement including contact wire, guide wire, and poles and foundations. The OCS provides power for both trolley bus, light rail, and historic rail vehicles. It additionally funds more than 50 miles of track replacement for light rail, historic rail, and cable car track.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED BEFORE ADDITIONAL FUNDING	% OF PROJECT FUNDED AFTER ADDITIONAL FUNDING
\$1,541	\$636	\$905	\$317	41%	62%

#18 SFMTA Facilities Core Improvements

DESCRIPTION

SFMTA owns or leases 28 facilities that are used to provide support services and maintain, clean, store and operate transit, maintenance, enforcement and support vehicles. After over 100 years in operation, many of SFMTA's transit facilities require significant renovation to bring them up to modern standards of construction and seismic resiliency. Additionally, outdated layouts and structures have led to serious constraints in the SFMTA's capacity for maintenance work and reliable service delivery. In 2013, the SFMTA's Real Estate Vision established a plan and process to rehabilitate and reconfigure SFMTA's existing facilities to optimize operations and accommodate future operating and fleet needs.

The SFMTA Facilities Core Improvements project addresses the most critical core improvements to the aging and mission-critical facilities in order to continue the current level of service provided by the SFMTA. These include the construction of centralized vehicle paint and body repair shop, the construction of centralized vehicle component repair center, and the renovation and upgrade of several existing facilities to allow greater efficiency and flexibility in maintaining the transit fleet.

IMPACT

This project will fund construction and renovation of existing SFMTA maintenance facilities and centralizing key shops. Centralization will improve system efficiency through effective work environments that can fully maintain fleet. As facilities are realigned and improved, SFMTA staff will be able to work in safer conditions and provide maintenance support more effectively to enhance vehicle reliability and improve operational services. These investments will improve vehicle availability and reliability, improving overall Muni service operations.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED <i>BEFORE</i> ADDITIONAL FUNDING	% OF PROJECT FUNDED <i>AFTER</i> ADDITIONAL FUNDING
\$192	\$20	\$173	\$122	10%	74%

#19 SFMTA Facilities Enhancements

DESCRIPTION

SFMTA owns or leases 28 facilities that are used to provide support services and maintain, clean, and store transit, maintenance, enforcement and support vehicles. After over 100 years in operation, many of SFMTA's transit facilities require significant renovation to bring them up to modern standards of construction and seismic resiliency. Additionally, outdated layouts and structures has led to serious constraints in the SFMTA's capacity for maintenance work and reliable service delivery. In 2013, the SFMTA's Real Estate Vision established a plan and process to rehabilitate and reconfigure SFMTA's existing facilities to optimize operations and accommodate future operating and fleet needs.

While the core improvements in #18 SFMTA Facilities Core Improvements will enable the SFMTA to address the most immediate needs to maintain the current level of service, the SFMTA Facilities Enhancements project addresses the next stage of improvements to facilities in order to provide enhanced level of service from SFMTA and to support Muni fleet enhancements and expansion.

IMPACT

Efficient and properly designed facilities are key to maintaining the transportation system in a state-of-good repair. This project will fund the reconstruction of one motor coach facility to provide a modern and efficient workplace to maintain, clean, and store the current and future bus fleet. This project will support enhancements and efficiencies in service delivery and optimization. SFMTA staff will be able to provide more effective and efficient maintenance to vehicles under safer working conditions, improving operational services and increasing vehicle service availability.



This project will fund the first step in implementing facility enhancements that will enable the SFMTA to accommodate the anticipated need for growth in the fleet and service delivery.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED BEFORE ADDITIONAL FUNDING	% OF PROJECT FUNDED AFTER ADDITIONAL FUNDING
\$170	\$0	\$170	\$50	0%	29%





#20 Strategic Transportation Planning Initiative

DESCRIPTION

Transportation planning in San Francisco has been limited by existing resources and uncoordinated efforts across City and regional departments. As a regional jobs center, San Francisco is served by multiple modes of transportation and by multiple transit operators. Only the SFMTA is fully within jurisdiction of the City; BART, Caltrain, Golden Gate Transit, SamTrans and AC Transit operate transit service and Caltrans operates the highways in San Francisco and in the Bay Area. A strategic capital planning function will identify and prioritize the improvements, studies, actions and strategies that San Francisco will need to carry out on an ongoing basis to complete the transportation network, accommodate growth, and address emerging transportation, housing, economic and environmental issues such as population growth, sea level rise, and air quality improvements. It will also enable the City to be better poised to take advantage of state and federal funding for larger projects as it becomes available.

IMPACT

This project invests in an additional funding source for transportation planning to develop and environmentally clear transportation system improvements – a project pipeline – that both prepares large scale projects to leverage federal, state and other discretionary funds and to add capacity for the number of projects and programs that San Francisco will perform on the transportation network. Projects within this program will be vetted through public outreach and a community process; many projects will focus on improved coordination between regional and local transportation agencies and departments to holistically improve the transportation network to better serve links between housing and jobs and the growing City's tourist and recreation users.

This project funds improved and more comprehensive transportation planning for citywide and regional transportation, housing, environmental and economic projects and programs. It ensures a consistent pipeline of new programming that is ready for implementation upon funding availability.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED <u>BEFORE</u> ADDITIONAL FUNDING	% OF PROJECT FUNDED <u>AFTER</u> ADDITIONAL FUNDING
\$30	\$0	\$30	\$22	0%	73%

#21 Citywide Street Resurfacing (PCI 70)

DESCRIPTION

Street repaving has huge benefits for all modes of transportation and benefits everyone citywide. Similarly, deteriorated pavement on roads has a negative, costly impact on all roadway users, and is significantly more costly to improve than paving streets in “good” condition. This project will ensure the City maintains a Pavement Condition Index (PCI) score of 70- that a majority of the City’s streets will be classified in a good condition. The City is responsible for maintaining 850 miles of streets containing 12,517 block segments. Currently, the City’s average Pavement Condition Index (PCI) score is 65, or “fair.” Due to deferred maintenance, the City’s PCI had dropped to 63 before the passage of the 2011 Road Repaving and Street Safety General Obligation Bond (Streets Bond), and it was projected to fall into the 50s without significant ongoing prioritization and investments of the repaving program. With the passage of the Streets Bond, the City committed to work toward improving the conditions of City streets to an average PCI score of 70 by 2020.



IMPACT

A street that receives routine maintenance over time will cost tax payers far less and remain in better condition than one that is allowed to deteriorate until it needs total reconstruction. For example, repaving a street with a PCI of 70 or greater costs \$9,000 or less per block to maintain, whereas total reconstruction of a street that has fallen into a state of disrepair costs \$436,000 per block to reconstruct. Keeping the City’s streets in a state-of-good repair reduces long term costs to the City for streets repaving and uses existing resources more efficiently. This project will pay for an average of 800 blocks of paving to occur on an annual basis, citywide. Paving projects are coordinated with pedestrian and bicycle improvements through the Follow the Paving program. Often street repaving projects are also coordinated with other infrastructure programs in the street, such as sewer or rail replacement, minimizing disruption to neighborhoods whenever possible. This also represents the fulfillment of the promise to San Francisco voters for the 2011 Streets Bond to find a sustainable source for street resurfacing. The street repaving program has been equitably distributed through its implementation and will continue to improve all City neighborhoods.

This project funds improved streets that are easier and less expensive to maintain and is an on-going investment in the City’s critical street infrastructure over the long term. This project funds streets that are smoother and better maintained for everyone.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED <i>BEFORE</i> ADDITIONAL FUNDING	% OF PROJECT FUNDED <i>AFTER</i> ADDITIONAL FUNDING
\$1,106	\$481	\$625	\$625	43%	100%



#22 Streetscape Enhancements

DESCRIPTION

This category proposes streetscape enhancements to improve the street user’s experience in a variety of ways, from smoother pavement to more trees and plants to safer street crossings for everyone. Enhanced streetscapes are typically commercial corridors. A major streetscape enhancement project, like those on Valencia and Jefferson Streets, costs an average of \$2 million per block. Minor improvements on a corridor, such as median plantings cost much less per block. These projects may include street furnishings, new roadway striping and signage, and new street trees and irrigation.



Streetscape enhancements will be based on existing community supported plans and programs. In areas of growth in the city, one source of projects are the Planning Department’s Area Plans. In collaboration with community stakeholders, the Planning Department has developed and adopted several Area Plans to guide land use changes and development, and imagine community improvements and programs. Existing Area Plans have been prepared for the following communities: Balboa Park, Eastern Neighborhoods Glen Park, Market and Octavia, Rincon Hill, Transit Center District, and Visitacion Valley. For many of these communities, developers in coordination with the City are improving the transportation infrastructure; however, gaps in funding remain to complete these improvements.

IMPACT

This project will enhance approximately 40 blocks with major streetscape improvements which may include lighting, street tree plantings, median and sidewalk expansion, and accessibility and safety improvements. This project will keep neighborhood commercial centers economically vibrant and competitive through walkable, safe and inviting streets. The increased safety and attractiveness of the improved corridors benefits everyone.

Streets proposed for enhancements include streetscape improvements articulated in Priority Development Areas and through other neighborhood planning efforts. The elements that will define the projects under the Streetscape Enhancement program will be determined through community outreach and stakeholder engagement once a project is prioritized and funded, similar to projects on Second Street and Clement Street that are currently in process.

This project funds new elements that enhance the streetscape in San Francisco communities. These are site specific, but may include street repaving and installation of new curb ramps, new roadway striping and signage, new street trees and irrigation, pedestrian-scale lighting and associated wiring, new street furnishings (benches and trash receptacles), wider sidewalks and bicycle storage enhancements.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED BEFORE ADDITIONAL FUNDING	% OF PROJECT FUNDED AFTER ADDITIONAL FUNDING
\$147	\$0	\$147	\$91	0%	62%

#23 Transit Effectiveness Project

DESCRIPTION

The Transit Effectiveness Project (TEP) is a once-in-a-generation effort to comprehensively overhaul Muni service. When and where people want to travel in San Francisco has changed significantly since Muni last updated its route structure in the 1980s. The TEP matches Muni's route structure to today's travel demands to serve people better. The program proposes to increase transit service provision citywide by 10% additional transit service to meet increased demand. The TEP additionally makes engineering improvements to the street on Muni's highest used corridors to make Muni service faster and more reliable.

The TEP recommendations were developed through extensive analysis of ridership data to understand travel demand, best practice research from other transit systems, and significant engagement with community stakeholders and policy makers on transit needs. The resultant proposed route restructuring places greater emphasis on ridership density, regardless of destination. For example, under the current Muni route structure, more importance is given to radial lines which serve the downtown. Under the TEP, crosstown routes which carry heavier passenger loads than these radial lines be allocated a fairer share of resources and increased schedule hours. In doing so, the TEP more effectively aligns Muni's service with travel demand, improving the rider experience and better moving the people of San Francisco. The TEP evaluation identified a need for a net 10% increase in Muni service to meet demand, decrease crowding, and improve Muni reliability. This includes reduced service on lightly-used or redundant lines (a 2% reduction), coupled with as 12% increase on heavily-traveled crosstown and "Rapid" corridor routes. Additional targeted resources will be dedicated to community and express bus routes that have high ridership at particular times of day. The TEP seeks to deliver people to their destination in a reasonable and reliable amount of time, and provides additional service to meet that goal.

Additionally, the TEP improves Muni service by implementing a number of on-the-street changes to make Muni faster and more reliable on its heaviest used corridors. These are capital improvements such as establishing and better protecting transit-only lanes, building bus bulbs, and installing transit-preferential traffic signals. Funding proposed in the Transportation Task Force 2030 recommendations would be used to implement these capital improvements that reduce Muni travel times and improve transit reliability citywide.

IMPACT

San Francisco relies on its transit system to meet its accessibility, affordability, and environmental and equity goals. Transit offers an affordable and environmentally-supportive mobility choice for people accessing jobs, schools, commercial areas, and other key services. To more fully serve the people of San Francisco, transit needs to be faster, more reliable, and better aligned with demand. The TEP delivers those improvements. An improved Muni in turn promotes social equity, environmental sustainability, affordability, and access for all.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED <i>BEFORE</i> ADDITIONAL FUNDING	% OF PROJECT FUNDED <i>AFTER</i> ADDITIONAL FUNDING
\$284	\$2	\$282	\$282	1%	100%

#24 Transit Performance Initiative – SF Contribution

DESCRIPTION

This category is intended to provide a local funding source for regional competitive grants. The City with its partners and stakeholders will determine which projects will be most competitive for this funding source and work with the Metropolitan Transportation Commission (MTC) to fully fund these projects. As a part of the larger Transit Sustainability Project, MTC has described this funding source as intended for programs and projects for regional supportive infrastructure to achieve performance improvements in major transit corridors, and will extend this funding for transit projects that should high cost to benefit outcomes.

IMPACT

Providing an available local match for regional funding shows commitment to regional partners and can begin stakeholder dialogue to identify competitive project candidates. The improvements realized from this investment will be defined by the project or projects that are selected, but will likely meet the Task Force stated priorities of improving transit system efficiency, reliability, safety and accommodate new growth.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED <i>BEFORE</i> ADDITIONAL FUNDING	% OF PROJECT FUNDED <i>AFTER</i> ADDITIONAL FUNDING
\$100	\$0	\$100	\$58	0%	58%

#25 Transportation Safety Infrastructure

DESCRIPTION

Maintenance of infrastructure is a vital part of the safety of the transportation system. This project maintains core safety measures for agency operations, personnel, and public use of the transportation system. Providing safe and functional maintenance facilities and service delivery safety will result in a more efficient transportation system for everyone. This project includes safety improvements to facilities, new training equipment for front line personnel, and intersection photo equipment for streets and intersections.

IMPACT

This project will fund a series of safety improvement projects for SFMTA facilities and training equipment. For example, this project will fund vehicle simulator equipment to train transit operators to better prepare them to safety navigate and drive City streets and to provide experience on addressing difficult weather conditions, equipment malfunctions, traffic behaviors and other day-to-day unexpected situations. This training for front-line SFMTA personnel will improve passenger safety and emergency preparedness.

This project will fund safety improvements to the transportation system that result in a quicker detection of incidents, elimination of false alarms, and universal design for the fire alarm and detection equipment. Upgrades to the the current fire alarm and detection systems at shared Muni Metro/BART stations will improve customer and staff safety.

This project will also fund implementation of Automated Photo systems at targeted intersections to improve intersection safety. Street enforcement systems are proven to reduce the number of vehicle collisions and improve the safety for all street users and in particular for the system’s most vulnerable users- seniors, children, and people with disabilities.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED <i>BEFORE</i> ADDITIONAL FUNDING	% OF PROJECT FUNDED <i>AFTER</i> ADDITIONAL FUNDING
\$288	\$67	\$221	\$42	23%	38%

#26 TransportationSystem Accessibility

DESCRIPTION

The Americans with Disabilities Act (ADA), gives the authority to the US Department of Transportation (DOT) to issue and enforce accessibility standards for transportation facilities and transportation services. These standards apply to both existing systems and newly constructed or developed facilities and services. The City and County of San Francisco strives to meet and surpass the minimum requirements under the federal law, and seeks to improve transportation and pedestrian facilities, systems and networks for people with disabilities, including residents and visitors.

Fundamental service for all customers is ensuring that the system is accessible. This project will build on the other funding categories in the Investment Plan, (all of which will increase accessibility of the City's transportation system) by investing in key requirements under the Americans with Disabilities Act to improve access to the transportation system for the most vulnerable users. While most investment categories have integrated benefits to seniors and people with disabilities, this category provides critical funding for accessibility improvements that are not already addressed in other investment categories.

IMPACT

This project ensures access to the Rapid network for all Muni customers. This project funds additional infrastructure to improve accessibility in communities and neighborhoods that currently have limited system accessibility (such as street-running light rail in the Sunset neighborhood), and maintain existing services to keep the system fully accessible during all operating hours. Platforms, elevators and escalators ensure that the transportation system is available for use by those who rely upon them and allow people with disabilities to continue living fully independent lives. This project maintains Americans with Disabilities Act (ADA) compliance for services provided by the SFMTA and BART and maintains independence for those who depend on these services. These benefits are citywide and will significantly improve access to transit and transportation options for seniors and people with disabilities. Many customers who are not seniors or a person with a disability will additionally benefit from the improved access and the reliability of station escalators and elevators.

This project funds complete replacement of three lifts with wayside platforms, rehabilitation of 7 elevators and 14 escalators at SFMTA-only Muni Metro stations, installation of wayfinding for blind and low vision customers at shared BART & Muni Metro stations, construction of 9 elevators at SFMTA Muni Metro and/or joint BART/Muni Metro stations for ADA compliant concourse and platform access, and construction of 3 accessible key stops (raised platforms for accessible light rail vehicle boarding).

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED <i>BEFORE</i> ADDITIONAL FUNDING	% OF PROJECT FUNDED <i>AFTER</i> ADDITIONAL FUNDING
\$90	\$8	\$82	\$45	9%	59%

#27 Transportation System Security

DESCRIPTION

Major and minor disasters can strike anywhere and many in San Francisco are dependent on transit service for mobility. Investing in the City's transportation security system infrastructure (i.e., core critical equipment) will ensure that the system is resilient and reliable in the event of an emergency. This includes programs that provide for emergency management and response in catastrophic events, and investments in infrastructure that keep stations and facilities monitored and safe for everyone.

IMPACT

This project will improve SFMTA emergency preparedness and invest in proactive solutions to ensure adequate and appropriate emergency response and security systems. This project improves system resiliency in preparation for disasters and unforeseen events by funding equipment, technology and maintenance of security, safety and public protection for everyone.

This project will fund operations of a surveillance and recording system that serves the subway system and its perimeters. It additionally will fund installation of security camera systems and physical barriers as required throughout SFMTA facilities, bridge and transportation connections. This project will fund maintenance of radio and other emergency communications systems for light rail, and funds regular emergency and disaster preparedness exercises for Parking Control Officers and the Police Department as it relates to transit safety. In addition, the project will fund chemical disaster monitoring and maintenance of response equipment located at key City facilities.

FUNDING

(\$ in millions)

TOTAL 15 YEAR NEED	FUNDS IDENTIFIED	UNFUNDED NEED	PROPOSED ADDITIONAL FUNDS BY TTF	% OF PROJECT FUNDED <u>BEFORE</u> ADDITIONAL FUNDING	% OF PROJECT FUNDED <u>AFTER</u> ADDITIONAL FUNDING
\$56	\$40	\$16	\$11	71%	91%



Appendix D: Methodology

The Task Force met formally as a body each month from March through December 2013 in order to meet the Mayor's charge. This report reflects staff recommendations and Task Force agreement. This appendix describes the decision-making processes and the work performed by the Task Force and City staff as part of this undertaking.

1. Quantified Need

The Task Force performed fact-finding on the existing and future needs for San Francisco's transportation system. Plans, programs, and projects were presented by the planners, providers, and funders of transportation, including SFMTA, Public Works, SFCTA, Planning Department, Metropolitan Transportation Commission, Caltrain, and BART. Each agency was asked to define the needs for their system in San Francisco through 2030, estimate total funding available through 2030 to meet obligations, and estimate the funding gap. City staff worked with the departments and agencies to quantify need with the transportation providers.

2. Determined Investment Priorities

Based on the quantified infrastructure need, the Task Force determined that the Investment Plan should prioritize transportation funding to Core investments, followed by Enhancements to the Core System, and finally Expansion for growth to the transportation system.

Within the Core, Enhance, and Expand categories, the Task Force discussed which objectives would be the most important for the Investment Plan. The Task Force determined that the Investment Plan would focus on five main objectives:

- Maintain existing assets in a state-of-good repair;
- Improve travel time and reliability;
- Reduce costs;
- Serve planned growth; and
- Improve safety and accessibility.

City staff allocated funds based on this guidance. Projects were separated into Core, Enhance, and Expand categories. Projects were then sub-categorized within these categories to match the five main objectives. These sub-categories were:

- Reliability
- Efficiency
- Growth
- Safety.

54% of proposed funding was allocated to the Core System, 32% to Enhancing the Core System, and 14% to Expanding the transportation system. The Investment Plan also funds 78% of the total need for Core investments, 60% of the total need for Enhancements, and 26% of the total need for Expansion projects.

3. Funding Source Determination

The City has many options for generating new revenue. However, the City can only realistically pursue a limited number of revenue sources in a given period of time. The Task Force used three criteria to determine which revenue options were most viable and which options would have the most impact:

1. Ability to provide significant resources for transportation projects.
2. Overall feasibility of securing the revenue source within a relatively short time-frame.
3. A clear nexus between the funding source and benefit to transportation.

The Task Force began by discussing a large number of potential funding sources before focusing its analysis on 15 funding sources that could be viable revenue generators for transportation. Based on its three criteria, the Task Force determined that the most viable revenue options that would also generate the largest revenue impact would be the two \$500 million general obligation bond issues, a 1.35% increase to the local Vehicle License Fee, and the 0.05% sales tax increase.

4. Voted on Areas of Agreement

The Task Force was presented with the Investment and Revenue Plans described in the report. As a final step, the Co-Chairs led the Task Force in discussing the proposals and recommendations. The Task Force had concurrence in the following areas, and the report reflects these areas of agreement:

- The needs assessment has identified need of \$10.1 billion for transportation infrastructure through 2030.
- The City has already identified \$3.8 billion of funding for transportation infrastructure through 2030 leaving gap of \$6.3 billion.
- Future investments should focus on primarily improving the core, next enhancing the existing system, then expanding to meet growth.
- The Task Force's priorities are to improve transportation reliability, system efficiency, accessibility and safety, equity for all users, and expanding for growth.
- The City should support two General Obligation bonds, each for \$500 million, to fund all bond eligible infrastructure improvements.
- Vehicle License Fees should be increased to 2 percent to fund transportation improvements that cannot be paid with bonds.
- Sales tax should be increased by 0.5 percent to fund remaining highest priority transportation projects.
- The commitment to increase revenue for transportation improvements will position San Francisco to better compete for matching investments from state and federal sources.
- City leaders and regional agencies should continue to seek additional transportation funding to fill the gap of unfunded, underfunded, or delayed projects and priorities.
- City staff should continue to enlist and receive public input and feedback on the elements of the investment plan.
- City staff should document and share expected performance improvements and service enhancements resulting from infrastructure investments.
- This plan is a first step, and costs and investments will be refined through the City's Capital Plan and in coordination with departments and stakeholders.

Appendix E: Task Force Meetings

- Tuesday, March 26: Kick-off Meeting
- Tuesday, April 9: Current- and Near-Term Transportation Plans
 - ◆ Background on streets and transportation needs and challenges
- Tuesday, April 30: Next Generation Transportation Plans and Programs
 - ◆ Review of future transportation service levels and associated plans and programs, including proposed Geary Street Bus Rapid Transit, proposed Better Market Street, Fleet and Real Estate Enhancements, Corridor Projects and Signal Network Upgrades
- Tuesday, May 28: Envisioning the Future Transportation System
 - ◆ A participatory planning process that will give members the opportunity to articulate priorities and other programming opportunities for our future transportation network
- Tuesday, June 25: Investing in the System
 - ◆ An assessment of current capital funding sources and strategizing for other potential funding opportunities
 - ◆ Overview of the needs of the system
- Tuesday, July 23: Prioritizing Transportation Plans to Revenue
 - ◆ Proposed revenue sources and uses
 - ◆ Overview of operational efficiencies underway at SFMTA
- Tuesday, September 24: Findings and Discussion
 - ◆ Reviewing staff report of findings, and building consensus to a final prioritized list of plans and connected revenue sources
- Tuesday, October 29: Response to Questions and Concerns/ Agreement to Areas of Agreement
 - ◆ Presentation of updated information on Investment and Finance Plans
 - ◆ Response to questions and concerns heard from Task Force members and city stakeholder groups
 - ◆ Vote on areas of agreement from Task Force members
- Monday, November 25: Report Finalization and Submission to the Mayor





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CITY AND COUNTY OF SAN FRANCISCO, CITY HALL ROOM 316

**1 DR. CARLTON B GOODLETT PLACE,
SAN FRANCISCO, CA 94102
(415) 554-7505**

SAN FRANCISCO TRANSPORTATION 2045 TASK FORCE **REPORT**



JANUARY 2018



SAN FRANCISCO TRANSPORTATION 2045 TASK FORCE REPORT

JANUARY 2018

TASK FORCE CO-CHAIRS

Sunny Angulo	Chief of Staff to San Francisco County Transportation Authority Chair and District 3 Supervisor Aaron Peskin
Andres Power	Senior Advisor to Mayor Edwin M. Lee

TASK FORCE MEMBERS

Bob Powers	Bay Area Rapid Transit (BART)	Janice Li	San Francisco Bike Coalition
Michael Cunningham	Bay Area Council	Jim Lazarus	San Francisco Chamber of Commerce
Aaron Peskin	Board of Supervisors and San Francisco County Transportation Authority Chair	Ben Rosenfield	San Francisco Controller
John Bozeman	Building Owners and Managers Association	Peter Cohen	San Francisco Council of Community Housing Organizations
Jim Hartnett	Caltrain	Tilly Chang	San Francisco County Transportation Authority
Bijan Sartipi	Caltrans District 4	Megan Wier	San Francisco Department of Public Health
Marlayne Morgan	Cathedral Hill Neighbors	Calvin Welch	San Francisco Human Services Network
Felicia Smith	Central City SRO Collaborative	Tim Paulson	San Francisco Labor Council
Cindy Wu	Chinatown Community Development Center	Ed Reiskin	San Francisco Municipal Transportation Agency
Phil Chin	Chinatown TRIP	Art Torres	San Francisco Municipal Transportation Agency Board of Directors
Emily Lee	Chinese Progressive Association	William Walker	San Francisco Pride Board
Naomi Kelly	City Administrator	Mohammed Nuru	San Francisco Public Works
Nadia Sesay	Community Investment and Infrastructure	Chema Hernández Gil	San Francisco Rising
Henry Karnilowicz	Council of District Merchant Associations	Thea Selby	San Francisco Transit Riders
Matt Chamberlain	Greater West Portal Neighborhood Association	Patricia Aleman	San Francisco Travel
Jason Henderson	Hayes Valley Neighborhood Association and SFSU	April Chan	San Mateo County Transportation Authority
Kelly Dearman	In Home Supportive Services	Alysabeth Alexander	SEIU 1021
Nicole Bohn	Mayor's Office on Disability	Jessica Lehman	Senior and Disability Action
Melissa Whitehouse	Mayor's Office	Howard Strassner	Sierra Club
Steve Heminger	Metropolitan Transportation Commission	Carl Guardino	Silicon Valley Leadership Group
Nick Josefowitz	Metropolitan Transportation Commissioner and BART Board of Directors	Mark Dwight	Small Business Commission
Chris Gembinski	Middle Polk Neighborhood Association	Bruce Agid	South Beach Rincon Mission Bay Neighborhood Association (SBRMBNA)
Corinne Woods	Mission Bay CAC	Alicia John-Baptiste	SPUR
Neil Ballard	Ocean Avenue Association and San Francisco Municipal Transportation Agency CAC	Joel Engardio	Sunset Community Democratic Club
Brian Strong	Office of Resilience and Capital Planning	Eric Williams	Transport Workers Union Local 250A
Oscar Grande	PODER	Bob Allen	Urban Habitat
Elaine Forbes	Port of San Francisco	Fran Martin	Visitacion Valley Planning Alliance
J.R. Eppler	Potrero Boosters Neighborhood Association	Josie Ahrens	WalkSF
		George Wooding	West of Twin Peaks Council
		Betty Cao	Westside Housing Rights Committee
		Leah Lacroix	Youth Commission

SAN FRANCISCO TRANSPORTATION 2045 TASK FORCE REPORT

JANUARY 2018



TASK FORCE STAFF

Rachel Alonso, San Francisco
Public Works

Raven Anderson, San Francisco
Mayor's Office

Michelle Beaulieu, San Francisco
County Transportation Authority

Cody Hicks, San Francisco
Municipal Transportation Agency

Phoebe Hwang, San Francisco
Public Works

Sarah Jones, San Francisco
Municipal Transportation Agency

Jay Liao, San Francisco
Controller's Office

Maria Lombardo, San Francisco
County Transportation Authority

Ryan Reeves, San Francisco
Municipal Transportation Agency

Julia Salinas, San Francisco
Controller's Office

Peg Stevenson, San Francisco
Controller's Office

Ethan Veneklasen, San Francisco
Municipal Transportation Agency

Monique Webster, San Francisco
Municipal Transportation Agency

Jerad Weiner, San Francisco
Municipal Transportation Agency

David Weinzimmer, San Francisco
Controller's Office

Melissa Whitehouse, San
Francisco Mayor's Office

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All photos are courtesy of the SFCTA, the SFMTA, SF Public Works and the SF Controller's Office.

SAN FRANCISCO OFFICE OF THE MAYOR

City Hall Room 200, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102
PHONE: 415.554.6141 EMAIL: mayorspresso@sfgov.org

SAN FRANCISCO OFFICE OF THE CONTROLLER

City Hall Room 316, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102
PHONE: 415.554.7500 EMAIL: controller@sfgov.org

SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

1455 Market Street, 22nd Floor, San Francisco, CA 94103
PHONE: 415.522.4800 EMAIL: info@sfcta.org

SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY

11 South Van Ness Avenue, San Francisco, CA 94103
PHONE: 415.701.3000 EMAIL: info@sfmta.com

Letter from the Co-Chairs

Our transportation system, which includes our bus and light rail vehicles, our subways and iconic cable cars, our roads, pedestrian signals, sidewalks and bike lanes, is what makes living in our city possible and enjoyable. It is the backbone of our local economy and all of us who live, work or visit San Francisco rely upon it as part of our daily life. Yet similar to other transportation systems across the country, ours faces significant funding shortfalls in the years and decades to come, particularly as our city grows. It is our imperative today to identify and advance solutions to these shortfalls if we are to have hope for a continued vibrant and sustainable city into the future.

In June 2017, the San Francisco Transportation 2045 Task Force was convened to articulate our transportation system needs over the coming decades and to pair those needs with revenue sources. The Task Force's work built off the City's previous transportation planning and funding efforts (including the Transportation Task Force 2030 process, The San Francisco Transportation Plan, Plan Bay Area, and Propositions J and K previously on the November 2016 ballot) and incorporates progress made in the intervening years while acknowledging the emerging transportation new challenges we face as a city.

It is with some measure of urgency that we present this report on the critical funding needs of San Francisco's transportation systems from now through the year 2045. Throughout the Task Force process, nearly 60 representatives of the city's neighborhoods, businesses, civic organizations, advocacy groups and agency staff came together to grapple with difficult questions. This report updates and builds on previous analysis, with a list of potential funding sources presented in the context of a particularly tenuous federal landscape for infrastructure funding. Task Force members have outlined both investments and revenue priorities through an equity lens, and tasked city leaders to take action today to secure the \$100 million annual contribution to our overall transportation need.

While this process often highlighted the differences of opinion between Task Force members, the unifying theme was a recognition that without additional investments to create a safer, more efficient, and more affordable transportation system, the city's future will be bleak. This report should be used by both the Board of Supervisors and the Mayor to advise our collaborative work to identify local revenue sources and corresponding expenditure plans for our transportation system.

-Sunny Angulo and Andres Power

Executive Summary

San Francisco Mayor Edwin M. Lee and the Board of Supervisors created the Transportation 2045 (T2045) Task Force in early 2017, to jointly explore the potential for a new transportation revenue measures from now through the year 2045. Meeting over the course of seven months, and building on the work of San Francisco's transportation agencies, the T2045 Task Force developed a menu of options that could help close the transportation funding gap. Task Force members were selected to represent a broad range of organizations and agencies, to provide their perspectives on San Francisco's transportation system's needs.

The city's transportation system is multi-modal, multi-operator, complex—and crucial to the livability and affordability of San Francisco. The city has seen a boom in population, employment and tourism since 2010, and by 2040, San Francisco is expected to add an additional 73,400 housing units and 275,000 new jobs. As the city continues to grow, both in population and employment, the transportation system struggles to keep up with an increasing demand for mobility and accessibility.

The T2045 Task Force was presented with a \$22 billion funding gap for San Francisco's transportation system through 2045. That figure is based on citywide and regional transportation planning efforts, and encompasses everything from roadway maintenance needs and unfunded bicycle projects, to Muni service and facility challenges and funding gaps for large regional projects like Caltrain's Downtown Extension.



Meeting #1, June 2017, T2045 Task Force

Chapter 2: Transportation System Needs Assessment, elaborates on the projects and programs that need funding. Task Force members each had a varied set of priorities, but overall recognized that these investments are crucial to every aspect of life in San Francisco.

Identifying funding for transportation projects can be challenging, and typically draws on multiple sources to meet the city's goals. Many of these sources are controlled at regional, state and federal levels, each of which can be uncertain. Grants

often involve highly competitive application processes, and federal funding has been increasingly uncertain in the current political climate. Local revenue sources can provide reliable funding to get projects started, to increase

competitiveness for other funding sources, and to provide more opportunities for local decision-making.

The T2045 Task Force reviewed a list of nearly 30 locally-controlled revenue sources that could help San Francisco better meet its transportation funding needs.

Chapter 3: Potential Revenue Sources for Transportation, provides details on each source, and presents various factors to consider when debating between sources to pursue. The diverse voices on the Task Force were brought together to reflect the broader community's perspectives, and in doing so, brought to light disparate views about how transportation projects should be funded.

This report's recommendations reflect both the agreements about the need for additional funding for a wide range of transportation investments, and the passionate discussions on potential sources for those revenues. The group successfully narrowed down this long list to four that were most promising for a 2018 ballot, without reaching a consensus on a single source.

Chapter 4: Task Force Recommendations provides valuable insight into the perspectives of many different groups.

The final recommendations present the proceedings of the Task Force, and are intended to provide policy-makers with insight into various viewpoints, as they grapple with these very same questions.

RECOMMENDATION #1: BASE THE EXPENDITURE PLAN ON THE NOVEMBER 2016 PROPOSITION J'S SIX INVESTMENT CATEGORIES

These investment categories were broadly supported by Task Force members.

1. Transit Service and Affordability
2. Muni Fleet, Facilities and Infrastructure
3. Transit Optimization and Expansion
4. Regional Transit and Smart Systems Management
5. Vision Zero, Safer and Complete Streets
6. Street Resurfacing



Meeting #4, September 2017, T2045 Task Force

RECOMMENDATION #2: SEEK A PACKAGE OF LOCAL REVENUES SOURCES, AND CONTINUE TO ADVOCATE FOR ADDITIONAL FEDERAL, STATE AND REGIONAL FUNDS, TO SUPPORT SAN FRANCISCO'S TRANSPORTATION PRIORITIES

Task Force members recognized the needs of the city's transportation system far exceed what existing revenue sources can meet. Further, they recognized that while local revenue sources are tremendously important, they alone cannot close the funding gap. Using local revenue sources to leverage as much as possible in non-local funds is an essential part of the solution. This is also an important strategy to keep San Francisco competitive with other counties and regions that have passed multiple local revenue measures, both within California and nationwide.

RECOMMENDATION #3: TOP 2018 REVENUE SOURCES

Four potential revenue sources for 2018 received a significantly higher number of votes from Task Force members than the other potential sources, though none has a clear majority of support at this time. These four sources are:

- Sales Tax, estimated annual revenue \$50-\$150 million
- Gross Receipts: Commercial Property Rent Tax Increase, estimated annual revenue \$13-\$100 million
- Vehicle License Fee (VLF) - San Francisco (SB 1492), estimated annual revenue \$12-\$73 million
- Gross Receipts: Platform/Gig Economy Tax, estimated annual revenue \$8-\$30 million

RECOMMENDATION #4: CONTINUE RESEARCH, DEVELOPMENT, AND, AS APPROPRIATE, SEEK STATE LEGISLATION FOR CONGESTION PRICING AND TRANSPORTATION NETWORK COMPANY FEES

Congestion Pricing is a system that uses fees to control roadway demand, and uses revenues to fund a package of transportation improvements. Transportation Network Company Fees would charge per-trip or per-vehicle fees on companies that use online-enabled platforms to connect passengers with drivers using personal, non-commercial vehicles for trips, such as Uber and Lyft. Many Task Force members support these revenue sources for San Francisco, though the city would require state authorization before they could be implemented locally. There would also need to be further research and development to better understand how to structure and administer these revenue sources to meet the city's goals.

RECOMMENDATION #5: SUPPORT A GENERAL OBLIGATION BOND IN 2024 FOR TRANSPORTATION

This was a recommendation of the T2030 Task Force in 2013. It is included in the City's Capital Plan, and received overwhelming support from T2045 Task Force members.

This report and these recommendations will be submitted to the Mayor's office, the Board of Supervisors, the San Francisco County Transportation Authority Board, and the San Francisco Municipal Transportation Agency Board. This will memorialize the contributions of the Task Force. Further, as the conversation about local revenues for transportation in San Francisco continues, this report will continue to serve as a resource to help provide an understanding of the trade-offs between different sources and different transportation investments, with the hopes of enabling a higher level of investment in our city's transportation systems.



Meeting #3, August 2017, T2045 Task Force



1. Introduction

San Francisco has been booming since 2010, with tremendous residential and employment growth. A total of 63,600 housing units are in the development pipeline. Between 2010 and 2014, San Francisco gained 120,000 new jobs, and tourism is at record-breaking highs. This boom is projected to continue, and by 2040, San Francisco is forecasted to add an additional 73,400 housing units to accommodate the city's growing population, and 275,000 jobs, many of which will be in new office space, maintaining San Francisco's position as the major jobs center of the region.

All of this growth is putting tremendous strain on the city's transportation systems, as more trips are being made across all modes.¹ From the recently adopted San Francisco Transportation Plan 2040:



- Transit ridership has grown on all of San Francisco's operators. Muni, already the Bay Area's largest transit provider, has seen an increase in ridership of nearly 50,000 average weekday riders from 2010-2016. BART, Caltrain and WETA have seen double digit growth percentages in that same time period. Transit passengers are regularly experiencing crowded conditions – sometimes having to watch overcrowded trains and buses pass them by during peak periods on key routes.

- In 2014, San Francisco was among one of the first cities in the U.S. to adopt a Vision Zero policy with the goal of ending traffic deaths by 2024 through engineering, enforcement and education projects and programs.
- More people are walking and biking now, with car ownership levels staying relatively constant. Over 30% of trips in San Francisco are made by walking and biking, and over 26,000 new commuters in San Francisco are walking and biking to work.
- San Francisco's roads and freeways are more congested, and have gotten more congested at a faster pace than the rest of the Bay Area.



Between 2013 and 2015, average auto travel speeds on key arterials became 15% slower during the morning peak and 21% slower during the evening peak.

- The economic boom has put a strain on more than just the transportation system. Housing has become disproportionately unaffordable for low-income and disadvantaged groups, and ethnic diversity is diminishing while income disparities across racial groups are increasing. These equity concerns challenge the city to identify ways that transportation investments can address equity impacts.
- Transportation Network Companies (TNCs) such as Uber and Lyft have become household names, and have contributed toward a rapidly changing transportation landscape. They represent an estimated 15%

1 www.sfcta.org/sftp

of intra-city trips, and an estimated 20-26% of vehicle trips Downtown and South of Market during peak periods.² TNCs have prompted transportation professionals and policymakers to assess the adequacy of existing regulatory frameworks.

- Decades of underinvestment in the city's transportation infrastructure, from local streets and roads to Muni and regional transit, has resulted in an aging system badly in need of improvements to bring these systems up to a state of good repair. Once this baseline is established, the city will be able to expand its systems to accommodate projected growth.



San Francisco's transportation system is intrinsically linked to the quality of life in the city. San Francisco's economic competitiveness requires a high level of mobility and accessibility, including reliable and affordable transit. All modes of travel—walking, biking, driving, riding transit—rely on smooth and safely designed roads. Current capacity issues must be addressed, and improvements must be made to keep pace with the city's rapidly growing population and

job market. Safe neighborhoods require dependable transit access, at all times of day, and quality walking and biking infrastructure. A healthy environment requires reductions in greenhouse gas emissions, which can be achieved through strategies that reduce vehicle miles traveled. It is essential that San Francisco meet these transportation challenges to improve the overall livability and affordability of the city.

To this end, the Mayor and the Board of Supervisors convened the San Francisco Transportation 2045 (T2045) Task Force to discuss options for how the City can generate revenue, prioritize expenditures over the long-term, and balance regional and neighborhood-level transportation needs. This report provides an overview of the anticipated funding needs from the various agencies that govern transportation in San Francisco, and provides a framework for analyzing potential revenue sources to help fund the projects needed to keep the city moving.

This report is a product of the Task Force, written by department staff from the San Francisco County Transportation Authority, the San Francisco Municipal Transportation Agency, San Francisco Public Works, the Controller's Office and the Mayor's Office based on materials prepared for and input received from the Task Force. The contents were developed between June 2017 and December 2017.

2 www.sfcta.org/TNCstoday

The San Francisco Transportation 2045 Task Force

In early 2017, Mayor Edwin M. Lee and the Board of Supervisors agreed to jointly explore the potential for a transportation revenue measure in 2018. Transportation Authority Chair and District 3 Supervisor Aaron Peskin collaborated with Mayor Lee's Chief of Staff Steve Kawa to initiate the Transportation 2045 (T2045) Task Force and appoints its members. Co-chaired by Andres Power, Senior Advisor to Mayor Lee, and Sunny Angulo, Chief of Staff to San Francisco County Transportation Authority Chair and District 3 Supervisor Aaron Peskin, the Task Force has met monthly over 7 months to identify unfunded needs of the City's transportation systems, and to research and identify locally-controlled revenue sources to help meet those needs.

The Task Force membership represents the community at large, including individuals representing neighborhoods; small and large businesses; transportation, housing and environmental justice advocacy groups; labor and civic organizations; and city and regional transportation agencies. The Controller's Office provided leadership and analytical support for the Task Force with City Performance Director Peg Stevenson facilitating the Task Force meetings. David Weinzimmer from the Controller's Office and Michelle Beaulieu from the San Francisco County Transportation Authority led the research and reporting efforts required for the Task Force. Staff from the Controller's Office, Mayor's Office, San Francisco County Transportation Authority, San Francisco Municipal Transportation Agency, and San Francisco Public Works completed data analysis, research, and logistical support for the Task Force meetings and final report.

T2045 Task Force Goals

The goals of the T2045 Task Force are to:

- Identify transportation funding needs and gaps in resources
- Identify potential local revenue options to close the gaps

The T2045 Task Force has built off the City's previous transportation planning efforts and reflects the progress the City has made, changes in local, regional, state and federal funding contexts, and new challenges facing the city. The needs analysis focused on funding needs over the period of time from 2019 – 2045, with the understanding that any local revenue would address only a portion of those needs, matching funds from regional, state and federal levels.

The Task Force focused its efforts on developing broad consensus for a multi-year package of local revenue measures over time to help close the funding gap, with at least one significant measure that could be implemented in 2018, along with high-level recommendations for a corresponding Expenditure Plan.

Background

THE TRANSPORTATION 2030 TASK FORCE

In 2013, the Mayor's Transportation 2030 (T2030) Task Force was convened to develop a coordinated set of priorities and recommendations for the City's transportation infrastructure through 2030.³ Over the course of 9 months, the T2030 Task Force identified transportation system needs and made funding source recommendations.

The T2030 Task Force identified \$10.1 billion in needs (in 2013 dollars) over 15 years. The needs assessment identified three areas of capital infrastructure investment:

- Core: The City's existing transportation capital and infrastructure, which included the existing transit fleet, streets, traffic signals, rails, bike lanes, and sidewalks.
- Enhance: Efficiency and effectiveness improvements to Core system components.
- Expand: Expansion beyond the Core investments to meet existing

Figure 1: Transportation 2030 Task Force identified Transportation System Funding Needs (2015-2030)

TRANSPORTATION SYSTEM FUNDING NEEDS (MILLIONS, 2013\$)	TOTAL NEED	FUNDS IDENTIFIED TO DATE	UNFUNDED NEED	% FUNDED
Core Investments	\$6,608	\$3,587	\$3,021	54%
Enhance Investments	\$1,833	\$160	\$1,673	9%
Expand Investments	\$1,644	\$6	\$1,638	0%
TOTAL	\$10,085	\$3,753	\$6,332	37%

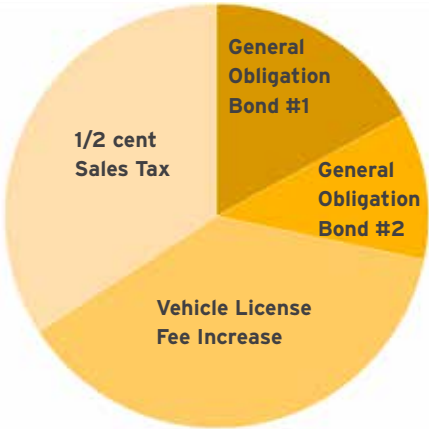
demand or expected growth where Core investments would not have met the need.

The scope of the T2030 Task Force work focused on capital improvements requiring new investment, focusing on bringing the existing transportation infrastructure—both transit and local streets and roads—up to a state of good repair. It did not address operating deficits. It also focused primarily on city projects, with few regional projects included.

³ http://208.121.200.84/ftp/files/publications_reports/transportation_taskforce/Taskforce_AnnualReport2030V9_1113.pdf

Of the total \$10.1 billion in transportation needs identified in the T2030 process, \$3.8 billion was anticipated to be covered by existing, identified funding sources, leaving a funding gap of \$6.3 billion between 2015 and 2030.

Figure 2: T2030 Task Force
Recommended New Locally-Controlled
Revenues



To help close the funding gap, the T2030 Task Force recommended two strategies:

- To pursue additional federal/state/regional revenues through advocacy and policy change. Anticipated total revenues: \$3.3 billion
- To bring a series of ballot measures to the voters to generate local revenues for transportation. Anticipate total revenues: \$3 billion

The T2030 Task Force recommended four local ballot measures to get to the \$3 billion total over 15 years:

- Two \$500 million general obligation bonds
- A vehicle license fee (VLF) of 1.35% as authorized under Senate Bill 1492 (Leno). This would have raised approximately \$73 million in the first year.
- A 0.5% sales tax. This would have raised approximately \$100 million in the first year.

To date, San Francisco voters have approved one of the T2030 General Obligation Bonds in 2014. More information can be found in the Transportation Funding since T2030 section below.

LONG-RANGE TRANSPORTATION PLANNING

The T2045 Task Force, like the T2030 Task Force, drew upon long-range plans for transportation that examined an even broader set of needs and projects on a longer time-frame. Two of those plans, which have recently been updated, are described below.



San Francisco Transportation Plan 2040

The San Francisco Transportation Plan (SFTP) 2040 is the countywide, long-range investment and policy blueprint for San Francisco’s multi-modal transportation system. It considers walking, biking, driving, and public transit, including both local transit operators like SFMTA and regional transit operators like BART and Caltrain. As the Congestion Management Agency for San Francisco, the San Francisco County Transportation Authority (SFCTA) develops the plan, through technical analysis, consultation with partner agencies, and community outreach. It provided the basis for the T2030 work, and included goals, a needs assessment, performance evaluation for projects, and a



fiscally constrained investment Plan (at \$75 billion over 25 years) and Vision (\$82.5 billion) as well as policy recommendations. The fiscally constrained Plan accounts for investments that can be made with the revenues anticipated to be available to San Francisco over this timeframe, while the Vision includes projects and programs that could only be implemented with new locally-controlled revenues.

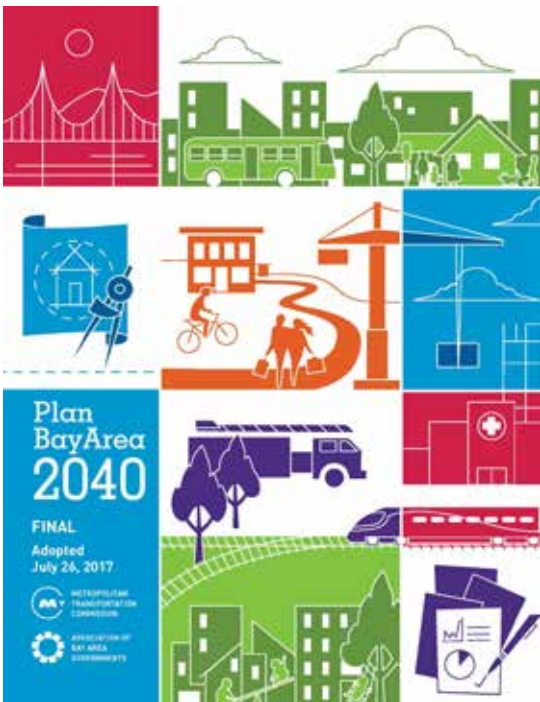
The SFCTA Board adopted an update to the SFTP in October 2017, in parallel with the regional transportation plan update, Plan Bay Area 2040. This increased the size of San Francisco's investment plan to \$85 billion through 2040, with a \$92.9

billion investment vision. The SFTP's investment plan includes all planned and forecasted investment in transportation through 2040.⁴ For context, these numbers are much larger compared to those considered by the T2030 Task Force, which was constrained to certain project types (largely excluding regional transit operators and expansion projects) and only through the year 2030.

Plan Bay Area 2040

The Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG) adopted Plan Bay Area 2040, the long-range Regional Transportation Plan and Sustainable Communities Strategy for the nine-county Bay Area, in July 2017. This integrated transportation, land-use and housing plan demonstrates how the region will reduce greenhouse gas emissions through long-range planning. State law requires that the two components be consistent. The plan discusses how the region will grow over the next two decades, and identifies transportation and land use strategies to enable a more sustainable, equitable and economically vibrant future.⁵ This is a limited update of the region's previous integrated plan, Plan Bay Area, which was

adopted in 2013. The SFTP provided the primary basis for San Francisco's input into the Plan Bay Area update.



TRANSPORTATION FUNDING SINCE T2030

Since the T2030 Task Force made its recommendations, there have been several initiatives to increase revenues for transportation, from the local level up to the state level.

Proposition A: The San Francisco Transportation and Road Improvement Bond (November 2014)

⁴ <http://www.sfcta.org/san-francisco-transportation-plan-sftp-2017-update>

⁵ http://2040.planbayarea.org/cdn/farfuture/DNwQeazEwHFiJg-HZ-_GMZSVQxPV0mKk0nTUkVaD-Ses/1506467747/sites/default/files/2017-09/Plan_Bay_Area_2040-09262017-links.pdf

In November 2014, Proposition A, the San Francisco Transportation and Road Improvement Bond, was put on the ballot to fund a wide range of transportation investments. This was the first of the T2030 Task Force's recommendations to go to the ballot, and passed with nearly 72% of the vote. The bond was issued within the City's general obligation bond capacity and did not increase property tax rates in the City. The proceeds from the bond are being spent as follows:

- \$376 million for Improved Transit, including \$209 million for Muni Forward, \$70 million for Muni maintenance facility modernization, \$39 million for Caltrain upgrades, \$30 million for safer and more accessible transit stops, and \$28 million for planning and designing large-scale transportation projects
- \$124 million for Safer Streets, including \$50 million for pedestrian safety improvements, \$52 million for complete streets, and \$22 million to modernize the traffic signal system

Proposition B: The City of San Francisco Adjusting Transportation Funding for Population Growth (November 2014)

In November 2014, voters in San Francisco also approved Proposition B, a population-based general fund set-aside, with 61% of the vote. This charter amendment requires that 75% of the set-aside be directed to transit improvement projects, and 25% be used for street safety capital improvements. A total of \$31 million was directed to transportation projects in Fiscal Year 2017. In future years, the annual set-aside increases proportionately to population growth in San Francisco.

THE TRANSPORTATION SUSTAINABILITY PROGRAM

The Transportation Sustainability Program (TSP) seeks to improve and expand upon San Francisco's transportation system to help accommodate new growth. Smart planning and investment will help San Franciscans arrive safer and more comfortably at their destinations now and in the future. The Transportation Sustainability Program is comprised of the following three components: Enhance Transportation to Support Growth (through the Transportation Sustainability Fee), Modernize Environmental Review, and Encourage Sustainable Travel (Shift). For more information visit:

<http://sf-planning.org/transportation-sustainability-program>

Transportation Sustainability Fee (TSF) (2015)

San Francisco's Transportation Sustainability Fee (TSF) was adopted by the Board of Supervisors and went into effect December 2015. The TSF is a citywide transportation fee placed on new development in San Francisco, established so that development projects contribute to mitigating the transportation impacts from new residents and workers resulting from the development. Whereas transportation impact fees had previously been charged on development other than housing, the TSF expanded the fees to include market-rate residential development and certain large institutional developments. The funds raised may be used to fund transit capital maintenance, transit capital facilities, and complete streets infrastructure.

The TSF is a relatively modest revenue source, which was initially projected to generate an estimated \$15 million in annual new revenues, based on optimal market conditions. The TSF has generated a more

modest sum than what was originally anticipated over the last two years, but it sets a strong policy signal in support of the City’s transit first policy. It is a part of the broader Transportation Sustainability Program, which is designed to modernize review of transportation impacts, and reduce vehicle miles traveled associated with new development as well as invest in the transportation network.

Measure RR: BART Bond (November 2016)

Measure RR was a property bond passed in the three Bay Area Rapid Transit (BART) counties (Alameda, Contra Costa, and San Francisco) in November 2016. The \$3.5 billion bond revenues go primarily toward safety repairs and upgrades to the existing system with 20% available for projects that relieve crowding or expand opportunities for safe station access. In addition to improving the safety and reliability of the BART system, these same investments will build the required foundation to enable BART to implement capacity improvements that will provide significantly more service in the core of the system (by running more trains through the transbay tube). San Francisco voters passed the BART bond with 81.1% of the vote.

SB 1 IN SAN FRANCISCO

SB 1 revenues are already being put to work in San Francisco. Projects that will receive SB 1 funding include:

- From Local Streets and Roads allocations, pavement renovation on Palou Avenue, 26th and Castro Streets, and Visitacion Valley residential streets
- From the formulaic Local Partnership Program, pavement renovation on Parkmerced/ Glen Park/ Twin Peaks streets
- From augmentation funding for the competitive Active Transportation Program, the Geneva Avenue Pedestrian and Bicycle Safety Improvement Project, and the Vision Zero SF: Safer Intersections project

California SB1: Road Repair and Accountability Act of 2017

On April 28, 2017, Governor Brown signed the Road Repair and Accountability Act of 2017, Senate Bill (SB) 1, into law. SB1 provides the first significant, stable and on-going increase in state transportation funding in more than two decades. SB1 is critical because it helps the city agencies address chronic funding shortfalls resulting in large part from the lost buying power of the gas tax—the primary source of state transportation funding—that hadn’t been increased in over 30 years. SB1 increased funding for transportation through four significant sources, each of which is indexed to inflation:

- 12-cent per gallon gasoline excise tax increase (effective November 1, 2017)
- Annual Transportation Improvement Fee (TIF) based on a tiered vehicle valuation (effective January 1, 2018)
- Annual \$100 zero-emission-vehicle registration charge (effective July 1, 2020), which ensures that vehicles that don’t pay any or much in gas taxes, but still use local streets and roads and state highways, will pay their “fair share” toward maintaining the transportation system
- 20-cent per gallon diesel excise tax increase (effective November 1, 2017)

The sum total revenues from SB1 is \$52 billion over 10 years, which will be directed to transportation investments through a combination of formula and

competitive statewide programs.

The San Francisco County Transportation Authority estimates that San Francisco will receive over \$60 million per year from SB1 formula funds alone, in addition to millions of dollars through various statewide competitive funding cycles for regional transit investments, bicycle and pedestrian improvements, and other projects. The majority of these funds will be directed to state of good repair projects, including to the state highway system, local streets and roads, and transit. These funds are critical to San Francisco, but do not completely close the gap on the needs of the system.

As of December 2017, there are two separate voter-initiatives proposed for the statewide ballot in November 2018, which would in effect repeal most sections of SB1. However, neither yet has enough signatures to qualify for the ballot. If a repeal were to pass, it would be a significant blow to the future of the State's, and San Francisco's, transportation systems.

Regional Measure 3 (TBD, likely 2018)

In October 2017, Governor Brown also signed SB 595 into law, authorizing the Metropolitan Transportation Commission (MTC) to place Regional Measure 3 (RM3) on the ballot to increase tolls on the region's seven state-owned bridges. RM3 could be submitted for voters' consideration as early as June 2018. MTC would be able to put to the voters an increase of up to \$3 per toll bridge crossing, to fund a \$4.5 billion expenditure plan that includes projects that benefit San Francisco such as:

- \$500 million for new BART vehicles
- \$325 million for the Caltrain Downtown Extension
- \$140 million for Muni Fleet Expansion and Facilities
- \$50 million for preliminary engineering and design of a new Transbay Rail Crossing

These projects, like the others included in RM3, are intended to support the



Bay Area's growing economy and quality of life, by aiming to reduce congestion and improve transportation options throughout the Bay Area. San Francisco is the second most traffic-congested city in the United States, and San Jose and the South Bay is the fourth. The funding from RM3 will specifically focus on boosting the capacity of the core components of the regional transit systems while improving travel options and reliability in the toll bridge corridors. This would act as a complementary funding source to

SB1. While SB1 addressed the aging pains of the system through state of good repair project funding, RM3 would address the system’s growing pains, as the Bay Area’s tremendous recent economic and population growth has taken a toll on the region’s infrastructure. Large, even medium-sized projects, included in the RM3 expenditure plan would draw on multiple sources for funding, such as the Muni fleet replacement and expansion project and Caltrain’s Downtown Extension.

San Francisco Propositions J and K (November 2016)

Not all funding proposals recently put to the voters have passed. In November 2016, a sales tax increase was on the ballot for San Francisco voters, consistent with the recommendation of the T2030 Task Force. Proposition K would have increased the city’s sales tax by an additional 0.75% for 25 years with revenue deposited into the general fund. The measure would have raised approximately \$150 million in the first year, and was defeated by 65% of the vote.

In that same election, a charter amendment to allocate funds to homeless services and transportation was also on the ballot. Proposition J would have allocated an initial \$50 million per year to homeless services and \$100 million per year to transportation, with scheduled increases for 24 years. Proposition J passed with 67% of the vote. However, after the election Mayor Lee enacted a clause in Proposition J that allowed him to cancel these two set-aside funds because of the impact on the city’s budget. Without the additional sales tax revenue that would have been available if Proposition K had passed, the budget set-asides in Proposition J were infeasible.

Though the general fund set-aside called for under Proposition J was canceled, the high voter approval rate indicates a high level of support for these types of investments in both homelessness and transportation. Proposition J’s transportation fund would have allocated revenues to 6 categories of investments (see Figure 3).

Figure 3: The November 2016 Proposition J expenditure plan

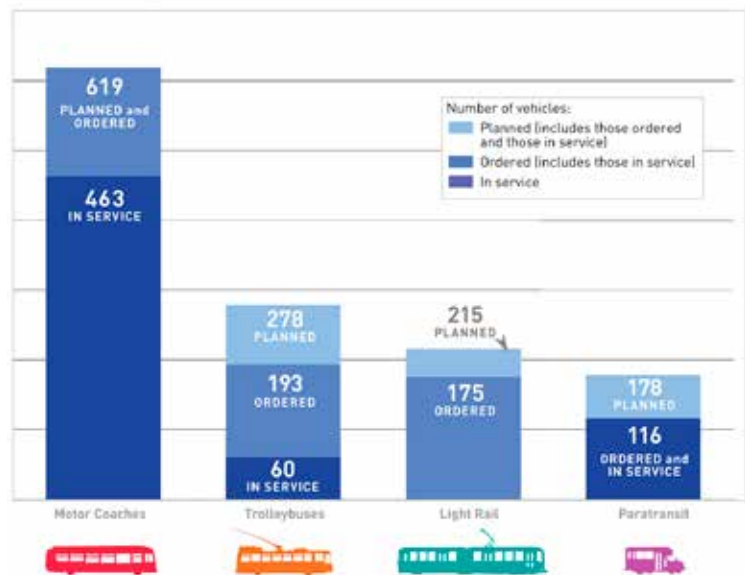
TRANSPORTATION INVESTMENT CATEGORIES		% OF NEW REVENUES
1.	Transit Service & Affordability	12.4%
2.	Muni Fleet, Facilities & Infrastructure Repair & Maintenance	18.8%
3.	Transit Optimization & Expansion	9.4%
4.	Regional Transit & Smart System Management	14.1%
5.	Vision Zero, Safer and Complete Streets	12.4%
6.	Street Resurfacing	32.9%
TOTAL		100%

TRANSPORTATION PROJECT DELIVERY SINCE T2030

Since the T2030 process in 2013, San Francisco has made significant progress on several major transportation projects and programs. This includes:

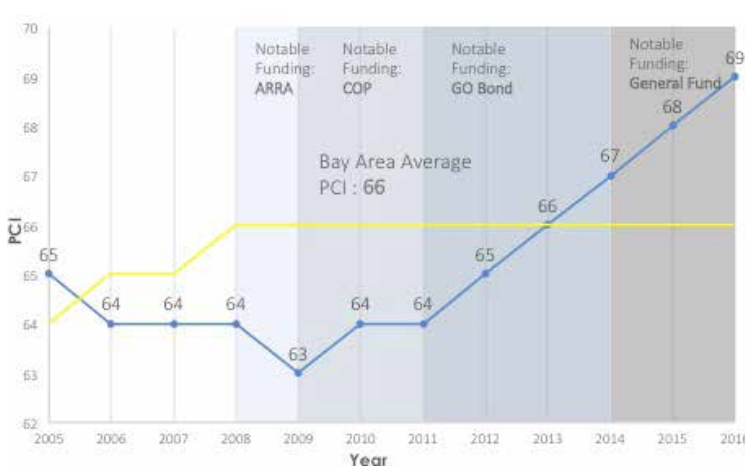
- The Central Subway, which will provide train service to new parts of the city, connecting Chinatown to the Bayview;
- Implementing Muni Forward to improve reliability, travel time and safety on several critical transit routes. Improvements to the 10 Sansome

Figure 4: New Muni Task Vehicles since 2014, SFCTA.
 AS OF SEPTEMBER 30, 2017



- Safer streets and improved mobility, including the start of construction on major multimodal projects on Van Ness Avenue and Geary Boulevard, which will speed up cross-city travel with improved bus service;
- Installation of pedestrian countdown signals and audible pedestrian signals to improve the safety and accessibility of the city’s streets, including along major corridors like Arguello Boulevard and citywide in strategic locations; and
- Smoother, safer streets with repair work resulting in an increase in the

Figure 5: San Francisco’s Pavement Condition Index score, 2005-2016, SF Public Works.



and 9 San Bruno have wrapped up and progress continues on key routes such as the 14 Mission, 30 Stockton, N Judah, 28 19th Avenue and others;

- A new and expanded Muni fleet, including all-new, hybrid or clean energy buses, and all-new light rail vehicles, with the first new vehicles in service and more on the way;
- Advancing pedestrian safety projects and moving the needle on Vision Zero by making strategic investments in the City’s High-Injury Network—a grouping of just 12% of San Francisco’s streets where 70% of severe and fatal traffic injuries occur—with spot improvements along Mission Street, 8th Street and Market Street, corridor investments along Division Street, Vicente Street and Brannan Street among others, and comprehensive, neighborhood-side safety plans such as in the Tenderloin;

citywide pavement condition index (PCI) average from a 64 PCI in 2011 to a 69 PCI in 2016.

While San Francisco has made progress toward many of its transportation goals, there is still much work to be done. For example, the funds the city has available now may not be sufficient to meet the ambitious goal of Vision Zero: zero traffic fatalities by 2024. The next generation of major transit improvements and expansion projects are not yet fully funded, including Better Market Street, the extension of Caltrain to the new Transbay terminal, and the Geary Boulevard Improvements Project. Chapter 2 of this report details the Transportation System Needs Assessment that was done to support the work of the Task Force.

2. Transportation System Needs Assessment

The T2045 needs assessment was developed by Task Force staff and presented to the Task Force. The assessment focused on a review of existing transportation planning documents to identify projects and programmatic areas that require additional funding. The assessment covers the 27-year period ending in 2045. All dollar amounts are in 2017 dollars for consistency.

The primary plans and reports that informed this assessment include:

- Mayor's Transportation Task Force 2030 (T2030) Report (2013)
- San Francisco Ten-Year Capital Plan (CCSF, 2017)
- Plan Bay Area 2040 (MTC, 2017)
- San Francisco Transportation Plan 2040 (SFCTA, 2017)
- SFMTA 20-Year Capital Plan (2017)

Each of these planning efforts outlines long-range transportation needs over a specified time period. For example:

- T2030 identified a \$6.3 billion funding gap for a subset of City transportation needs, focusing on maintenance and rehabilitation, over 15-years
- The San Francisco Transportation Plan 2040 from 2013 identified a \$19 billion unfunded need for all surface transportation modes and operators (local and regional), for the 27-year period ending in 2040
- Plan Bay Area 2040 identified a 24-year unfunded need of \$21.5 billion for the region's streets and roads to achieve a state of good repair, and a \$14.6 billion gap to bring the region's transit system up to a state of good repair

Staff updated cost estimates for all types of transportation needs from local streets and roads repair to transit maintenance to pedestrian and bicycle safety improvements to smart system management and transit expansion. Staff then extrapolated the needs to the T2045 timeframe, and in some cases, used professional judgement to revise needs downward to reflect reasonable deliverability assumptions (e.g. based on available staff resources). The needs assessment was quite comprehensive with the only notable set of needs not included being BART state of good repair and capital maintenance needs, which were directly addressed by the recently-passed Measure RR \$3.5

billion general obligation bond (see Measure RR in Chapter 1 of this report for reference). San Francisco policymakers actively worked to support BART's efforts to develop Measure RR and make it as large and robust as possible, with the intent of allowing a future local measure to focus more on San Francisco's other significant needs.

Needs, like revenues, are dynamic, and estimated costs and funding strategies should be revisited periodically to ensure they reflect current political and

Figure 6: Long-range transportation planning efforts, SFCTA 2017



economic realities, revenue landscapes, and evolving transportation system needs. The increase in needs compared to T2030, for example, makes sense given the longer time frame and broader scope of needs (e.g. more emphasis on growth and regional projects in addition to maintaining and repairing the existing transportation system).

While the needs assessment was presented to Task Force members to gauge priorities between the different categories and sub-categories of projects, the Task Force was not asked to take any formal position on the assessment itself.

Anticipated Revenues

Building, maintaining, operating, improving and expanding the transportation system relies on a mix of revenues from a variety of sources. In San Francisco, as in the rest of the Bay Area, local revenue sources are a very significant piece of the overall funding picture and are often matched with other federal, state or regional dollars to maximize their impact and help fully fund projects. For the T2045 Task Force, staff projected the amount of federal, state, regional and local revenues that would be anticipated to be available to San Francisco projects through 2045. The projections in this report are tiered off the regional projections from Plan Bay Area 2040.

Figure 7: Anticipated revenues for transportation in San Francisco, SFCTA 2017.

REVENUE SOURCE	ANTICIPATED 27-YEAR REVENUES (IN 2017\$)
Federal	\$3,585 million
State	\$2,610 million
Regional	\$189 million
Local	\$3,335 million
TOTAL ANTICIPATED REVENUES	\$9,719 MILLION

Like Plan Bay Area 2040, this report assumes most existing revenue sources continue through 2045 with similar eligibility rules as today. Further, like Plan Bay Area, this report also assumed a small amount of new to-be-identified sources that would be available over the course of the 27-year period, based on past experience. Ongoing advocacy at every level of government is required in order to secure these funds.

There are other revenues that have not been assumed in the revenue projections for this report, but that are considered in making recommendations on how much of the unfunded gap new local revenues should target. This includes bridge toll revenues from Regional Measure 3, which has not been approved by voters, but which MTC, acting in its capacity as BATA, has authorization to place on the ballot. City staff have identified projects that would be competitive for these sources, and have estimated how much funding they might receive.

Transportation Needs by Expenditure Plan Category

Task Force staff organized the city’s transportation needs into the 6 categories used for Proposition J. For the purpose of the needs assessment, each of those categories was subdivided into sub-categories, to provide examples and help define the categories further.

In the following sections, there is a brief description of projects included in each category and sub-categories within them, along with a table showing total need, anticipated revenues, and the unfunded gap.

TRANSPORTATION INVESTMENT CATEGORIES	
1.	Transit Service & Affordability
2.	Muni Fleet, Facilities & Infrastructure Repair & Maintenance
3.	Transit Optimization & Expansion
4.	Regional Transit & Smart System Management
5.	Vision Zero, Safer and Complete Streets
6.	Street Resurfacing

1. TRANSIT SERVICE AND AFFORDABILITY

The transportation system is an important aspect in maintaining a livable and equitable city. While the performance of the transportation system impacts all users, it disproportionately impacts users from vulnerable populations and members of communities of concern. Addressing primary performance indicators of the system such as on-time performance, reliability, overcrowding,



and system access ensures that the transportation system is serving all users and provides the greatest benefits for those who are dependent on public transit to live and work in San Francisco.

The Transit Service and Affordability category includes free and discounted fare programs, such as free Muni access for seniors, people with disabilities and low/moderate income youth. This also includes funding to protect against service cuts during economic downturns. This category supports additional transit services for outside of peak hours and in low-income communities. This also includes additional operators to cover expanded service as service

demand for Muni increases and the SFMTA secures additional trains and buses.

Projects in this category are organized by the following sub-categories:

Service Expansion and Service Protection

This sub-category provides funding for expanded services on high-capacity routes, funding for late night transportation services, additional services within communities of concern, and service protection measures so that service remains consistent during the ups and downs of economic cycles. Late night transportation service expansions are included in this need.

TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)
\$874	\$100	\$774



Transit Fare Programs

This sub-category provides specific funding to cover for the revenue loss for providing reduced and free fare programs. By identifying specific funding for these programs, the SFMTA and the City are reaffirming their commitment to preserving access to the transportation system for its most vulnerable. Discount fare program protections are included here.

TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)
\$770	\$0	\$770

2. MUNI FLEET, FACILITIES AND INFRASTRUCTURE

The Muni Fleet, Facilities and Infrastructure category includes programs and projects that focus on the maintenance and rehabilitation of existing core transportation assets, as well as expansion of these assets to accommodate expanded services. This category focuses on the buses and trains in the Muni fleet, maintenance and storage facilities, guideways including light rail tracks, and other supporting infrastructure that make up the transportation system. Sub-categories that specify state of good repair fund projects that maintain and rehabilitate existing transportation infrastructure, ensuring that these existing assets are performing as intended.

Projects in this category are organized by the following sub-categories:

Fleet, State of Good Repair

The Fleet State of Good Repair sub-category funds projects to address mid-life overhauls, preventative maintenance, on-board system upgrades, and timely fleet replacement cycles for Muni vehicles including buses and light rail vehicles. Muni has pursued robust maintenance standards and practices established in 2014 which includes maintaining or exceeding Original Equipment Manufacturer scheduled maintenance and institutionalizing a mid-life overhaul program to target specific performance goals throughout the lifecycle of the vehicle, and needs additional funding to continue to meet these standards. The light rail vehicle midlife-overhauls program and paratransit fleet replacement program needs are included in this category.



TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)
\$5,862	\$2,074	\$3,788

Fleet, New

The New Fleet sub-category funds projects that add to SFMTA's existing Muni fleet and includes expansions of the trolleys, buses, and light rail vehicles. New fleet procurements support the SFMTA's goals of accommodating growth, environmentally sustainable operations, and maintaining a consistent average fleet age. New motor coaches, light rail vehicles, and trolley coaches are all included.



TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)
\$827	\$338	\$489

Facilities, State of Good Repair

The Facilities State of Good Repair sub-category funds projects that address the SFMTA's existing facilities needs across a diverse portfolio of buildings, grounds, and stations. These facilities support the SFMTA's ability to provide reliable transit service, maintain street infrastructure, and store, protect and maintain its transit fleet. In order to accommodate expanded service and the future expanded fleet, SFMTA's existing facilities need to be rehabilitated and upgraded. SFMTA's elevator/escalator rehabilitation program, subway station rehabilitation, and facilities renewal projects are included.



TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)
\$3,593	\$1,415	\$2,177

Facilities, New

The New Facilities sub-category funds projects that address the SFMTA's new facilities needs required to accommodate expanded service and the future expanded fleet. This includes the expansion of existing facilities and the development of new facilities to allow operations to continue while the SFMTA pursues its facilities expansion program. This include new bus and paratransit facilities.

TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)
\$1,111	\$163	\$948

Fixed Guideways, State of Good Repair

The Fixed Guideway State of Good Repair sub-category funds projects that maintain and rehabilitate elements of the fixed guideway network such as tracks, switches, overhead lines, and traction power systems. This includes the N-line rail replacement project and sub-stations for the SFMTA's automatic train control system.

TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)
\$1,363	\$880	\$483

Parking Facilities, State of Good Repair

The Parking Facilities State of Good Repair sub-category funds projects that maintain and rehabilitate SFMTA's parking facilities. While trends may fluctuate regarding personal vehicle storage within the city, these parking facilities represent a valuable asset as the changing transportation landscape begins to consider electric vehicle charging options and new mobility technologies. This need reflects the unfunded projects that will maintain and upgrade the parking facilities, which will ensure that the SFMTA is able to capitalize on new trends in transportation technology. This includes seismic and structural upgrades to existing parking facilities, and the parking meter state of good repair program.

TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)
\$855	\$0	\$855

Transit Accessibility

The Transit Accessibility sub-category funds projects that supports expansion of system elevators, accessible transit stops, other infrastructure improvements as outlined in the Muni Accessible Key Stop study and as recommended by the SFMTA accessibility advisory group.

TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)
\$69	\$52	\$17



3. TRANSIT OPTIMIZATION AND EXPANSION

The Transit Optimization and Expansion category includes projects from multiple operators that improve system capacity. This includes station modernization for downtown BART stations, new ferry projects for Treasure Island and Mission Bay, and major corridor projects like Geary Boulevard Rapid Bus and Better Market Street. These projects will help ease existing crowding, improve reliability, increase safety and reduce travel times, as well as expand capacity to help meet the city’s forecasted growth. For regional projects, including BART and Caltrain projects, the need included in this analysis reflects a San Francisco share of the total project cost.

Projects in this category are organized by the following sub-categories:



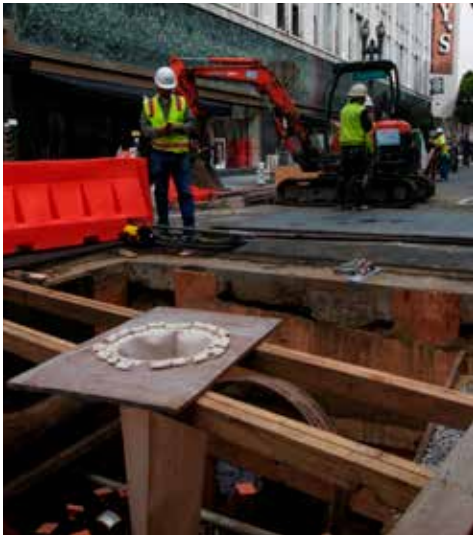
Core Capacity and Transit Enhancements

These are projects that will improve transit at the core of the regional transit system, for multiple operators. This includes system improvements for BART to improve system operations and enhance accessibility, new ferry infrastructure and vessels, and funds dedicated to long-range planning such as for a second transbay rail crossing.

TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)
\$1,743	\$1,017	\$726

Major Capital Projects and Transit Expansion

Included in this sub-category are some of the city’s largest, most impactful capital projects that significantly expand transit capacity in San Francisco. This includes funding for the next generation of subway projects. These projects include the Geary Boulevard Improvement Project, Better Market Street, and Geneva/Harney Bus Rapid Transit.



TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)
\$5,853	\$1,245	\$4,608

Muni Equity Strategy Capital Program

The Muni Equity Strategy has identified a series of capital improvements that will support increased service and improved access to transit in identified Equity neighborhoods. While the short-term list of projects are fully funded, this funding would be dedicated to improvements identified in future phases of this program.

TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)
\$88	\$0	\$88

Muni Forward

The Muni Forward program take a comprehensive approach to expanding transit service, improving reliability, enhancing safety and access and upgrading the transit with the latest systems and technology to monitor and operate a 21st century transit system. Key investments include expanding the City’s network of transit-only lanes, transit priority signals, optimizing transit stops and upgrading stops with safety and accessibility enhancements, route improvements and improved customer information systems which all combined create a Rapid Network of transit services across the city.

A number of Muni Forward projects have been implemented, and this sub-category would provide funding to community outreach and completion of the entire implementation plan. This includes Phase 2 of Muni Forward Rapid Bus Network Capital Improvement, and Next Generation customer information systems.

TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)
\$525	\$96	\$249



4. REGIONAL TRANSIT AND SMART SYSTEMS MANAGEMENT

Regional transit and smart systems management projects encompass a wide range of investments that have many benefits for San Francisco and are often quite cost-effective. This category of investments and need include includes large regional transit projects designed to move people to, through, and within San Francisco, as well as smart systems management projects such as integrated payment systems and express lanes. For regional projects, including BART and Caltrain projects, the need included here reflects a San Francisco share of the total project cost. Smart system management investments are relatively low-cost projects that can have a big impact on how the existing transportation systems function.

Projects in this category are organized by the following sub-categories:

BART Vehicles, San Francisco Share

BART provides reliable and high-frequency service within as well as to/from San Francisco, and is operating at record-high ridership levels. Thirty-six percent of all transit trips in San Francisco are made on BART. BART has plans to purchase an additional 306 cars to provide much needed capacity to relieve crowding and accommodate projected increased demand. Of the total \$1.618 billion cost for these additional cars, San Francisco’s planned contribution is \$200 million. The San Francisco share is in recognition of the significant benefit BART provides to San Francisco for internal trips as well as for trips to, from and through the city and provides a compliment to BART’s measure RR, which cannot fund rolling-stock, and MTC’s Regional Measure 3, which, if approved by Bay Area Voters, would fund a portion of the total need for new trains.



TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)
\$200	\$0	\$200

Caltrain Improvements, San Francisco Share

Caltrain is governed by a three-county Joint Powers Board, comprised of San Francisco, San Mateo and Santa Clara. San Francisco’s share of Caltrain modernization programs (including electrification) and state of good repair projects is based on regional funding agreements. These investments will maintain and improve Caltrain, creating a safer, more reliable and frequent transit service with less of an impact on the environment.



TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)
\$285	\$125	\$160



Downtown Caltrain Extension (DTX), San Francisco Share

The proposed Caltrain Downtown Extension will extend Caltrain commuter rail from its current terminus at Fourth and King Streets to the new Transbay Transit Center, including an underground pedestrian connection to the nearby Embarcadero BART and Muni station. This extension paves the way to bring California High Speed Rail into the heart of downtown San Francisco. The \$350 million in unfunded needs matches the amount assumed from a new sales tax or other

local San Francisco revenue measure for the \$3.9 billion project. This amount comes from the 2013 Plan Bay Area and was carried forward in the recently adopted 2017 Plan Bay Area update.

TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)
\$387	\$37	\$350

Smart Technology

There are a number of projects included in this subcategory, including integrated payment systems, improved transit information, and traffic management systems. These types of projects improve the management of San Francisco’s transportation systems, and make those systems more user-friendly. Integrated payment systems and parking management technology are included.

TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)
\$210	\$47	\$163



Transportation Demand Management (TDM) - Rewards and Pricing

Transportation Demand Management (TDM) is the application of strategies and policies that reduce or redistribute travel demand, by focusing on how people make transportation decisions. These projects include dynamic pricing and rewards programs, as well as education campaigns. Pricing projects may include highway express lane projects with express bus service, and the Treasure Island Mobility Management program where vehicle tolling revenues would be used to fund transit service.

TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)
\$145	\$36	\$109

5. VISION ZERO, SAFER AND COMPLETE STREETS

VISION ZERO POLICY

The City and County of San Francisco adopted Vision Zero as a policy in 2014, committing to build better and safer streets, educate the public on traffic safety, enforce traffic laws, and adopt policy changes that save lives. The goal is to create a culture that prioritizes traffic safety and to ensure that mistakes on our roadways don't result in serious injuries or death. The result of this collaborative, citywide effort will be safer, more livable streets, as the city works to eliminate traffic fatalities by 2024.

<http://visionzerosf.org/about/what-is-vision-zero/>

The Vision Zero, Safer and Complete Streets category addresses improvements to the transportation system that includes major redesigns of the most important and highly used streets to meet the needs of all users, maintaining bicycle facilities and expanding the bicycle network, implementing traffic calming projects to protect San Francisco's most vulnerable road users, and eliminating severe and fatal traffic collisions through safety improvements.

Projects in this category are organized by the following sub-categories:

Bicycle and Pedestrian, State of Good Repair

The Bicycle and Pedestrian State of Good Repair sub-category includes projects to replace signs, striping, pavement markings, signals, and other facilities to promote the quality and safety of the bicycle and pedestrian environments. This also includes sidewalk repair.

TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)
\$336	\$153	\$183

Bicycle and Pedestrian, New

The Bicycle and Pedestrian New sub-category includes projects that continue to implement the build-out of the bicycle network, new and expanded sidewalks, accessible curb ramps, increased bicycle parking, and programs to promote safety and vision zero outcomes. These projects include those identified in the SFMTA's five-year Capital Improvement Program, as well as projects from the long-range 20-year Capital Plan. Future projects are anticipated to be larger, multi-modal, full streetscape-style projects, as most of the low-cost safety and enhancement projects will already have been delivered. This includes projects in the protected bike lane network, and full build-out of the citywide pedestrian program.

TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)
\$2,341	\$310	\$2,031





Complete Streets

The Complete Streets sub-category includes streetscape and traffic calming projects, new and upgraded traffic signals and signs, safe routes to school programming, and Vision Zero outreach, education and evaluation.

TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)
\$2,068	\$709	\$1,360

Road Network

This sub-category includes the planning efforts necessary to redesign freeways, surface streets, and street structure rights-of-way. These projects are intended to solve significant issues caused by the existing alignment of the road network that can not be addressed through spot improvements or superficial upgrades. This includes projects at ramp-city street intersections.

VISION ZERO RAMP INTERSECTION STUDY

The South of Market Area designated as a Youth and Family Zone includes multiple locations where freeway on- or off-ramps intersect city streets. These ramp intersections tend to have particularly high frequencies of traffic injuries and fatalities. The SFCTA and SFMTA are developing recommendations for improving safety at multiple ramp intersections within the Youth and Family Zone to improve safety for all travelers within the zone, especially the most vulnerable populations, and to support progress towards the city's Vision Zero goal. For more information, visit

<http://www.sfcta.org/NTIP-vision-zero-ramp-intersection-study>

TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)
\$456	\$5	\$451

6. STREET RESURFACING

San Francisco Public Works oversees the maintenance of over 940 miles of streets with 12,855 street segments. The quality of the streets is measured using Pavement Condition Index (PCI). The current city goal is to reach PCI 70 by 2025, making the average San Francisco street “Good” instead of “At Risk”. The current PCI, as of December 2016, is 69.



The total need of \$1.702 billion will allow Public Works to not only hit the citywide PCI target, but also maintain a PCI of 70 through 2045. San Francisco has received funding from the Road Repair and Accountability Act of 2017 (SB1), but a total gap of \$784 million still exists. Since the depletion of the 2011 Road Repaving and Street Safety Bond funds, the street resurfacing program has had support from City General Fund revenue to fill the annual funding gap, allowing the program to continue to work towards the PCI goal of 70. Without this General Fund commitment, the SB1 funds and all other existing committed funding sources would not be sufficient and the PCI score would be expected to drop to 63 by 2024 (the lowest historical PCI score). The General Fund is not a dedicated source and, depending on the City’s priorities, continued support is not guaranteed. A committed, dedicated funding source that fills the total funding gap is necessary to ensure the City’s street resurfacing goals are accomplished and maintained through 2045.



San Francisco Public Works has a history of maximizing the benefits and effectiveness of its funding. The department uses a pavement management strategy that applies the right treatment at the right roadway at the right time. Streets are prioritized based on PCI score, presence of transit and bicycle routes, scheduled street clearance, and geographic equity. Street resurfacing work is often coordinated with other departments to coincide with other utility and transportation work to minimize disruption to the public.



Fully funding street resurfacing needs will also improve San Francisco’s citywide ADA accessibility. San Francisco Public Works constructs curb ramps through street resurfacing projects. Between fiscal years 2012-13 and 2015-16, over 5,300 curbs were constructed through street resurfacing projects. If the paving need is fully funded, the city will reach full curb ramp build-out three years earlier than currently planned. However, at present paving revenue levels, curb ramp funding needs will also increase.

TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)
\$336	\$153	\$183

SUMMARY OF UNFUNDED NEEDS

The total unfunded needs gap for the 27-year period ending in 2045 is close to \$22 billion. No single revenue source would be able to close this entire gap, and a combination of sources is recommended to address the city's need.

CATEGORY	TOTAL NEED (MILLION \$)	ANTICIPATED REVENUES (MILLION \$)	UNFUNDED GAP (MILLION \$)	% OF TOTAL UNFUNDED NEED
1. Transit Service and Affordability	\$1,644	\$100	\$1,544	7.0%
2. Muni Fleet, Facilities and Infrastructure	\$13,680	\$4,922	\$8,758	39.9%
3. Transit Optimization and Expansion	\$8,208	\$2,359	\$5,850	26.7%
4. Regional Transit and Smart Systems Management	\$1,277	\$244	\$982	4.5%
5. Vision Zero, Safer and Complete Streets	\$5,201	\$1,176	\$4,024	18.3%
6. Street Resurfacing	\$1,702	\$918	\$784	3.6%
TOTAL	\$31,661	\$9,719	\$21,942	100%

3. Potential Revenue Sources for Transportation

San Francisco's multi-modal transportation system is funded through a wide variety of revenue sources. Locally-controlled sources make up about one-third of all revenue (see Chapter 2 section Anticipated Revenues). At the national level, infrastructure and safety funding has been negatively impacted due to Congress and the current administration, and the long-term future of federal funding remains uncertain. Local revenue sources will remain an important source for funding transportation projects.

The Transportation 2045 Task Force was charged with recommending a revenue package that would address a significant portion of San Francisco's transportation needs through 2045, and particularly to include a specific revenue source to pursue in 2018. Task Force members requested that the analysis of potential revenue sources include not only the sources that have been used in San Francisco and in other parts of California for transportation purposes before, but also new sources that may have a more direct nexus to transportation projects, and sources that are considered to be more equitable in light of the city's significant affordability issues, particularly for the most vulnerable populations and communities of concern.

Potential Revenue Sources

The list of potential sources of revenues for transportation was compiled from two primary sources:

- Existing research on potential measures for San Francisco: Research exists from the T2030 process and the San Francisco Countywide Transportation Plan.
- Surveys and discussions with the T2045 Task Force members: Task Force members had an opportunity to submit their own proposals for transportation revenue sources to discuss. All sources contributed by Task Force members were included.

Each of the sources discussed is listed below, with a definition used for Task Force discussion purposes. These sources fall into four general categories:

- **Vehicle-related sources:** these are revenues that are collected directly from vehicle-owners/operators (such as a gas tax) or from parking facilities (such as a tax on privately-owned parking lots).
- **Property-related sources:** these are revenues that are collected from property-owners (such as a parcel tax) and developers (such as the Transportation Sustainability Fee).
- **Sources paid by individuals and businesses:** these are revenues that are collected from individuals or businesses living, working, and consuming goods in San Francisco. This ranges from business taxes in the form of gross receipts taxes and the payroll tax, to a local sales tax.
- **Entertainment / leisure-related sources:** these are revenues that are collected from hotels and large events.

Another sub-group was identified for discussion purposes with the Task Force. The Task Force was charged specifically with recommending a revenue source or sources for 2018, and so all sources that would not be possible for 2018 were grouped separately. These sources require state legislation and/or further development and planning before they could be implemented.

VEHICLE-RELATED SOURCES		
A	Gas Tax, San Francisco	A new gas tax in San Francisco required to be spent on transportation projects and programs.
B	Parking Fees, City Facilities - Increase	An increase in the fees on parking in the City's facilities (garages) to increase revenues.
C	Parking Tax - Increase	An increase to the City's parking tax on all privately-owned parking lots. Estimate is based on City's Parking Tax collections. San Francisco currently has a 25% parking tax on all off-street parking spaces in the City.
D	Vehicle License Fee (VLF) - San Francisco (SB 1492)	As authorized by Senate Bill 1492 (Leno), a SF VLF of 1.35%, which along with the state's .65% VLF would restore total VLF for motor vehicles registered in SF to the historic 2% level for general fund purposes.
E	Vehicle Registration Fee (VRF) - Bicycle Infrastructure (SB 1183)	An additional \$5 VRF to be dedicated to bicycle infrastructure purposes and associated maintenance. Cities, counties, or regional park districts may impose and collect this fee. Estimate based on current VRF revenues. Legislative authority sunsets December 31, 2024.
PROPERTY-RELATED SOURCES		
F	Parcel Tax	A flat-rate parcel tax, paid annually, on all 200,000+ San Francisco parcels.
G	Real Property Transfer Tax (RPTT) - Increase	An increase to the City's current Real Property Transfer Tax, which is a tax on the sale of real property.
H	Transportation Sustainability Fee (TSF) - Increase	An increase to the TSF imposed on new development in San Francisco. Based on a 2016 proposal to increase the fee by \$2 on large commercial property development (from \$19.04 per gross square foot to \$21.04).

SOURCES PAID BY INDIVIDUALS AND BUSINESSES

I	Carbon Tax	An increase to the existing utility user tax (UUT) on commercial electricity and natural gas, and extended to residential users, with some exemptions.
J	Gross Receipts: General Tax Increase	An increase to the rates of the current gross receipts tax in San Francisco, or expanding the base to include more payers. The current tax is varied by industry with tiered rates.
K	Gross Receipts: Commercial Property Rent Tax Increase	An increase to the current gross receipts tax rate on large commercial property rents, with exemptions for small businesses and non-profits. The current rate is 0.3%.
L	Gross Receipts: Platform/Gig Economy Tax	A gross receipts tax on revenues kept by service intermediary companies that contract with independent workers to provide services like ride-hailing and food delivery.
M	Payroll Tax - Increase	An increase to the City's current payroll tax rate. This tax is imposed on a business' total payroll. The City is currently in the process of phasing out its payroll tax.
N	Sales Tax	An increase to San Francisco's sales tax for general revenue purposes or dedicated purposes. SB 566 authorizes a combined city and county sales tax rate of up to 2.0%. Currently, SF's sales tax rate is 8.5%, including 1.25% in local sales tax leaving an unused local authorization of 0.75%.

ENTERTAINMENT / LEISURE-RELATED SOURCES

O	Large Event Ticket Surcharge	An additional charge on tickets for events with at least 1,000 attendees, including performances, presentations, or sports.
P	Sports Franchise Tax	An excise tax on sports franchises.

SOURCES ELIGIBLE AFTER 2018

R	Assessment Districts - Mello-Roos, Community Facilities Districts	A tax assessed on property within a defined community district, typically to finance public infrastructure. Cannot be an ad-valorem property tax, but could be assessed in a variety of ways including a straight per-parcel fee, a fee based on square footage, number of bedrooms, etc.
S	Congestion Pricing	A fee paid to drive in designated congested areas. Not intended as a revenue-generating tool but as part of a policy package to reduce congestion. Based on a 2010 study. This would require State authorization.
T	General Obligation Bond (GO Bond)	A \$500 million general obligation bond (backed by property tax revenues) for transportation, as assumed in the City's Capital Plan for 2024.
U	High-polluting Vehicle Tax	A tax specifically on high-polluting vehicles. This could be structured as an excise tax or a vehicle registration fee.
V	Income Tax - Corporate	An income tax assessed on entities treated as corporations doing business in San Francisco. Revenues would be dependent on structure and rate of taxation. This tax would require State authorization.
W	Income Tax - Personal	An income tax on individuals, which could potentially include both San Francisco residents and non-residents working in San Francisco. This tax would require State authorization.
X	Property Tax - Commercial	An increase to the City's current property tax rate, only on commercial properties. This tax would require passage of a statewide ballot measure amending Proposition 13.
Y	Residential Parking Permit Fees	An increase in the residential parking permit fees. This is a cost-recovery fee, and can only increase if program costs increase, and by definition does not generate revenue.

SOURCES ELIGIBLE AFTER 2018

Z	Robot Tax	A tax levied on companies employing robot workers in San Francisco.
AA	Transportation Network Company (TNC) Fee	A per-ride fee on TNC rides to help pay for congestion management efforts to mitigate the impacts of TNC trips. This would require State authorization.
BB	Vehicle License Fee (VLF) on 2nd Vehicles	An increase to the Vehicle License Fee on the second (and third, etc.) vehicle owned by a household or business.
CC	Vehicle Miles Traveled (VMT) Fee	A per-mile fee on all motor vehicle travel within San Francisco.

A full list of details on each revenue source can be found in Appendix A: Revenue Source Details. More detailed fact sheets can be found online at sftransportation2045.com/revenuesources.

Revenue Source Analysis

As part of the T2045 Task Force's evaluation of each of the potential new transportation revenue sources listed above, the Task Force applied a set of objective measures to help determine whether to advance a particular revenue source for further consideration. These metrics were designed specifically for the Task Force's use, and are defined below. For a more detailed accounting of each of these definitions, see Appendix B: Revenue Source Considerations Detailed Definitions.

REVENUE FACTORS

Ability to Generate Significant Revenue	Reliability	Growth Potential	Flexibility
Does the source generate enough revenue given the magnitude of the city's transportation needs?	Is the revenue source predictable and stable from year-to-year? Is the revenue source on-going or one-time?	Does the revenue source's growth rate typically exceed inflation?	Can the revenue source be used to fund a wide range of transportation improvements without restrictions?

PROCESS FACTORS

Ease of Establishment	Dedicated to Transportation	Ease of Administration
Does this revenue source require State authorization? Does a precedent exist for using this source for transportation purposes?	Can this revenue source be dedicated for transportation uses only?	Are there existing systems in place to administer this revenue source?

POLICY FACTORS

Equitable - Low Impact on Low Income Households	Ability to Support Policy Objectives
Can this revenue source be designed to minimize the burden on low-income households and communities?	Does this revenue source have a clear nexus to transportation? Does this source encourage behavioral or other changes that support the City's transportation policy objectives? Does this revenue source support the "user pays" principle?

These evaluation factors fall into three general categories:

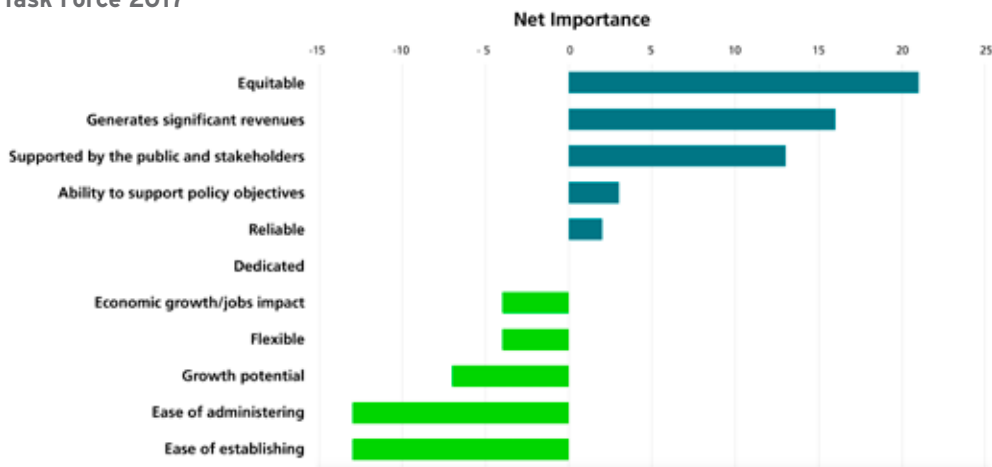
- Revenue Factors: Factors used to evaluate the fiscal impacts of a revenue sources.
- Process Factors: Factors used to evaluate the ease of enacting a revenue measure for transportation purposes.
- Policy Factors: Factors used to evaluate how well a revenue source meets the City’s policy goals related to equity and transportation.

Task Force members were asked to rank each factor in terms of its importance as a selection criteria. Among those who voted, the three most important considerations were (see Figure 8):

1. that the source should be equitable (i.e., not disproportionately burdensome to lower income residents);
2. that the source generate significant revenues; and
3. that the source be supported by the public and stakeholders.

As Task Force staff worked to apply the evaluation factors to the potential revenue measures, two of the eleven were dropped from consideration. These

Figure 8: Overall importance rankings for revenue source evaluation factors, T2045 Task Force 2017



included being supported by the public and stakeholders. This is a crucial factor for any revenue source going to the ballot and one that would need to be considered in multiple contexts: that of the proposed expenditure plan, of other measures headed for the same ballot, and of the mood of the electorate. The other criteria that was removed from consideration was economic growth/jobs impact. Staff indicated that it was too difficult to apply at this

time without more details on the proposed sources, such as precise rates and exclusions.

To winnow down the list of almost 30 potential revenue sources, Task Force members were given detailed revenue source fact sheets (see SFTransportation2045.com) and the opportunity to ask questions about the various sources. Each of the revenue sources under discussion was evaluated using the nine factors defined above. This information was presented to the Task Force members to aid in their deliberation process.

	REVENUE CONSIDERATIONS				PROCESS CONSIDERATIONS			POLICY CONSIDERATIONS	
	COULD GENERATE SIGNIFICANT REVENUE	RELIABILITY	GROWTH POTENTIAL	FLEXIBLE	EASE OF ESTABLISHMENT	DEDICATED TO TRANSPORTATION	EASE OF ADMINISTRATION	EQUITABLE - LOW IMPACT ON LOW INCOME HOUSEHOLDS	ABILITY TO SUPPORT POLICY OBJECTIVES
VEHICLE-RELATED SOURCES									
A Gas Tax, SF	LOW - MODERATE	MODERATE	LOW	MODERATE	HIGH	YES	HIGH	MODERATE	MODERATE
B Parking Fees, City Facilities - Increase	LOW	MODERATE	MODERATE	HIGH	HIGH	YES	HIGH	MODERATE	MODERATE
C Parking Tax - Increase	LOW	MODERATE	LOW	MODERATE	HIGH	CAN BE	HIGH	MODERATE	MODERATE
D Vehicle License Fee (VLF) - SF (SB 1492)	LOW - HIGH	HIGH	HIGH	HIGH	HIGH	NO	HIGH	MODERATE	HIGH
E Vehicle Registration Fee (VRF) - Bicycle Infrastructure (SB 1183)	LOW	HIGH	LOW	LOW	HIGH	YES	HIGH	MODERATE	MODERATE
PROPERTY-RELATED SOURCES									
F Parcel Tax	LOW - HIGH	HIGH	LOW	HIGH	HIGH	CAN BE	HIGH	LOW	LOW
G Real Property Transfer Tax (RPTT) - Increase	LOW	LOW	HIGH	HIGH	HIGH	CAN BE	HIGH	MODERATE	LOW
H Transportation Sustainability Fee (TSF) - Increase	LOW	LOW	MODERATE	MODERATE	HIGH	YES	HIGH	HIGH	MODERATE
PAID BY INDIVIDUALS AND BUSINESSES									
I Carbon Tax	LOW	HIGH	MODERATE	HIGH	HIGH	CAN BE	HIGH	LOW	LOW
J Gross Receipts: General Tax Increase	LOW	MODERATE	HIGH	HIGH	HIGH	CAN BE	HIGH	MODERATE	LOW
K Gross Receipts: Commercial Property Rent Tax Increase	LOW - HIGH	MODERATE	HIGH	HIGH	HIGH	CAN BE	HIGH	HIGH	MODERATE
L Gross Receipts: Independent Contractor Economy Tax	LOW - HIGH	TBD	TBD	HIGH	HIGH	CAN BE	HIGH	HIGH	MODERATE
M Payroll Tax - Increase	LOW	MODERATE	HIGH	HIGH	HIGH	CAN BE	HIGH	LOW	LOW
N Sales Tax	HIGH	HIGH	HIGH	HIGH	HIGH	CAN BE	HIGH	LOW	LOW

	REVENUE CONSIDERATIONS				PROCESS CONSIDERATIONS			POLICY CONSIDERATIONS	
	COULD GENERATE SIGNIFICANT REVENUE	RELIABILITY	GROWTH POTENTIAL	FLEXIBLE	EASE OF ESTABLISHMENT	DEDICATED TO TRANSPORTATION	EASE OF ADMINISTRATION	EQUITABLE - LOW IMPACT ON LOW INCOME HOUSEHOLDS	ABILITY TO SUPPORT POLICY OBJECTIVES
ENTERTAINMENT / LEISURE-RELATED SOURCES									
O Large Event Ticket Surcharge	LOW - MODERATE	HIGH	LOW	HIGH	MODERATE	CAN BE	MODERATE	LOW	LOW
P Sports Franchise Tax	TBD	TBD	TBD	MODERATE	TBD	CAN BE	MODERATE	HIGH	MODERATE
Q Transient Occupancy Tax (Hotel Tax) - Increase	LOW	MODERATE	HIGH	HIGH	HIGH	CAN BE	HIGH	HIGH	LOW
SOURCES ELIGIBLE AFTER 2018									
R Assessment Districts - Mello Roos Community Facilities District	TBD	LOW	LOW	MODERATE	HIGH	YES	HIGH	MODERATE	MODERATE
S Congestion Pricing	HIGH	HIGH	LOW - MODERATE	MODERATE	LOW	YES	MODERATE	MODERATE	HIGH
T General Obligation Bond	HIGH	HIGH	MODERATE	MODERATE	HIGH	YES	HIGH	LOW	LOW
U High-Polluting Vehicle Tax	TBD	TBD	LOW	TBD	LOW	YES	LOW	MODERATE	HIGH
V Income Tax - Corporate	TBD	LOW	TBD	TBD	LOW	CAN BE	LOW	HIGH	LOW
W Income Tax - Personal	HIGH	TBD	HIGH	HIGH	LOW	CAN BE	LOW	HIGH	LOW
X Property Tax - Commercial	TBD	HIGH	TBD	TBD	LOW	CAN BE	TBD	HIGH	MODERATE
Y Residential Parking Permit Fees	TBD	TBD	TBD	TBD	LOW	TBD	TBD	TBD	MODERATE
Z Robot Tax	TBD	TBD	TBD	TBD	LOW	TBD	TBD	TBD	TBD
AA Transportation Network Company (TNC) Fee	LOW - HIGH	TBD	TBD	HIGH	LOW	YES	LOW	MODERATE	MODERATE
BB Vehicle License Fee (VLF), 2nd Vehicles	LOW - MODERATE	HIGH	HIGH	HIGH	LOW	YES	HIGH	MODERATE	HIGH
CC Vehicle Miles Traveled (VMT) Fee	LOW - HIGH	HIGH	LOW - MODERATE	HIGH	LOW	YES	LOW	MODERATE	HIGH

Revenue Target

San Francisco's unfunded need over the 27-year period through 2045 totals \$22 billion. No single locally-controlled revenue source would be able to cover all of the needs of the system. Additional regional, state and federal sources will also be needed to help cover some of those needs.

The T2045 Task Force considered a revenue target range of between 25% and 30% of the total need.

- 25% of the need, or \$5.5 billion, would require a total annual revenue of approximately \$200 million / year, spread out over the 27 years through 2045
- 30% of the need, or \$6.6 billion, would require a total annual revenue of approximately \$240 million / year, spread out over the 27 years through 2045

The T2030 Task Force recommended four local ballot measures to get to the \$3 billion total over 15 years, while the T2045 Task Force considered a target of \$5.5-6.6 billion over 27 years.

The city will continue to advocate for discretionary federal, state and regional sources to help close the remaining gap.

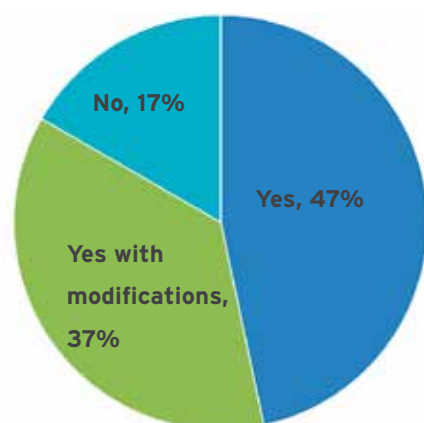
4. Task Force Recommendations and Input

The T2045 Task Force was convened to provide recommendations to the Mayor and Board of Supervisors on a new local revenue source or package of sources for transportation purposes, and to prioritize expenditures over the long-term, balancing regional and neighborhood-level transportation needs. Throughout the Task Force's seven monthly meetings (July-December 2017), members were presented with information, engaged in discussions and provided input on transportation needs, investment priorities and potential local revenue sources. The sections below summarize key input from the Task Force and detail the Task Force Recommendations.

In many cases, the Task Force did not reach a unanimous or near unanimous recommendation, though the members were able to successfully narrow down a range of options, and provide valuable input on the pros and cons from a variety of perspectives.

Recommendation #1: Base the Expenditure Plan on Proposition J's Six Investment Categories

Figure 9: Support for using Proposition J allocations for a new revenue measure, T2045 Task Force 2017.



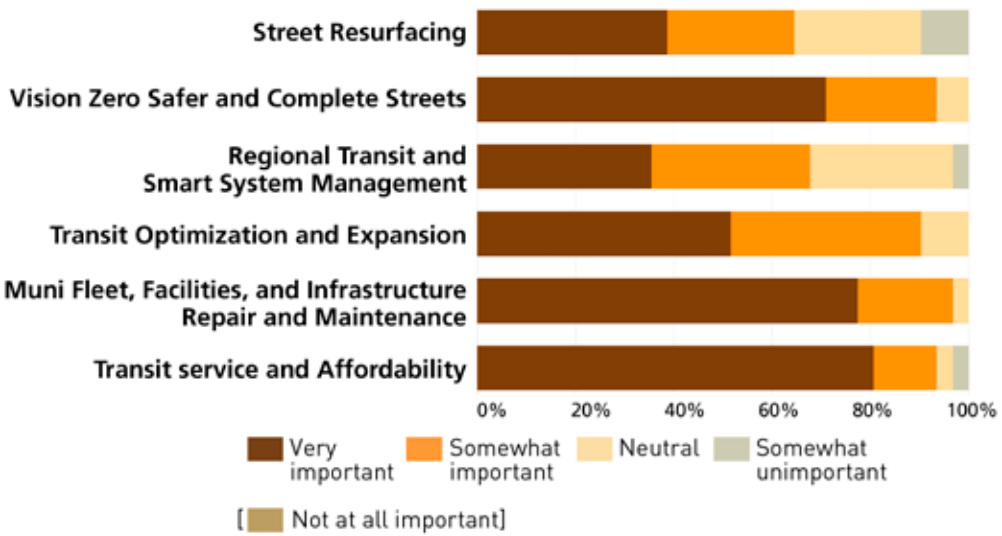
The Task Force's conversations about potential transportation system priorities were organized by the following six categories, which were used by Proposition J in November 2016.

1. Transit Service and Affordability
2. Muni Fleet, Facilities and Infrastructure
3. Transit Optimization and Expansion
4. Regional Transit and Smart Systems Management
5. Vision Zero, Safer and Complete Streets
6. Street Resurfacing

This decision was reached at the second Task Force meeting, and shaped subsequent needs analysis and investment priority discussions. As shown in Figure 9, the Task Force overwhelmingly voted in support of following the Proposition J allocations, either as they were or with modifications.

After their second meeting, Task Force members were surveyed to gauge their support for funding each of the six categories of transportation needs. They were asked to score each category as Very Important, Somewhat Important, Neutral, Somewhat Unimportant or Not At All Important. Every one of the categories presented received a majority of votes in either the Very or Somewhat Important categories (see Figure 10). In this survey, comments were made by multiple Task Force members that Street Resurfacing was relatively less important than in Proposition J, since subsequently SB 1 provided substantial state revenues, reducing the funding needed for street resurfacing.

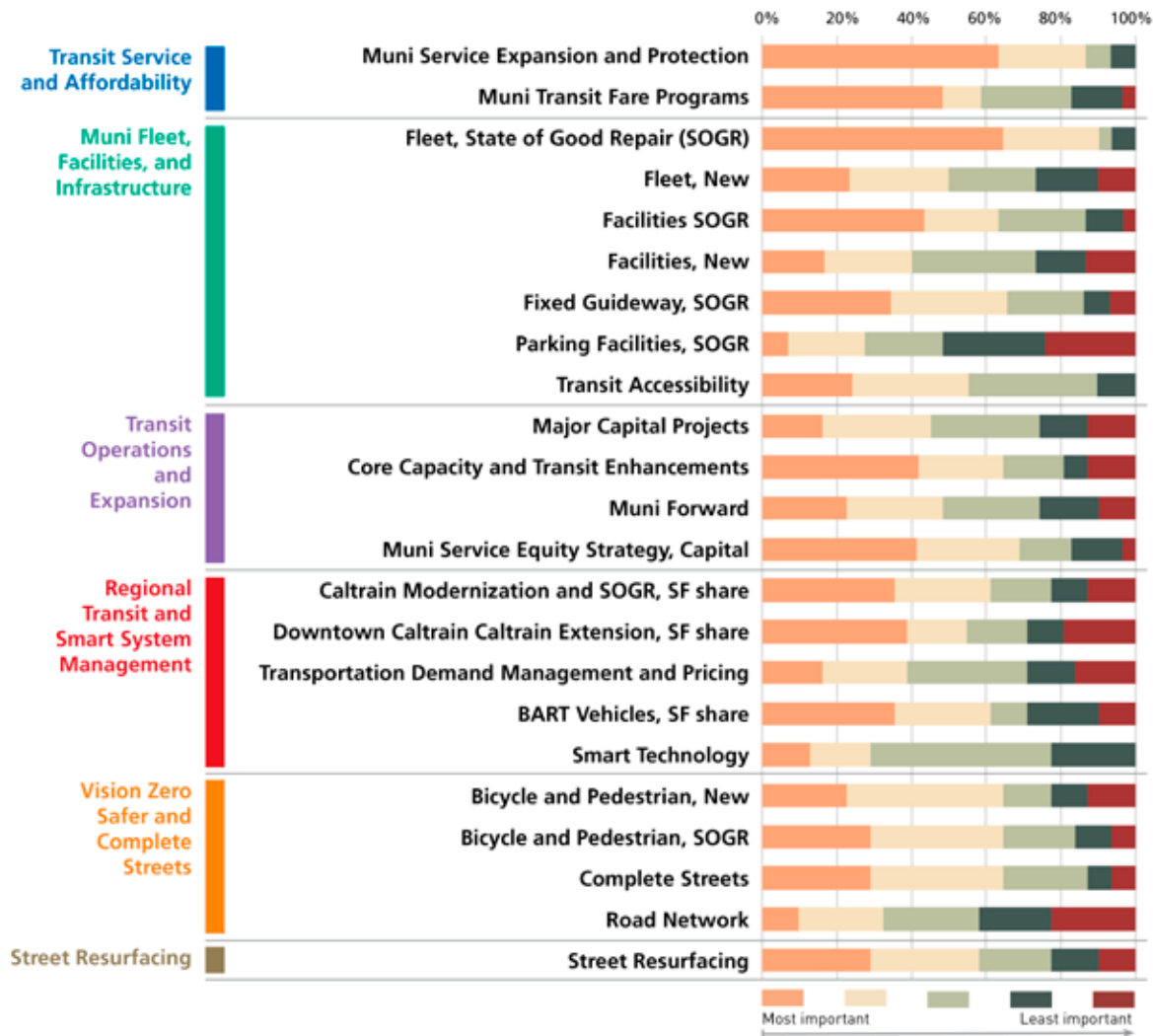
Figure 10: Investment Importance by Proposition J Expenditure Category, T2045 Task Force 2017.



The Task Force also provided their input on the relative importance of the groupings of projects within the Proposition J expenditure plan categories. They rated most of these groupings as Highly Important, particularly Muni Fleet, State of Good Repair, and Muni Service Expansion and Protection, while SFMTA Parking Facilities State of Good Repair and Road Network investments received the lowest scores (see Figure 11). Descriptions of each of the sub-categories can be found in Chapter 2.

At its sixth meeting, the Task Force considered three different scenarios for an expenditure plan for a potential 2018 ballot measure, all using the same six categories of investments as in the Proposition J plan. Because the Task Force is considering more than one revenue source, each with different revenue generation potential, the three expenditure plan scenarios each assume \$100 million per year in new revenues for ease of comparison. Each expenditure plan scenario also assumes enough funding to achieve a Pavement Condition

Figure 11: Investment Importance by sub-category, T2045 Task Force 2017.



Index Score (PCI) of 70 (“good”) for the street resurfacing category, varying by how much new local measure versus General Fund revenues are assumed to fill the \$29 million annual funding gap for street resurfacing. Any remaining revenues (up to \$100 million) are directed to various combinations of the remaining five categories to illustrate different policy choices about where to invest the remaining funds. Figure 12 outlines the three scenarios’ allocation percentages.

Scenario 1: Proposition J + Focus on Street Resurfacing starts with the Proposition J allocations, but assumes the new local measure will fully-fund street resurfacing at \$29 million/year to maintain a Pavement Condition Index Score (PCI) of 70 (“good”). Compared to Proposition J, the street resurfacing need is \$5 million less annually. This is thanks to SB1, which provides a substantial increase in the amount of state gas tax funding provided to San Francisco annually for street resurfacing. This freed-up amount is distributed proportionately to the other five categories in Scenario 1. No General Fund revenues are needed to support a PCI of 70 under this scenario.

Figure 12: Expenditure plan allocation scenarios, based on Nov. 2016’s Proposition J

TRANSPORTATION INVESTMENT CATEGORIES		SCENARIO 1 (MILLIONS)	SCENARIO 2 (MILLIONS)	SCENARIO 3 (MILLIONS)
1.	Transit Service & Affordability	\$13	\$13	\$16
2.	Muni Fleet, Facilities & Infrastructure Repair & Maintenance	\$20	\$20	\$22
3.	Transit Optimization & Expansion	\$10	\$11	\$11
4.	Regional Transit & Smart System Management	\$15	\$18	\$16
5.	Vision Zero, Safer and Complete Streets	\$13	\$13	\$15
6.	Street Resurfacing	\$29	\$25	\$20
TOTAL		\$100	\$100	\$100

Scenario 2: Proposition J + Focus on Transit Expansion, is also based on Proposition J, and assumes the General Fund will pick up \$4 million/year in street resurfacing (which is less than the \$15 million/year that the General Fund would have contributed under Proposition J). The freed-up revenues, \$9 million per year, are used to advance and implement San Francisco’s local and regional transit expansion projects, queuing them up to be competitive for federal, state and regional sources. This includes projects such as additional BART vehicles, the Caltrain Downtown Extension, Geary Bus Rapid Transit, Better Market Street and the next generation of expansion projects.

Scenario 3: Proposition J + Focus on Local Transit and Vision Zero, is also based on Proposition J, but assumes the General Fund will pick up \$10 million/year in street resurfacing (which is less than the \$15 million/year General Fund would have contributed under Proposition J). The remaining freed-up revenues, \$14 million/year, are used to fund San Francisco’s local transit commitments, which includes maintaining assets in a state of

good repair and increasing Transit Service and Affordability funding, and a bump up in funding for Vision Zero, Safer and Complete Streets projects.

Figure 13: Preferred Allocation Scenario, T2045 Task Force 2017

TRANSPORTATION INVESTMENT CATEGORIES		SCENARIO 3 (MILLIONS)
1.	Transit Service & Affordability	\$16
2.	Muni Fleet, Facilities & Infrastructure Repair & Maintenance	\$22
3.	Transit Optimization & Expansion	\$11
4.	Regional Transit & Smart System Management	\$16
5.	Vision Zero, Safer and Complete Streets	\$15
6.	Street Resurfacing	\$20
TOTAL		\$100

In a survey following the sixth meeting of the Task Force, of the 40 Task Force members who voted, 21 recommended Scenario 3 – Proposition J + Focus on Local Transit and Vision Zero as their preferred expenditure plan structure for a 2018 local ballot measure. The expenditure plan, shown in Figure 13, is based on \$100 million in annual revenue. It is understood that the actual distribution of revenues would likely vary as the Board of Supervisors and the Mayor go through a process to select the revenue source and gain the broad and deep support needed for any revenue measure to gain voter approval.

Recommendation #2: Seek a package of local revenue sources and continue to advocate for additional federal, state and regional funds, to support San Francisco’s transportation priorities

Through its discussion of San Francisco transportation needs, the Task Force recognized that the state of good repair backlogs and under investment in transportation at the local, state and federal level were decades-long trends and as such, won’t be fixed with any single revenue source. Similar to the T2030 findings, the Task Force acknowledged that there was no one revenue measure that would close the funding gap for transportation and recommended consideration of a package of local revenue sources that could be put into place over a number of years, either through ballot measures or through legislative action. The Task Force also encouraged the City to continue to leverage local dollars by advocating for additional federal, state and regional transportation revenues. Local revenues are necessary to remain competitive for these sources, as other jurisdictions and regions across California and the country have passed multiple measures to help leverage these competitive funds.

Recommendation #3: Top 2018 revenue sources

The process of identifying preferred revenue sources for transportation was the primary focus of this Task Force. The group successfully narrowed down a wide field of 29 sources to a handful of the most promising, each of which has the potential to raise significant revenues annually.

Throughout the T2045 Task Force process, a group of organizations identifying as the Transportation Justice Coalition worked together to ensure that progressive revenue sources (i.e. revenue sources with no disproportionate impact on lower-income populations) be seriously considered by the entire Task Force and ultimately by the city's elected officials. In particular, the Transportation Justice Coalition supported the use of Gross Receipts Taxes, or business taxes, over Sales Taxes, which are regressive in that they place a higher burden (as a percent of household income) on low-income households. The group also identified a nexus between San Francisco's robust economic and development growth and the infrastructure needed to support that growth and



mitigate its impacts. Many Task Force members also expressed a concern that any tax measure on the ballot would have to be considered in the context of the massive federal tax cuts recently passed in Washington D.C. The Transportation Justice Coalition encouraged a combined package of Gross Receipts Taxes, including both the Commercial Rent Tax and the Platform/Gig Economy Tax, to fund transportation projects. The Transportation Justice Coalition also said that they would be willing to support a dedicated sales tax proposal if paired with one

of the more progressive measures in another ballot, and if the expenditure plan were significantly weighted toward transit service increases, equity programs, and vision zero programs that specifically address the needs of lower-income San Franciscans.

Other members of the Task Force did not support this approach. San Francisco is still in the process of converting its business tax system from one focused on Payroll Taxes to Gross Receipts Taxes, and some Task Force members felt that changes to the Gross Receipts Tax system were premature, or that the entire wide-ranging program of Gross Receipts Taxes ought to be examined holistically rather than in individual pieces. There was a concern that business sector taxes may have unintended consequences, and that the proposals had

not been discussed with affected parties sufficiently. Other members felt that targeted business taxes, particularly the Gross Receipts: Platform/Gig Economy tax, was not an appropriate source for transportation funding, where a tax with a wide-base such as a Sales Tax for broad-based transportation funding would be more fitting.

To winnow down the list of almost 30 potential revenue sources, Task Force members were given detailed revenue source fact sheets (see SFTransportation2045.com) and their fellow members' evaluation scores for each source (see Chapter 3), and then voted for one preferred revenue source for 2018, and up to four additional sources that may be part of a longer-term package. The package approach was intended to address the fact that none of the sources being discussed would be able to close the transportation funding gap identified by agency staff. This survey was completed at the Task Force's fifth meeting and in a follow-up online survey for those members who were unable to attend the meeting. 32 out of the 61 members of the Task Force participated in this exercise. The top vote-getting revenue sources that Task Force members supported for 2018 were (see Appendix C for total vote tally):

- Sales Tax (12 votes for 2018, 25 overall), estimated annual revenue, \$50-\$150 million
- Gross Receipts: Commercial Property Rent Tax Increase (11 votes for 2018, 19 overall), estimated annual revenue, \$13-\$100 million
- Vehicle License Fee (VLF) - San Francisco (SB 1492) (8 votes for 2018, 35 votes overall), estimated annual revenue, \$12-\$73 million
- Gross Receipts: Platform/Gig Economy Tax (4 votes for 2018, 13 votes overall), estimated annual revenue, \$8-\$30 million

Two additional sources received high numbers of votes (Congestion Pricing and Transportation Network Company (TNC) Fees, but both would require state legislation before San Francisco would be able to put them in place

Figure 14: Votes for revenue sources at the October 2017 Task Force meeting, T2045 Task Force 2017

REVENUE SOURCES WITH THE MOST VOTES		VOTES FOR 2018	VOTES FOR AFTER 2018	TOTAL VOTES
D	Vehicle License Fee (VLF) - San Francisco (SB 1492)	8	27	35
K	Gross Receipts: Commercial Property Rent Tax Increase	11	8	19
L	Gross Receipts: Platform/Gig Economy Tax	4	9	13
N	Sales Tax	12	13	25
S	Congestion Pricing	n/a	20	20
AA	Transportation Network Company (TNC) Fee	n/a	24	24

locally. For more information on these sources, see Recommendation #4.

The top two 2018 vote-getting revenue sources, Sales Tax and Gross Receipts: Commercial Property Rent Tax Increase, each also received strong opposition from other members of the task force, with no revenue source receiving consensus support. Additionally, after the survey was released, some members of the Transportation Justice Coalition expressed concern that the survey

RANKED CHOICE VOTING

Ranked choice voting is a method of voting that allows voters to rank multiple options in order of preference. Voters can rank as many options as they choose. To determine the option with most support, votes from the option with the lowest number of 1st choice votes are re-allocated to those voters' second choice votes. In this way, voters are given more options and are less restricted as they are able to support multiple options.

should have listed gross receipts as a single revenue option rather than splitting it into commercial rents and platform/gig economy, noting that gross receipts taxes can be tailored in many different ways, including but not limited to targeting commercial rents and/or the platform/gig economy. Several survey respondents commented through the survey that they would have preferred to see these listed as a package/one measure. However, other members of the task force only supported one of the two forms of gross receipts taxes listed here, and would not have supported a combination of both commercial rent and platform/gig economy taxes. If the votes for both variations of Gross Receipts are added up, it has 15 votes for 2018, and 32 votes overall.

The Task Force participated in a ranked choice vote of these four top sources after the sixth meeting, as part of the final T2045 Task Force survey. Over 70% of the voting Task Force members participated in this final survey online. The ranked choice voting exercise was not intended to identify a “winner” but to help policymakers better understand and gain insight into the different perspectives of the Task Force members. The Gross Receipts Tax: Commercial Property Rent Tax Increase received the most votes in the ranked choice exercise, with Sales Tax in the close second position. Every Task Force member who voted for the Gross Receipts Tax: Platform/Gig Economy Tax as their 1st choice also listed the Gross Receipts Tax: Commercial Property Rent Increase as their 2nd choice, and their votes were subsequently counted for the Commercial Property Rent Increase in the subsequent rounds of analysis of the vote.

In the final survey for the T2045 Task Force, members were also asked about

Figure 15: Ranked Choice Voting for Revenue Measure for 2018, T2045 Task Force 2017

REVENUE SOURCE		1ST PLACE VOTES	2ND PLACE VOTES	3RD PLACE VOTES	FINAL ROUND VOTES
K	Gross Receipts: Commercial Property Rent Tax Increase	13	12	8	21
N	Sales Tax	15	5	5	19
D	Vehicle License Fee (VLF) - San Francisco (SB 1492)	7	12	14	n/a
L	Gross Receipts: Platform/Gig Economy Tax	5	11	10	n/a
	No vote				1

their level of support for a potential package of revenue sources. They were able to indicate either strong support, support with conditions, or no support for various measures. Included in this list were the top two vote-getting sources for post-2018: Transportation Network Company (TNC) Fees and Congestion Pricing (see Recommendation #4 for more information on these sources). Figure 16 demonstrates that most sources received majority support or support with conditions, with less than 1/3 of Task Force members rejecting any source. The high number of members voting to “Support with Conditions” demonstrates the importance that policy-makers work closely with stakeholders to iron out the details on any given source in order to reach majority or super-majority support.

While these six revenue sources received the highest level of support from Task Force members, the Transportation Justice Coalition submitted a revenue

Figure 16: Support votes for a multi-year package of revenue sources, T2045 Task Force 2017

REVENUE SOURCE		STRONGLY SUPPORT	SUPPORT W/ CONDITIONS	DO NOT SUPPORT
D	Vehicle License Fee (VLF) - San Francisco (SB 1492)	24	16	1
K	Gross Receipts: Commercial Property Rent Tax Increase	18	14	7
L	Gross Receipts: Platform/Gig Economy Tax	19	9	8
N	Sales Tax	12	15	13
S	Congestion Pricing	15	17	6
AA	Transportation Network Company (TNC) Fee	23	9	3

package proposal including additional sources, which was presented at the Task Force’s November meeting. The proposal included two 2018 legislative actions that could be taken by the Board of Supervisors. The first was to raise the Transportation Sustainability Fee (TSF) on non-residential projects to maximize the fee per the 2015 Economic Feasibility Study, and to allow expenditures to be used for transit service operations. This proposal was also supported by several Task Force members in the final survey. The SFMTA is required to update the Economic Feasibility Study periodically,

with the next update scheduled for 2018. The second proposal submitted by the Transportation Justice Coalition was to establish a full-cost recovery program for large, corporate-sponsored events that create increased transit demands and impact public rights-of-way, with any saved funds put toward transportation improvements benefiting the neighborhoods affected by those events.

Shortly before the final Transportation 2045 Task Force meeting in December 2017, the San Francisco County Transportation Authority (Transportation Authority) commissioned a public opinion survey on increasing funding for transportation investments. The survey was conducted by Fairbank, Maslin, Maullin, Metz & Associates. It involved 1,013 interviews via telephone, cell phone and online between Dec. 1-7, 2017. The survey showed that 7 in 10 likely San Francisco voters see a “great need” or “some need” for transportation

improvements. The survey also gauged support for the four revenue sources that were identified by the T2045 Task Force for consideration for a 2018 ballot measure. First, respondents were asked which of the four revenue measures they would support. In that round, they indicated strongest support for sales tax (59 percent) and business taxes on commercial rents (58 percent). A majority also supported a tax on service intermediary companies (54 percent) and vehicle license fee (53 percent). Second, after the respondents were given more detailed descriptions, respondents drew sharper distinctions among the potential measures. Support for taxes on commercial rent increased to 65 percent and support for a tax on service intermediary companies that contract with independent workers like ride-hailing and food delivery increased to 59 percent. Support for a vehicle license fee decreased to 49 percent, while support for a one-half cent increase in the sales tax similarly decreased to 37 percent. More than two-thirds of respondents said it was “extremely important” or “very important” that new funding go toward street repaving and Muni maintenance (75 percent) and expanding BART, Caltrain and Muni service

to reduce congestion (70 percent). Other expenditures found strong support, including pedestrian and bicyclist safety improvements (63 percent), and providing paratransit for disabled users (62 percent). For more details on the survey results, see Appendix E.

TNCS TODAY

In 2017, the Transportation Authority released the TNCS Today report, which focused on Transportation Network Company trips made entirely within San Francisco. Key findings include:

- On a typical weekday, TNCS make approximately 15% of all intra-San Francisco vehicle trips.
- At peak periods, TNCS are estimated to comprise 20-26% of vehicle trips in Downtown areas and the South of Market. At the other end of the range, TNCS comprise 2%-4% of peak vehicle trips in the southern and western part of the city.
- On an average weekday, more than 5,700 TNC vehicles operate on San Francisco streets during the peak period. On Fridays, over 6,500 TNC vehicles are on the street at the peak.

For a full list of findings and to download the report, visit www.sfcta.org/tncstoday

Recommendation #4: Continue research, development, and, as appropriate, seek State legislation for congestion pricing and Transportation Network Company fees

In addition to the sources listed above, Transportation Network Company (TNC) Fees and Congestion Pricing received a high number of votes of support. While members of the Transportation Justice Coalition hope to see action on these revenue sources in the coming year, other task force members expressed strong opposition to one or both of these revenue sources. These sources require additional study and outreach to address community concerns and determine viability, and would require state authorization before San Francisco would be able to implement them locally.

- Transportation Network Company (TNC) Fees (24 votes overall): TNC Fees could be structured in a number of ways, from a per-ride fee to a congestion charge on TNC rides. San Francisco is

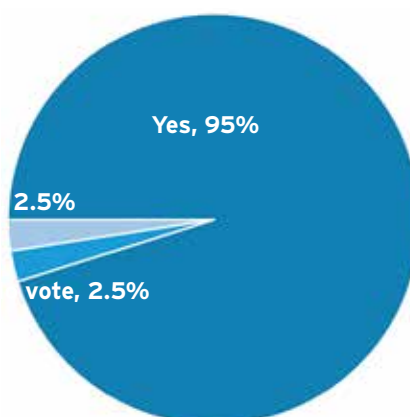
currently not authorized to regulate TNCs, which are under the purview of the California Public Utilities Commission (CPUC). The San Francisco County Transportation Authority (SFCTA) conducted a study that estimates that 25% of peak-period vehicle trips in downtown and South of Market are attributable to TNCs. There continue to be gaps in data on the proliferation of TNC vehicles on San Francisco's streets.

- **Congestion Pricing (20 votes overall):** Congestion Pricing would require state authorizing legislation before San Francisco could implement a pricing program. The San Francisco County Transportation Authority's previous study on Congestion Pricing is from 2010, and requires updates and additional analysis. A Congestion Pricing program would not be intended as a revenue-generating tool, but would have policy and nexus requirements to direct revenues into improvements designed to improve alternative modes of transportation and reduce congestion.

Recommendation #5: Support a general obligation bond in 2024 for transportation

The 2024 Transportation General Obligation Bond is included in the City's Capital Plan, was a recommendation of the T2030 process, and received strong support in the final T2045 Task Force survey.

Figure 17: Support for a 2024 General Obligation Bond for Transportation, T2045 Task Force 2017.



Appendix A: Revenue Sources Details Matrix

Revenue Sources: Details Matrix*

							WHO IS IMPACTED?			WHAT WOULD IT TAKE TO IMPLEMENT LOCALLY?			
LOCAL REVENUE SOURCE	DESCRIPTION	ASSUMPTIONS FOR RANGE	POTENTIAL ANNUAL REVENUE RANGE (MILLIONS \$2017)	IS 2018 POSSIBLE?	COLLECTION MECHANISM	OPTIONS TO SCALE/PROVIDE			STATE AUTHO-RIZATION REQUIRED?	LOCAL INITIATION PROCESS	VOTER APPROVAL THRESHOLD	EXPENDITURE RESTRICTIONS	
						WHO PAYS?	EXEMPTIONS	NOTES ON EQUITY IMPACTS					
VEHICLE-RELATED													
A	Gas Tax, San Francisco	A new gas tax in San Francisco required to be spent on transportation projects and programs. Based on fuel consumption level projections from the State Board of Equalization.	10 cent-25 cent	\$19-\$47	Yes	Tax paid at the pump	Residents, businesses and visitors		Vehicle ownership is concentrated in outer neighborhoods of SF. Vehicles with higher gas mileage tend to be newer and more expensive.	No	2/3 majority of BOS	2/3 majority	Transportation capital projects only (not including rolling stock)
B	Parking Fees, City Facilities - Increase	An increase in the fees on parking in the City's facilities (garages) to increase revenues.	5-15% increase across all SFMTA facilities	\$3.6-\$10.8	Yes	Increase in the price of parking	Residents, businesses, and visitors	Could include exemptions	Vehicle ownership is concentrated in outer neighborhoods of SF. Lower income households tend to own fewer vehicles.	No	SFMTA can set fees administratively	None required	None
C	Parking Tax - Increase	An increase to the City's parking tax on all privately-owned parking lots. Estimate is based on the City's parking tax collections. San Francisco currently has a 25% parking tax on all off-street parking spaces in the city.	0.5% to 1%	\$1.5-\$3	Yes	Monthly remittance	Drivers using parking lots		San Francisco already has the highest parking tax rate of any CA city. The next highest is Oakland at 18.5%. Most cities with a parking tax have a rate of 10%. This is a declining revenue stream.	No	50% vote of BOS	50% for general tax, 2/3 for dedicated tax	80% of current parking tax revenues goes to SFMTA, while 20% goes to the General Fund.
D	Vehicle License Fee (VLF), San Francisco (SB 1492)	As authorized by Senate Bill 1492 (Leno), establish a SF VLF of 1.35%, which along with the state's .65% VLF would restore total VLF for motor vehicles registered in SF to the historic 2% level for general fund purposes. Estimate based on 2015 projections.	0.25% to 1.35%	\$12-\$73	Yes	Annual license fee	Residents and businesses	Fee is based on vehicle value	Vehicle ownership is concentrated in outer neighborhoods of SF	No	2/3 vote of BOS	50% majority	None
E	Vehicle Registration Fee (VRF), Bicycle Infrastructure (SB 1183)	An additional \$5 VRF to be dedicated to bicycle infrastructure purposes and associated maintenance. Cities, counties, or regional park districts may impose and collect this fee. Estimate based on current VRF revenues. Legislative authority sunsets December 31, 2024.	\$1 to \$5 per vehicle (max set by legislation)	\$2	Yes	Annual registration fee	Residents and businesses		Vehicle ownership is concentrated in outer neighborhoods of SF	No	50% vote of BOS	2/3 majority	Required to be spent on bike and trail uses; maintenance OK
PROPERTY-RELATED													
F	Parcel Tax	A flat-rate parcel tax, paid annually, on all 200,000+ San Francisco parcels.	\$50 to \$250 flat-rate	\$10-\$50	Yes	Annual tax	Residents and businesses	Could include exemptions	Parcel taxes are typically a flat fee per parcel, which is regressive due to the fact that owners of lower-valued properties pay the same amount as owners of higher-valued properties.	No	50% vote of BOS	2/3 majority	None
G	Real Property Transfer Tax (RPTT) - Increase	An increase to the City's current Real Property Transfer Tax, which is a tax on the sale of real property. Estimate is based on average tax collections during the most recent economic cycle.	1% to 5% of revenues	\$2.5-\$12.5	Yes	Tax paid at time of transaction	Residents and businesses	The City currently has a progressive RPTT, with rates increased in the Nov 2016 election	This is the City's most volatile revenue source that can sometimes see year-to-year variances of greater than 70%. Because of the volatility, this type of tax is typically best used for one-time expenditures rather than on-going expenditures.	No	50% vote of BOS	50% for general tax, 2/3 for dedicated tax	None

* Please note that this reflects the latest information collected by staff, and is subject to change. For more information on these sources, see www.sftransportation2045.com/revenuesources

	LOCAL REVENUE SOURCE	DESCRIPTION	ASSUMPTIONS FOR RANGE	POTENTIAL ANNUAL REVENUE RANGE (MILLIONS \$2017)	IS 2018 POSSIBLE?	COLLECTION MECHANISM	WHO IS IMPACTED?			WHAT WOULD IT TAKE TO IMPLEMENT LOCALLY?			
							WHO PAYS?	OPTIONS TO SCALE/PROVIDE EXEMPTIONS	NOTES ON EQUITY IMPACTS	STATE AUTHORIZATION REQUIRED?	LOCAL INITIATION PROCESS	VOTER APPROVAL THRESHOLD	EXPENDITURE RESTRICTIONS
H	Transportation Sustainability Fee (TSF) - Increase	An increase to the TSF imposed on new development in San Francisco. Based on a 2016 proposal to increase the fee by \$2 on large commercial property development (from \$19.04 per gross square foot to \$21.04). The increased fee may impact the development market and generate fewer revenues than forecast here.	\$1-3 increase on large commercial property development	\$1.2-\$3.6	Yes	Fee on development, collected upon permit issuance	Businesses	Current structure targets certain types of development only	Could impact the market for development in the city, negatively impacting the economic climate	No	50% vote of BOS	None required	Must be consistent with nexus study
PAID BY INDIVIDUALS AND BUSINESSES													
I	Carbon Tax	An increase to the existing utility user tax (UUT) on commercial electricity and natural gas, and extended to residential users, with some exemptions. Estimate based on 2016 proposal for 2.5% rate. Maximum range of 3.5% reflects UUT rate set at effective rate of 11%, which matches the rate in LA (highest in CA).	1% to 3.5%	\$2.5-\$8	Yes	Included on utility bill	Residents and businesses	2016 proposal included exemptions for green energy	The City's current UUT is a tax only on commercial properties. As a user-fee that would be extended to residential uses, this would be considered a regressive tax, disproportionately impacting low income households.	No	50% vote of BOS	50% for general tax, 2/3 for dedicated tax	None
J	Gross Receipts: General Tax Increase	A increase to the rates of the current gross receipts tax in San Francisco, or expanding the base to include more payers. The current tax is varied by industry with tiered rates. Estimate is based on anticipated gross receipts revenue at the end of phase in.	1% to 5% increase in revenues	\$5-\$23	Yes	Annual tax	Businesses	Under the City's current structure, rates vary by industry, and have marginal progressive rates based on gross receipts size. Small businesses with less than \$1m in gross receipts are exempt.	The City is currently phasing in the gross receipts tax as it phases out the payroll tax. The City could potentially seek to extend this period to fully phase out the payroll tax.	No	50% vote of BOS	50% for general tax, 2/3 for dedicated tax	None
K	Gross Receipts: Commercial Property Rent Tax Increase	An increase to the current gross receipts tax rate on commercial property rents, with exemptions for small businesses and non-profits. The current rate is 0.3%. Low revenue estimate applies .531% rate on commercial properties over \$25 million; high estimate applies 1.5% rate to all commercial properties in the city.	Range reflects choices on rates and exclusions	\$13-\$100	Yes	Annual tax	Businesses	Could include exemptions, such as for small businesses		No	50% vote of BOS	50% for general tax, 2/3 for dedicated tax	None
L	Gross Receipts: Platform/Gig Economy Tax	A gross receipts tax on revenues kept by service intermediary companies which contract with independent workers to provide services like ride-hailing and food delivery.	Range reflects options on narrowing and expanding taxed activities and rate changes	\$8-\$30	Yes	Annual tax	Businesses	Could include exemptions, such as for small businesses		No	50% vote of BOS	50% for general tax, 2/3 for dedicated tax	None
M	Payroll Tax - Increase	This would increase the City's current payroll tax rate. This tax is imposed on a business' total payroll. The City is currently in the process of phasing out its payroll tax. Taxes can be deducted from wages or paid by employers. Estimates are based on anticipated payroll tax revenue during final year of phase out.	1% to 5% increase in revenues	\$2-\$12	Yes	Annual tax	Businesses	Small business exemption currently set at \$300k in payroll	The City is currently phasing out the existing payroll tax in favor of a gross receipts tax. The City could seek to extend the phase-out period to fully eliminate the payroll tax.	No	The City is currently phasing out the existing payroll tax in favor of a gross receipts tax program	50% for general tax, 2/3 for dedicated tax	None

continued

							WHO IS IMPACTED?			WHAT WOULD IT TAKE TO IMPLEMENT LOCALLY?			
	LOCAL REVENUE SOURCE	DESCRIPTION	ASSUMPTIONS FOR RANGE	POTENTIAL ANNUAL REVENUE RANGE (MILLIONS \$2017)	IS 2018 POSSIBLE?	COLLECTION MECHANISM	WHO PAYS?	OPTIONS TO SCALE/PROVIDE EXEMPTIONS	NOTES ON EQUITY IMPACTS	STATE AUTHO-RIZATION REQUIRED?	LOCAL INITIATION PROCESS	VOTER APPROVAL THRESHOLD	EXPENDITURE RESTRICTIONS
N	Sales Tax	An increase to San Francisco's sales tax for general revenue purposes or dedicated purposes. SB 566 authorizes a combined city and county sales tax rate of up to 2.0%. Currently, SF has 1.25% in local sales tax leaving an unused authorization of 0.75%.	0.25% to 0.75%	\$51-\$157	Yes	Included at point of sale	Residents, businesses, and visitors	Many groceries and other essentials currently exempt	SF residents pay approximately 58% of collected sales taxes; visitors pay approximately 34%, and businesses pay 8%; sales taxes disproportionately impact lower-income households.	No	2/3 vote of BOS	50% for general tax, 2/3 for dedicated tax	None
ENTERTAINMENT/LEISURE-RELATED													
O	Large Event Ticket Surcharge	An additional charge on tickets for events with at least 1,000 attendees, including performances, presentations, or sports, based on 2013 estimate.	\$1 to \$5 surcharge	\$8-\$39	Yes	Included at point of sale	Residents and visitors	Can be defined to include or exclude certain types of events	User taxes and fees are often considered regressive because they take a larger percentage of income from low-income groups than high-income groups.	No	50% vote of BOS	50% for general tax, 2/3 for dedicated tax	Nexus requirements likely to apply
P	Sports Franchise Tax	An excise tax on sports franchises. The structure of the tax would determine the revenues.	TBD	TBD	Yes	TBD, likely an annual tax	Sports franchises in San Francisco			No	50% vote of BOS	50% for general tax, 2/3 for dedicated tax	None
Q	Transient Occupancy Tax (Hotel Tax)	An increase to the City's current Transient Occupancy Tax, which is a tax imposed on anyone renting accommodations in a hotel, inn, motel or other short-term lodging for less than 30 days. The current rate is 14%. Increasing by 1% would set SF equal to the highest rate in CA (15% in Anaheim).	0.5% to 1% increase	\$13-\$26	Yes	Included at point of sale	Visitors and business travelers		User taxes and fees are often considered regressive because they take a larger percentage of income from low-income groups than high-income groups. However, this tax would not be expected to have a disproportionate impacts on low income residents of SF.	No	50% vote of BOS	50% for general tax, 2/3 for dedicated tax	None
SOURCES ELIGIBLE AFTER 2018													
R	Assessment Districts, Mello-Roos, Community Facilities District	A tax assessed on property within a defined community district, typically to finance public infrastructure. Cannot be ad ad-valorem property tax, but could be assessed by a variety of ways including a straight per-parcel fee, a fee based on square footage, number of bedrooms, etc.	Varies	Varies	No	Annual tax	Residents and businesses	Assessment rates can be scaled/ based on property size and features		No	Requires development of a plan both for the rate of taxation, the size of the district, and the uses of the revenue, and 50% vote of BOS	2/3 vote of district residents or landowners	Revenues must finance projects within or directly benefiting the district
S	Congestion Pricing	A fee paid to drive in designated congested areas. Not intended as a revenue-generating tool but as part of a policy package to reduce congestion. Estimate based on 2010 study. This would require State authorization.	2010 study estimate	\$60-\$80	No	Electronic toll payment	Residents, businesses, and visitors	Could include exemptions		Yes	50% vote of BOS	None required	Transportation capital projects only
T	General Obligation Bond (GO Bond)	A \$500 million general obligation bond (backed by property tax revenues) for transportation, as assumed in the City's Capital Plan for 2024.	\$500M bond every 7 years	\$70	No; already in the City's capital plan for 2024	Bond issuance backed by property taxes	Residents and businesses		The Ten-Year Capital Plan limits the property tax rate at the FY2005-06 level of approximately 1.12%. Typically, the City only issues new debt when old debt is retired, and any new GO bond would need to be fit into the City's Capital Plan.	No	50% vote of BOS or SFMTA Board	2/3 majority	Transportation capital projects only (not including rolling stock)

	LOCAL REVENUE SOURCE	DESCRIPTION	ASSUMPTIONS FOR RANGE	POTENTIAL ANNUAL REVENUE RANGE (MILLIONS \$2017)	IS 2018 POSSIBLE?	COLLECTION MECHANISM	WHO IS IMPACTED?			WHAT WOULD IT TAKE TO IMPLEMENT LOCALLY?			
							WHO PAYS?	OPTIONS TO SCALE/PROVIDE EXEMPTIONS	NOTES ON EQUITY IMPACTS	STATE AUTHORIZATION REQUIRED?	LOCAL INITIATION PROCESS	VOTER APPROVAL THRESHOLD	EXPENDITURE RESTRICTIONS
U	High-Polluting Vehicle Tax	A tax specifically on high-polluting vehicles. This could be structured as an excise tax or a vehicle registration fee.	TBD	TBD	No	TBD, excise tax at time of purchase or annual registration or other	Residents and businesses	Could include exemptions	Vehicle ownership is concentrated in outer neighborhoods of SF. Could disproportionately impact lower income households.	Yes	Cannot initiate locally without state authorizing legislation		None
V	Income Tax, Corporate	An income tax assessed on entities treated as corporations doing business in San Francisco. Revenues would be dependent on structure and rate of taxation. This tax would require State authorization.	TBD	TBD	No	Annual tax	Businesses	Could include a progressive rate structure		Yes	Cannot initiate locally without state authorizing legislation		None
W	Income Tax, Personal	An income tax on individuals, which could potentially include both San Francisco residents and non-residents working in San Francisco. This tax would require State authorization. Estimate assumes a tax on incomes over \$1 million.	0.5% to 1% (on incomes over \$1 million)	\$62-\$124	No	Annual tax	Residents and commuters (potentially)	Could include a progressive rate structure		Yes	Cannot initiate locally without state authorizing legislation		None
X	Property Tax, Commercial	An increase to the City's current property tax rate, only on commercial properties. This tax would require passage of a statewide ballot measure overturning Prop 13.		Unknown	No		Businesses		Would require splitting commercial and residential tax rolls, and therefore would have to be a statewide proposal	Yes; would require a statewide ballot initiative to overturn Prop 13	Cannot initiate locally without state authorizing legislation	N/A	None
Y	Residential Parking Permit Fees	An increase in the residential parking permit fees. This is a cost-recovery fee, and can only crease if program costs increase, and therefore by definition does not generate revenue.		None	No	Annual permit fee	Residents	Cost-recovery program only	May disproportionately impact lower income households	No	None	None required	Cost-recovery only
Z	Robot Tax	A tax levied on companies employing robot workers in San Francisco.		Unknown	No		Businesses			Yes	Cannot initiate locally without state authorizing legislation		TBD
AA	Transportation Network Company (TNCs) Fee	A per-ride fee on TNC rides to help pay for congestion management efforts to mitigate the impacts of TNC trips. Estimate assumes a \$0.20 per-ride fee, and uses the Transportation Authority's estimate of the number of TNC rides taking place within San Francisco. This would require State authorization.	\$0.20 to \$1 surcharge per ride	\$12.5-\$62.5	No	Per-ride fee	Businesses		May disproportionately impact lower income households	Yes	Cannot initiate locally without state authorizing legislation		Nexus requirements likely to apply
BB	Vehicle License Fee (VLF) on 2nd Vehicles	An increase to the VLF on the second (and third, etc.) vehicle owned by a household or business.	0.25% to 1.35% of vehicle value	\$8-\$46	No	Annual license fee	Residents and businesses	Could include exemptions	Vehicle ownership is concentrated in outer neighborhoods of SF.	Yes	Cannot initiate locally without state authorizing legislation		Nexus requirements likely to apply
CC	Vehicle Miles Traveled (VMT) Fee	A per-mile fee on all motor vehicle travel within SF. Estimate based on SFCTA VMT modeling.	1 or 2 cents per mile	\$31-\$62	No	TBD, CTC is studying electronic transponder and manual recording mechanisms	Residents, businesses, and visitors	Could include exemptions	Vehicle ownership is concentrated in outer neighborhoods of SF. As a user fee, could disproportionately impact lower income households.	Yes	Cannot-initiate locally without state authorizing legislation		None

Appendix B: Revenue Source Considerations Detailed Definitions

CONSIDERATION	HIGH	MODERATE	LOW
Revenue Considerations			
Could Generate Significant Revenues	>\$50 million per year	\$30 - \$50 million per year	>\$30 million per year
Reliable	Permanent or long-term (7-year) revenue sources are preferred; sources with steady (flat or increasing), predictable revenue streams are preferred	Permanent or long-term sources that fluctuate moderately with large-scale economic booms and busts	Less than seven years of revenues expected OR unpredictable sources such as those with frequent fluctuations, particularly in the downward direction
Potential for Growth	Revenue growth is expected to keep pace with or exceed the rate of inflation	Revenue growth is expected to remain stable (flat or growing less than inflation)	Revenues are expected to decline due to an anticipated decrease in the taxed activity, for example vehicles are likely to become more fuel-efficient ("cleaner" vehicles) in the coming years and so a high-polluting vehicle tax will likely generate fewer revenues over time
Flexible	All transportation investments including capital and operating needs are eligible for funding; no or limited restrictions such as geographic limitations, project type or "nexus" requirements	Not all transportation investments are eligible (e.g. no operations, no rolling stock) and/or nexus or other requirements restrict distribution of funds	Significant limitations on use of funds such as a narrow range of eligible project types (e.g. SB1183 is for bicycle infrastructure only) or very limited geographic area where funds can be invested (within a business improvement district)
Process Considerations			
Easy to Establish	No state authorizing legislation is required	State authorization is required and precedent exists in CA for transportation purposes	State authorizing legislation is required
Dedicated to Transportation	By definition or as required by state authorizing legislation, revenues must be spent on transportation (e.g. local gas tax) or revenue measure requires a voter-approved expenditure plan dedicating funding to transportation or there is a strong nexus requirement limiting use of the revenues to identified purposes for the duration of the measure	Funds can be dedicated to transportation by the revenue measure, depending on how the measure is structured [note: this metric uses "can be" instead of "moderate"]	By requirement of state authorizing legislation, revenues must be raised for general purposes and cannot be dedicated as part of the revenue ballot measure itself
Easy to Administer	An existing system is in place to collect revenues and pass them to a local entity to administer	No existing system to collect revenues in San Francisco, but approach is known and part of local implementation (e.g. congestion pricing)	There is no system in place to collect revenues and pass to local entity

CONSIDERATION	HIGH	MODERATE	LOW
Policy Considerations			
Equitable - Low Impact on Low Income Households	The revenue source is progressive in that lower-income households pay a lower proportion of their annual income than higher-income residents	The revenue source is a low dollar amount per year, or may not be collected from low-income households due to household behavior (e.g. vehicle fees, as low-income households have low vehicle-ownership rates)	The revenue source disproportionately impacts lower-income households and does not follow the user-pays principle
Ability to Support Policy Objectives	Revenue sources with the most direct impact on travel behavior (e.g. congestion pricing), where impacts are made on travel choice on a real-time or daily basis	Revenue source collection is levied or felt infrequently or periodically, and has less of an impact on travel behavior, such as gas taxes	Revenue collection has no clear nexus with transportation systems

Appendix C: Revenue Source Preference Task Force Survey Results

REVENUE SOURCES		2018 VOTES	ADDITIONAL VOTES	TOTAL VOTES
<i>VEHICLE-RELATED SOURCES</i>				
A	Gas Tax, SF	2	6	8
B	Parking Fees, City Facilities	0	1	1
C	Parking Tax	0	1	1
D	Vehicle License Fee (VLF) - SF (SB 1492)	8	27	35
E	Vehicle Registration Fee (VRF) - Bicycle Infrastructure (SB 1183)	1	2	3
<i>PROPERTY-RELATED SOURCES</i>				
F	Parcel Tax	0	4	4
G	Real Property Transfer Tax (RPTT)	0	2	2
H	Transportation Sustainability Fee (TSF) - Increase	1	5	6
<i>PAID BY INDIVIDUALS AND BUSINESSES</i>				
I	Carbon Tax	0	1	1
J	Gross Receipts: General Tax Increase	1	3	4
K	Gross Receipts: Commercial Property Rent Tax Increase	11	8	19
L	Gross Receipts: Independent Contractor Economy Tax	4	9	13
M	Payroll Tax	0	0	0
N	Sales Tax	12	13	25
<i>ENTERTAINMENT / LEISURE-RELATED SOURCES</i>				
O	Large Event Ticket Surcharge	1	4	5
P	Sports Franchise Tax	0	7	7
Q	Transient Occupancy Tax (Hotel Tax)	1	3	4
<i>SOURCES ELIGIBLE AFTER 2018</i>				
R	Assessment Districts - Mello Roos, Community Facilities Districts	N/A	0	0
S	Congestion Pricing	N/A	20	20
T	General Obligation Bond	N/A	6	6
U	High-Polluting Vehicle Tax	N/A	2	2
V	Income Tax - Corporate	N/A	3	3
W	Income Tax - Personal	N/A	5	5
X	Property Tax - Commercial	N/A	3	3
Y	Residential Parking Permit Fees	N/A	2	2
Z	Robot Tax	N/A	3	3
AA	Transportation Network Company (TNC) Fee	N/A	24	24
BB	Vehicle License Fee (VLF) on 2nd Vehicles	N/A	1	1
CC	Vehicle Miles Traveled (VMT) Fee	N/A	2	2

Appendix D: Final Task Force Survey Results

Preferred Expenditure Plan Scenarios, T2045 Task Force 2017

EXPENDITURE PLAN SCENARIO		VOTES
Scenario 1	Proposition J + Focus on Street Resurfacing	9
Scenario 2	Proposition J + Focus on Transit Expansion	10
Scenario 3	Proposition J + Focus on Local Transit and Vision Zero	21
	No vote	1

Ranked Choice Voting for Revenue Measure for 2018, T2045 Task Force 2017

REVENUE SOURCE		1ST PLACE VOTES	2ND PLACE VOTES	3RD PLACE VOTES	FINAL ROUND VOTES
K	Gross Receipts: Commercial Property Rent Tax Increase	13	12	8	21
N	Sales Tax	15	5	5	19
D	Vehicle License Fee (VLF) - San Francisco (SB 1492)	7	12	14	n/a
L	Gross Receipts: Platform/Gig Economy Tax	5	11	10	n/a
	No vote				1

Support votes for a multi-year package of revenue sources, T2045 Task Force 2017

REVENUE SOURCE		STRONGLY SUPPORT	SUPPORT W/ CONDITIONS	DO NOT SUPPORT
D	Vehicle License Fee (VLF) - San Francisco (SB 1492)	24	16	1
K	Gross Receipts: Commercial Property Rent Tax Increase	18	14	7
L	Gross Receipts: Platform/Gig Economy Tax	19	9	8
N	Sales Tax	12	15	13
S	Congestion Pricing	15	17	6
AA	Transportation Network Company (TNC) Fee	23	9	3

Support for a 2024 Transportation General Obligation (GO) Bond, T2045 Task Force 2017

DO YOU GENERALLY SUPPORT THE CITY'S GO BOND APPROACH?	COUNT
Yes	39
No	1
No vote	1

Appendix E: SFCTA Transportation Funding Voter Opinion Survey Results

San Franciscans' Support for Increased Transportation Funding



Key Findings from a Citywide Voter Survey Conducted December 1-7, 2017
Commissioned by the San Francisco County Transportation Authority

Fairbank, Maslin, Maullin, Metz & Associates - FM3
PUBLIC OPINION RESEARCH & STRATEGY

220-4934

Survey Methodology

- 1,013 online and telephone interviews with registered voters likely to cast ballots in November 2018 in San Francisco
- Interviews conducted December 1-7, 2017
- Interviews in English, Spanish, and Chinese and on landlines and cell phones
- Margin of sampling error of $\pm 3.1\%$ at the 95% confidence level
- Some percentages may not sum to 100% due to rounding
- Selected comparisons to a similar 2015 survey for the SFCTA



NOTE

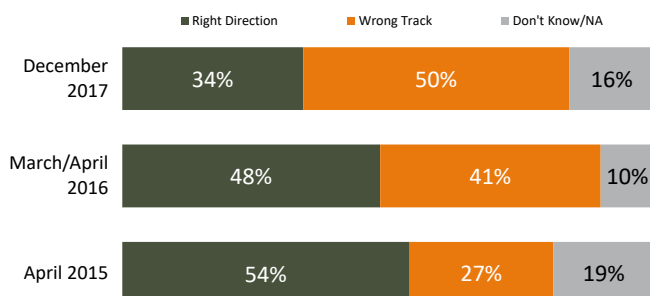
- » This survey was designed to assess community priorities for transportation funding, and to gauge the relative appeal of four distinct funding mechanisms.
- » It was not designed to make a final determination of a funding measure's viability, and firm conclusions about viability cannot be derived from the data.
- » Subsequent research should gauge support for the policy details of a more specific plan, as well as the impact of a range of pro and con arguments, before conclusions are drawn about viability.



Issue Context

Voters are increasingly concerned about the direction of the City.

Do you think things in San Francisco are generally going in the right direction, or do you feel that things are pretty seriously off on the wrong track?

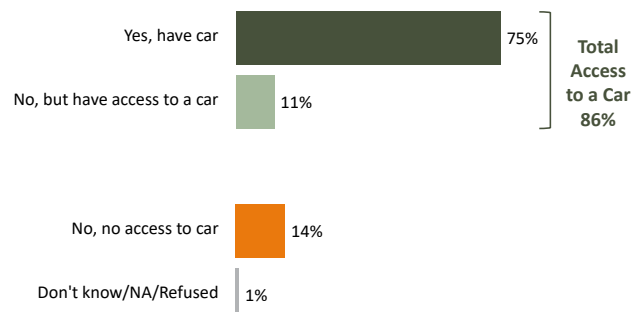


TA San Francisco Bay Area, May 8-June 1, 2017
Q1. Different wording used in previous survey

4

Nearly nine in ten likely voters either own a car or have access to one.

Do you own a car?

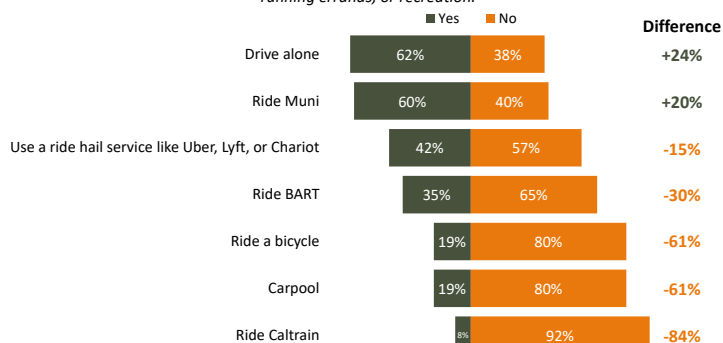


TA San Francisco Bay Area, May 8-June 1, 2017
Q13.

5

Most San Francisco voters either drive and/or ride Muni multiple times a week.

Do you regularly, that is at least 2 or 3 times per week, use any of the following modes of transportation? By that I mean for any purpose, including commuting to school or work, running errands, or recreation.

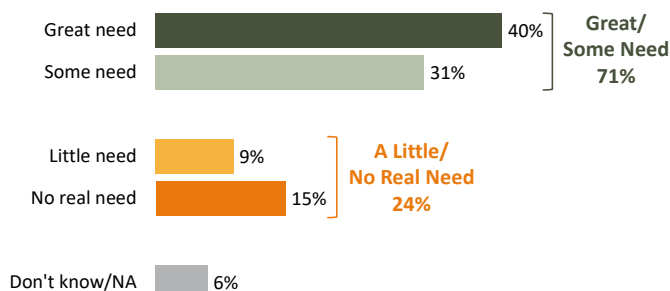


TA San Francisco Bay Area, May 8-June 1, 2017
Q22.

6

Seven in ten see a need for additional funding for transportation in San Francisco.

In your personal opinion, do you think there is a great need, some need, a little need, or no real need for additional funds to improve the transportation system in San Francisco?

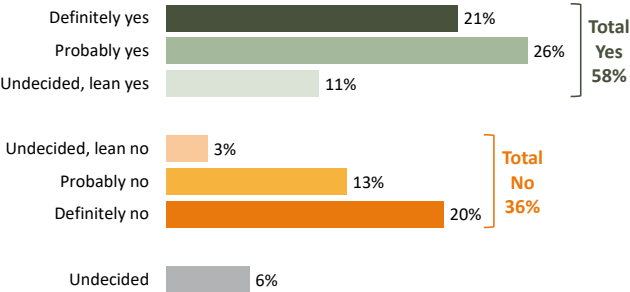


TA San Francisco Bay Area, May 8-June 1, 2017
Q5.

7

Nearly three in five voters support Regional Measure 3.

One measure may be on the ballot throughout the 9-county Bay Area. It would fund a plan to reduce traffic; improve commutes; relieve BART crowding; reduce freeway bottlenecks; build carpool lanes; and improve bus, ferry, BART, and commuter rail, with a \$1 toll increase effective in 2019, a \$1 increase in 2023, and a \$1 increase in 2027, on all Bay Area toll bridges except the Golden Gate Bridge, with independent oversight and all funds staying in the Bay Area.



Support for RM3 is strongest among men, voters under age 50, Democrats, and white voters.

Demographic Group	Total Yes	Total No	Undecided
Gender			
Men	62%	32%	5%
Women	54%	40%	7%
Age			
18-49	67%	27%	6%
50-64	55%	37%	7%
65+	44%	51%	5%
Party			
Democrats	63%	33%	4%
Independents	53%	37%	11%
Republicans	37%	58%	5%
Ethnicity			
Latinos	41%	50%	9%
African-Americans	44%	45%	12%
All Asian/Pacific Islanders	53%	45%	3%
Chinese	56%	40%	4%
Whites	65%	29%	6%
All Voters of Color	50%	44%	5%

Support for San Francisco Transportation Funding Measures

Approach to Testing Initial Support

- Survey participants were split into four demographically similar groups, each one-quarter of the sample
- All respondents heard the same hypothetical ballot language for a funding measure, but each of the four groups heard a different funding mechanism.

Ballot Language Tested

The San Francisco Transportation Improvement and Safety Measure

In order to:

- expand BART and Muni vehicle fleets;
- fix potholes and repair deteriorating streets;
- update infrastructure to keep BART, Muni, and Caltrain safe and prevent breakdowns;
- improve bicycle and pedestrian facilities; and
- improve transportation for seniors and the disabled,

(Group 1:) shall the San Francisco sales tax rate be increased by ½-cent bringing the total tax to 9%,

(Group 2:) shall San Francisco add an annual assessment to the Vehicle License Fee equal to 1.35% of the vehicle's value,

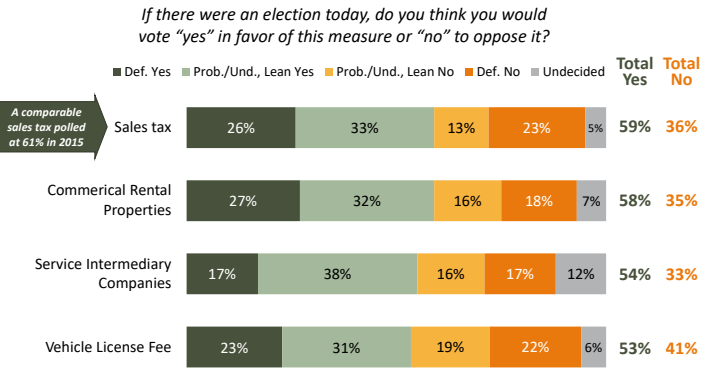
(Group 3:) shall San Francisco increase the business tax rate on revenues from commercial rental properties up to 2.5%,

(Group 4:) shall San Francisco establish a 2% tax on revenues retained by third-party service intermediary companies,

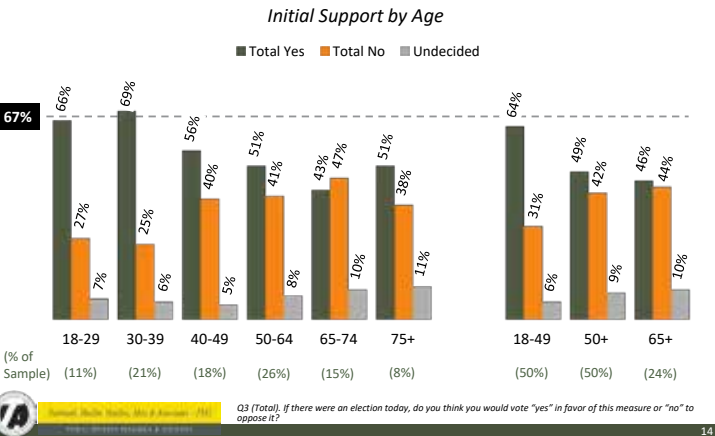
subject to independent audits and public oversight?

Q3. If there were an election today, do you think you would vote "yes" in favor of this measure or "no" to oppose it?

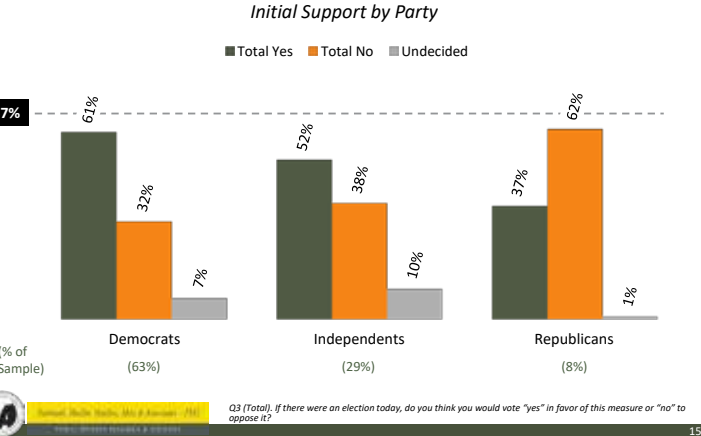
The sales tax and business tax on commercial rental properties receive the strongest support, but no funding mechanism reaches the two-thirds threshold.



The measure receives support at the two-thirds level among voters under age 40.

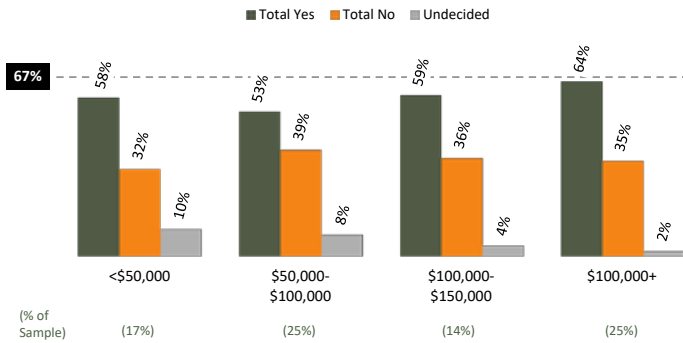


Democrats and independents are much more supportive of a potential measure than are Republicans.



Higher-income households are more likely to vote “yes” than low and middle-income ones.

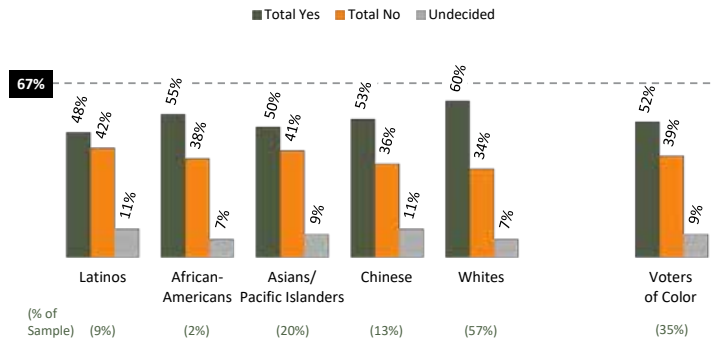
Initial Support by Household Income



Q3 (Total). If there were an election today, do you think you would vote “yes” in favor of this measure or “no” to oppose it?

White voters are more likely to vote “yes” than are voters of color.

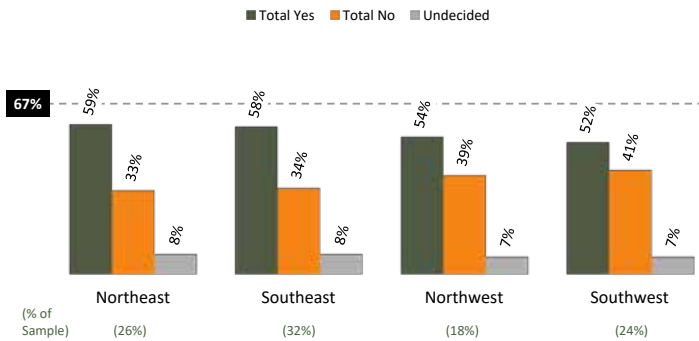
Initial Support by Ethnicity



Q3 (Total). If there were an election today, do you think you would vote “yes” in favor of this measure or “no” to oppose it?

Views on the potential measure are similar across the City, with those on the eastside slightly more supportive.

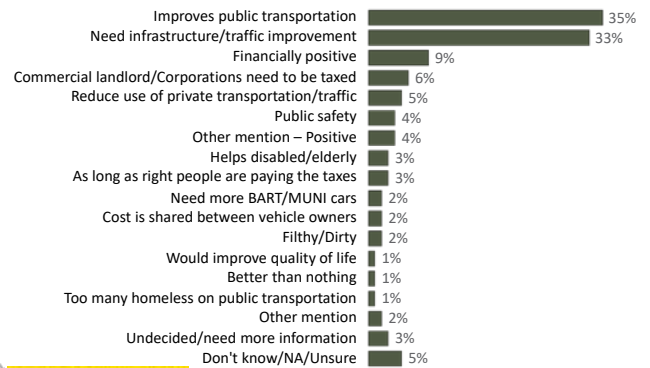
Initial Support by Quadrant of the City



Q3 (Total). If there were an election today, do you think you would vote “yes” in favor of this measure or “no” to oppose it?

The most commonly-cited reasons for supporting the measure are to improve public transit and minimize traffic.

In a few of your own words, what are the main reasons why you would vote YES on this measure?
 (Open-ends; Grouped Responses Shown)



Q4a. (N=569) Asked only of those who would vote yes.

Comments in Favor of the Measure

I would vote yes because there is too much car traffic- if the money would go to public transit that would be helpful.

Businesses utilize lots of the same roads, and depending on the nature of the business I'm pretty sure they use it more often than residents.

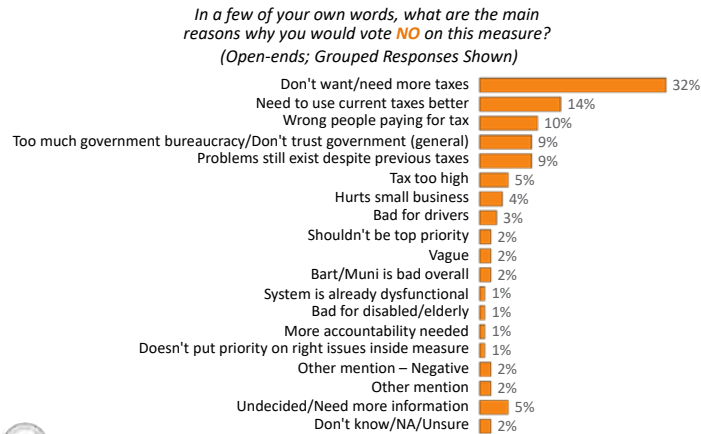
Because I think moving towards public transportation while weening off of fossil fuels will help global warming and decrease congestion.

Need to fix roads, expand BART, fix the Muni system and the infrastructure is decaying. No one has touched it for years.

To improve Muni and potholes and to make it safer for seniors.

It will be worth it to improve the transportation and infrastructure in San Francisco for a small increase.

Opposition is driven by a dislike of taxes.



Comments in Opposition to the Measure

The City has enough money, they need to budget like the rest of us.

We are overtaxed as it is, generating revenue this way is the wrong approach, tax the very wealthy.

This should not be a priority right now, many other things more important.

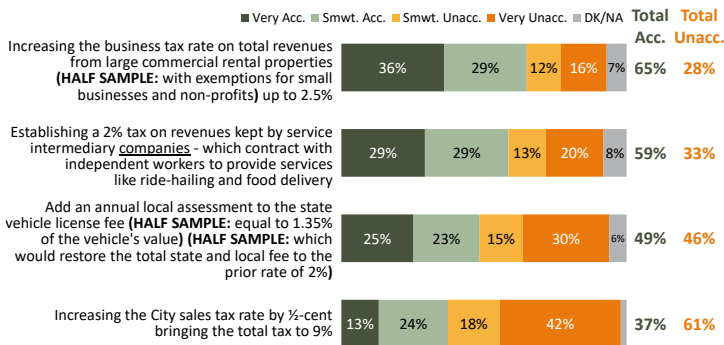
I believe that they can address it and get money somewhere else. Tax other people.

I do not work, and everything is expensive. I take the bus and don't want to see price increases.

I remember the way San Francisco was and I prefer the way things where before, I don't like the way San Francisco is now!

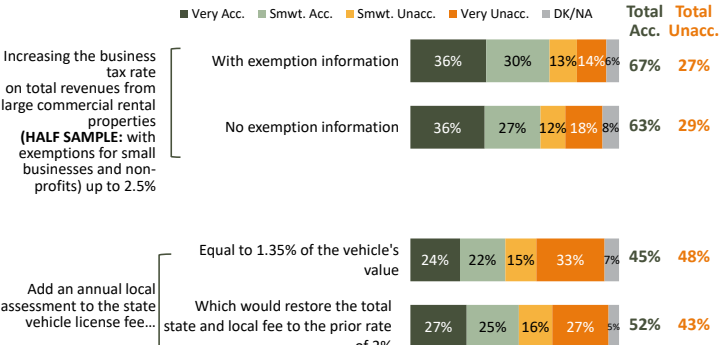
Shaping the Structure of a Measure

Upon hearing all four funding mechanisms in isolation, voters drew sharper distinctions in their acceptability.



Q6 (Total). The final structure of the San Francisco transportation funding ballot measure I just described has not been determined. I am going to read you several different potential sources of funding for the transportation improvements described in that measure. Please tell me whether you would find it acceptable or unacceptable as a way of raising money for these purposes.

Exemptions make little difference in the commercial business tax; historical context helps modestly with the VLF.



Q6b & c (Split Sample E & F). The final structure of the San Francisco transportation funding ballot measure I just described has not been determined. I am going to read you several different potential sources of funding for the transportation improvements described in that measure. Please tell me whether you would find it acceptable or unacceptable as a way of raising money for these purposes.

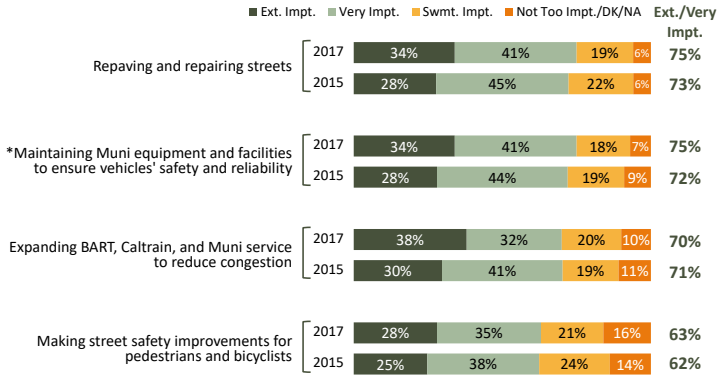
Given small sample sizes, variations across supervisorial districts are minor in most cases.

(Total Acceptable)

Funding Mechanisms	All Voters	Supervisorial Districts										
		1	2	3	4	5	6	7	8	9	10	11
Increasing the business tax rate on total revenues from large commercial rental properties (HALF SAMPLE: with exemptions for small businesses and non-profits) up to 2.5%	65%	60%	55%	63%	64%	75%	53%	59%	72%	71%	66%	71%
Establishing a 2% tax on revenues kept by service intermediary companies - which contract with independent workers to provide services like ride-hailing and food delivery	59%	58%	57%	63%	54%	52%	68%	53%	60%	65%	63%	60%
Add an annual local assessment to the state vehicle license fee (HALF SAMPLE: equal to 1.35% of the vehicle's value) (HALF SAMPLE: which would restore the total state and local fee to the prior rate of 2%)	49%	57%	49%	51%	39%	49%	71%	38%	55%	41%	48%	38%
Increasing the City sales tax rate by ½-cent bringing the total tax to 9%	37%	45%	23%	41%	34%	41%	42%	30%	34%	37%	47%	39%

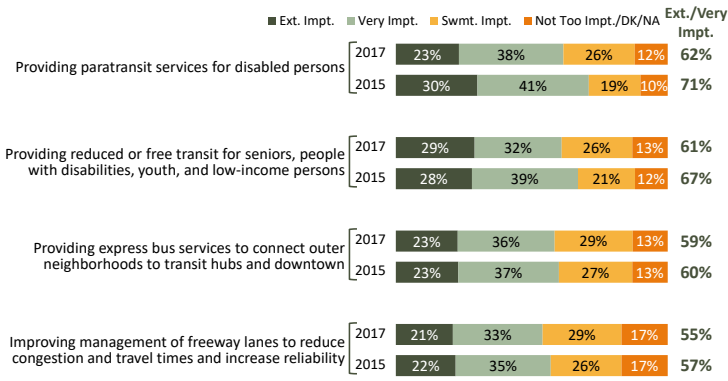
Q6 (Total). The final structure of the San Francisco transportation funding ballot measure I just described has not been determined. I am going to read you several different potential sources of funding for the transportation improvements described in that measure. Please tell me whether you would find it acceptable or unacceptable as a way of raising money for these purposes.

Voters place highest priority on repaving streets, maintaining Muni and expanding public transportation service.



Q7. I am going to read you a list of ways that money from a measure like the one I just described might be used. Please tell me how important it is to you that money from the measure be used to pay for each of the following—is it extremely important, very important, somewhat important, or not too important? *Wording varies slightly from that in 2015.

Paratransit services and reduced rates were also important to voters, but lower-tier overall.



Q7. I am going to read you a list of ways that money from a measure like the one I just described might be used. Please tell me how important it is to you that money from the measure be used to pay for each of the following—is it extremely important, very important, somewhat important, or not too important? *Reporting years slightly from that in 2015.

Transit improvements tend to be higher priorities to younger voters, while repaving stands out among older voters.
(Total Extremely/Very Important)

List	All Voters	Age							
		18-29	30-39	40-49	50-64	65-74	75+	18-49	50+
Repaving and repairing streets	75%	73%	70%	72%	79%	79%	82%	71%	80%
Maintaining Muni equipment and facilities to ensure vehicles' safety and reliability	75%	73%	77%	73%	73%	77%	75%	75%	75%
Expanding BART, Caltrain, and Muni service to reduce congestion	70%	72%	81%	68%	68%	65%	57%	74%	65%
Making street safety improvements for pedestrians and bicyclists	63%	62%	72%	62%	61%	57%	59%	66%	59%
Providing paratransit services for disabled persons	62%	67%	62%	60%	60%	61%	65%	63%	61%
Providing reduced or free transit for seniors, people with disabilities, youth, and low-income persons	61%	71%	61%	58%	57%	62%	63%	62%	60%
Providing express bus services to connect outer neighborhoods to transit hubs and downtown	59%	68%	67%	61%	53%	53%	51%	65%	53%
Improving management of freeway lanes to reduce congestion and travel times and increase reliability	55%	55%	60%	56%	52%	50%	55%	57%	52%

Q7. I am going to read you a list of ways that money from a measure like the one I just described might be used. Please tell me how important it is to you that money from the measure be used to pay for each of the following—is it extremely important, very important, somewhat important, or not too important?

Messaging

Approach to Testing Messaging

- ✓ Each respondent heard balanced pro and con messaging, in rotated order, focused on each potential funding mechanism for the hypothetical transportation funding measure.
- ✓ Respondents first heard messaging for the type of tax they were asked about at the beginning of the survey.
- ✓ Then they heard messaging on the other funding mechanisms in a random order.
- ✓ Broader messaging unrelated to the funding mechanism was not tested.



Arguments For and Against a Business Tax on Service Intermediary Companies

Let me ask you about the idea of establishing a 2% business tax on revenues from service intermediary companies.

Supporters say that ride-hailing, food delivery, and similar companies use our roads and cause congestion, and so they need to start paying their fair share to reduce traffic and maintain roads. Currently, San Francisco taxpayers are subsidizing these costs for them. Besides, since these companies don't pay their workers benefits, and many pay less business tax than other San Francisco companies, they can afford to help pay the cost of transportation improvements, like increasing and improving bus service, repairing roads, and mitigating traffic.

Opponents say that taxing ride-hailing, food delivery services, and the like could lead them to raise costs for San Franciscans who use these services, or pass the costs on to their workers, many of whom are low- or moderate-income. Others say many of these companies strengthen the economy in low-income neighborhoods, and might end up moving their businesses out of San Francisco to avoid these taxes.

Having heard this, would you find establishing a 2% business tax on revenues from service intermediary companies acceptable or unacceptable as a way of raising money to make transportation improvements in San Francisco?



Q11

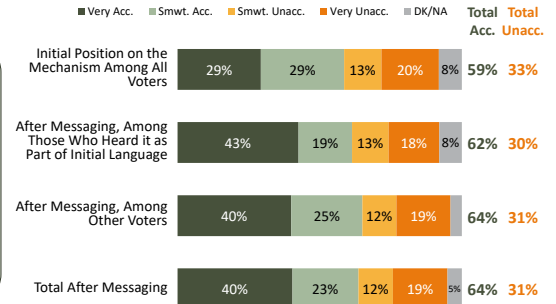
32

Similarly three in five voters see a tax on service intermediary companies as "acceptable."

Having heard this, would you find establishing a 2% business tax on revenues from service intermediary companies acceptable or unacceptable as a way of raising money to make transportation improvements in San Francisco?

Service Intermediary Companies as Part of Initial Ballot Language

Total Yes: 54%
 Total No: 33%
 Undecided: 13%



Q11: The final structure of the San Francisco transportation funding ballot measure I just described has not been determined. I am going to read you several different potential sources of funding for the transportation improvements described in that measure. Please tell me whether you would find it acceptable or unacceptable as a way of raising money for these purposes. Q11 (Split Sample D, A/B/C & Total).

33

Arguments For and Against a Business Tax on Commercial Rental Properties

Let me ask you about the idea of increasing the business tax rate on revenues from commercial rental properties to 2.5%.

Supporters say that this tax will collect revenue from commercial landlords that rent large amounts of commercial office space to businesses that are contributing to the high number of commuters using the City's transportation system. Revenues would be used to repair streets, address congestion, improve transit, and make walking and biking safer. Nonprofits and arts organizations will be exempt from this tax. Currently, San Francisco commercial landlords have a tax rate that is less than one-tenth of what it is in Manhattan.

Opponents say that business taxes are too high already and taxes on landlords will end up getting passed on to their tenants many of whom already have trouble finding affordable rental space in San Francisco. At a time when commercial rents in San Francisco are among the highest in the country, this tax risks raising them further.

Having heard this, would you find increasing the business tax rate on revenues from commercial rental properties to 2.5% acceptable or unacceptable as a way of raising money to make transportation improvements in San Francisco?



Q10

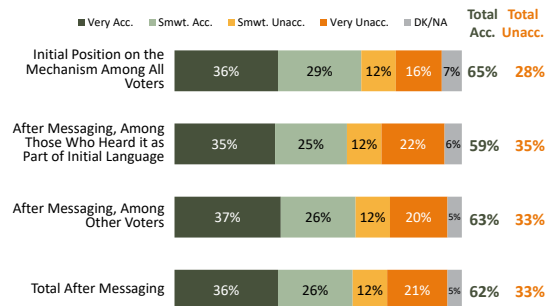
34

Roughly three in five consistently find a tax on commercial rental properties "acceptable."

Having heard this, would you find increasing the business tax rate on revenues from commercial rental properties to 2.5% acceptable or unacceptable as a way of raising money to make transportation improvements in San Francisco?

Commercial Rental Properties as Part of Initial Ballot Language

Total Yes: 58%
 Total No: 35%
 Undecided: 7%



Q10: (Total). The final structure of the San Francisco transportation funding ballot measure I just described has not been determined. I am going to read you several different potential sources of funding for the transportation improvements described in that measure. Please tell me whether you would find it acceptable or unacceptable as a way of raising money for these purposes. Q10 (Split Sample C, A/B/D & Total).

35

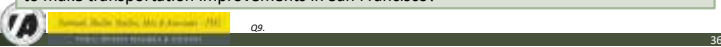
Arguments For and Against a Vehicle License Fee

Let me ask you about the idea of adding an annual assessment to the Vehicle License Fee equal to 1.35% of the vehicle's value.

Supporters say that San Francisco's vehicle license fee used to be 2% before Governor Schwarzenegger reduced it to .35%. A vehicle license fee would raise money to repair streets, address congestion, improve transit, and make walking and biking safer. And because it is scaled to a vehicle's value, more affluent residents would pay more. Residents who do not own a car – including many low-income residents – would pay nothing.

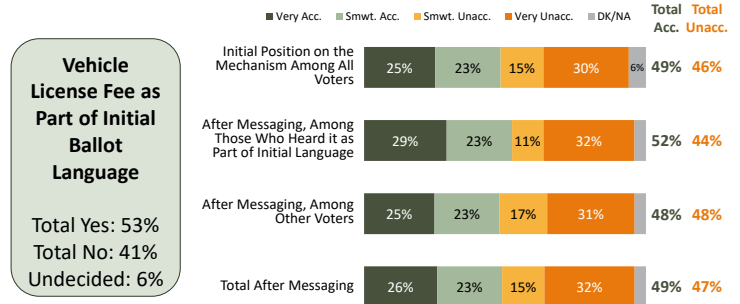
Opponents say that another annual vehicle fee on top of recently-enacted gas tax and vehicle fee increases would just be too big of a burden for local residents, especially low-income residents who have no choice but to drive to get to work. Between gas, parking, bridge tolls, and existing fees, driving a car is already too expensive in San Francisco. Drivers shouldn't have to pay more in taxes to support improvements to public transportation systems they may not use. But many drivers on San Francisco streets don't live here and wouldn't pay the fee.

Having heard this, would you find adding an annual assessment to the Vehicle License Fee equal to 1.35% of the vehicle's value acceptable or unacceptable as a way of raising money to make transportation improvements in San Francisco?



Voters are divided on the acceptability of a VLF – both before and after messaging.

Having heard this, would you find adding an annual assessment to the Vehicle License Fee equal to 1.35% of the vehicle's value acceptable or unacceptable as a way of raising money to make transportation improvements in San Francisco?



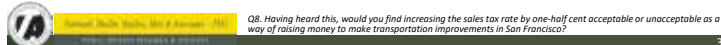
Q9b (Total). The final structure of the San Francisco transportation funding ballot measure I just described has not been determined. I am going to read you several different potential sources of funding for the transportation improvements described in that measure. Please tell me whether you would find it acceptable or unacceptable as a way of raising money for these purposes. Q9 (Split Sample B, A/C/D & Total).

Arguments For and Against a Sales Tax

Let me ask you about the idea of increasing sales tax rate by ½¢.

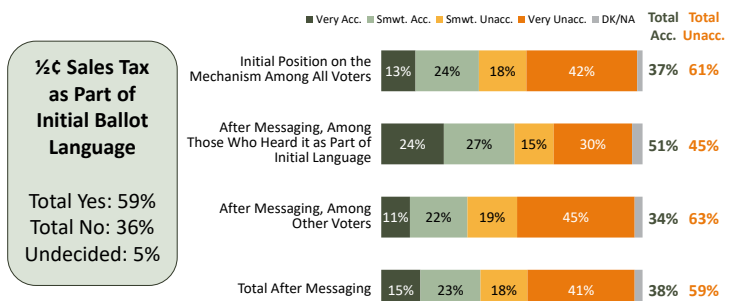
Supporters say that San Francisco has used the sales tax effectively before and that it has a lower sales tax rate than many neighboring counties, and would still be lower even with a ½¢ increase. In addition, more than \$2 of every \$5 of sales tax revenue would be paid by visitors and businesses. Revenues would improve bus and train service; reduce traffic congestion; and help make transportation affordable for low-income households, seniors, and youth.

Opponents say that the sales tax is regressive, meaning that it costs low-income households a greater proportion of their income than high-income ones. At a time when San Francisco has one of the highest costs of living and a high degree of income inequality, and many residents are struggling to make ends meet, a sales tax is the wrong approach.



Many expressed reservations about the sales tax as a funding mechanism, though it was more appealing among those who heard it as the initial option presented.

Having heard this, would you find increasing the sales tax rate by ½¢ acceptable or unacceptable as a way of raising money to make transportation improvements in San Francisco?



Q8a (Total). The final structure of the San Francisco transportation funding ballot measure I just described has not been determined. I am going to read you several different potential sources of funding for the transportation improvements described in that measure. Please tell me whether you would find it acceptable or unacceptable as a way of raising money for these purposes. Q8 (Split Sample A, B/C/D & Total).

The slide features a header with a collage of four images: a San Francisco skyline, a street scene with a car, a person on a bicycle, and a bus. To the right of the images is the Seal of the City of San Francisco. Below the images, the text "Key Findings" is displayed in a large, bold, black font. The slide number "40" is in the bottom right corner.

Key Findings

40

Key Findings

- ✓ San Francisco voters see a need for additional funding for public transportation and a majority are willing to support a funding measure to provide additional funding for public transportation and traffic improvements.
 - Support is driven by the broad perception of need, while opposition is motivated by the concerns about taxation.
 - Those most likely to support a funding measure are voters under age 40 and higher-income voters.
- ✓ Among the potential funding mechanisms, a sales tax and a business tax on commercial rents receive the strongest initial support.
- ✓ However, after balanced pro and con arguments describing each funding mechanism, the potential service intermediary tax and commercial rental property tax are seen as most acceptable to voters.
 - The service intermediary tax is the only funding mechanism among those tested to increase in acceptability over the course of messaging.
- ✓ Voters view investing in public transit, including BART, Muni and Caltrain, and repairing streets as the most important spending areas for the measure.



San Francisco, California
Transportation 2045 Task Force Report
January 2018





SFMTA

TRANSPORTATION 2050

Workshop

SFMTA Board of Directors
August 17, 2021

Transportation 2050 (T2050) presents possible futures and actions to address transportation needs and priorities in San Francisco.

Years of community planning, visioning and technical analysis

Transportation
Task Force 2013
(T2030)

ConnectSF

SFMTA 5-Year CIP

Vision Zero Action Plan

SFMTA 2-Year Budget

Transportation
Task Force 2018
(T2045)

SFMTA 20-Year Capital Plan

SF Transportation Plan

SFMTA State of Good Repair Report

2021 SFMTA Community Survey

We have analyzed
numerous possible futures
and it is time for a call to action.

**We are \$50 billion short of the transportation
system San Francisco needs over the next 30 years.**

**But we can act now to put
San Francisco on a path to success.**

How did we get here?
San Francisco has grown.
Transportation has changed.
Our financial structures have not.

**While our visions and values have
modernized, how we fund the vision and
advance our values has not.**

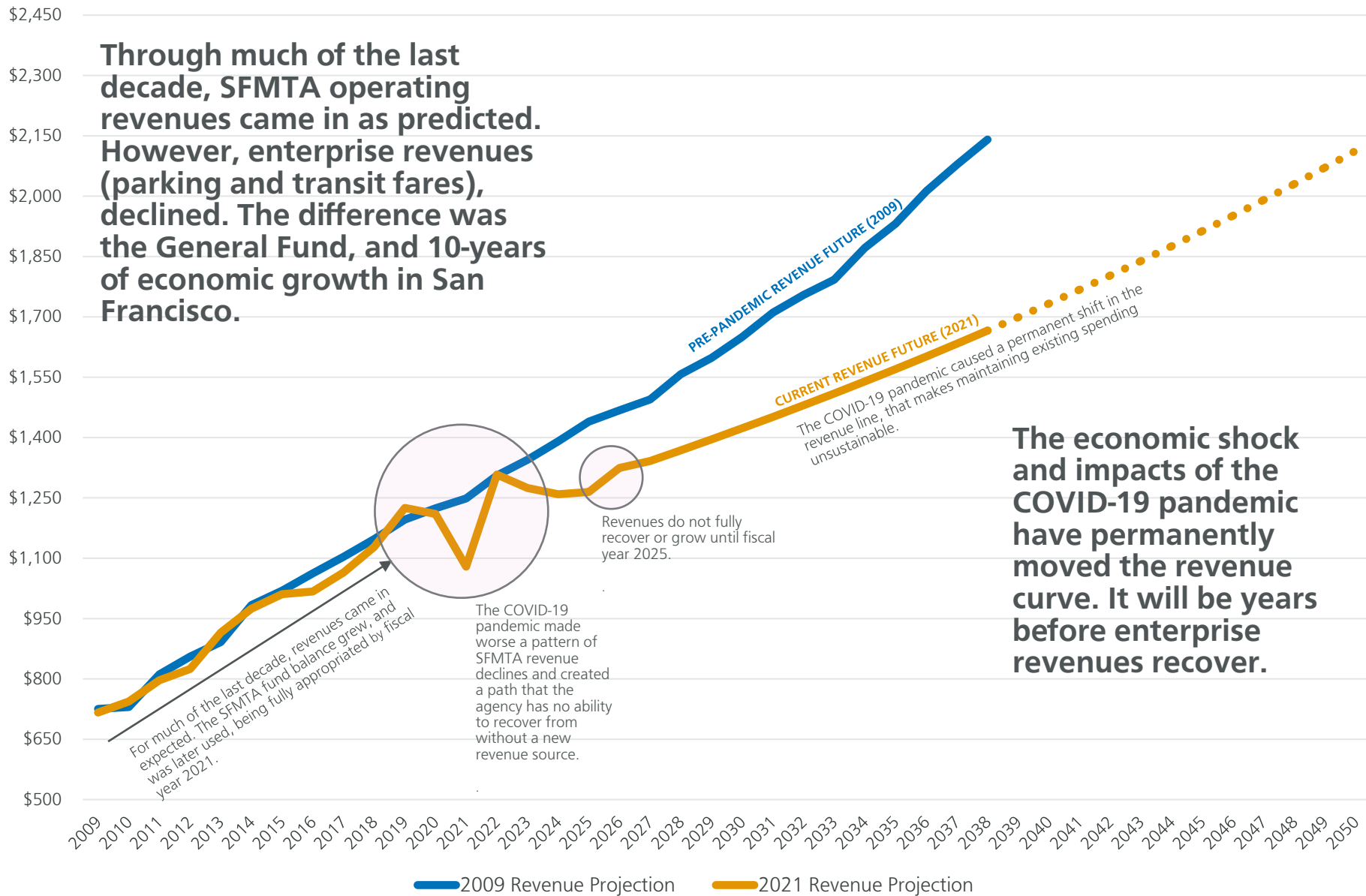
We have looked at our past,
and charted out our future.

We are on an unsustainable path.
But we can correct it.

**The COVID-19 pandemic put the SFMTA on a
financial path it cannot recover from alone.**

Introduction

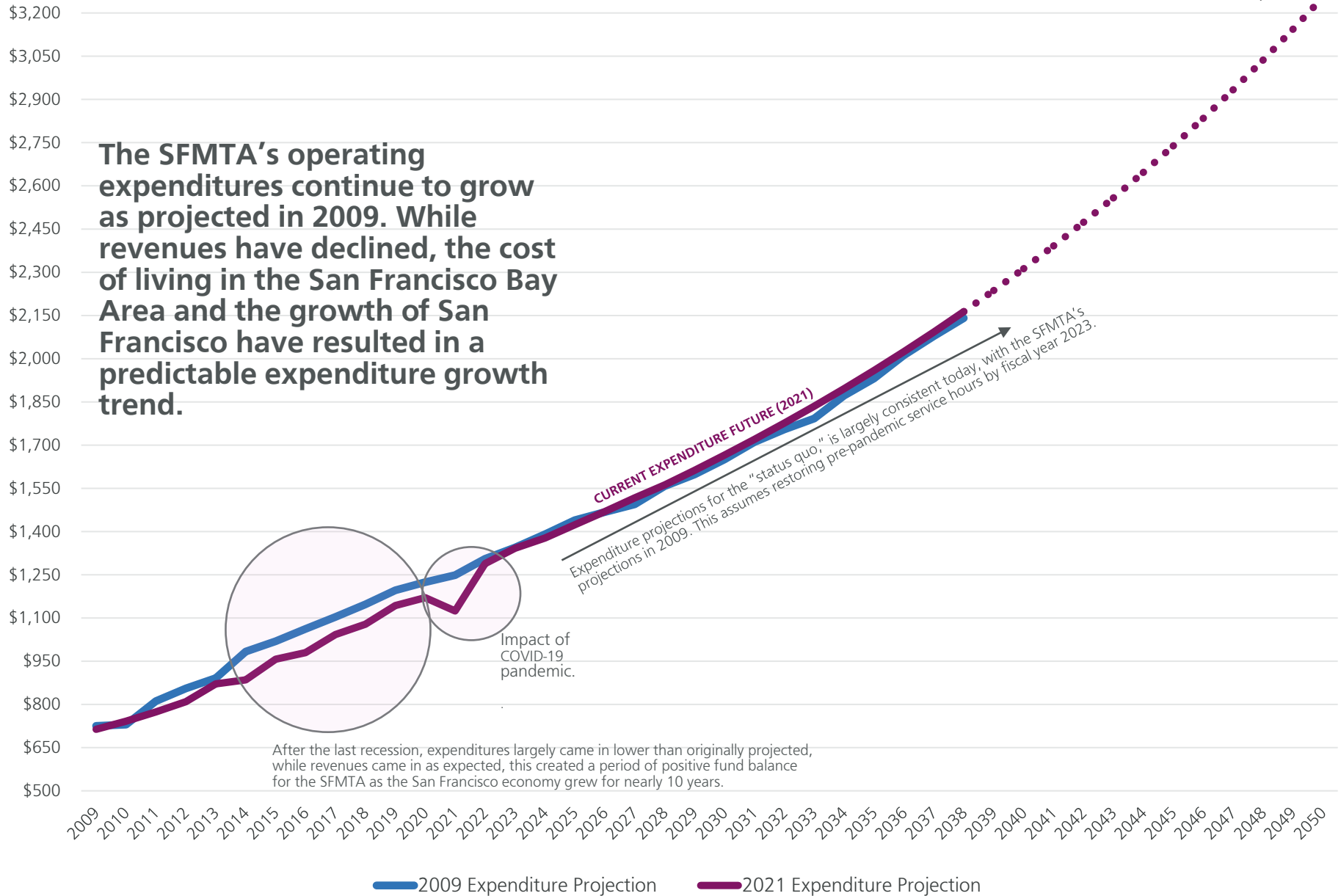
Operating Revenue Projection 2009 vs 2021 in \$millions



Introduction

SFMTA Operating Expenditure Projections 2009 vs 2021

in \$millions



\$3,200
\$3,050
\$2,900
\$2,750
\$2,600
\$2,450
\$2,300
\$2,150
\$2,000
\$1,850
\$1,700
\$1,550
\$1,400
\$1,250
\$1,100
\$950
\$800
\$650
\$500

With expenditures growing with Bay Area Cost of Living, and revenues permanently impacted by the COVID-19 pandemic when federal relief is exhausted, there is a funding gap that cannot be closed. Expenditures will outpace revenue. A new source is required to get the SFMTA back on track.

Prior to the pandemic enterprise revenues were in decline, and revenues were generally lower than predicted in 2019. Expenditures generally were matched to the revenue curve.

The COVID-19 pandemic caused a steep drop in revenues, closed in FY 22 and 23 with Federal Relief. When exhausted, the revenue curve will not shift upward until 2025.

Prior to the pandemic this "structural deficit" was closed by shifting infrastructure/maintenance dollars to sustain operations and service. Post-pandemic, there are no other revenue tools left to the SFMTA.

CURRENT EXPENDITURE FUTURE (2021)

CURRENT REVENUE FUTURE (2021)

2009 Revenue Projection 2021 Revenue Projection 2021 Expenditure

Today's Workshop

Vision

Update on ConnectSF

- Transit Investment Strategy
- Streets and Freeways Strategy

Cost

Update on the 20-Year Capital Plan

- Capital Plan Needs – Infrastructure Costs
- Capital Investment Packages - Priorities

Action

Transportation 2050

- Community Survey & Priorities
- Analysis of Funding Gaps
- Potential Funding Measures



ConnectSF

Update on Transit Investment Strategy
Update on Streets and Freeways Strategy

connectsf.org

ConnectSF@sfgov.org

Today's Informational Presentation

- ConnectSF background
- Transit Investment Strategy
- Streets & Freeways Strategy
- Integrating the Strategies into future planning:
 - San Francisco Transportation Plan
 - Transportation Element

About ConnectSF

Phase 1 Vision

ConnectSF Vision



Phase 2 Needs

Statement of Needs

**Transit Corridors
Study**

Streets and
Freeways Study



Phase 3 Policies & Priorities

San Francisco Transportation
Plan

Transportation Element of
SF General Plan



San Francisco
County Transportation
Authority



San Francisco
Planning



Prior Work: Key Findings Recap

Challenges to Address

Create Equitable Transportation Outcomes

- Improve transportation connections for outer neighborhoods
- Improve jobs access via sustainable modes

Improve Sustainability

- Reduce emissions by shifting trips
- Further expand transit capacity
- Manage congestion

Accommodate Forecasted Growth

The background features a collage of circular icons in a light gray tone. These icons depict various urban transit and infrastructure elements: a zero-emission bus, a light rail train, a high-speed train, a metro station with stairs, a street scene with cars, bicycles, and pedestrians, a park with trees and people, a building with solar panels, a construction site with a crane, a bus stop, a cafe, a taxi, a car with a wireless signal, a car with a lightning bolt (electric vehicle), a bicycle rack, and a train. The icons are arranged in a grid-like pattern, creating a textured background for the title.

Transit Investment Strategy

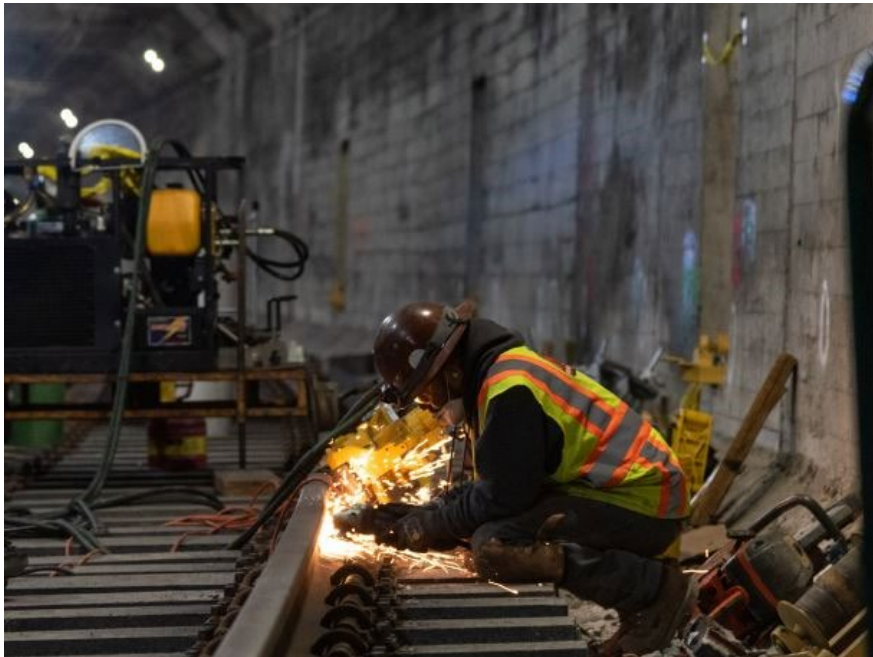
Transit Investment Strategy Goals

- Build upon pandemic recovery efforts
- Prioritize communities and individuals that are most dependent on transit
- Adapt to changing travel needs between neighborhoods, not just to downtown
- Address state of good repair backlog
- Continue to reduce crowding and delay
- Improve connections to the region

Key Recommendations

- 1 **Make the system work better** with maintenance and restoration
- 2 **Build a five-minute network** for reliable transit service citywide
- 3 Increase speed, reliability, and capacity for a **modern rail system**
- 4 **Build more rail** where bus service won't be able to meet demand

1 Maintain and Restore our Transit System



2

Five-Minute Network Improved Speed & Reliability



Street and signal improvements to preserve transit speed and reliability

Fast, frequent service and easy transfers throughout SF



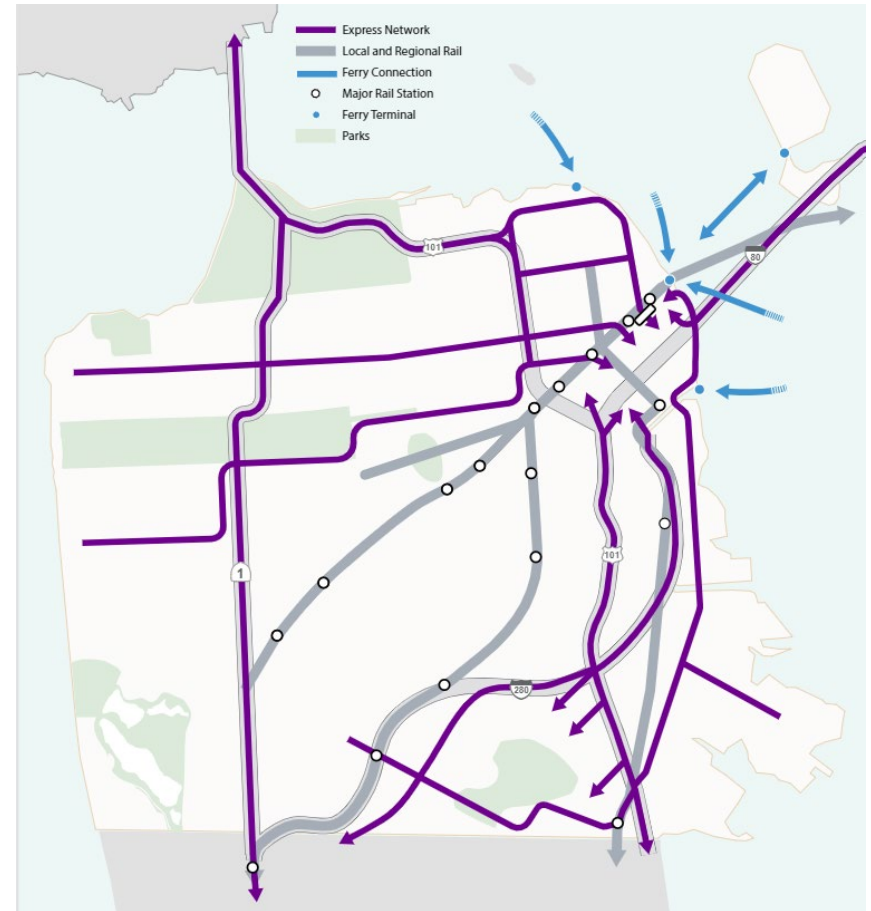
2

Regional and Local Express Service

Local and regional transit service that runs on freeways and highways

Dedicated express lanes to destinations within San Francisco and throughout the Bay Area

Complements rail and ferries



3

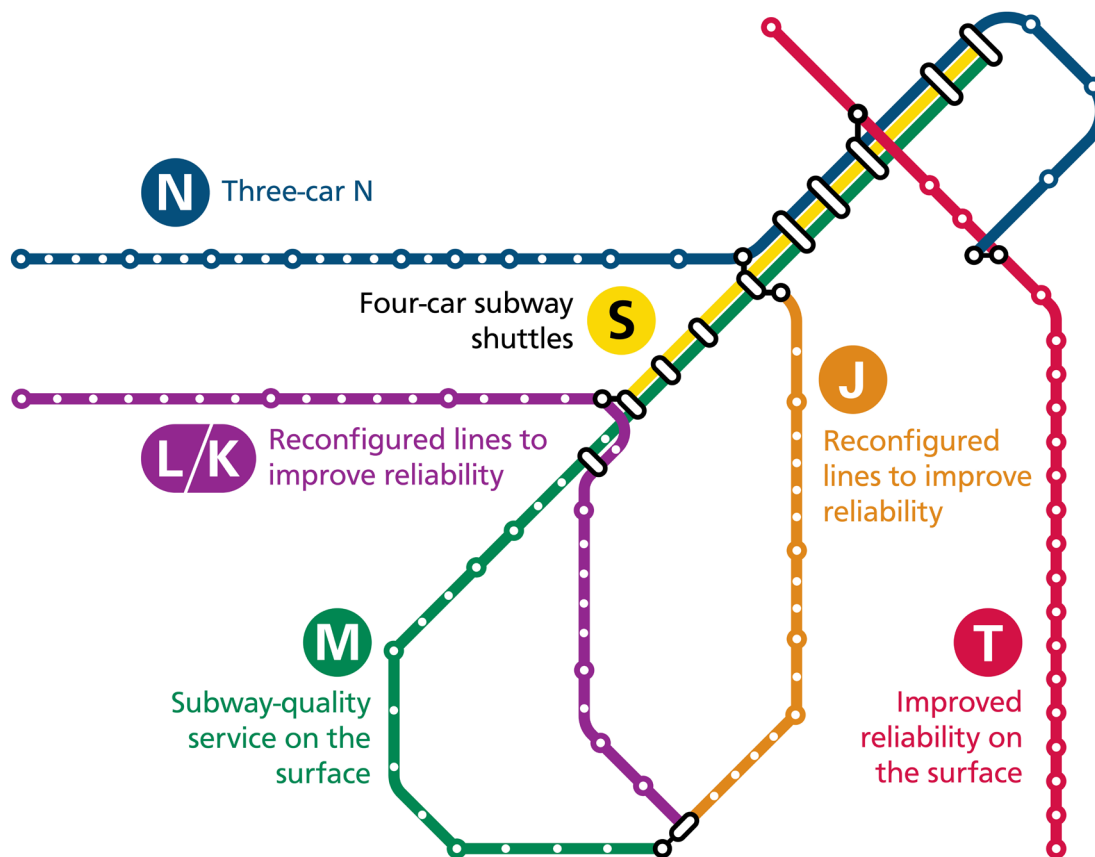
Renew and Modernize Our Rail System

Subway renewal addresses crowding and congestion

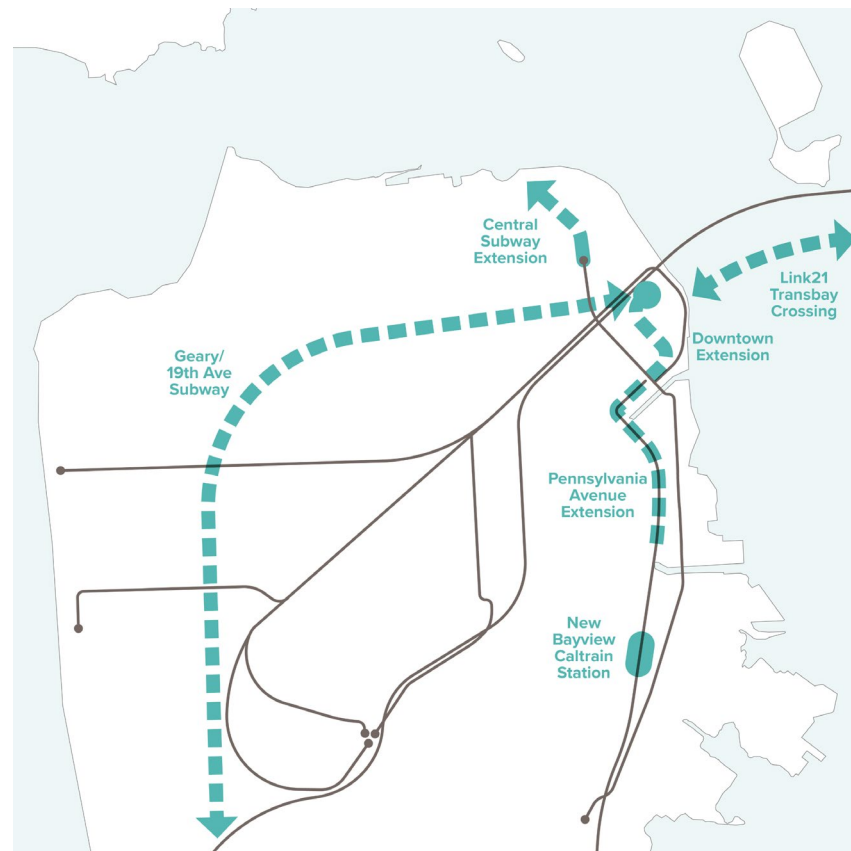
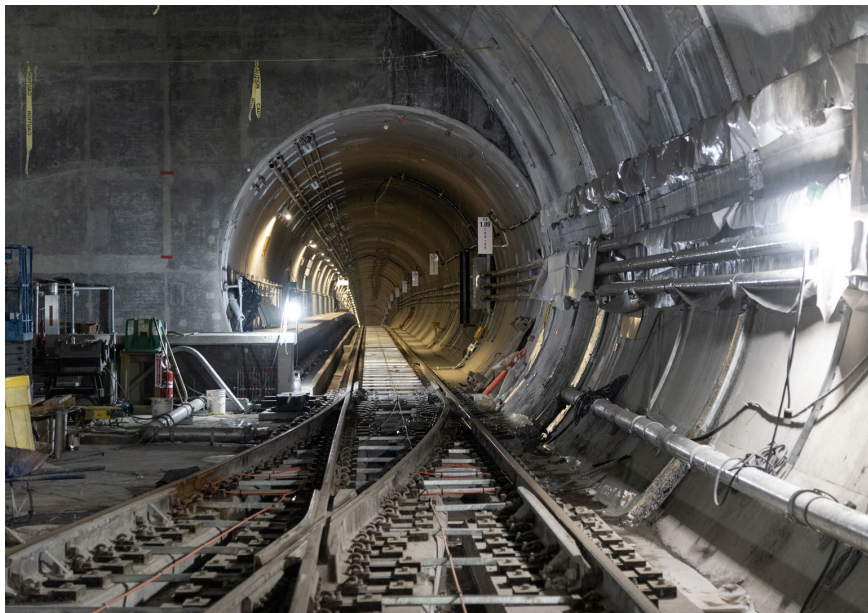
Rebuild our aging rail network

Expand critical infrastructure that keeps trains moving

Longer trains and more reliable service



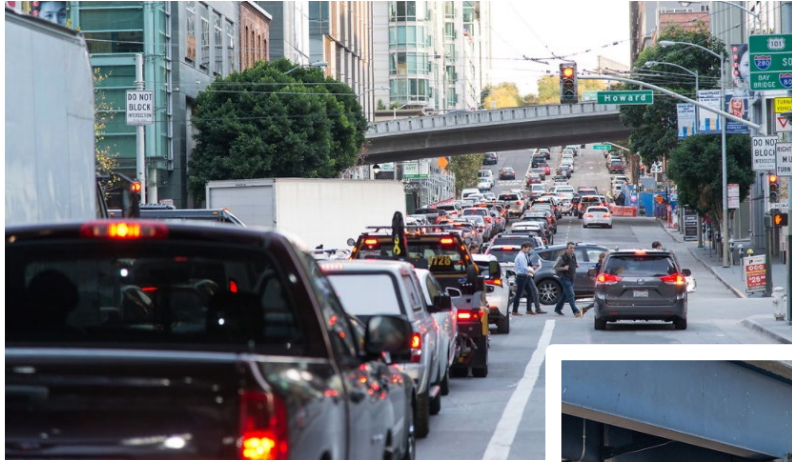
4 Build Rail to SF's Busiest Places



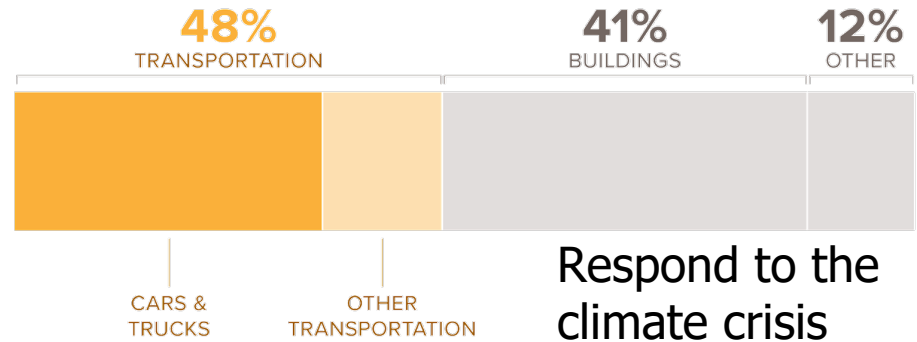
The background features a collage of circular icons in a light gray tone. These icons depict various urban transportation and infrastructure elements: a zero-emission bus, a light rail train, a high-speed train, a metro station with stairs, a street scene with cars, bicycles, and pedestrians, a park with trees and people, a building with solar panels, a construction crane, a bus stop, a cafe, a bus lane, a taxi, a bicycle lane, and a train. The icons are arranged in a grid-like pattern, creating a textured background for the title.

Streets & Freeways Strategy

Challenges for our Streets and Freeways



We have limited street space



Key Recommendations

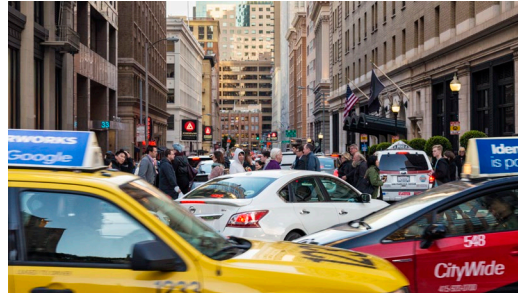
- 1 **Maintain and reinvest** in the current transportation system
- 2 **Prioritize transit and carpooling** on our streets and freeways
- 3 **Build a complete network** for walking and biking
- 4 **Prioritize safety** in all investments and through targeted programs
- 5 **Repair harms and reconnect communities**

1 Maintain and Reinvest in the Current Transportation System



2

Prioritize Transit and Carpooling on our Streets & Freeways



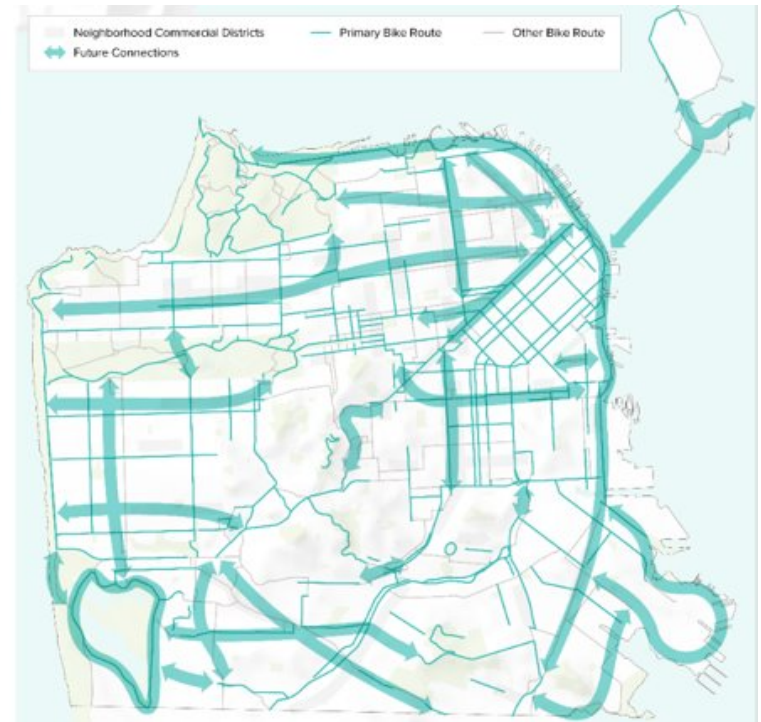
Exploring pricing to help transit and carpools move more quickly and reliably in congested areas

Lead with equity

- Robust community involvement
- Discounts for people with low-incomes
- Use revenues to improve transit

3

Build A Complete Network for Walking and Biking



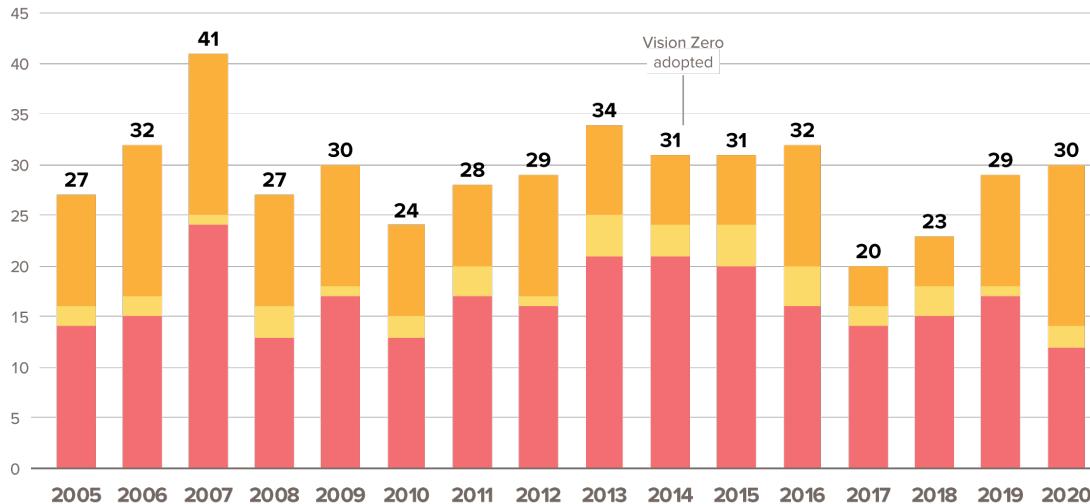
4

Prioritize Safety in all Investments and through Targeted Programs

People Killed While Walking

People Killed While Biking

People Killed in Vehicles



4

Prioritize Safety in all Investments and through Targeted Programs

Where successful and needed, make quick build permanent

Develop comprehensive speed management, focused on auto-oriented streets

Improve freeway ramps throughout the City



5 Repair Harms & Reconnect Communities

Short

Urban greening

Reduce truck impacts

Medium

New grade-separated pedestrian crossings

Long

Explore transformative projects



Outreach Completed Since Last Update

- **Late 2019-Early 2020 Transportation Needs Outreach**
 - Community workshops and individual community group presentations
- **April-July 2021 Investment Strategies Outreach**
 - Online surveys due to COVID restrictions
 - Available in four languages – English, Chinese, Spanish, and Filipino
 - Stipends offered to community groups to help us reach people of color and low income constituents
- **Additional presentations available to neighborhood and community groups as requested**



Remaining Timeline for 2021 and Early 2022

- **Summer**

- Share findings from Transit Corridor Study and Streets and Freeway Study outreach
- Further outreach and technical analysis to support San Francisco Transportation Plan (SFTP) development

- **Fall/Winter**

- Transit Corridor Study publication
- Develop SFTP constrained and vision investment scenarios
- Conduct citywide outreach
- Begin development of Transportation Element of the General Plan

What's Next?

- **San Francisco Transportation Plan**

- Long-range, multimodal investment & policy blueprint for SF
- Financially constrained plan based on reasonably expected funding sources
- Visionary investment strategy that considers how to invest new revenues

- **Transportation Element Update**

- Guides policy implementation in City codes and project approvals
- Integrates transport, land use, environmental justice, and resiliency
- Receives environmental clearance



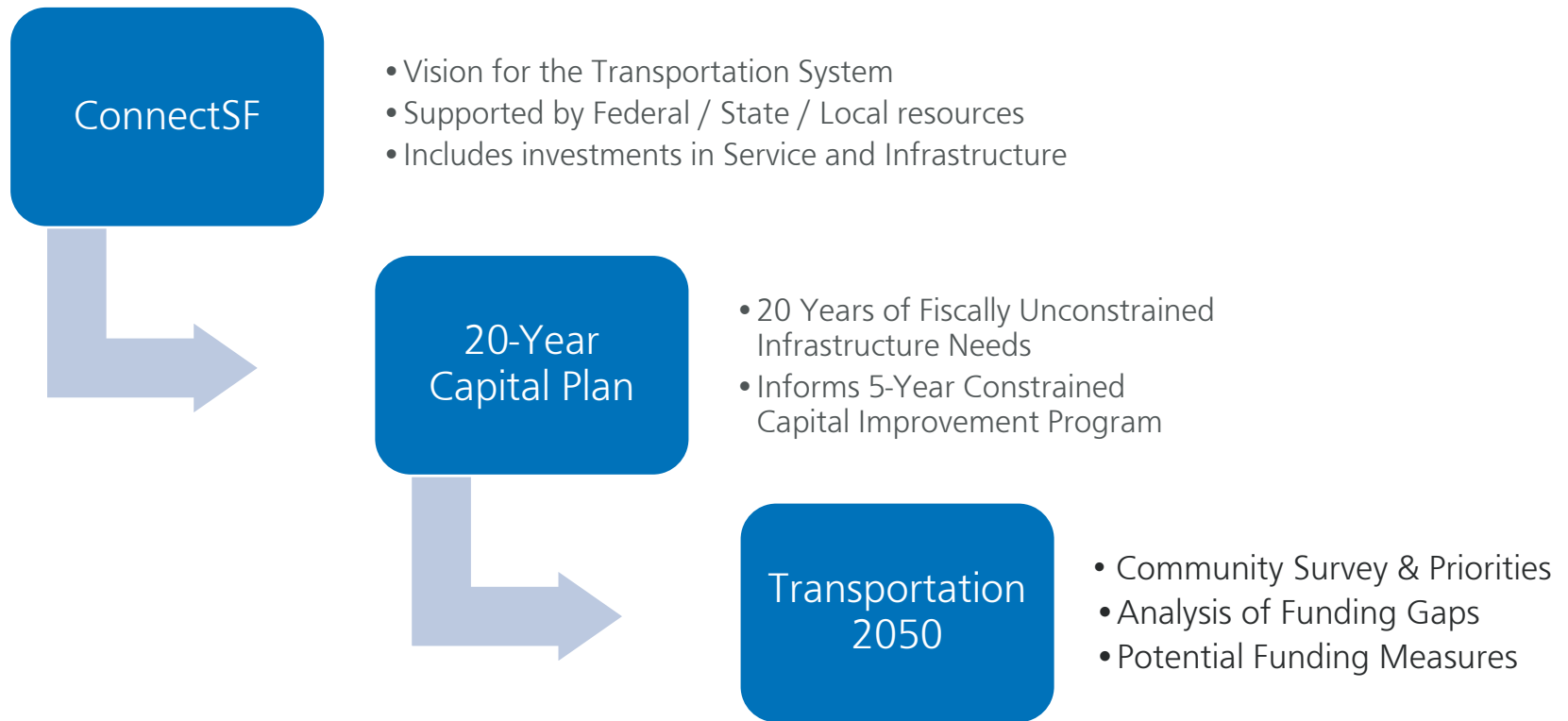
SFMTA

2021 SFMTA 20-Year Capital Plan Update

SFMTA Board of Directors

August 17, 2021

Capital Plan in Context



SFMTA 20-Year Capital Plan

Capital Plan Purpose

1.	Provide a pathway to meet our strategic goals
2.	Inform local and regional plans
3.	Help coordinate the implementation of SFMTA plans, programs and strategies
4.	Inform development of the 5-year CIP
5.	Create accountability and build trust

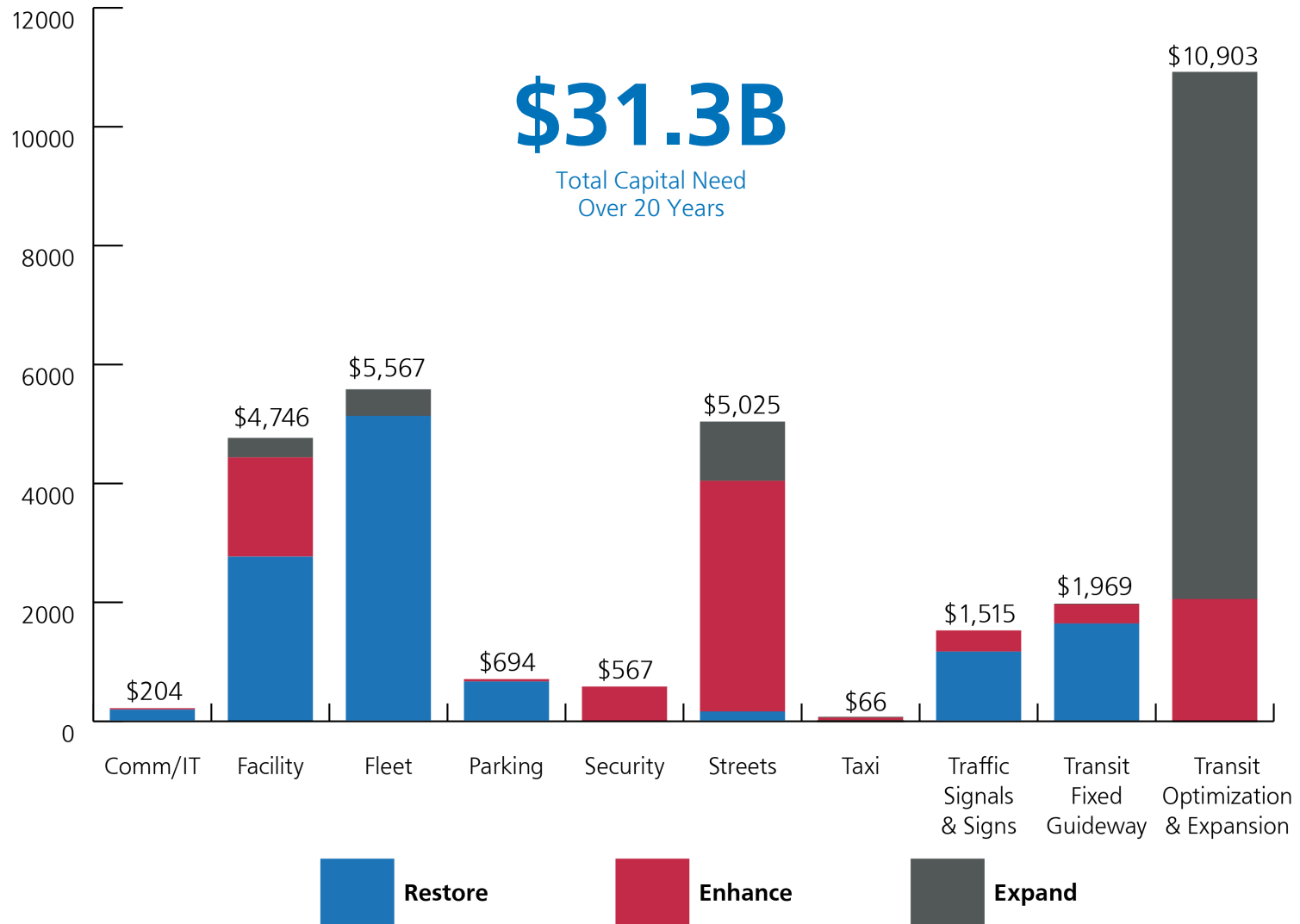
\$31.3B of identified Capital Needs over 20 years, or \$1.6B annually

SFMTA's average annual capital budget for the past five years is \$732M



Capital Needs by Capital Program

(In \$ Millions)



Capital Investment Packages



MAKE STREETS SAFER



**MAKE THE TRANSPORTATION
SYSTEM UNIVERSALLY ACCESSIBLE**



**MAKE THE TRANSPORTATION
SYSTEM WORK**

- FACILITIES MODERNIZATION
- TRANSIT MODERNIZATION
- SYSTEM ELECTRIFICATION
- WALKING AND BIKING NETWORK



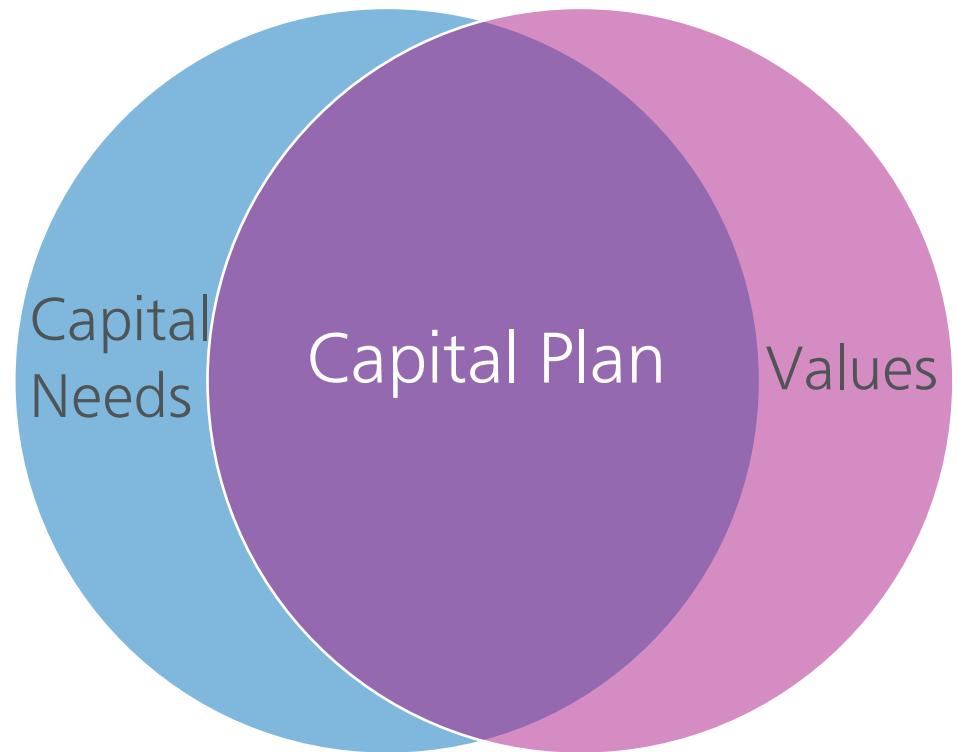
**RENEW AND MODERNIZE
THE RAIL SYSTEM**



**BUILD THE FIVE-MINUTE NETWORK
AND EXPAND THE RAIL NETWORK**

Next Steps

- Assess Capital Needs based on Strategic Plan
- Incorporate Capital Needs assessment into Capital Plan
- Seek SFMTA Board approval of full Capital Plan



Questions?

San Francisco

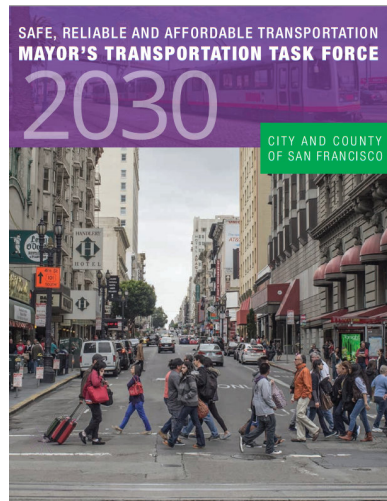
TRANSPORTATION 2050



SFMTA Board of Directors
August 2021 Update



Transportation 2050 (T2050) builds upon the work done by the two prior Transportation Task Forces.



2013



2018

Reference: [Transportation 2030 Report](#)

Reference: [Transportation 2045 Report](#)

Transportation 2045

(January 2018)



“It is with some measure of urgency that we present this report on the critical funding needs of San Francisco’s transportation systems from now through the year 2045. Throughout the Task Force process, nearly 60 representatives of the city’s neighborhoods, businesses, civic organizations, advocacy groups and agency staff came together to grapple with difficult questions. This report updates and builds on previous analysis, with a list of potential funding sources presented in the context of a particularly tenuous federal landscape for infrastructure funding. Task Force members have outlined both investments and revenue priorities through an equity lens, and tasked city leaders to take action today to secure the \$100 million annual contribution to our overall transportation need.”

Reference: [Transportation 2045 Report](#)



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Reference: [Transportation 2045 Report](#)



Sources getting the highest support among task force members in 2018 ranged from \$83 – \$353 m/annually.

Source	Low Range	High Range
Sales Tax	\$50 m/yr	\$150 m/yr
Gross Receipts: Commercial Property Rent Tax Increase	\$13 m/yr	\$100 m/yr
Vehicle License Fee (VLF)	\$12 m/yr	\$73 m/yr
Gross Receipts: Platform/Gig Economy Tax	\$8 m/yr	\$30 m/yr

Reference: [Transportation 2045 Report](#)



We last considered T2050 at the SFMTA Board Workshop in February 2021.

Solicit feedback from the
public on priorities:

SFMTA Community Survey
([June 15, 2021](#))

Report Backs:

Transit Service Restoration ([April 20, 2021](#), [July 20, 2021](#))

State of Good Repair Report ([July 20, 2021](#))

Vision Zero Action Strategy ([July 20, 2021](#))

SFMTA 20-Year Capital Plan (Today)

ConnectSF Transit Investment Strategy (Today)

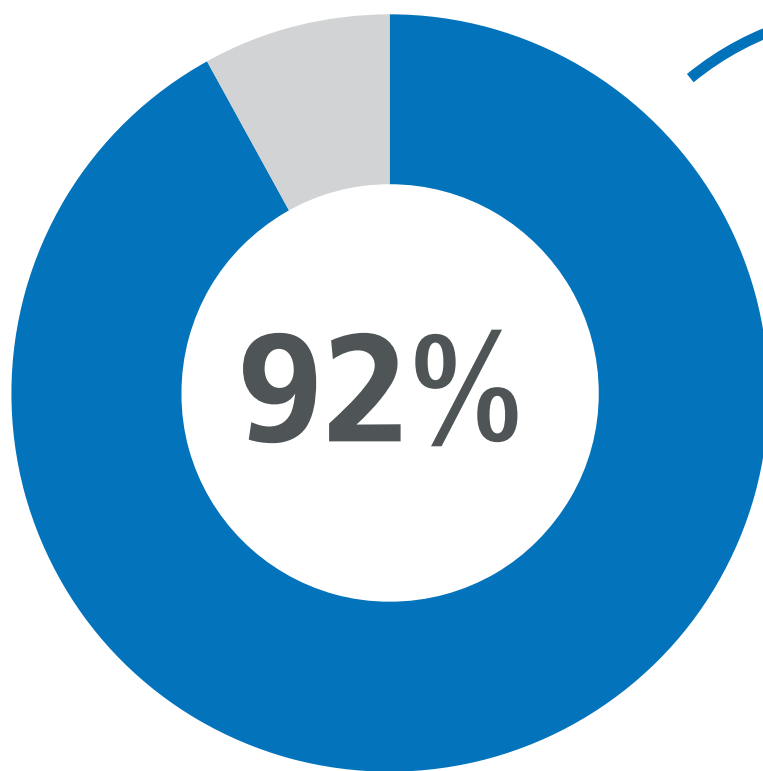
ConnectSF Streets and Freeway Strategy (Today)

We asked, you answered. (2021 Community Survey)

Reference: [2021 SFMTA Community Survey](#)



A recent citywide survey has made it clear: Muni is a vital part of the community



of respondents think
“a vital part of the community”
describes Muni well

Source: San Francisco citywide survey conducted by FM3, April 2021

To continue being a vital part of the community, you've told us your priorities are:



**Investing
Equitably**



**Fast and
Convenient Transit**



**More Repairs and
Maintenance**

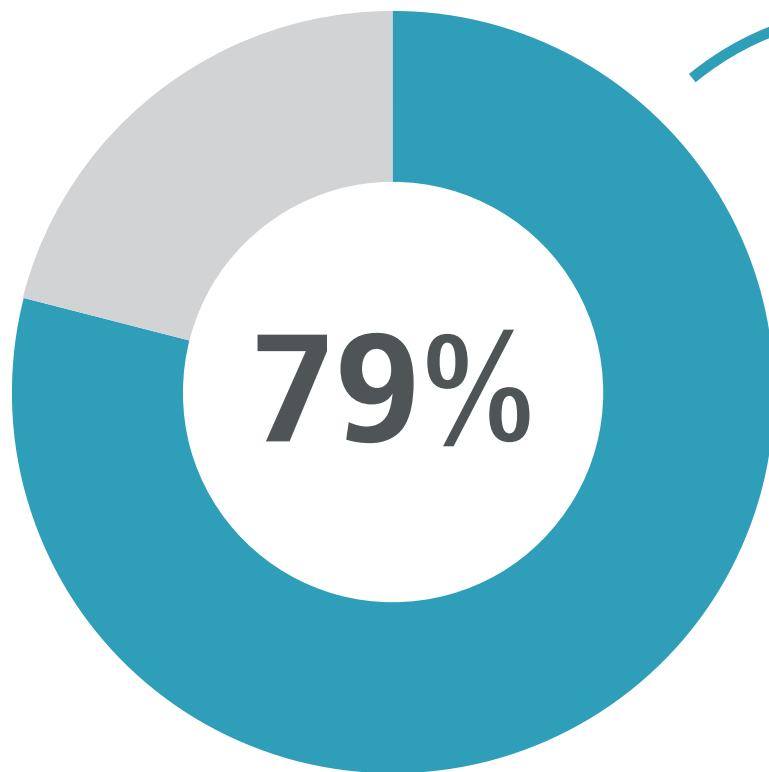


**Improving Safety
and Access**

Investing Equitably



A majority of survey respondents say it is
“very important” or “extremely important” to ...



Increase and improve Muni service
for the communities most
dependent on transit

Source: San Francisco citywide survey conducted by FM3, April 2021

And really, investing equitably is part of everything we do at SFMTA



Investing Equitably



**Fast and
Convenient Transit**



**More Repairs
and Maintenance**

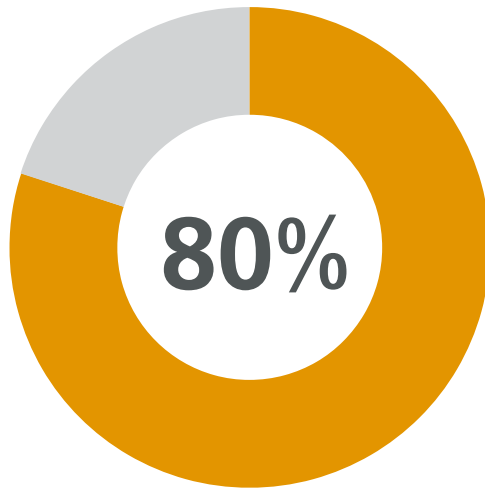


**Improving Safety
and Access**

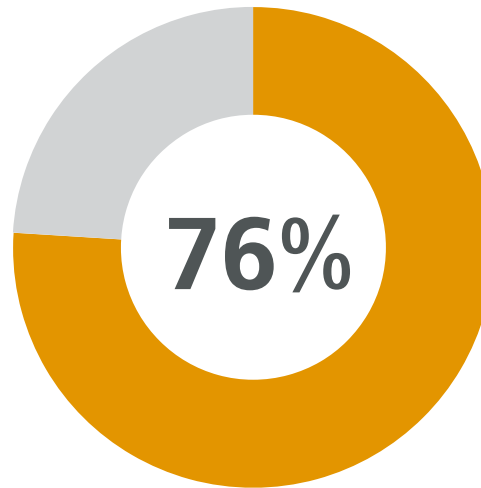
Fast and Convenient Transit



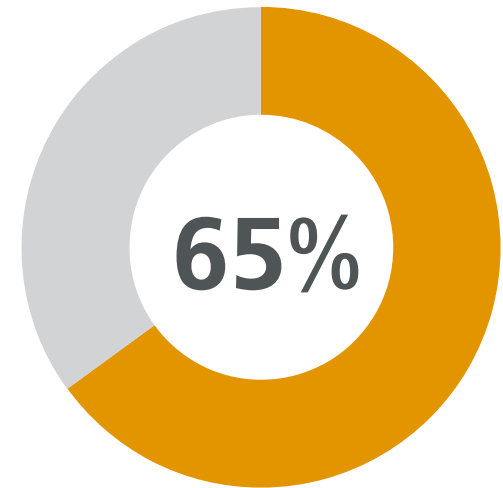
A majority of survey respondents say it is “very important” or “extremely important” to ...



**Provide quick,
convenient transit
access to all parts of
San Francisco**



**Reduce delays to make
Muni more reliable**



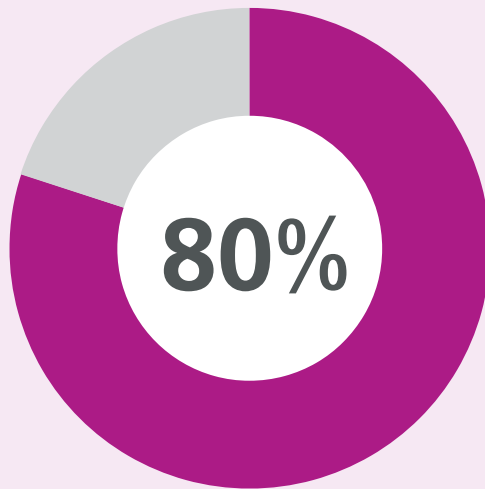
**Reduce crowding
on Muni**

Source: San Francisco citywide survey conducted by FM3, April 2021

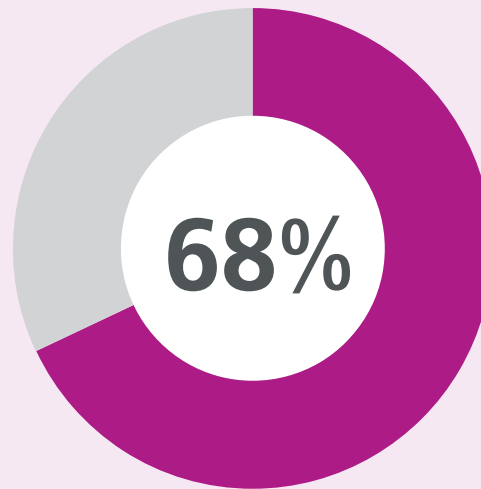
More Repairs and Maintenance



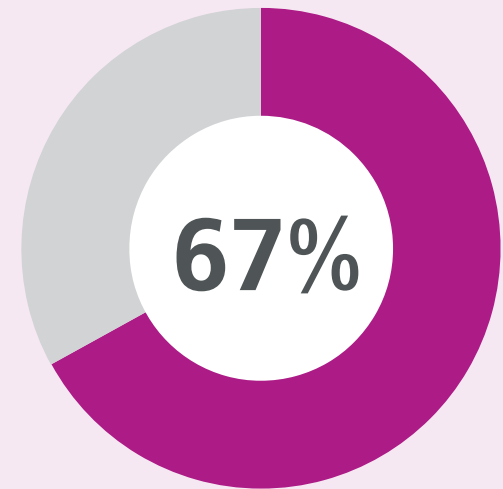
A majority of survey respondents say it is “very important” or “extremely important” to ...



Repair and maintain Muni equipment and facilities to ensure vehicles' safety, frequency, and reliability



Address the backlog of maintenance work



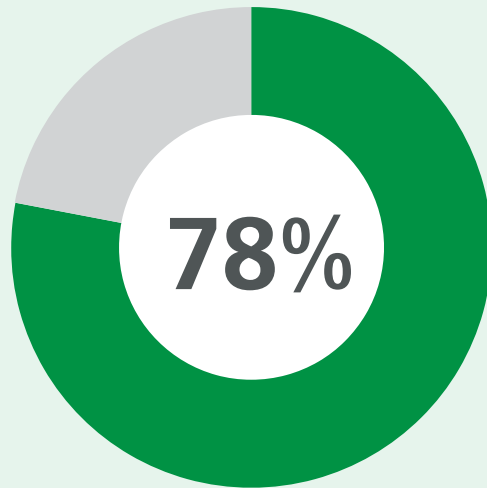
Rebuild San Francisco's aging rail network

Source: San Francisco citywide survey conducted by FM3, April 2021

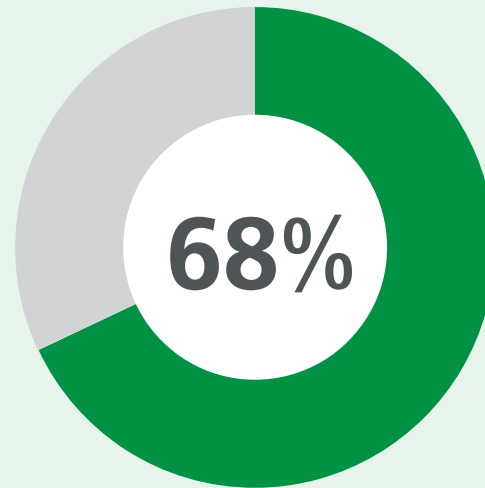
Improving Safety and Access



A majority of survey respondents say it is “very important” or “extremely important” to ...



Ensure Muni service is inclusive and accessible to all



Make street safety improvements for walking

Source: San Francisco citywide survey conducted by FM3, April 2021

We couldn't agree more.

Here's how we're focusing on your priorities and vision



INVESTING EQUITABLY



Fast and Convenient Transit

1. Create a Five-Minute Network
2. Expand the rail network



More Repairs and Maintenance

1. Make the transportation system work
2. Modernize the rail and subway system



Improving Safety and Access

1. Make streets safer
2. Make the transportation system universally accessible

Here are your priorities ... and their cost over 30-years to 2050



INVESTING EQUITABLY



Fast and
Convenient
Transit



More Repairs
and
Maintenance



Improving
Safety
and Access

\$111.3B

What the vision will
require us to spend over
30-years

\$63.4B

We will spend over the
next 30-years

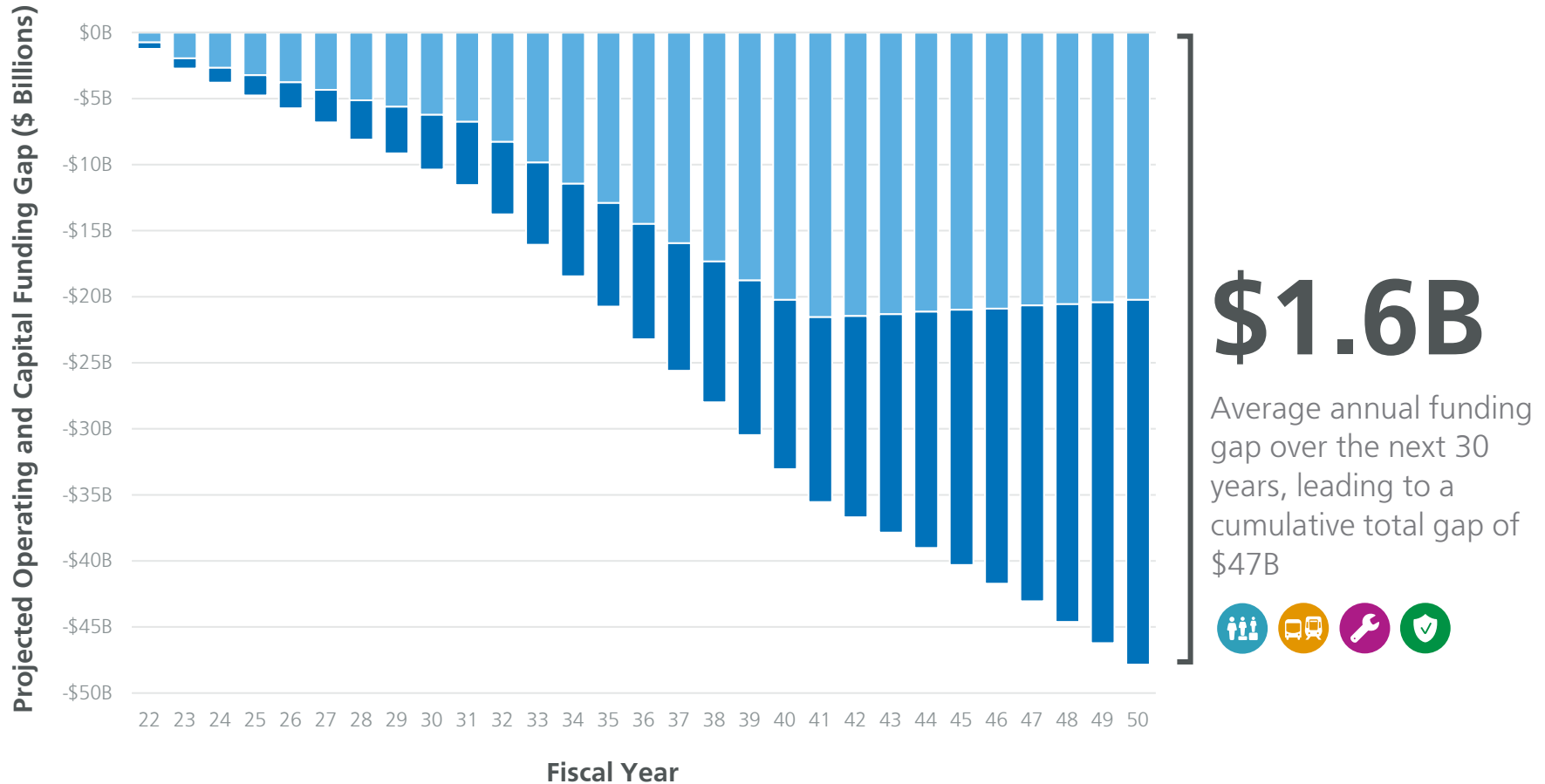
57% funded

(\$47.8B)

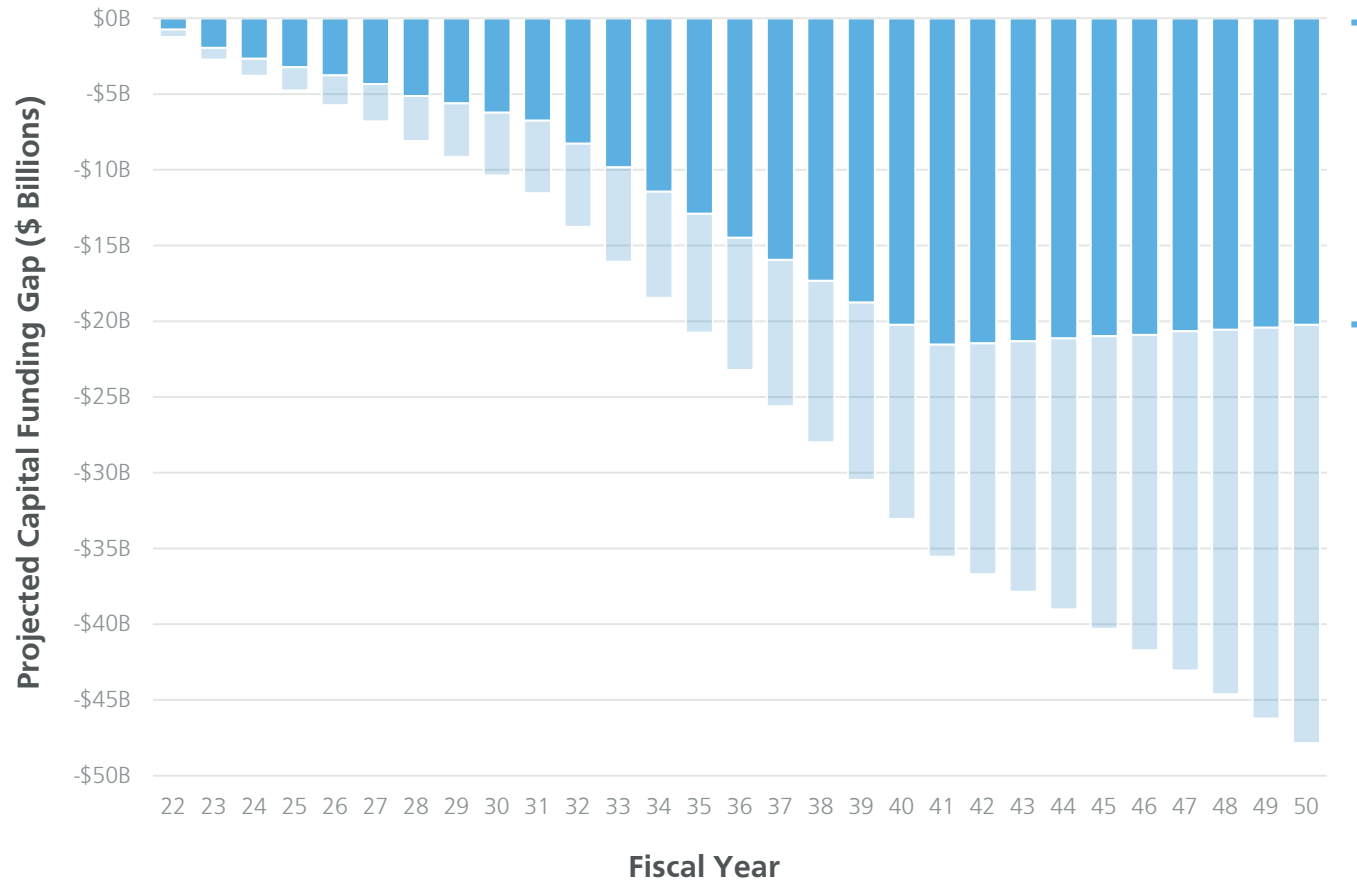
T2050 Funding Gap
Cumulative total over 30-years

43% funding gap

Achieving the vision isn't currently possible because our costs would be much higher than our revenues



This includes a gap in funding for capital investments, like vehicles and infrastructure ...



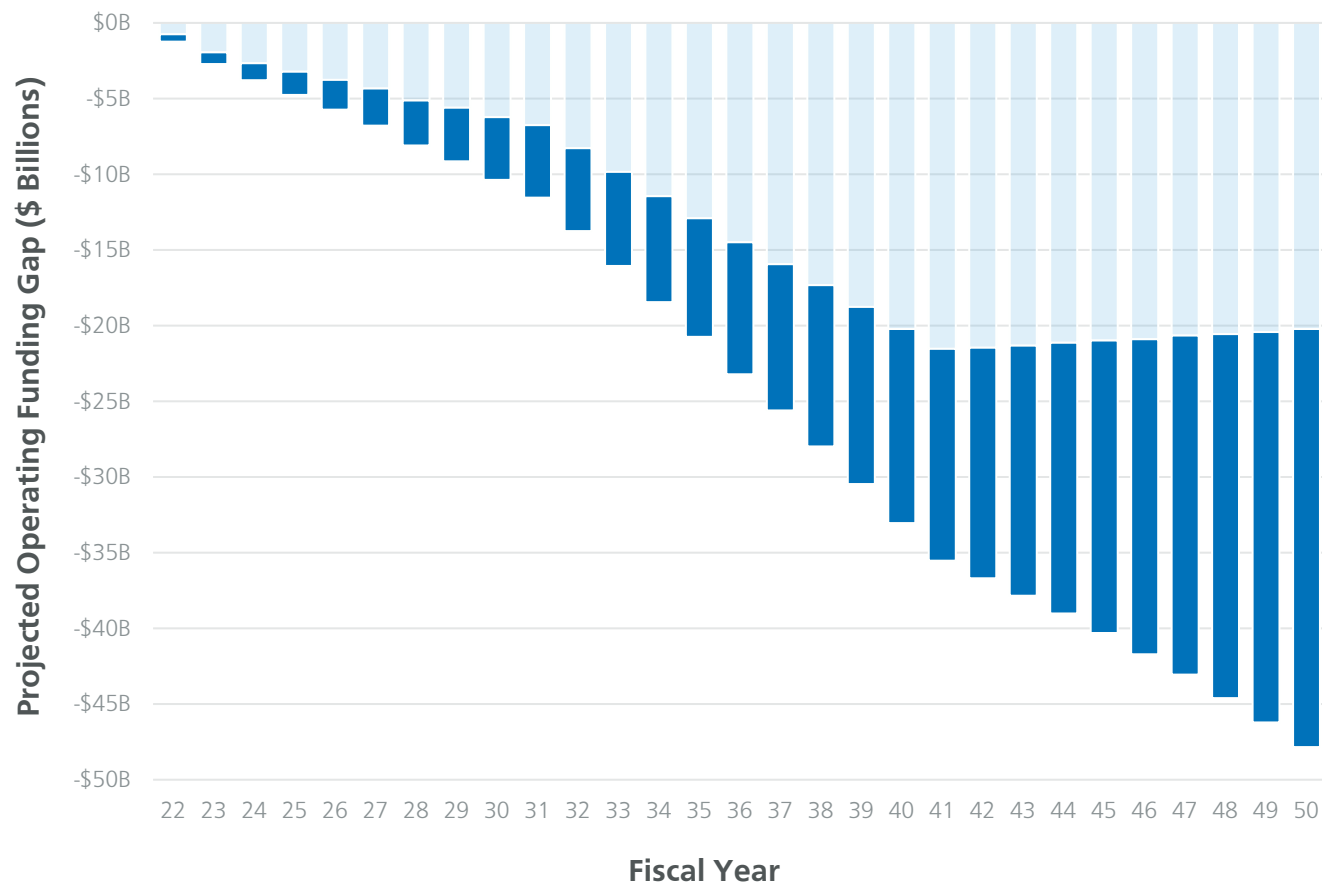
\$674M

**Average Annual
Capital Funding Gap**

To keep the system
running smoothly and
expand it based on
your priorities



... and a gap in funding for operating expenses: running buses and trains



\$921 M

**Average Annual
Operating
Funding Gap**

To run trains and buses in
line with your priorities



**However, 2050 is a
long time from now.**

**What if we focus on
the next 10 years?**

Based on your priorities, we have created three potential futures.

System in a state of good repair; maintenance done on-time; pre-pandemic service; 20% service increase; 5-minute network implemented; streets are safer and accessible to all.

System in a state of good repair. Maintenance and asset replacement done on-time. Return to pre-pandemic service in 2023. System is not expanded.

A mixture of core infrastructure, enhancements and expansion. Return to pre-pandemic service in 2023. Infrastructure replacement backlog does not grow.

Implementing SF Vision



Focus on State of Good Repair



Balanced Approach



Over the next 10 years, the gap
will be \$1.04B per year on average



\$1.04B/Yr Gap

Implementing
SF Vision



Even with a balanced approach, there's still a projected funding gap of \$300M per year over the next 10 years

\$1.04B/Yr Gap

Implementing
SF Vision

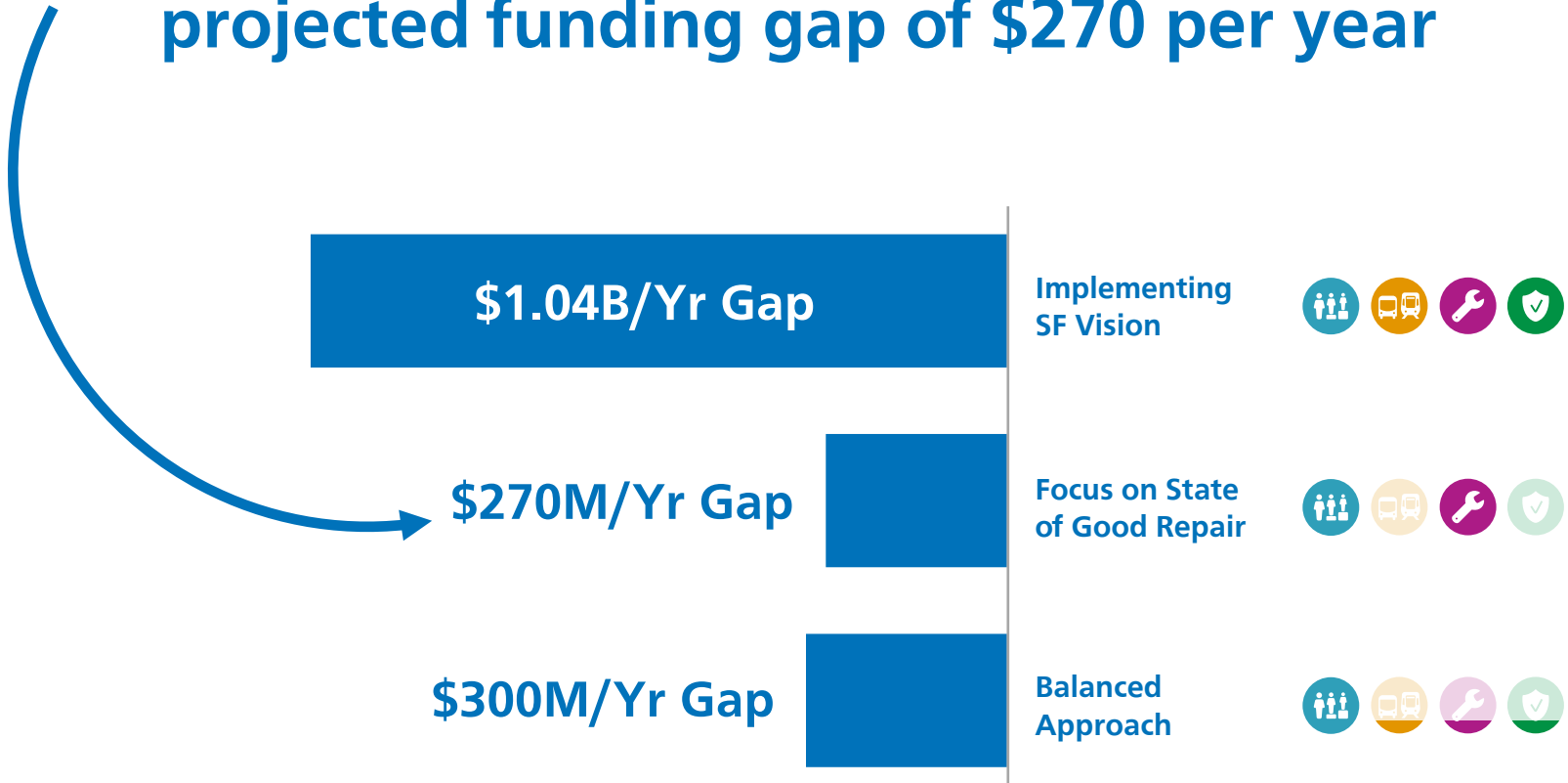


\$300M /Yr Gap

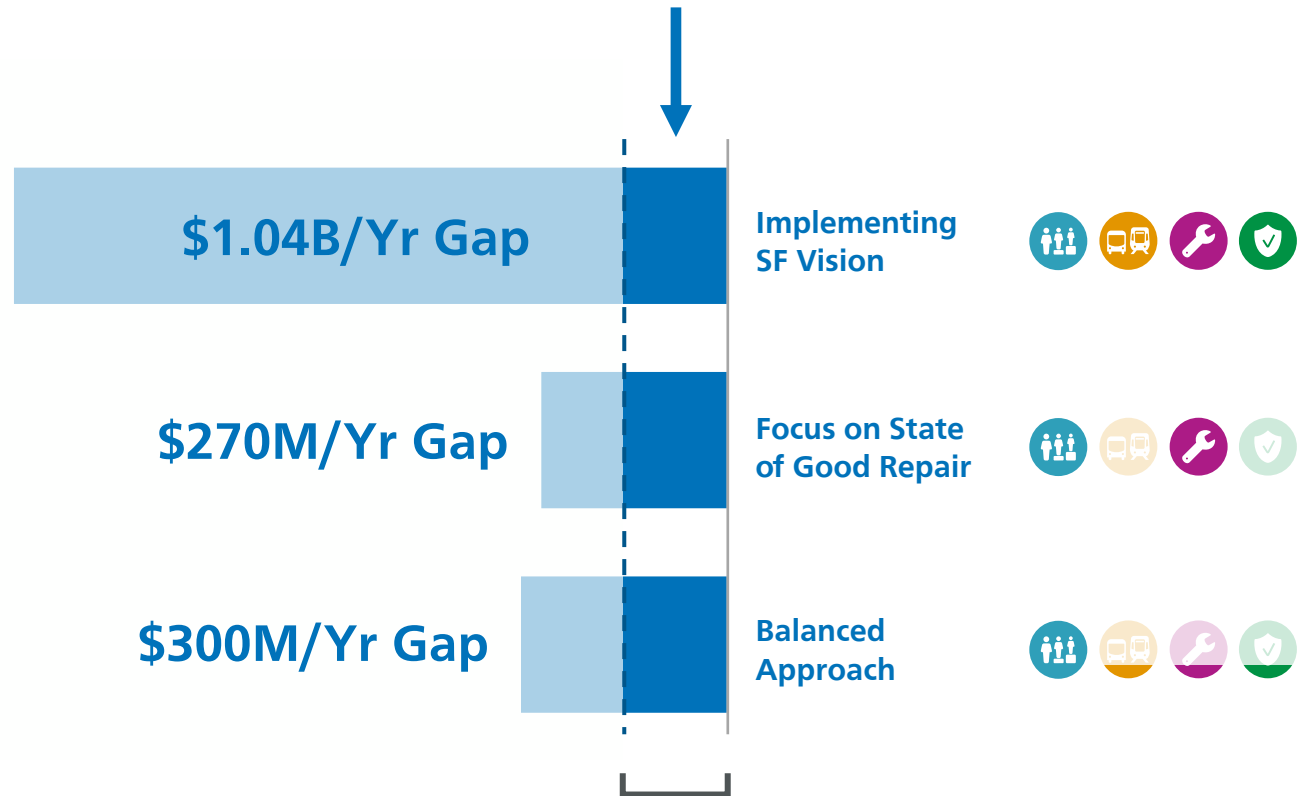
Balanced
Approach



If we focus instead primarily on the State of Good Repair backlog, we end up with a 10-year projected funding gap of \$270 per year



We've identified some new potential revenue sources, which combined could amount to \$149M per year



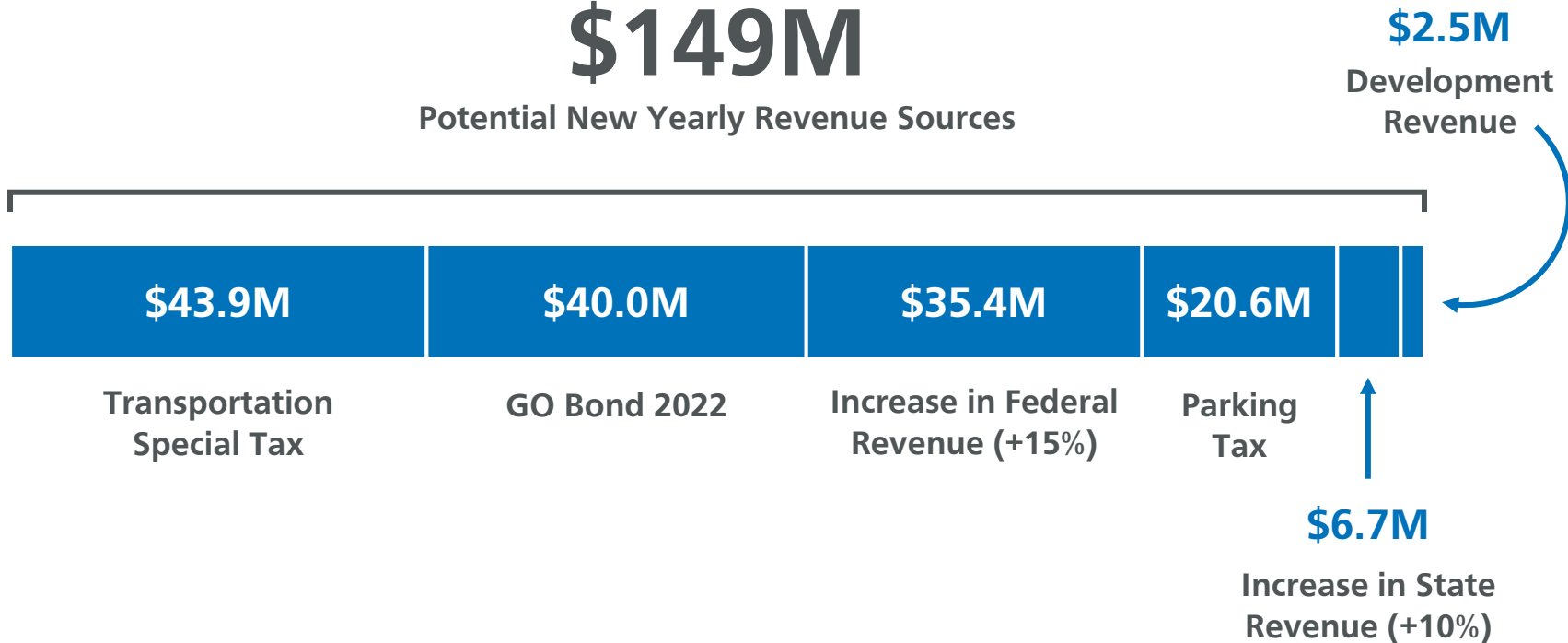
\$149M

Potential New Yearly Revenue Sources

These potential new revenue sources are:

\$149M

Potential New Yearly Revenue Sources



These potential new revenue sources are:

Source	Benefits	Short Term \$/yr	Long Term \$/yr
Transportation Special Tax	Dedicated tax for transportation, providing a predictable stable source for transit service and maintenance. May be bonded against for near-term capital infrastructure investment, reducing long term maintenance.	\$50 m/yr	\$60-70/yr
Parking Tax	Increase existing San Francisco Parking Tax with opportunities to reform or modify for transportation infrastructure, transit service and maintenance.	\$20m/yr	Declining
CCSF General Obligation Bond Program	The SFMTA as part of the City GO Bond Program has allowed for critical infrastructure investment, safety improvements and transit reliability investments – reducing the cost of operations and long-term maintenance.	\$40 m/yr	\$50 m/yr
Federal Grants	The current proposed bi-partisan Infrastructure Bill provides opportunities for increased Federal support for up to 5-years for transportation infrastructure and maintenance campaigns.	\$35 m/yr	\$40 m/yr
State Grants	The current State budget designates significant additional dollars to transportation available through grants for transportation infrastructure.	\$7 m/yr	Unknown
Development Revenue	Development of SFMTA properties provide significant long-term opportunities to produce revenues that can go directly toward transportation infrastructure, transit service and maintenance.	\$5 m/yr	\$25-35 m/yr

With these new sources, we can fund nearly 2/3 of our vision for San Francisco over 30-years.



\$111.3B

What the vision will
require us to spend over
30-years

\$70.2B

We will spend over the
next 30-years

**63% funded
with new
funding sources**

(\$41.0B)

T2050 Funding Gap
Cumulative total over 30-years

37% funding gap

And over 2/3rd of the vision... over 10 years



INVESTING
EQUITABLY



Fast and
Convenient
Transit



More Repairs
and
Maintenance



Improving
Safety
and Access

\$27.8B

What the vision will
require us to spend over
10-years

\$18.8B

We will spend over the
next 10-years (all sources).

**68% funded
with new
funding sources**

(\$9.0B)

T2050 Funding Gap
Cumulative total over 10-years

32% funding gap

But we can still accomplish a lot ...

By prioritizing near-term, high-impact investments



Thank You.

San Francisco

TRANSPORTATION 2050



Appendix.

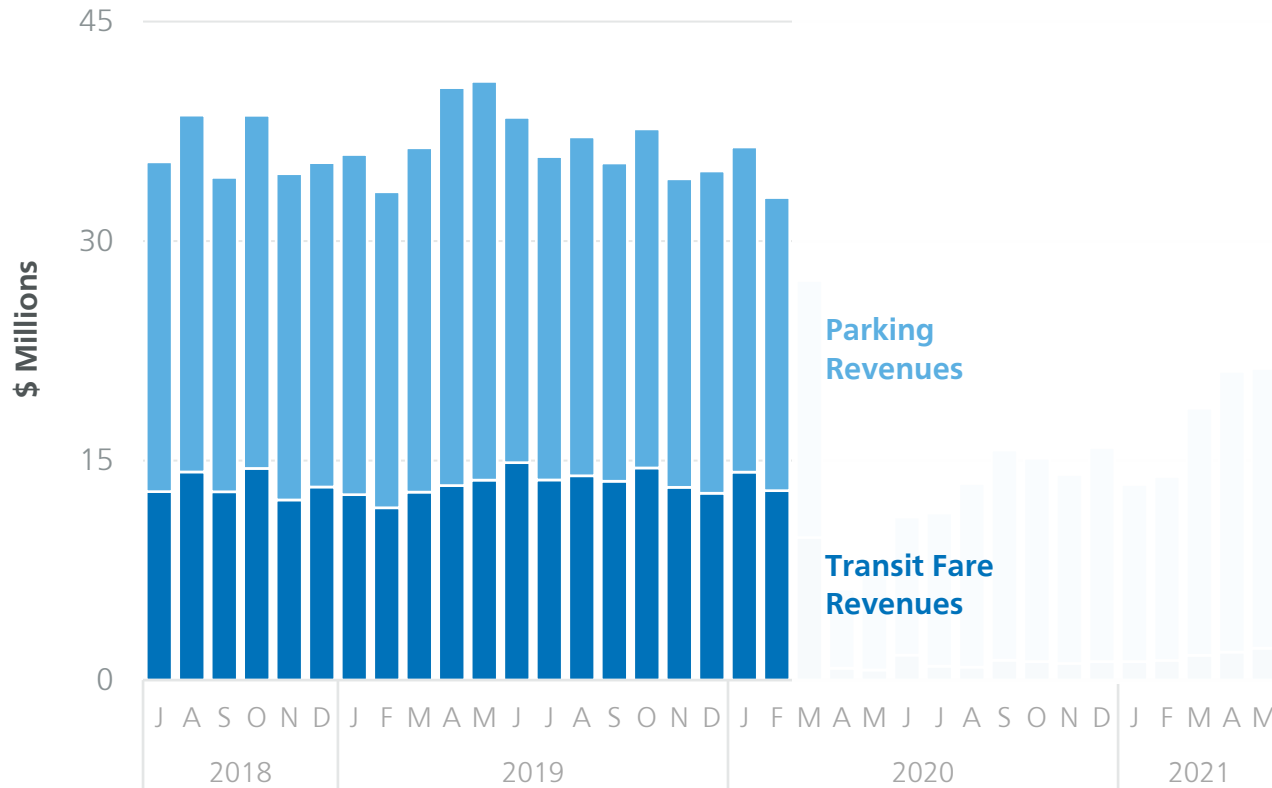
San Francisco

TRANSPORTATION 2050

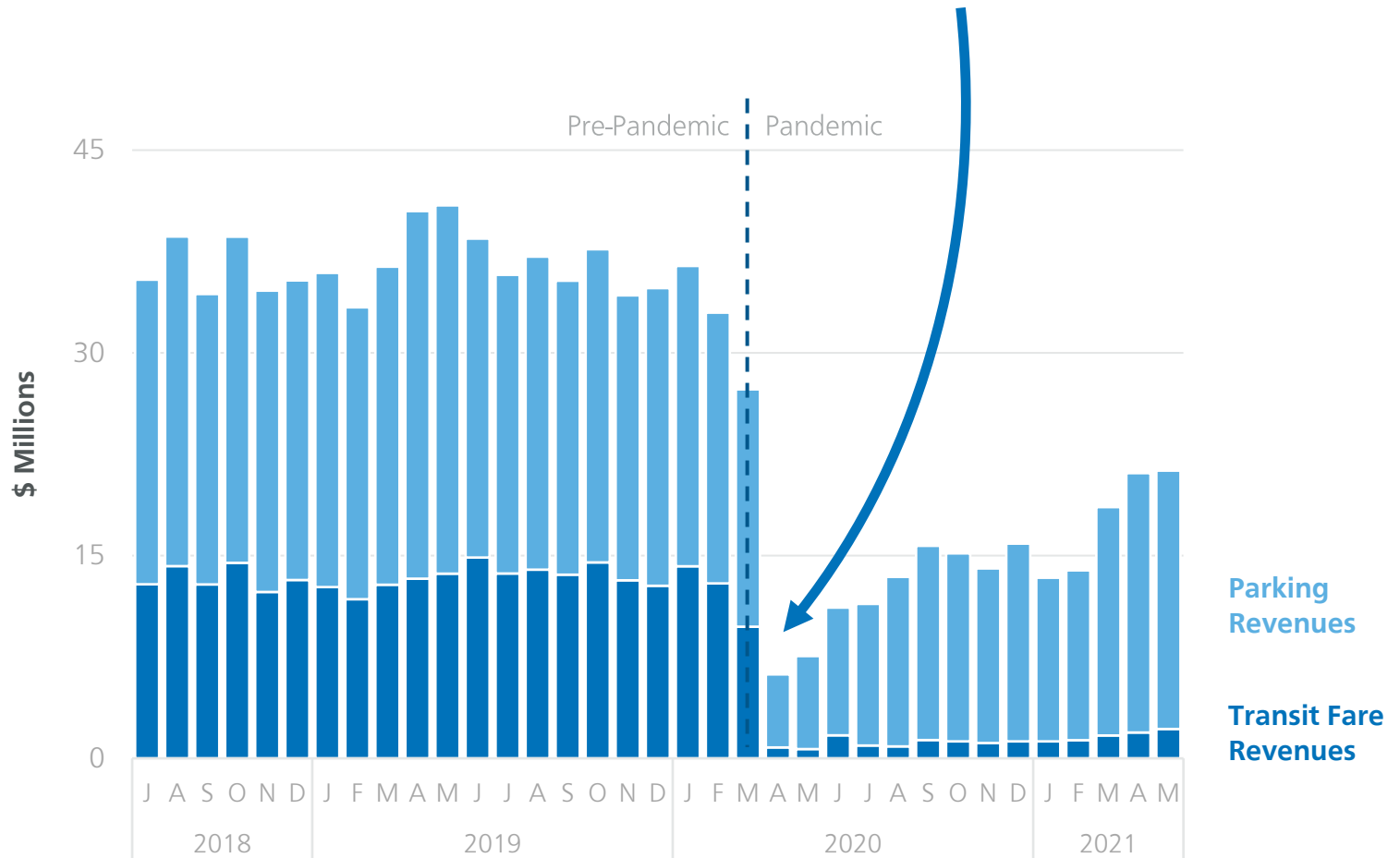


Impacts of COVID-19 / FY19/20

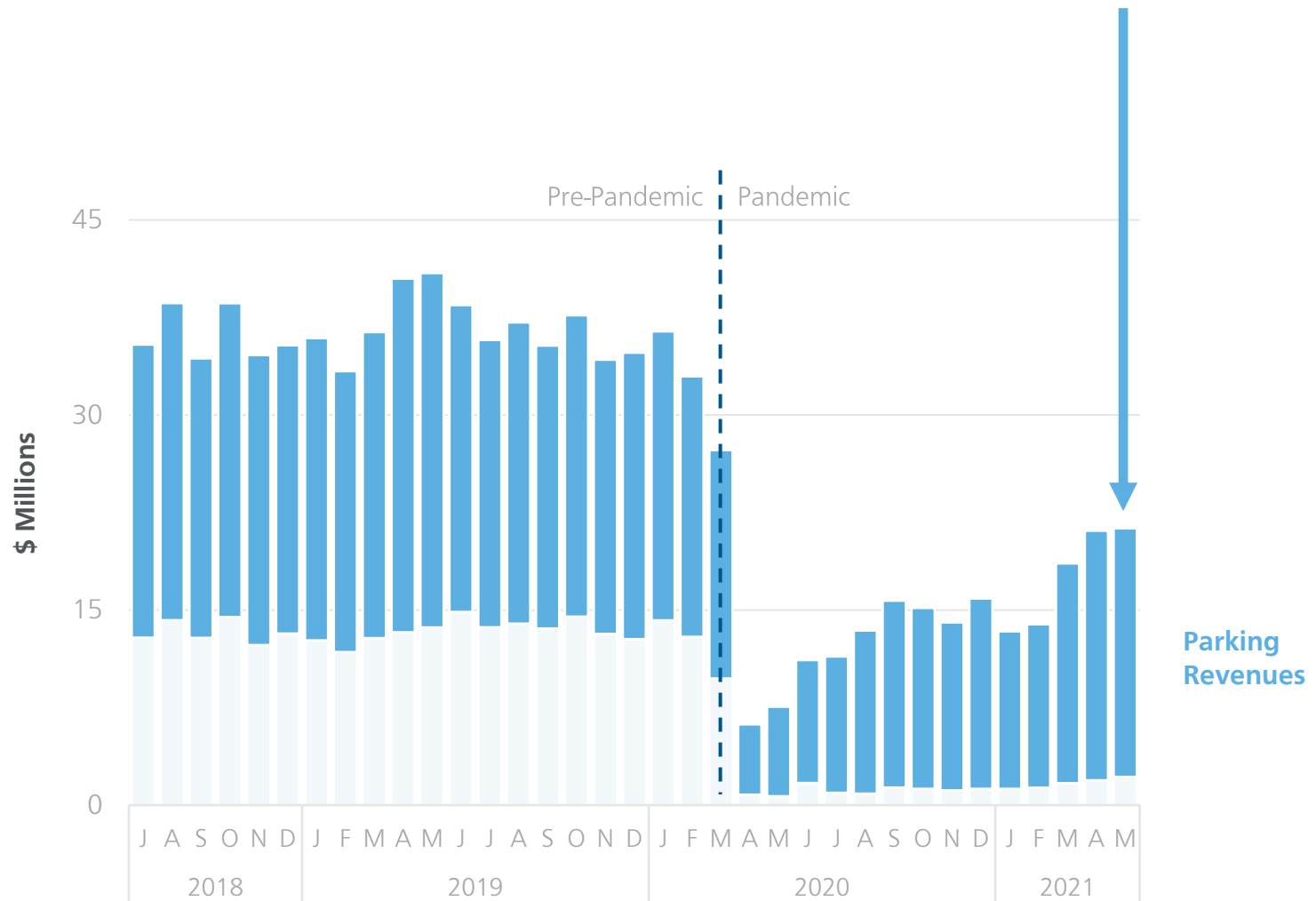
Parking and transit revenues were relatively flat in the months leading up to February 2020



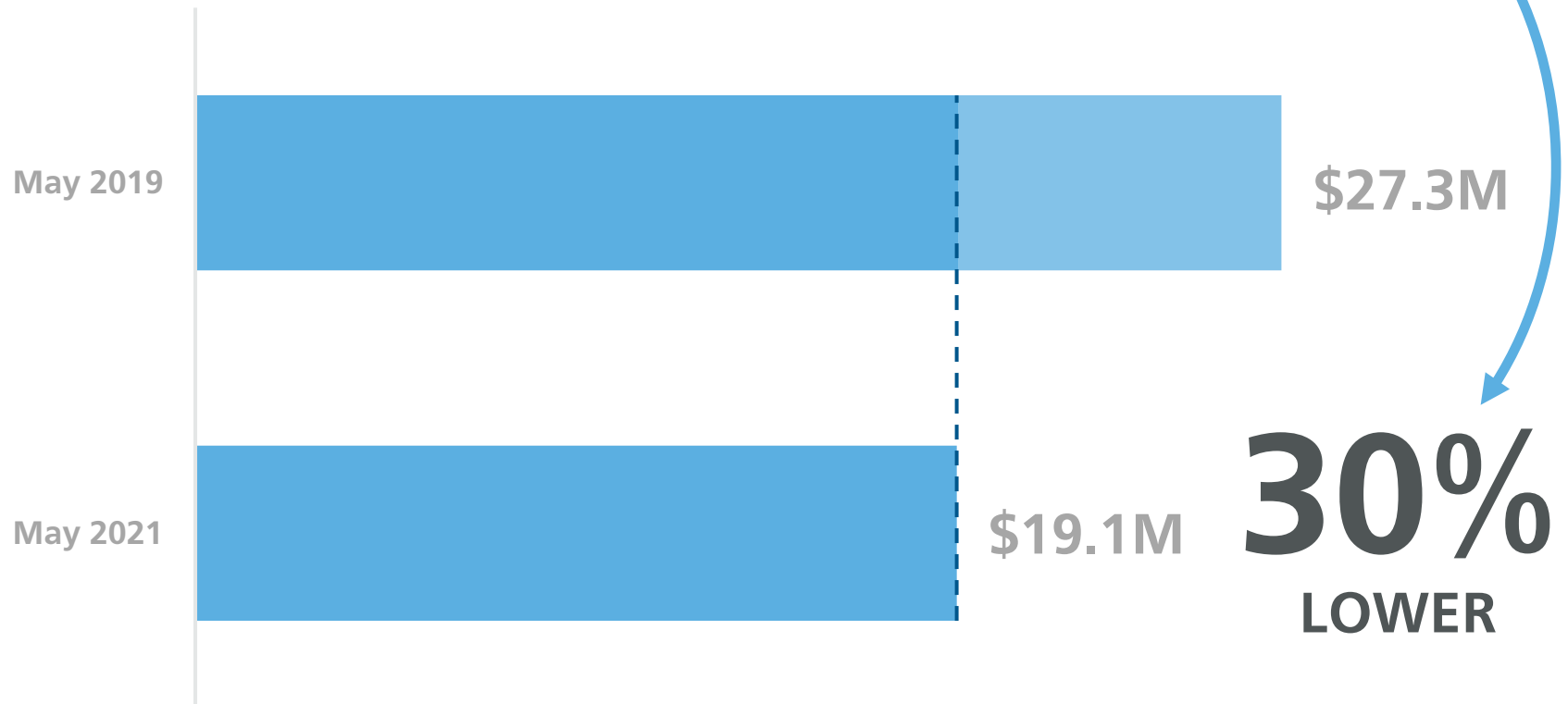
But after March 2020, the pandemic cratered both revenue sources



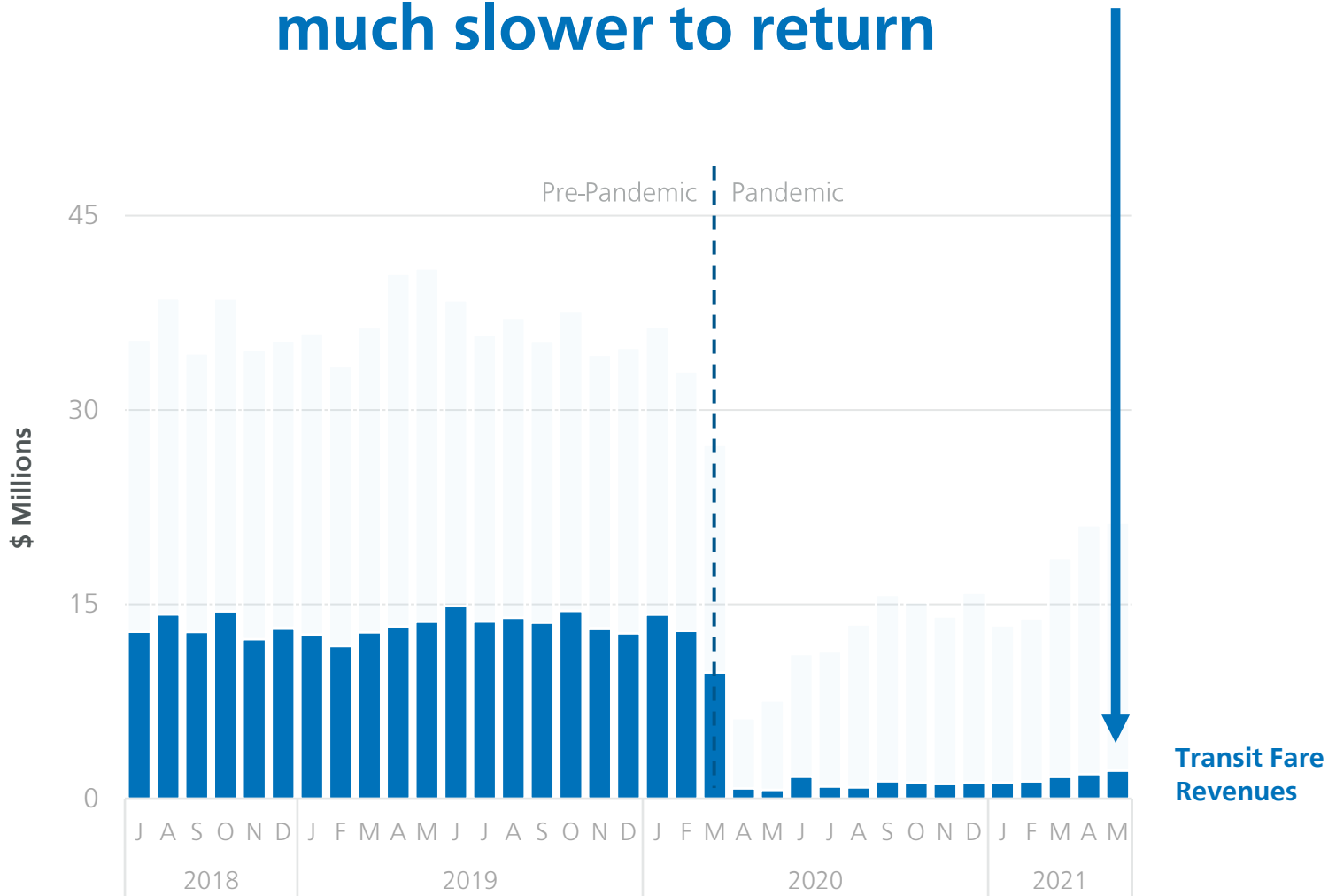
Parking revenue has partly bounced back



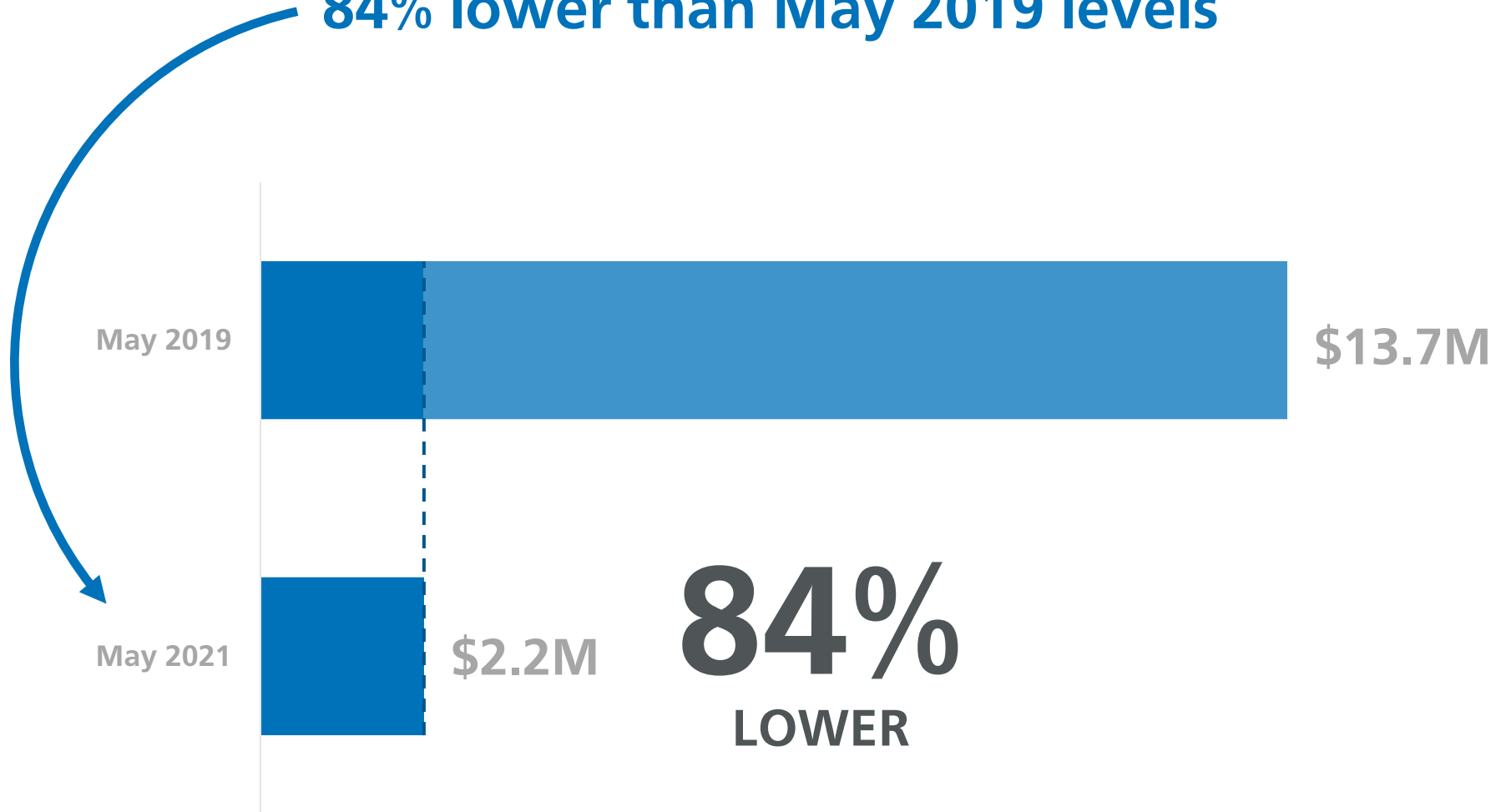
But May 2021 parking revenues were
30% lower than May 2019 levels



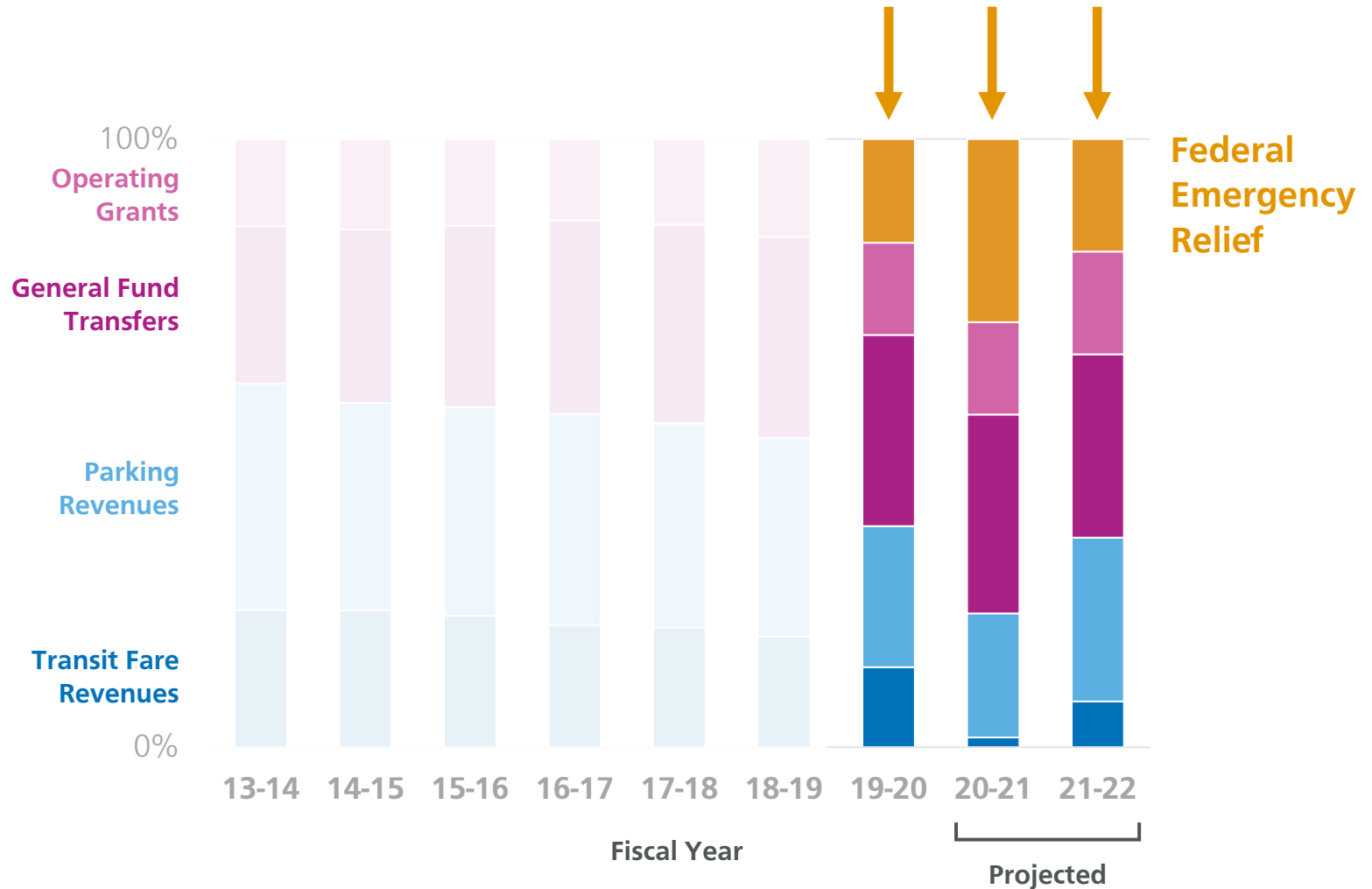
Meanwhile, transit revenues have been much slower to return



**May 2021 transit revenues were
84% lower than May 2019 levels**

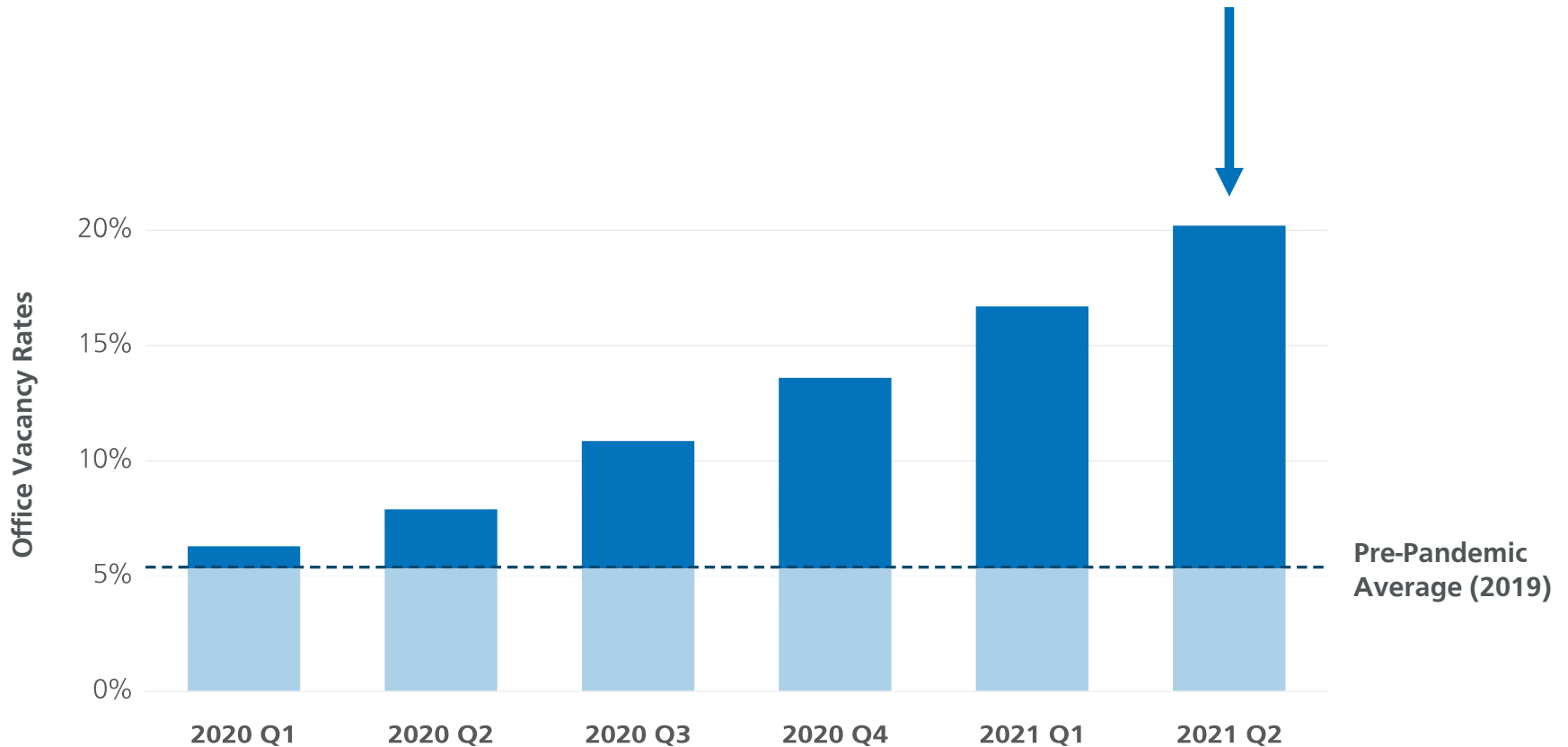


In the near term, federal emergency relief funding will be a necessary stopgap



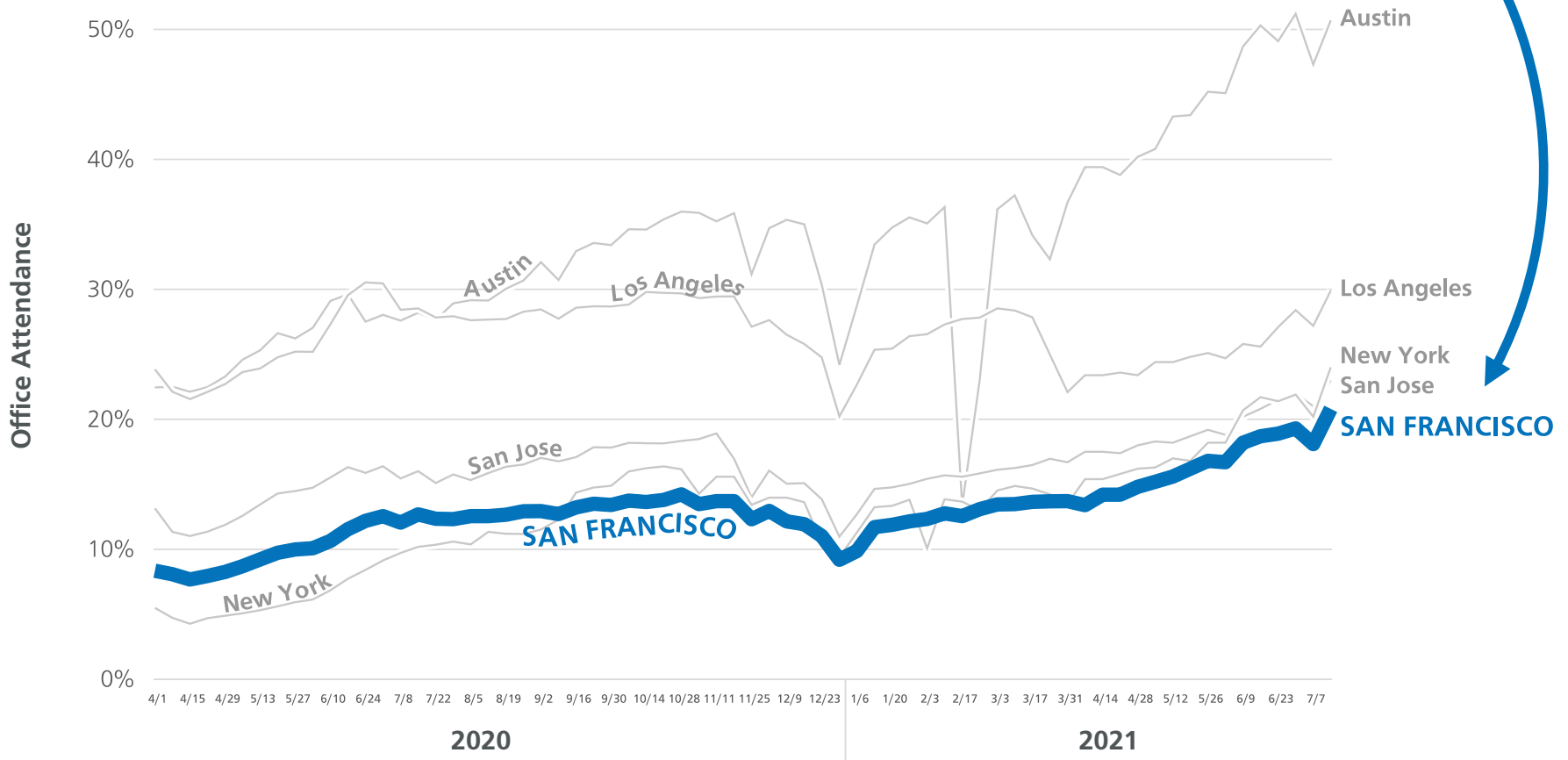
All signs point to a slow recovery for Downtown San Francisco

Q2 saw a “further rise in office vacancy” in San Francisco, which were already at historic highs



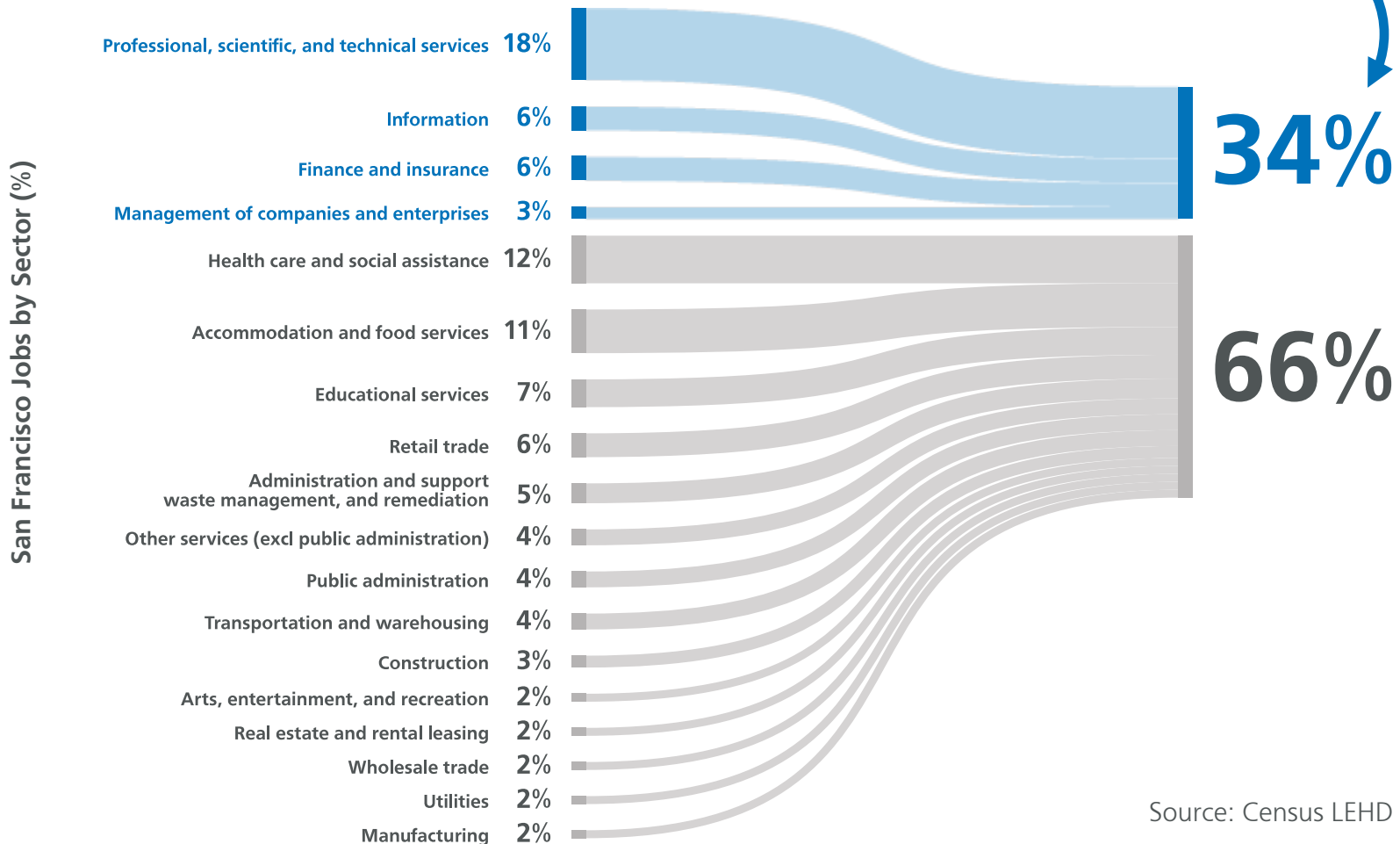
Source: Jones Lang LaSalle, via [SF Office of the Controller](#)

"SF Metro lags" comparable metro areas in office attendance



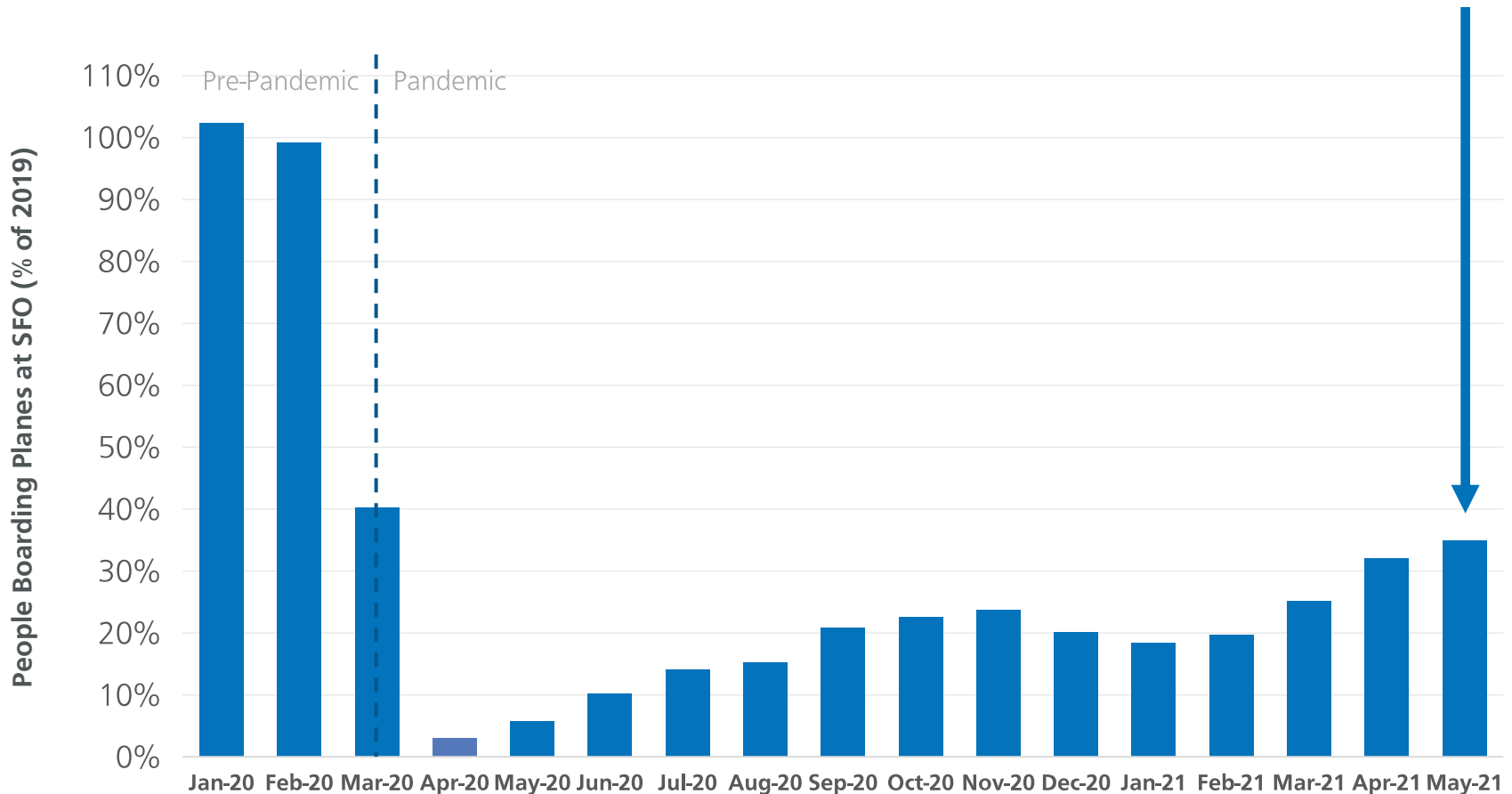
Source: Kastle Systems, via [SF Office of the Controller](#)

More than one-third of all jobs in San Francisco are in sectors that are well-suited to working from home



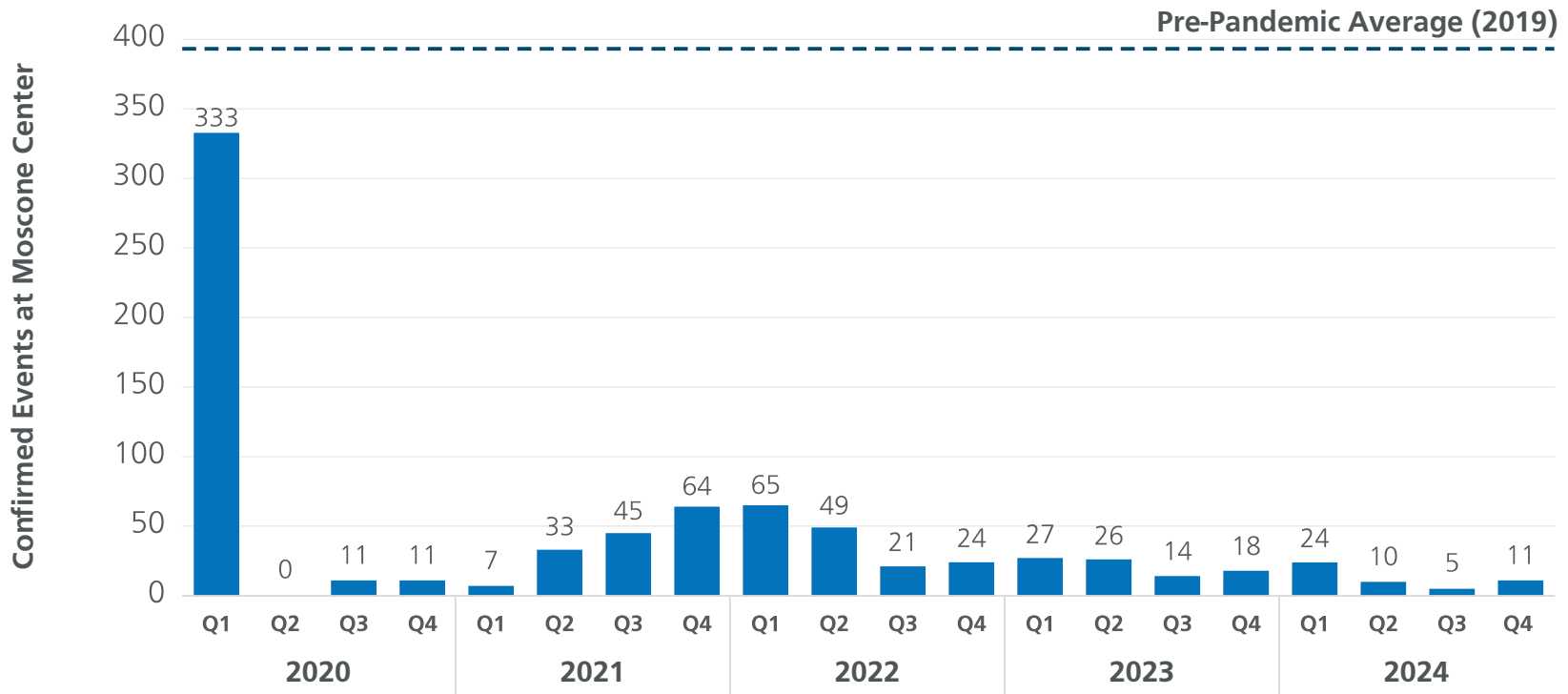
Source: Census LEHD (2018)

The number of people boarding planes at SFO was “well below normal” as of May 2021



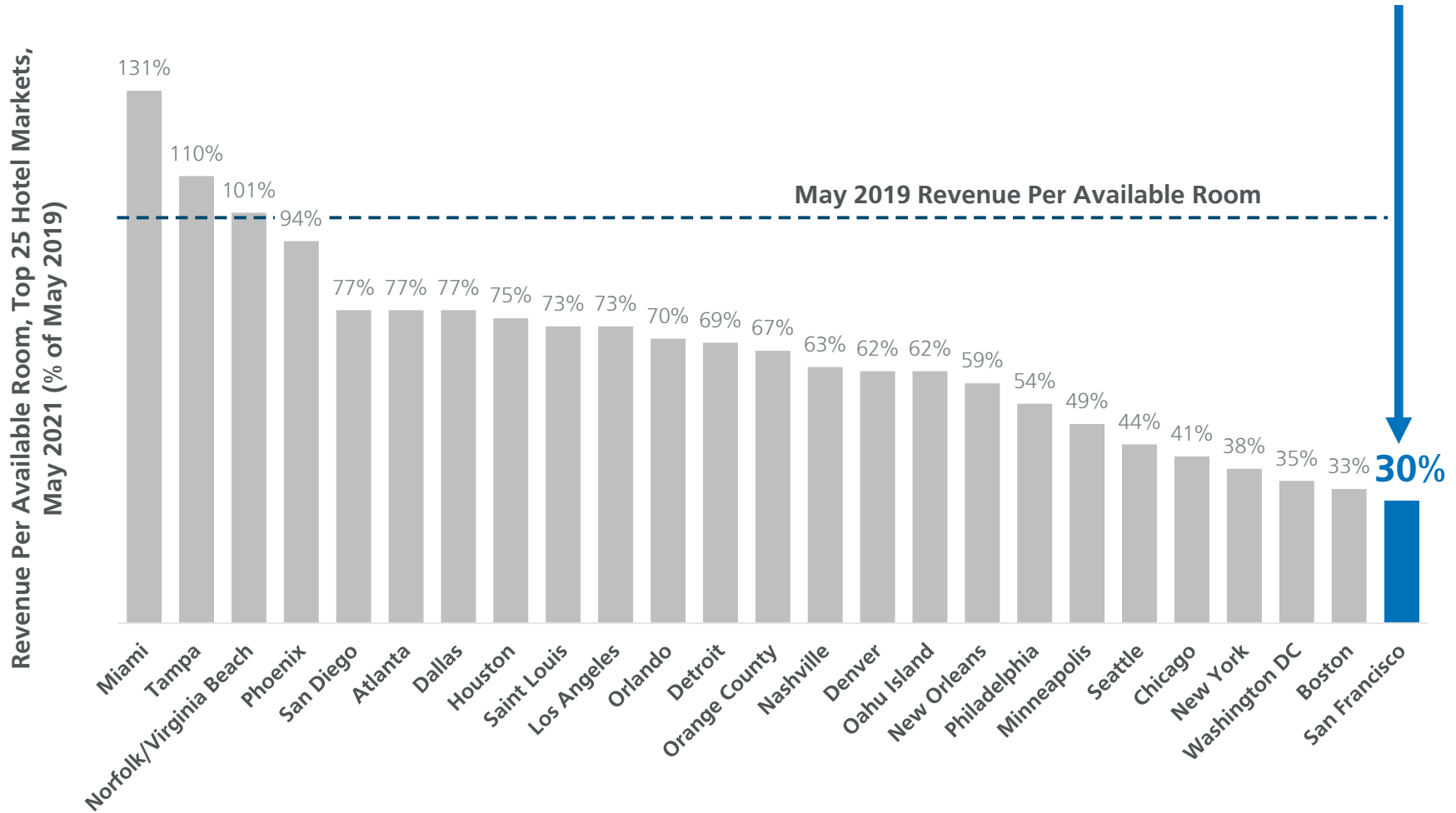
Source: San Francisco International Airport (SFO), via [SF Office of the Controller](#)

Future bookings at the Moscone Center significantly below pre-pandemic levels



Source: SF Travel, via [SF Office of the Controller](#)

San Francisco's hotel recovery is the worst in the nation—30% of pre-pandemic levels as of May 2021



Source: [American Hotel & Lodging Association](#)

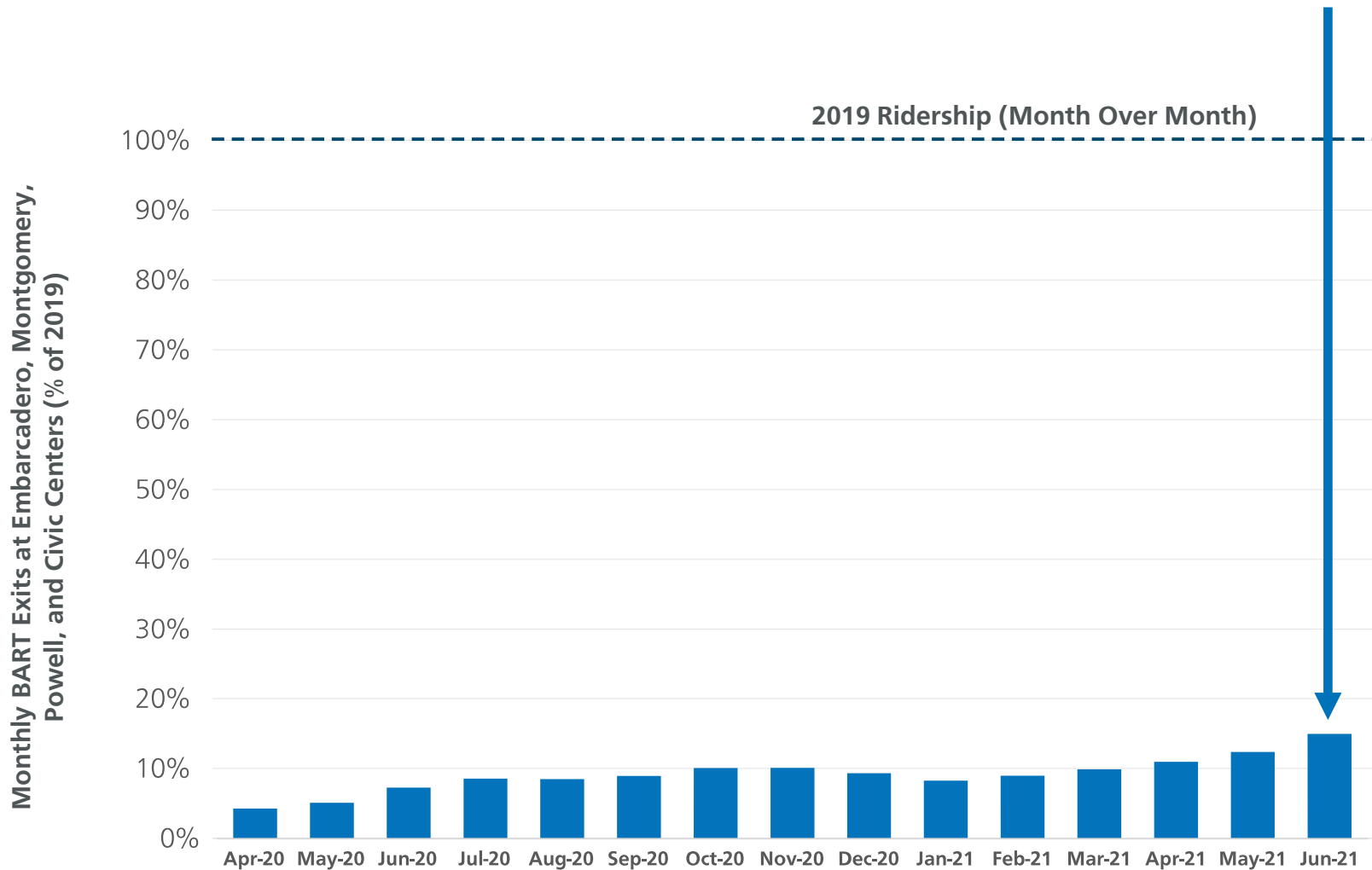
Visitor spending “will not be back to 2019 levels before 2025”

Outlook for the future

San Francisco Travel expects that the situation will gradually improve moving forward. Overall visitation to the city is forecast to reach 15.3 million in 2021. Overall visitor spending is expected to grow from \$2.1 billion in 2020 to \$3.5 billion in 2021. Total visitation is anticipated to return to pre-pandemic levels by 2023. Spending will not be back to 2019 levels before 2025 due to a slower recovery of international visitors and average rate in the city.

Source: [SF Travel](#)

"BART ridership returning, but still below normal"



Source: BART, via [SF Office of the Controller](#)

ConnectSF Reference Slides

ConnectSF Background

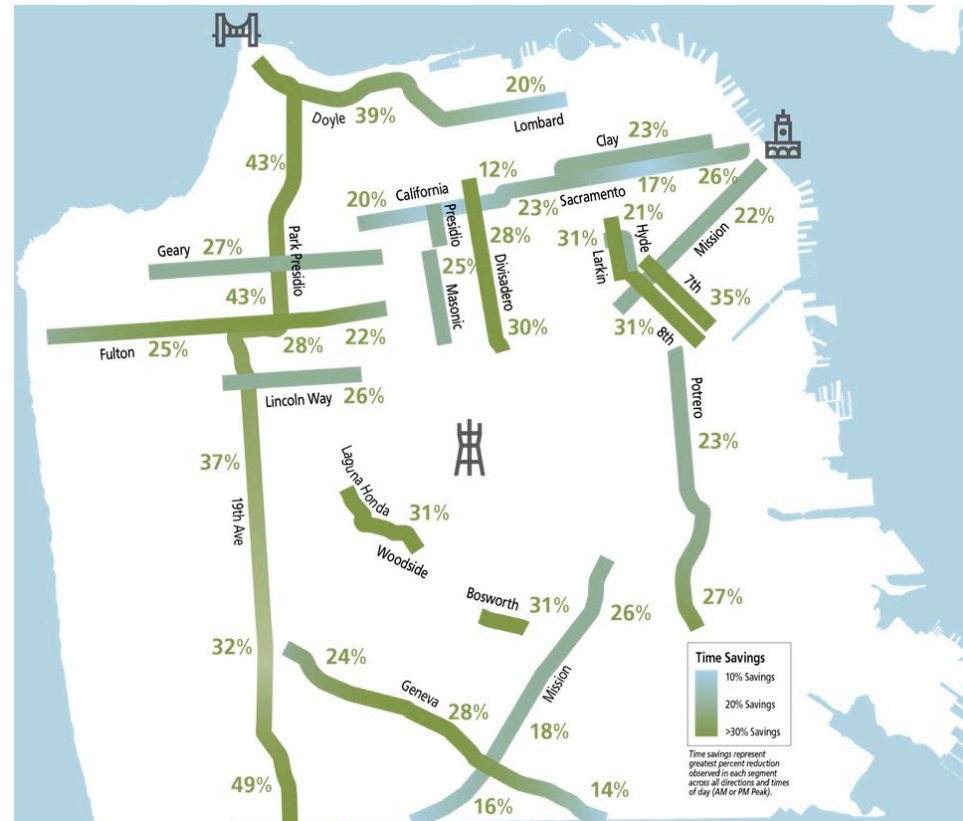
ConnectSF is a multi-agency process to build an effective, equitable, and sustainable transportation system for San Francisco's future



2

Preserve Travel Time Savings

When the pandemic began, congestion on our streets vanished, demonstrating the time savings riders get when buses aren't stuck in traffic.



3

Renew and Modernize Our Rail System

Subway renewal addresses crowding and congestion

Envisions the next generation of subway service for San Francisco

Upgrades such as a new train control system will allow **four-car trains** and **consistent, predictable service**.



3 Build A Complete Network for Walking and Biking



Transit Survey Information

- Distributed via ConnectSF and related project email lists
- Paid distribution through community organizations
- Offered individual community group meetings
- Available in four languages – English, Chinese, Spanish, and Filipino
- 549 completed responses
- 3 main questions on long-range transit trade-offs, reasons why you made that choice, and an open-ended question

Initial Survey Response Summary

- All components of the strategy were popular
 - Making the system work better
 - Five Minute Network
 - Rail Modernization
 - Rail Expansion
- Five Minute Network and Major Rail Investments received the most 1st choice votes (~40% each)
 - Many said “do both”, reinforcing the need to build quick, low-cost transit improvements while we advance the long-term rail projects
- 70% listed Rail Modernization as 1st or 2nd choice

Transit Investment Strategy Timeline

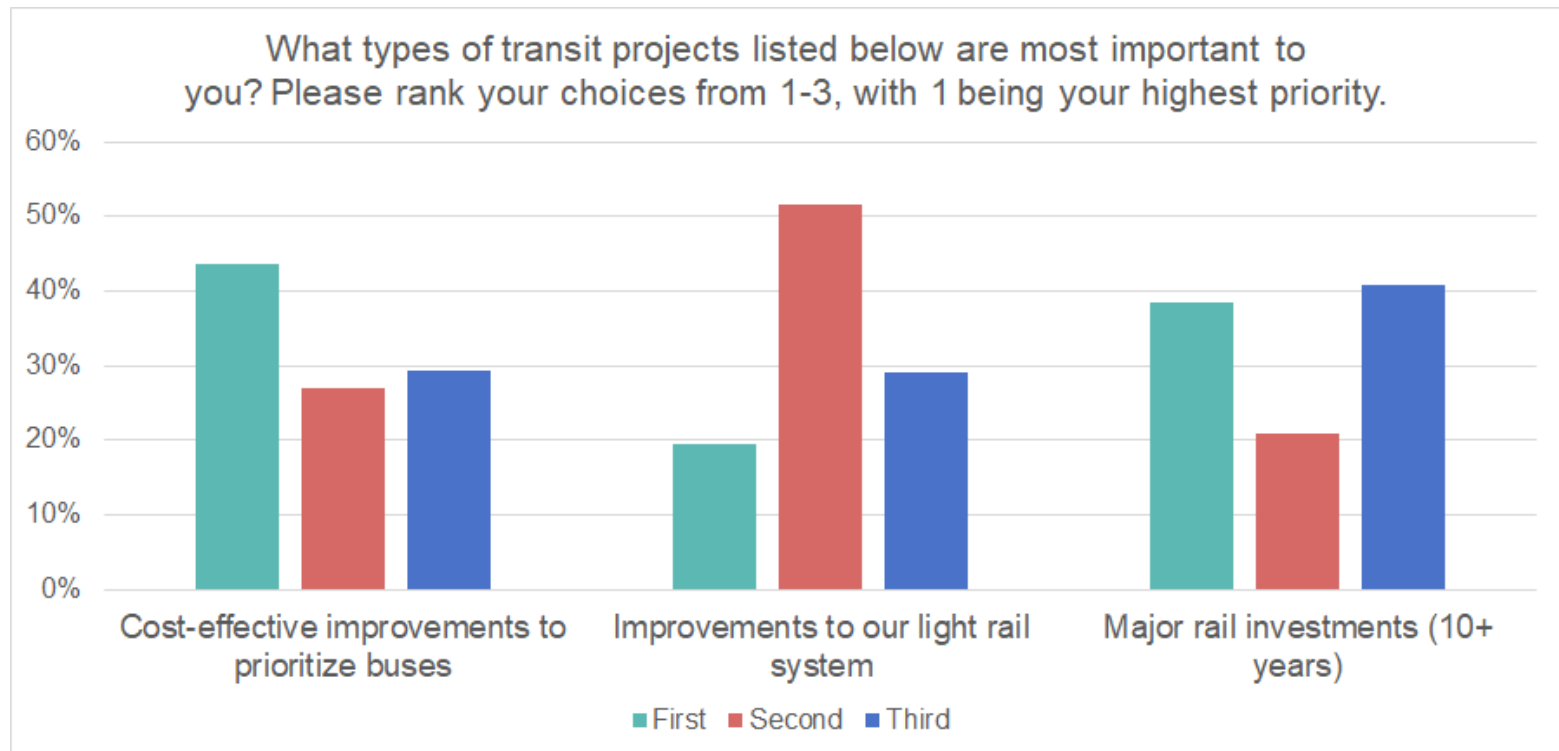
Transit Investment Strategy Storymap remains available for public viewing

Staff available to present to community groups and other online meetings upon request

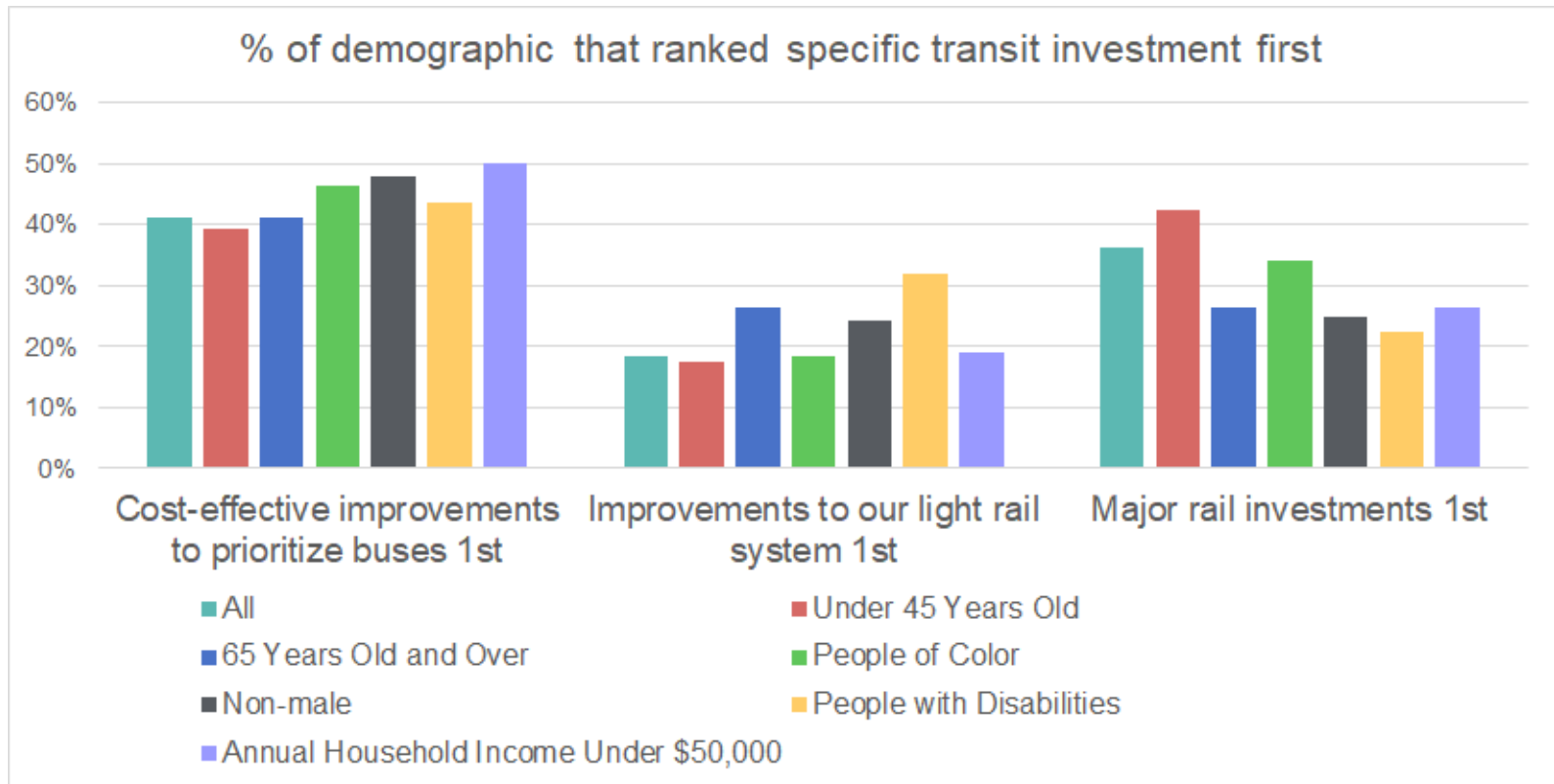
Outreach results being incorporated in Transit Corridors Study Report

Anticipated publication of report in Fall 2021

All Transit Strategy Components were Popular



Grouped responses by demographics





2022 Muni Reliability and Street Safety Bond

IMPROVED SAFETY, RELIABILITY, ACCESS, AND
EQUITY FOR SAN FRANCISCO





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Improve Street Safety and Traffic Flow	16
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10-YEAR CAPITAL PLAN	24



ONESF
Building Our Future

2022 MUNI RELIABILITY AND STREET SAFETY BOND OVERVIEW

The City and County of San Francisco is proposing a \$400 million Transportation General Obligation (GO) Bond for the June 2022 ballot to fund critical transit, safety programs, and infrastructure. Public transit operations and transportation infrastructure are vital to San Francisco's economic vitality, environmental sustainability, and cultural diversity. They make San Francisco more equitable by opening up opportunities for seniors, people with disabilities, people of color, and low-income San Franciscans, who have the fewest transportation options and rely on Muni, walking, and bicycling.

The 2022 Muni Reliability and Street Safety Bond consists of the following program components to support the city's transportation system:

BOND COMPONENT	BUDGET
Make the Transportation System Work Better	
Speed up Muni repairs and keep public transit moving by repairing, upgrading, and maintaining aging bus yards, facilities and equipment	\$250 million
Enable faster, more reliable, and more frequent Muni service by improving on-street infrastructure for public transit	\$26 million
Increase subway capacity, reduce delays, and deliver dependable, high-frequency transit by modernizing the Muni train control system	\$10 million
Improve Street Safety and Traffic Flow	
Improve safety and visibility at intersections by upgrading traffic signals, signage, and crossings	\$42 million
Increase safety for walking and bicycling and access for Muni connections along major corridors by redesigning streets and sidewalks	\$42 million
Slow speeds and reduce crashes by implementing traffic calming and speed reduction tools	\$30 million
TOTAL	\$400 million



BACKGROUND AND NEED

As we recover from the COVID-19 pandemic, we need to ensure that everyone in the city has access to transportation options that are safe, reliable, rapid, and affordable. We need to provide the same high-quality services and options to residents who live in historically underserved communities as we do elsewhere in the city. This is only possible when San Francisco has the resources needed to modernize, upgrade, and evolve to meet our city's transportation needs.

Over the last 20 years, the demands on San Francisco's transportation system have grown and revenues from transit fares and parking fees have not kept up. The COVID-19 pandemic worsened this problem. Over the last eight years, two mayoral transportation task forces made up of community leaders (Transportation 2030 and Transportation 2045) identified urgent transportation needs and developed recommendations to build a reliable transportation system that works for all and creates a stable financial base for Muni. This community-driven vision is the foundation for Transportation 2050, which outlines the resources needed to achieve it.

The Muni Reliability and Street Safety Bond is one of the community's recommended strategies to invest in the transportation system. This Bond is a needed funding source to make public transit work better, improve street safety, and meet the long-term needs of the city, but it is only one piece of the funding puzzle.

Under-investment in transportation has been a decades-long trend that can't be fixed with any single revenue source. Existing transportation funding draws on multiple local, state and federal sources, each of which can be uncertain. For example, funding from the city's Proposition K transportation sales tax or local and federal grants make improvements to our streets and public transit but are not enough to address the larger need.

Transportation 2050 considers a package of revenue sources over a number of years to sustain a more reliable, affordable and safer transportation system. Through a combination of local ballot measures, continued state and federal grants and the development of SFMTA properties, we can put our transportation system on firmer financial footing.

The Muni Reliability and Street Safety Bond is dedicated local funding that is an essential step to meeting San Francisco's transportation needs.

A VISION FOR TRANSPORTATION

The Muni Reliability and Street Safety Bond priorities and programs tie directly into the needs identified in the city's transportation vision developed through [ConnectSF](#). ConnectSF worked extensively with residents, community and business groups, youth organizations, and other stakeholders to create a vision for San Francisco: a growing, diverse, equitable city with transportation options that are accessible and affordable to all.

The community vision emphasizes making the current public transit system work better by:

- Repairing and replacing our most heavily used infrastructure, while addressing our backlog of maintenance work.
- Supporting a fast, frequent network of Muni routes with on-street improvements like transit lanes, traffic signal adjustments, and bus bulbs and boarding islands to make sure buses are reliable and not stuck in traffic.
- Rebuilding our aging rail network and expanding the critical infrastructure that keeps Muni Metro trains moving.
- Building new rail lines on corridors with overcrowded buses.

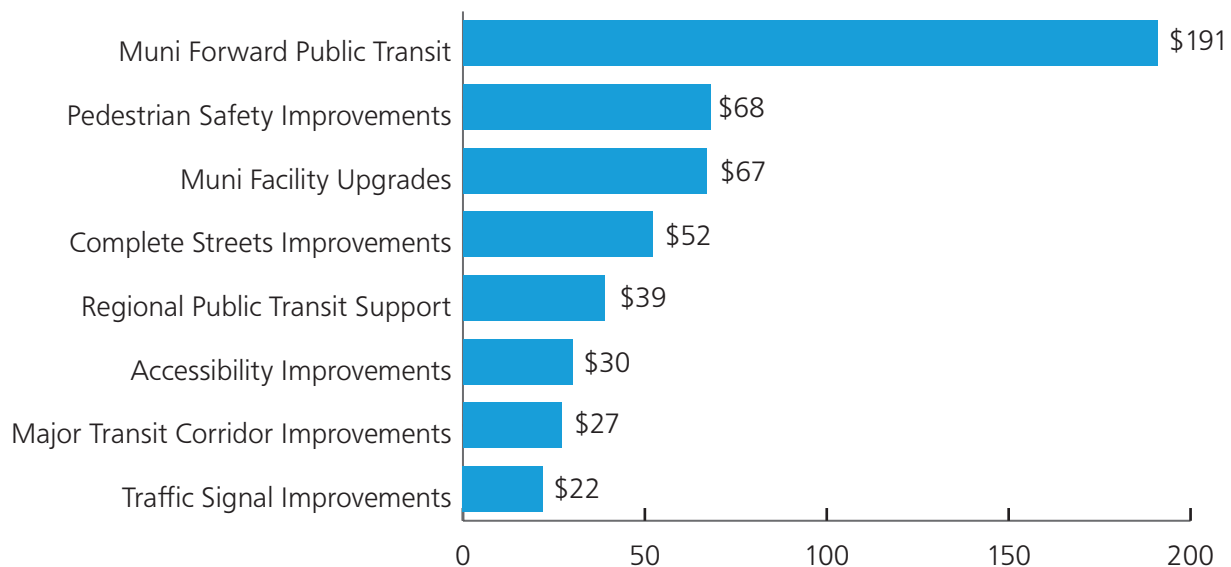
Safety is prioritized on city streets, with the goal of building a complete network for walking and bicycling and developing comprehensive speed management.

BUILDING ON SUCCESS

In 2014, voters approved a Transportation and Road Improvement General Obligation Bond to fund critical repairs and upgrades to the city's transportation system. We've made a lot of progress, but there is still more to do. This Bond will build on the success of the first to continue this important work.

Here's what we've funded with the 2014 GO Bond so far:

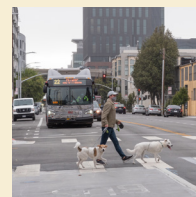
2014 GO Bond Summary by Investment Category (\$M)



Here are some examples of what that funding has done for San Francisco:

Muni Forward Public Transit Improvements

- ☑ **Reduced travel time and increased ridership on the 5 Fulton and 5R Fulton Rapid.** We installed wider sidewalks at bus stops, new traffic signals, and safety improvements for people walking in Western Addition and east of 6th Avenue.
- ☑ **Improved transit and amenities for the 22 Fillmore on 16th Street.** We put in transit lanes and traffic signals to keep buses out of traffic, and installed bus shelters, bulbs and islands, accessible pedestrian signals, crosswalks, and trees.



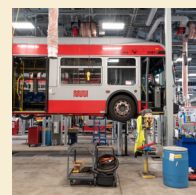
Pedestrian Safety Improvements

- ☑ **Made intersections safer.** We extended the sidewalk at 19 intersections on the High Injury Network (for more on the High Injury Network, see page 8).
- ☑ **Improved the safety of passengers getting on and off trains, increased accessibility, and improved the reliability of the L Taraval.** We and rehabilitated water and sewer infrastructure and enhanced landscaping.



Muni Facility Upgrades

- ☑ **Increased capacity of the Muni Metro East Facility.** We added five storage tracks to store more Muni trains and house the next generation of vehicles.
- ☑ **Completed construction of the new Islais Creek Maintenance and Operations Facility.** We built a new facility to store and maintain hybrid buses, resulting in quicker repairs that allow vehicles to get back in service sooner.



Complete Streets Improvements

- ☑ **Improved safety on 7th and 8th Streets.** We put in protected bicycle lanes, curb bulbs, and bus boarding islands on this segment of the city's High Injury Network.
- ☑ **Enhanced safety and livability in the Tenderloin.** We widened sidewalks, installed new traffic signals, repainted crosswalks, and added other amenities to the street and sidewalk on Taylor Street between Turk and Ellis.



Regional Public Transit Support

- ☑ **Supported the installation of canopies at BART station entrances.** Canopies shelter subway entrances, protect escalators, and display transit information.
- ☑ **Supported Caltrain system upgrades.** Infrastructure upgrades support an electric fleet and improves efficiency, capacity, safety, and reliability of the rail service.



Accessibility Improvements

- ☑ **Made crossing the street safer with accessible street crossings.** We installed accessible (audible) pedestrian signals to help people with visual impairments cross at 12 intersections on Potrero Avenue.



Major Transit Corridor Improvements

- ☑ **Improved transit reliability and pedestrian safety on Geary Boulevard.** We put in transit lanes, modified bus stops, and upgraded traffic signals to reduce delays and improve efficiency. We also installed accessible pedestrian and countdown signals, crosswalks, and curb ramps, and upgraded the center median.



Traffic Signal Improvements

- ☑ **Upgraded traffic signals to prevent collisions on the High Injury Network.** We put in new or improved traffic signals at more than 28 intersections and added pedestrian countdown signals to 15 High Injury Network corridors.



WHAT DOES THIS GO BOND MEAN FOR YOU?

We heard from San Franciscans via community surveys, public meetings, and public hearings. You told us to prioritize keeping Muni equipment and facilities working efficiently, providing quick and convenient transit access to all parts of San Francisco, increasing and improving Muni service for communities that depend on transit, and ensuring Muni service is inclusive and accessible to all. You also said street safety improvements for people walking and bicycling are important. We have designed each component of the Bond to deliver on those priorities, and provide the city with the following benefits:



EQUITY

- Affordable travel options
- Improved safety and health in underserved neighborhoods by reducing carbon emissions, slowing vehicle speeds, and dramatically improving bicycle and pedestrian infrastructure
- Increased access to good local jobs with reduced travel times
- Enhanced public transit service in underserved neighborhoods



FAST AND CONVENIENT TRANSIT

- Faster, more convenient public transit connections to destinations across the city and to regional public transit
- Less waiting for the train or bus and fewer delays when you're on board
- A more comfortable public transit ride, with less crowding



MORE REPAIRS AND MAINTENANCE

- Safer intersections with more visible signals for people driving
- Easier street crossings with new curb ramps and pedestrian countdown signals
- More reliable transit service using infrastructure and systems that are in good repair



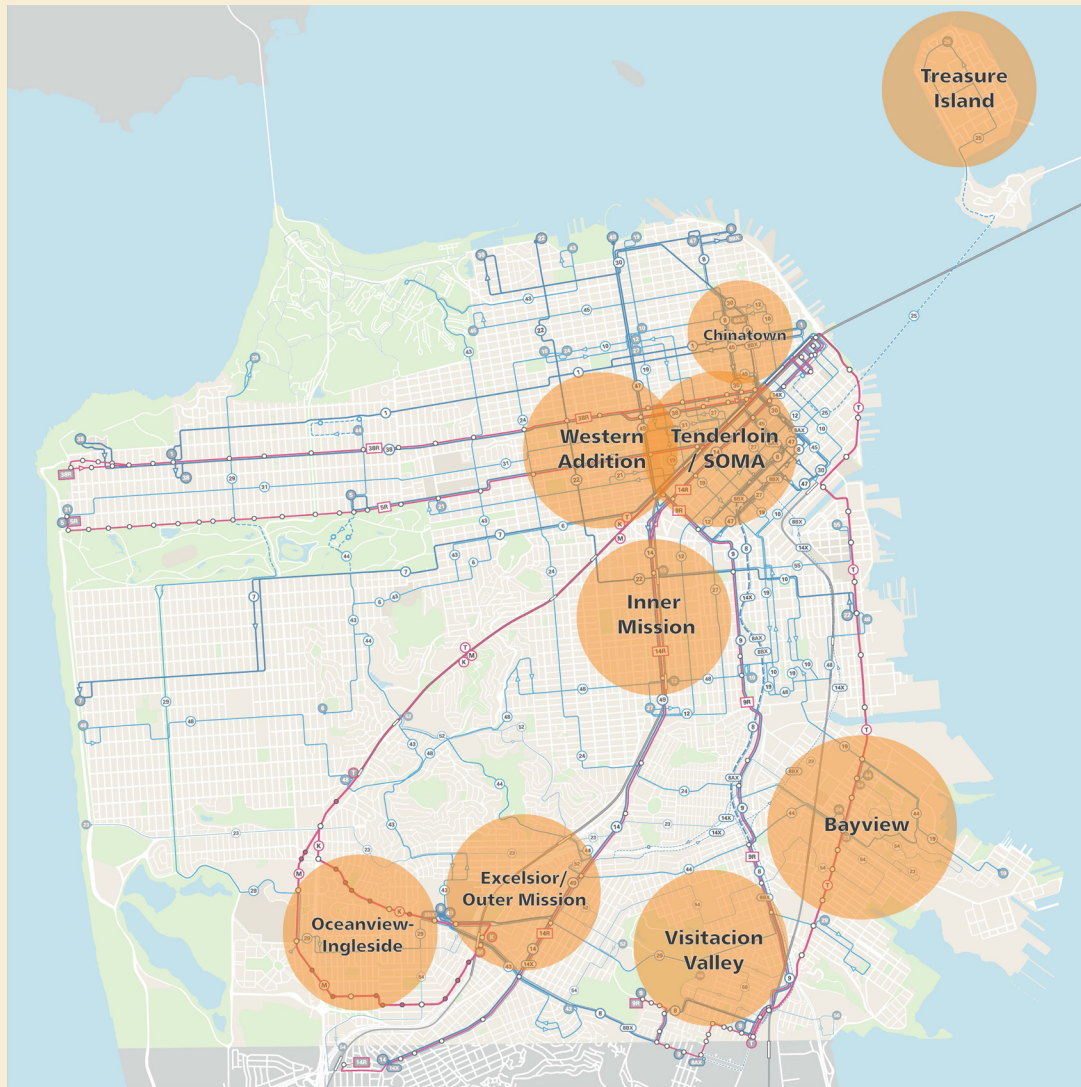
IMPROVING SAFETY AND ACCESS

- Intersection improvements that increase accessibility for people with disabilities
- Improved loading access for business and residences
- Fewer collisions, fatalities, and injuries on our streets

San Francisco's High Injury Network

The City and County of San Francisco adopted a Vision Zero policy in 2014, committing to build better and safer streets, educate the public on traffic safety, enforce traffic laws, and adopt policy changes that save lives. The Vision Zero program has identified a High Injury Network, made up of 13% of San Francisco's streets that disproportionately account for 75% of the city's severe and fatal traffic collisions.

Equity Neighborhoods



The Muni Service Equity Strategy

We are committed to equity in all that we do. This Bond measure is centering the needs of those living in equity neighborhoods – areas where the residents have been historically marginalized or underserved. Components of the Bond support access to jobs and address specific needs in these neighborhoods.

The Muni Service Equity Strategy identifies the areas that are designated as equity neighborhoods. It is a biennial report that is developed to inform and align with the two-year cycle of the SFMTA budget. The initial Equity Strategy (2016) was developed with the help of an Equity Working Group, which included representatives from the following government, non-profit, and community-based organizations: Chinatown Community Development Center, Council of Community Housing Organizations, San Francisco County Transportation Authority, San Francisco Transit Riders Union, Senior Disability Action, Tenderloin Neighborhood Development Corporation, and Urban Habitat. Each edition of the Muni Equity Strategy focuses on improving transit performance in San Francisco neighborhoods with high percentages of households with low incomes and people of color, and on transit routes that are heavily used by seniors and people with disabilities.





2022 MUNI RELIABILITY AND STREET SAFETY BOND PROGRAM

- Make the Transportation System Work Better
- Improve Street Safety and Traffic Flow

MAKE THE TRANSPORTATION SYSTEM WORK BETTER

REPAIR, UPGRADE, AND MAINTAIN AGING FACILITIES AND EQUIPMENT (\$250M)

To speed up Muni repairs and maintenance and keep public transit moving, we will repair, renovate, and modernize SFMTA bus yards, facilities, and equipment through the agency's Building Progress Program.

WHAT ARE THE FACILITIES REPAIRS AND UPGRADES?

Many Muni bus yards were built decades ago, with some over one hundred years old. They are too small to accommodate Muni's fleet, do not meet current seismic safety standards, and cannot support modern maintenance and cleaning. Bus yards are an important part of our public transit system: they are where we store, repair, and maintain the Muni vehicles that get San Franciscans where they need to go.

The Building Progress Program is a multi-year effort to repair, renovate, and modernize the SFMTA's obsolete facilities and prioritize urgent needs. While addressing all of SFMTA's facility needs requires a variety of funding solutions, this Bond will fund key high-priority needs. Updated bus yards will be larger, with state-of-the-art technology and equipment and seismic upgrades. They will allow us to repair Muni buses faster, preventing breakdowns and supporting reliable Muni service. Strong public transit systems are one of the most important tools we have to fight climate change. By investing in green infrastructure for electric buses, we can make San Francisco more sustainable. Also, by investing in modern workspaces for our employees, we demonstrate a commitment to the people that keep our service running.

WHY IS THIS PROGRAM IMPORTANT?

- Efficient and timely repairs to buses and trains increase Muni's reliability and save the SFMTA money.
- Larger yards provide needed space for a growing Muni fleet.
- Improved, earthquake-ready facilities give staff better workplace conditions, with modern tools and sufficient space to efficiently do their jobs.
- SFMTA is working towards a 100% zero-emission fleet as part of its leadership in confronting climate change. Renovated yards will support the electric vehicle infrastructure needed to achieve this.

HOW DO WE CHOOSE PRIORITY PROJECTS?

The Building Progress Program prioritizes and carries out recommendations for improvements to facilities that were identified in the 2017 SFMTA Facilities Framework and amendments. The Facilities Framework assesses the needs of 18 SFMTA facilities, outlines recommended phased improvements, and coordinates planning across facilities.

Some of the initial major site needs identified include:

- Building new bus storage and maintenance capacity on available sites to allow us to move our vehicles around efficiently as other facilities get rebuilt;
- Upgrading and rebuilding a more than 100-year-old, obsolete bus yard; and
- Installing charging infrastructure to transition to an all-electric Muni fleet.

The Building Progress Program is dynamic and flexible, and it anticipates changes in market conditions, funding availability, and operational needs. Facility needs and priorities are further refined in our regularly updated 20-year Capital Plan and 5-year Capital Improvement Program.

WHAT DO MODERN TRANSIT FACILITIES MEAN FOR YOU?



Equity: Reliable public transit benefits low-income residents and others who depend on transit, and electric vehicles lead to cleaner air. The SFMTA is also committed to being a good neighbor and will engage the communities in which we base our operations.



Fast and Convenient Transit:

Facility upgrades will get buses back into service sooner and prevent breakdowns and delays on your trip.



Repairs and Maintenance: Updated yards help us to provide you with a better public transit experience with reliable, clean, and well-maintained vehicles.



Safety and Access: Bigger bus yards allow us to grow our fleet to meet the city's needs, bringing you better access to jobs and housing



MUNI NETWORK IMPROVEMENTS (\$26M)

We will make strategic, cost-effective improvements to move Muni faster and more reliably.

WHAT ARE MUNI NETWORK IMPROVEMENTS?

Frequent service on bus and rail routes will provide reliable, convenient access to all parts of San Francisco. Our public transit network is designed to get people to downtown, but transit riders also need to make crosstown trips to reach commercial districts, jobs, and housing. Faster transit with quick, easy transfers between lines will ensure that Muni is still the best option for these trips.

This GO Bond will fund extensive capital improvements such as smart traffic signals that get buses through intersections quickly, wider sidewalks at bus stops that allow buses to pick people up faster, and dedicated transit lanes to make sure buses don't get stuck in traffic. These elements reduce travel times by keeping buses moving.

Improvements will be focused on our most used routes – those that carry 80% of Muni passengers, including passengers who depend on public transportation – to ensure investments benefit the most people given limited resources.

We will also make improvements to the Muni network to ensure that everyone in San Francisco has access, no matter where they are. Transfers will be quick and easy, and frequent service means that passengers won't be waiting long for the next bus.

WHY IS THIS PROJECT IMPORTANT?

- Improvements will go to the routes that carry 80% of Muni riders, including passengers who depend most on public transportation.

- 20% of all trips on these busy routes were crowded during peak hours in winter 2020. Improvements will reduce crowding by increasing service and making it more reliable.
- Recent projects have demonstrated that transit priority improvements can save 10-25% of travel time. Collectively, small improvements work together to create a reliable citywide bus and rail network.
- When buses run faster and are not stuck in traffic, Muni can serve more people with the same number of vehicles and drivers. This saves money that can be reinvested elsewhere in the system.

HOW DO WE CHOOSE PRIORITY PROJECTS?

Improvements in each corridor will vary by location. Muni Forward has already identified some projects and we are working with riders and community members to develop plans to improve those lines.

Additional investments will be screened against the following criteria:

- **Ridership:** Places with a high level of existing demand.
- **Existing and future service frequency:** Corridors where buses currently operate every five minutes or will in the future.
- **Equity:** Projects in underserved neighborhoods and that improve access to jobs.
- **Network connectivity:** Projects that benefit multiple transit lines or improve key connections between lines.

WHAT DO MUNI NETWORK IMPROVEMENTS MEAN FOR YOU?



Equity: If you depend on transit, you'll be able to get where you need to go without delay.



Fast and Convenient Transit: A network of frequent routes makes your trip easy, giving you more reliable access to places across the city and to regional transit services.



Repairs and Maintenance: Improving the sidewalks and making sure the street is in good repair means that there will be fewer delays on your transit trip.



Safety and Access: Evenly spaced, frequent vehicles means your ride will be less crowded.



MUNI RAIL MODERNIZATION (\$10M)

We will strengthen and expand critical components of our train operations systems to increase speed, reliability, and capacity.

WHAT IS MUNI RAIL MODERNIZATION?

The SFMTA will improve Muni Metro light rail service by modernizing the tools we use for operations. Our current train control system is over 20 years old and is only used for trains in the Market Street Subway. The program will upgrade rail systems and expand it to trains that operate on our streets.

The overall projected need to modernize Muni rail control systems includes \$300M in capital upgrades and \$100M in maintenance & support over the first 10 years. This GO Bond could leverage federal matching funds for the overall project. It also could fund planning, design, and high-priority elements to deliver service improvements to historically underserved communities and strengthen connections to the street-level Embarcadero and Third Street corridors, which serve destinations like Oracle Park, Chase Center, Mission Bay, and UCSF. It would also modernize and replace the existing system in the Market Street and Central Subways so that Muni Metro train control is provided by a single system. Over 10 years, the new system will further expand to the surface branches of the J, K, L, M, N, and T lines.

WHY IS THIS PROGRAM IMPORTANT?

- Our rail system of 71.5 miles is essential to serve our growing communities and supports quick connections to downtown and other major destinations for an average 173,500 passengers every weekday (pre-pandemic).
- Sophisticated train management leads to more efficient operations and reduces bunching and gaps between trains.

- New train communications systems will allow us to run longer trains, reducing crowding and preparing for future growth.
- The aging train control system is frequently responsible for slowdowns in the Market Street Subway, and upgrades would make train spacing more dependable and travel times more consistent.

WHAT DOES A MODERN MUNI RAIL SYSTEM MEAN FOR YOU?



Equity: We will prioritize Muni rail modernizations that connect underserved neighborhoods and make service more reliable for people who depend on transit.



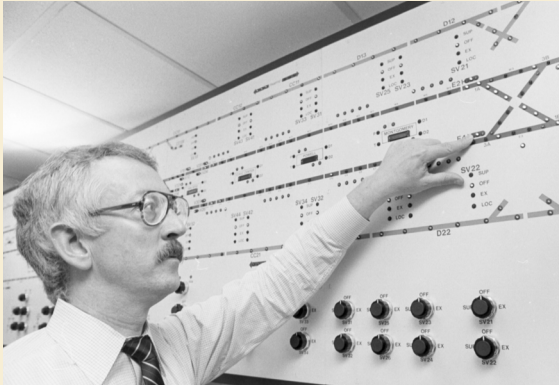
Fast and Convenient Transit: A modern train control system allows us to run trains in the subway more consistently and closer together, which means you never have to wait long for the next one to arrive.



Repairs and Maintenance: Upgraded control systems will not need repair as often, reducing delays in the subway tunnel. Also, installing a system with modern components means that it will be easier and cheaper for us to maintain the system in the years to come.



Safety and Access: Longer trains with more cars mean you won't have to cram into a full train, making it safer and easier to get on and off the trains.



Muni Staff Working at Transit Central Control at West Portal | August 1981



Muni Central Control Office | January 1986



Operations Central Control at West Portal Station | April 2019

In the Market Street and Central Subways, trains are operated by the Automatic Train Control System (ATCS), which commands train movements, signals and switches while operating in the subway. The system designed in the 1980s and was rolled out in the 1990s. While some upgrades have been made and newer technologies integrated over the years, the core of the system remains the same as that installed almost 30 years ago.

IMPROVE STREET SAFETY AND TRAFFIC FLOW

TRAFFIC SIGNAL AND STREET CROSSING IMPROVEMENTS IN EQUITY NEIGHBORHOODS (\$42M)

We will make strategic safety and visibility improvements with an equity focus.

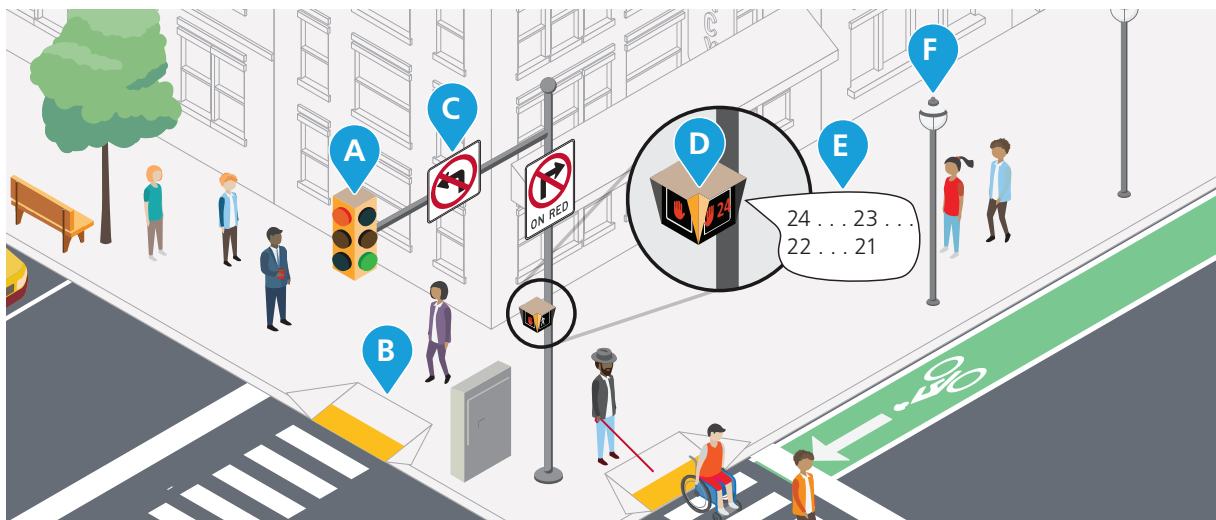
WHAT ARE TRAFFIC SIGNAL AND STREET CROSSING IMPROVEMENTS?

Traffic signal upgrades improve safety and visibility at intersections and other places where people may be crossing the street. This program will make improvements to signals in communities with a high percentage of households with low incomes and people of color. Types of improvements include:

- A** Larger signals and mast arms to enhance signal visibility for people driving, walking, and riding bicycles.
- B** Upgraded curb ramps for greater accessibility when crossing the street.
- C** Signs to alert drivers to turn restrictions.

- D** Pedestrian countdown signals, which display the number of seconds remaining to cross the street along with the WALK sign.
- E** Accessible pedestrian signals, which use audible and tactile means to communicate when it is safe to cross the street for people who are visually impaired.
- F** New and improved lighting.

Some projects may install pedestrian-activated flashing beacons to let drivers know when people are crossing at unsignalized or mid-block crosswalks.



WHY IS THIS PROGRAM IMPORTANT?

- Signal upgrades make the intersection work better for everyone, especially people with disabilities, older people, and children.
- The program will make improvements on the High Injury Network, where we see the most deaths and series injuries on our streets.
- Streets in historically disadvantaged communities are almost twice as likely to be on the High Injury Network.

HOW DO WE CHOOSE PRIORITY PROJECTS?

We review traffic operations and collision patterns at intersections on a regular basis. The locations for traffic signal upgrades are identified primarily based on visibility issues and the age of the signal.

Other factors used to prioritize locations are:

- **Equity:** Intersections in underserved neighborhoods.
- **Collision history:** Places with a high rate of traffic collisions.
- **Traffic volumes:** The number of vehicles that pass through the intersection.
- **Benefits to all modes:** Places where people walking, riding bicycles, taking transit and driving will benefit from improvements.
- **Proximity to destinations:** Intersections near schools or senior centers.
- **Project coordination:** Locations where work can be coordinated with paving projects and other capital improvements.

Outreach has been initiated in the Western Addition and Tenderloin neighborhoods, and other neighborhoods will be considered for signal upgrades based on this criteria.

WHAT DO UPGRADED TRAFFIC SIGNALS MEAN FOR YOU?



Equity: We are committed to making intersections safer and more accessible in historically marginalized and underserved communities.



Fast and Convenient Transit: Upgraded traffic signals and pedestrian improvements help keep transit vehicles and car traffic flowing smoothly across the city.



Repairs and Maintenance: Upgrading traffic signals will repair aging infrastructure to make it more visible, helping keep you safe when you walk and maintaining the flow of car traffic at safe speeds.



Safety and Access: Your travel will be safer whether you walk, ride a bicycle, or drive, as we improve some of the places with the highest collision rates in the city. Curb ramps and accessible pedestrian signals enhance access and safety for people with disabilities.

ON-STREET IMPROVEMENTS (\$42M)

We will transform streets to make it easier to walk, ride a bicycle, and connect to Muni.

WHAT ARE ON-STREET IMPROVEMENTS?

San Francisco's major streets are the scene of collisions and traffic-related injuries far too often. On-street improvements funded by the 2022 GO Bond are big, comprehensive projects that make the street safer for all, improve Muni access and service, fix critical transportation infrastructure, and make walking, bicycling, taking transit, and driving more enjoyable. These street redesigns incorporate elements like wider sidewalks, raised or mid-block crosswalks, new paving, landscaping, safer bikeways, bus lanes and boarding islands, better lighting, and upgraded drainage infrastructure.

When we redesign a major street, we begin with extensive community engagement. Often, we test out the new street design with pilot projects before we make the changes permanent. The GO Bond will be used to complete the construction of street improvements after they have been tested by people in the neighborhood.

WHY IS THIS PROGRAM IMPORTANT?

- On-street improvements can truly transform a busy corridor. The program will improve quality of life by providing a better experience for the many residents, workers, and visitors who walk, bicycle, and take public transit, while reducing noise and pollution from motor vehicle traffic.
- The program gives us the opportunity to test out safety improvements and permanently install the ones the community supports.

- Enhancing travel for all modes supports increased housing density and affordability.
- Corridor improvements have been shown to foster investment in existing and new businesses.

HOW DO WE CHOOSE PRIORITY PROJECTS?

To identify priority locations for street redesigns, we look at the following factors:

- **Collision history:** Locations on the High Injury Network and with a history of speed-related crashes.
- **Equity neighborhoods:** Neighborhoods with a high concentration of residents that have been historically marginalized and underserved.
- **Support active transportation:** Provide critical connections for people walking and bicycling to key destinations, such as job centers, commercial corridors, schools, parks and other busy places that attract vulnerable road users.
- **Prior community planning efforts:** Places that San Franciscans have identified as needing improvement.

The SFMTA will collaborate with neighbors, local businesses, and community groups at the start of any street redesign project to determine community needs and tailor the project elements to the location. This program would support the implementation of street redesign projects like the Howard Streetscape Project (see next page).

WHAT DOES AN IMPROVED STREETSCAPE MEAN FOR YOU?



Equity: The program improves affordable travel options, enhances safety, and reduces noise and air pollution in underserved neighborhoods.



Fast and Convenient Transit: Redesigning the streetscape will ensure reliable transit options for you to reach housing, employment, and opportunities throughout the neighborhood and city.



Repairs and Maintenance: Implementing major streetscape projects will fix critical transportation infrastructure to make walking, bicycling, taking transit, and driving easier and more enjoyable.



Safety and Access: Slower vehicle speeds and dramatically improved bicycle and pedestrian infrastructure will make streets safer and more comfortable when you walk, ride a bicycle, and take transit.

Howard Streetscape

The Howard Streetscape Project will improve traffic safety and enhance mobility on a major street in the diverse and growing SoMa neighborhood. SoMa is home to a high concentration of low-income residents who depend on transit, walking, and bicycling. Existing walkways and bikeways are not adequate for the demands of today or the future.

The project redesigns seven blocks of Howard Street by:

- Reducing vehicle lanes from three to two.
- Replacing the existing bicycle lane with a two-way protected bikeway.
- Installing pedestrian and bicycle safety infrastructure that includes raised crosswalks, pedestrian bulb-outs, protected intersections, traffic signals with separate bicycle and vehicle phases, and new pedestrian-scale lighting.
- Installing green infrastructure including stormwater collection, trees, and landscaping.



Howard Street is on San Francisco's Vision Zero High Injury Network. From 2014 to 2019, there were 152 collisions on Howard Street between 4th and 11th streets. Of these, 40 involved bicyclists and 45 involved pedestrians. In 2016 and 2019 there were fatal collisions involving bicyclists and in 2018, there was one fatal collision involving a pedestrian.

The community asked for safety improvements that could be implemented sooner than the larger street redesign project. In response, SFMTA installed a parking protected bicycle lane on Howard Street from 11th to 3rd streets. This allows area residents and workers to experience immediate safety benefits while the SFMTA completes the permanent street redesign that money from this bond would fund.

SPEED MANAGEMENT PROGRAM (\$30M)

We will make our streets safer by reducing motor vehicle speeds.

WHAT IS THE SPEED MANAGEMENT PROGRAM?

Speeding is the leading cause of traffic deaths and severe injuries in San Francisco. The GO Bond will help fund the Speed Management Program, which uses traffic calming and other speed reduction tools proven to slow speeds and reduce the severity and frequency of crashes.

The programs and tools supported by the Bond could include:

- Area-wide traffic calming, which looks at multiple locations on residential streets in the same neighborhood and proactively implements a coordinated set of improvements.
- The residential application-based traffic calming program, which allows residents to apply for improvements that help prevent speeding and make neighborhood streets more comfortable for people walking, bicycling, and driving.
- Lowered speed limits, including neighborhood- or corridor-wide 20 mph signs aimed at reducing severe and fatal crashes.
- Speed radar signs that notify people driving of their current speed, giving them the opportunity to slow down.

WHY IS THIS PROGRAM IMPORTANT?

- Every year in San Francisco, about 30 people lose their lives and over 500 more are severely injured while traveling on city streets.
- The higher the speed of a crash, the higher the chances are that someone will be killed or severely injured. This program helps us design our streets for lower speeds that protect people's lives.
- Lower vehicle speeds also enhance neighborhood livability and make walking, bicycling, and driving more comfortable.

HOW DO WE CHOOSE PRIORITY PROJECTS?

To identify priority locations for speed management, we look at the following factors:

- **Collision history:** Locations on the High Injury Network and with a history of speed-related crashes.
- **Equity:** Neighborhoods with a high concentration of residents that have been historically marginalized and underserved.
- **Nearby destinations:** Parks, commercial corridors, schools, senior centers, and other busy places that attract vulnerable road users.
- **Community requests:** Places that San Franciscans have identified as needing improvement.

WHAT DOES SPEED MANAGEMENT MEAN FOR YOU?



Equity: Streets in historically marginalized communities are almost twice as likely to be on the High Injury Network as other streets. The speed management program will bring safety benefits to low-income households and people of color, leading with design solutions to minimize the disparate outcomes associated with traditional traffic enforcement.



Repairs and Maintenance: Maintaining highly visible street markings in good repair will keep busy streets from being a barrier, making it easier to access your destination on foot or bicycle.



Safety and Access: Reduced motor vehicle speeds make your travel on neighborhood streets safer and more comfortable, supporting more travel options for people of all ages and abilities.



ACCOUNTABILITY

The proposed General Obligation (GO) Bond includes a comprehensive set of public oversight and accountability measures that apply to each of the components. The cost of issuance (COI) for the GO Bond supports these measures, and is estimated to be three percent of the total amount of the bond, spread among the bond components. These measures outlined below are in addition to California state law bond requirements.

SFMTA Project Delivery: The San Francisco Municipal Transportation Agency established a Project Management Office (PMO) in 2017. The goal of the PMO is to work with the agency's project delivery teams to implement best practices in project delivery, regulate a clear and consistent project management structure, and establish effective tools and processes in decision-making. The PMO procedures support constant review and refinement of project delivery operations throughout the planning, design, and construction phases, as adjustments may be needed to ensure the timely and efficient construction of agency projects.

Through the administration of this office, agency leadership and staff have been able to capture lessons learned and apply them to

ongoing and new projects so that the agency is nimble and constantly evolving. This ongoing focus on supporting delivery teams and ensuring constant improvement has benefited recent projects of all sizes and will continue to do so as the agency works to recover from the pandemic and support the city.

Auditing: The spending of GO bond revenue will be overseen by the Citizens' General Obligation Bond Oversight Committee (GOBOC). This independent, nine-member committee is appointed by the Mayor, the Board of Supervisors, the Controller, and the Civil Grand Jury. Per the Administrative Code (Section 5.30 to 5.36), the GOBOC reviews, audits, and reports on the expenditure of bond proceeds to assure the expenditures are in accordance with the will of the voters. One-tenth of one percent (0.1%) of the bond funds would pay for the committee's audit and oversight functions.

Board of Supervisors Approval: All issuances of GO Bond funds for SFMTA programs are subject to the approval of the Board of Supervisors. The SFMTA must also seek Board approval of a request for supplemental appropriation to reallocate GO Bond funds.



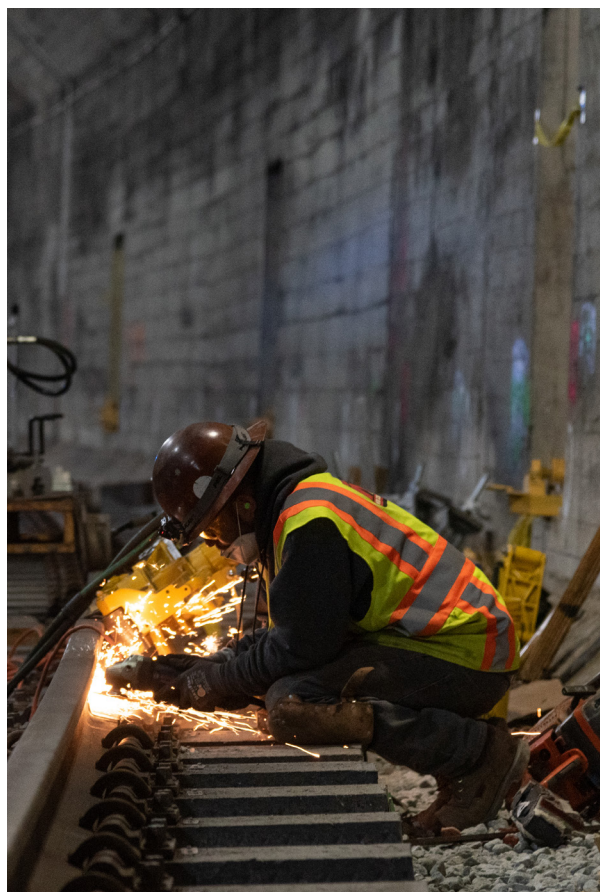
TRANSPARENT REPORTING

There will be periodic reviews before the San Francisco Municipal Transportation Agency (SFMTA) Board, Capital Planning Committee, and Board of Supervisors as part of the 10-Year Capital Plan and capital budget processes, including:

Bond Accountability Report: Per the Administrative Code (Section 2.70 to 2.74), the SFMTA is required to submit a bond accountability report at least 60 days prior to the issuance of any bond funds to the Clerk of the Board of Supervisors, the City Controller, the Treasurer, the Director of Public Finance, and the Board of Supervisors Budget Analyst describing the current status of all GO Bond funded projects, description of each proposed project, and whether it complies with the expressed will of the voters.

Controller's Office Annual Report: The City Performance Unit of the Controller's Office issues annual reports highlighting the scope, schedule, and budget of every active general obligation (GO) bond program in the City and County of San Francisco. The report provides a high-level overview of the progress and status of each program and its respective components.

Quarterly status reports to the GO Bond Oversight Committee (GOBOC): The SFMTA prepares status reports that include project scopes, schedules, budgets, milestones, accomplishments, challenges, and upcoming work. Any deviations from original project scopes, schedules, or budgets are also noted in these reports. Prior to each quarterly GOBOC meeting, SFMTA staff meet with GOBOC liaisons to review the most recent status reports and financial information for GO Bond funded projects.



10-YEAR CAPITAL PLAN

Adopted through legislation by the Mayor and Board of Supervisors in 2005, the Capital Planning Committee was created to guide and prioritize capital needs citywide. The Capital Plan is developed by the committee and adopted annually by the Board of Supervisors prior to adoption of the City budget. The City invests significant General Fund dollars into the repair and rehabilitation of our capital assets every year. However, the City cannot rely on these funds alone to address critical infrastructure needs.

Where annual funds are not adequate to pay the costs of major capital improvements, the Plan recommends using one of two sources of long-term debt financing:

- General Obligation Bonds backed by property taxes upon approval by voters.
- General Fund debt programs backed by the City's General Fund upon approval by the Board of Supervisors and the Mayor.

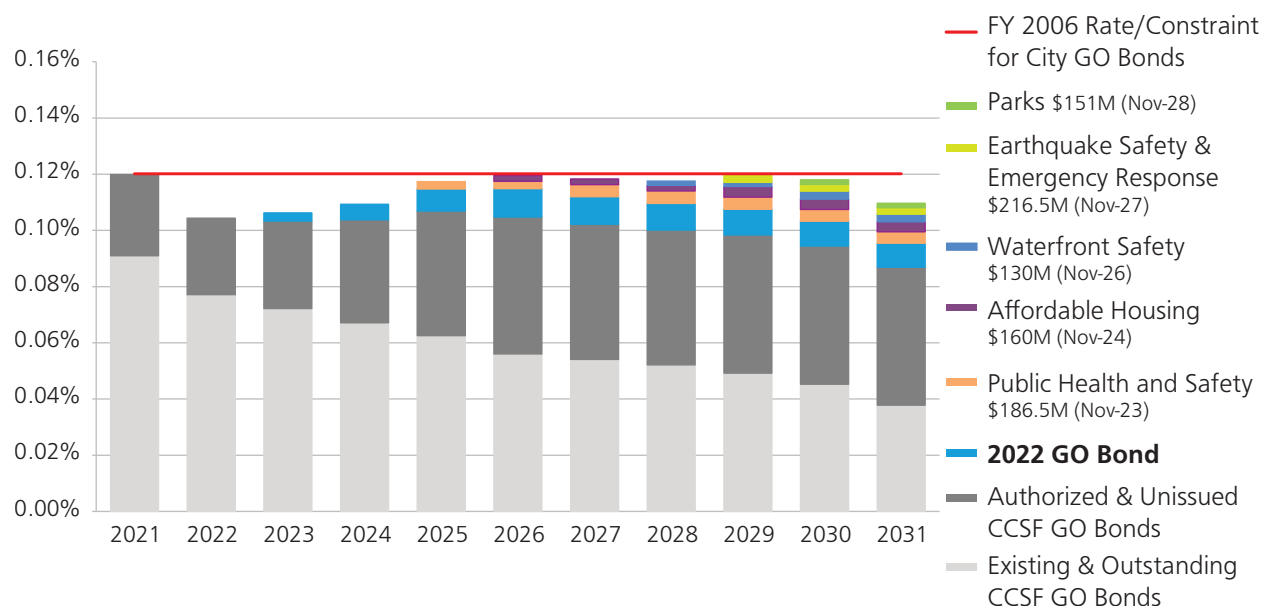
General Obligation Bonds and General Fund debt programs are appropriate means of

funding capital improvements, as they spread the costs over their long, useful lives and across the generations of San Franciscans that reap their benefits. Since its inception, the Capital Plan has laid out a GO Bond Program that aligns funding with the most critical infrastructure needs in the City's portfolio. The last GO Bond for transportation was approved by voters in 2014, allocating \$500 million to address various transportation infrastructure needs across the city.

The Capital Plan General Obligation Bond Program chart below illustrates the relationship between the GO Bond Program and the local tax rate, including existing and outstanding issuance and voter-approved bonds. The adopted Plan, as projected, is consistent with the City's stated policy constraint that the property tax levy used to repay General Obligation bonds not be raised above the Fiscal Year 2006 rate.

For more information on the City's Capital Plan, please visit onesanfrancisco.org.

Bonds and Property Tax Rates







ONESF
Building Our Future



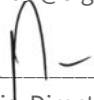
GENERAL PLAN REFERRAL

November 18, 2021

Case No.: Block/Lot 2021-011269PR
No.: Various, Citywide

Applicant: Joel Goldberg – 415-646-2520
Joel.goldberg@sfmta.com
San Francisco Municipal Transportation Agency
One South Van Ness, 8th Floor
San Francisco, CA 94103

Staff Contact: Celina Chan – (628) 652-7468
Celina.chan@sfgov.org

Recommended By: 
Rich Hillis, Director of Planning

Recommendation: Finding the proposed General Obligation Bond, on balance, is **in conformity** with the General Plan

Project Description

The City and County of San Francisco is proposing a \$400 million Transportation General Obligation (GO) Bond for the June 2022 ballot. The purpose of the bond is to fund transit, safety programs, and infrastructure. Public transit operations and transportation infrastructure are important to San Francisco's economic vitality, environmental sustainability, and cultural diversity.

In 2014, San Francisco voters approved a Transportation and Road Improvement General Obligation Bond to fund critical repairs and upgrades to the city's transportation system. The proposed \$400 million General Obligation Bond for the June 2022 ballot will build on the success of the first bond.

The Transportation General Obligation Bond proposes six categories of investments.

Table 1: Program Components and Funding Amounts for the General Obligation Bond

Program Component	Estimated Proposed Budget
Speed up Muni repairs and keep public transit moving by repairing, upgrading, and maintaining aging bus yards, facilities and equipment	\$250 million
Enable faster, more reliable, and more frequent Muni service by improving on -street infrastructure for transit	\$26 million
Increase subway capacity, reduce delays, and deliver dependable, high frequency transit by modernizing the Muni train control system	\$10 million
Improve safety and visibility at intersections by upgrading traffic signals, signage, and crossings	\$42 million
Increase safety for walking and bicycling and access for muni connections along major corridors by redesigning streets and sidewalks	\$42 million
Slow speeds and reduce crashes by implementing proven traffic calming and speed reduction tools	\$30 million
TOTAL	\$400 million

Individual projects funded by the bond program may require additional project level analysis and review – possibly including General Plan Referrals – by the Planning Department as they are identified.

Environmental Review

This is not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment.

General Plan Compliance and Basis for Recommendation

The proposed General Obligation Bond to invest in transportation programs and infrastructure is, on balance, in **conformity** with the General Plan, as described in the body of this Report. If the Bond is approved and funds become available, **some projects may require project-level General Plan referrals**, as required by San Francisco Charter §4.105 and § 2A.53 of the Administrative Code, Environmental Review and/or other discretionary actions by the Planning Department.

TRANSPORTATION ELEMENT

OBJECTIVE 1

MEET THE NEEDS OF ALL RESIDENTS AND VISITORS FOR SAFE, CONVENIENT AND INEXPENSIVE TRAVEL WITHIN SAN FRANCISCO AND BETWEEN THE CITY AND OTHER PARTS OF THE REGION WHILE MAINTAINING THE HIGH QUALITY LIVING ENVIRONMENT OF THE BAY AREA.

POLICY 1.2

Ensure the safety and comfort of pedestrians throughout the city

POLICY 1.3

Give priority to public transit and other alternatives to the private automobile as the means of meeting San Francisco's transportation needs, particularly those of commuters

Comment: The General Obligation Bond would provide funds for transit improvements and pedestrian environment improvements, including infrastructure for street crossing and intersection improvements. These improvements would enhance safety and comfort for pedestrians and people with disabilities. Additionally, using the funds for transit system improvements is consistent with San Francisco's Transit First Policy, which prioritizes transit over automobiles.

OBJECTIVE 11

ESTABLISH PUBLIC TRANSIT AS THE PRIMARY MODE OF TRANSPORTATION IN SAN FRANCISCO AND AS A MEANS THROUGH WHICH TO GUIDE FUTURE DEVELOPMENT AND IMPROVE REGIONAL MOBILITY AND AIR QUALITY

POLICY 11.2

Continue to favor investment in transit infrastructure and services over investment in highway development and other facilities to accommodate the automobile

Comment: The General Obligation Bond would provide funding for transit infrastructure, which should be prioritized over automobiles and parking.

OBJECTIVE 20

GIVE FIRST PRIORITY TO IMPROVING TRANSIT SERVICE THROUGHOUT THE CITY, PROVIDING A CONVENIENT AND EFFICIENT SYSTEM AS A PREFERABLE ALTERNATIVE TO AUTOMOBILE USE

POLICY 20.9

Improve inter-district and intra-district transit service

POLICY 20.13

Create dedicated bus lanes and Bus Rapid Transit (BRT) lanes to expedite bus travel times and improve transit reliability

Comment: The General Obligation Bond would provide funds for improving transit service and on-street infrastructure, which would facilitate faster, more reliable transit service between districts and within districts.

OBJECTIVE 21

DEVELOP TRANSIT AS THE PRIMARY MODE OF TRAVEL TO AND FROM DOWNTOWN AND ALL MAJOR ACTIVITY CENTERS WITHIN THE REGION

POLICY 21.11

Ensure the maintenance and efficient operation of the fleet of transit vehicles

POLICY 21.2

Where a high level of transit ridership or potential ridership exists along a corridor, existing transit service or technology should be upgraded to attract and accommodate riders.

Comment: The General Obligation Bond for transportation would provide funds for enhancing transit service and connecting residents to destinations across the city such as jobs and services. The Bond would also provide funds for maintaining SFMTA's transit fleet, which would help to ensure that transit operations run smoothly.

Planning Code Section 101 Findings

Planning Code Section 101.1 establishes Eight Priority Policies and requires review of discretionary approvals and permits for consistency with said policies. The General Obligation Bond is found to be consistent with the Eight Priority Policies as set forth in Planning Code Section 101.1 for the following reasons:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

The Project would not affect neighborhood-serving retail uses or opportunities for employment in or ownership of such businesses.

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;

The Project would not have a negative effect on housing or neighborhood character.

3. That the City's supply of affordable housing be preserved and enhanced;

The Project would not have an adverse effect on the City's supply of affordable housing.

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking;

The Project would improve Muni transit service. It would not overburden the streets or neighborhood parking.

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;

The Project would not have an adverse effect on the city's industrial or service sectors nor on opportunities for resident employment and ownership.

6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;

The Project would not have an adverse effect on City's preparedness against injury and loss of life in an earthquake.

7. That the landmarks and historic buildings be preserved;

The Project would not have an adverse effect on the City's Landmarks and historic buildings. Projects funded by the Bond will be evaluated individually for any impacts to historic buildings.

8. That our parks and open space and their access to sunlight and vistas be protected from development;

The Project would not have an adverse effect on the City's parks and open space and their access to sunlight and vistas.

Recommendation: Finding the project, on balance, is in conformity with the General Plan



2022 Muni Reliability and Street Safety Improvement Bond

The City and County of San Francisco, on behalf of its San Francisco Municipal Transportation Agency, is proposing a \$400 million Transportation General Obligation (GO) Bond for the June 2022 ballot to fund critical transit, safety programs, and infrastructure. Public transit operations and transportation infrastructure are vital to San Francisco's economic vitality, environmental sustainability, and cultural diversity. They make San Francisco more equitable by opening up opportunities for seniors, people with disabilities, people of color, and low-income San Franciscans, who have the fewest transportation options and rely on Muni, walking, and bicycling.

The General Obligation Bond is comprised of the following program categories outlined below, along with some general examples for each category:

1. MAKING TRANSPORTATION SYSTEM WORK BETTER. A portion of the Bond may be allocated to the repair, renovation and modernization of aging SFMTA bus yards, facilities and equipment in order to speed up Muni repairs and keep the transit system moving.
2. MUNI NETWORK IMPROVEMENTS. A portion of the Bond may be allocated to improve public transit infrastructure to enable faster, more reliable and more frequent Muni service.
3. MUNI RAIL MODERNIZATION. A portion of the Bond may be allocated to strengthen, expand, and modernize critical components to train control operations to increase subway capacity, reduce delays and deliver dependable, high-frequency transit service.
4. STREET SAFETY AND TRAFFIC SIGNAL IMPROVEMENT FOR SAFETY AND FLOW. A portion of the Bond may be allocated to improve pedestrian safety and visibility at intersections by replacing obsolete and deteriorating traffic signal infrastructure.
5. ON-STREET IMPROVEMENTS. A portion of the Bond may be allocated to the redesign and construction of streets and sidewalks to strengthen walking, bicycling, and Muni connections along major corridors.
6. SPEED MANAGEMENT INVESTMENT. A portion of the Bond may be allocated to implement proven traffic calming and speed reduction tools to slow speeds and reduce crashes.



These broad categories and general examples would not commit the City to a definite course of action in carrying out any individual proposal. At the time any individual proposal is considered for approval, that proposal will be evaluated as needed under the California Environmental Quality Act (CEQA), and approved, modified or disapproved by the applicable decision-making body at that time.

Not a "project" under CEQA pursuant to Public Resources Code Section 21065 and CEQA Guidelines Sections 15060(c) and 15378(b), because the action would not result in a direct or a reasonably foreseeable indirect physical change to the environment.

Melinda Hue

10/21/21

Melinda Hue

Date

San Francisco Municipal Transportation Agency

JM

10/21/21

Jennifer McKellar

Date

San Francisco Planning Department

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 211207-146

WHEREAS, Mayor Edwin M. Lee convened a Transportation 2030 Task Force to investigate what the City must do to fix and strengthen its transportation infrastructure and prepare it for the future; and,

WHEREAS, The Task Force recommended the issuance of two \$500 million of General Obligation Bonds for transportation which was affirmed as part of the Transportation 2045 Task Force in 2018; and,

WHEREAS, In November 2014, 72% of the voters of San Francisco approved the first General Obligation Bond “Proposition A,” that approved the sale of \$500 million of General Obligation Bonds; and,

WHEREAS, As of August 2021, all \$500 million of the 2014 Proposition A Transportation and Road Improvement General Obligation Bonds have been issued; and,

WHEREAS, A public survey taken in the spring of 2021 showed that the majority of San Franciscans want the SFMTA to focus on state of good repair and infrastructure first, to make the system as is work; and,

WHEREAS, In August 2021, “Transportation 2050” effort was launched that outlines the resources needed to achieve a community-driven vision and identifies revenue and reliable funding solutions to fund the cost of transportation needs in San Francisco that includes the issuance of \$400 million of General Obligation Bonds for Muni Reliability and Street Safety improvements; and,

WHEREAS, A program of General Obligation Bond funded projects that achieves state of good repair upgrades for transit, pedestrian, and bicycle capital projects has been developed with \$286 million devoted to Muni transit and \$114 million devoted to key street safety investments; and,

WHEREAS, The proposed bond centers on prioritizing investments that meet the needs of those living in equity neighborhoods consistent with the Muni Service Equity Strategy; and,

WHEREAS, On October 21, 2021, the SFMTA and the Planning Department determined that the proposed GO Bond is not a “project” under the California Environmental Quality Act (CEQA) pursuant 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, On November 18, 2021 the proposed GO Bond was found, on balance, to be in conformity with the City's General Plan by the San Francisco Planning Department; and,

WHEREAS, A copy of the General Plan conformity finding is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors urges the Board of Supervisors to place the \$400 million Muni Reliability and Street Safety Bond on the June 2022 ballot.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of December 7, 2021.



Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

December 21, 2021

File No. 211290

Lisa Gibson
Environmental Review Officer
Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

Dear Ms. Gibson:

On December 14, 2021, the following proposed General Obligation Bond for the June 7, 2022, Election was received and assigned to the Board of Supervisors' Budget and Finance Committee:

File No. 211290

Ordinance calling and providing for a special election to be held in the City and County of San Francisco on Tuesday, June 7, 2022, for the purpose of submitting to San Francisco voters a proposition to incur the following bonded indebtedness of the City and County: \$400,000,000 to finance the costs of construction, acquisition, and improvement of certain transportation, street safety and transit related capital improvements, and related costs necessary or convenient for the foregoing purposes; authorizing landlords to pass-through 50% of the resulting property tax increase to residential tenants under Administrative Code, Chapter 37; providing for the levy and collection of taxes to pay both principal and interest on such bonds; incorporating the provisions of Administrative Code, Sections 5.30-5.36; setting certain procedures and requirements for the election; finding that the proposed bond is not a project under the California Environmental Quality Act; and finding that the proposed bond is in conformity with the eight priority policies of Planning Code, Section 101.1(b), and with the General Plan consistency requirement of Charter, Section 4.105, and Administrative Code, Section 2A.53.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board



By: Victor Young, Assistant Clerk
Committee Clerk

Attachment

c: Devyani Jain, Deputy Environmental Review Officer
Joy Navarrete, Environmental Planning
Don Lewis, Environmental Planning
Laura Lynch, Environmental Planning

Not defined as a project under CEQA Guidelines
Sections 15378 and 15060(c)(2) because it would
not result in a direct or indirect physical change in
the environment.

12/23/2021





SFMTA

2022 Muni Reliability and Street Safety Bond

Proposed City & County San Francisco General Obligation Bond



Board of Supervisors
Budget and Finance Committee
January 26, 2022

Overview



The General Obligation Bond would help close the T2050 funding gap

based on refined estimates to a year-by-year model.



INVESTING EQUITABLY



Fast and
Convenient
Transit



More Repairs
and
Maintenance



Improving
Safety
and Access

\$10.6B

What the vision will
require us to spend over
10-years

\$4.8B

We will spend over the
next 10-years (all sources)

(\$5.8B)

T2050 Funding Gap
Cumulative total over 10-years



Improvement



Reliability



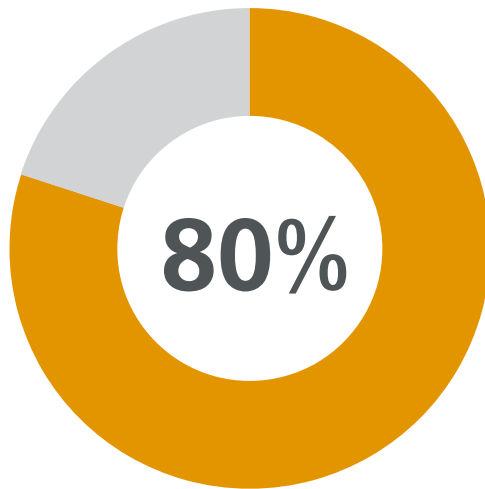
Safety



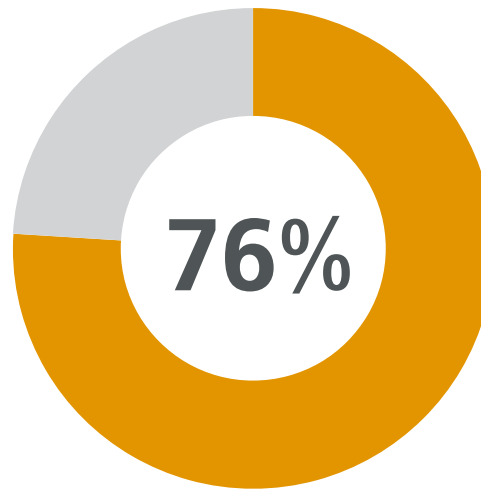
Fast and Convenient Transit



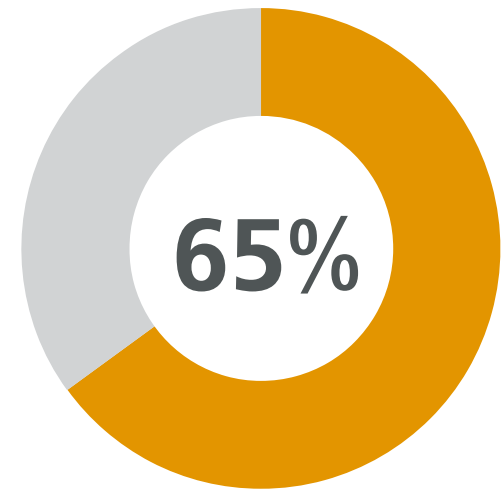
A majority of survey respondents say it is
“very important” or “extremely important” to ...



**Provide quick,
convenient transit
access to all parts of
San Francisco**



**Reduce delays to make
Muni more reliable**



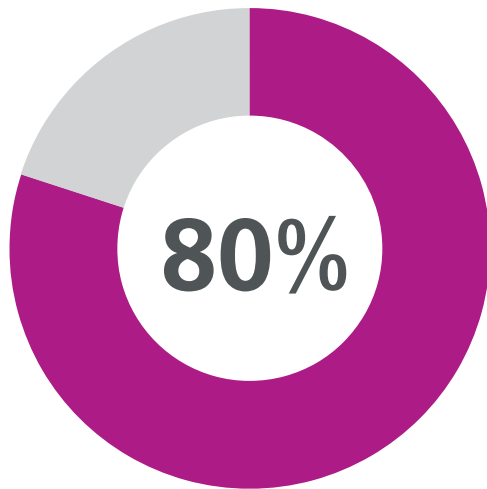
**Reduce crowding
on Muni**

Source: San Francisco citywide survey conducted by FM3, April 2021

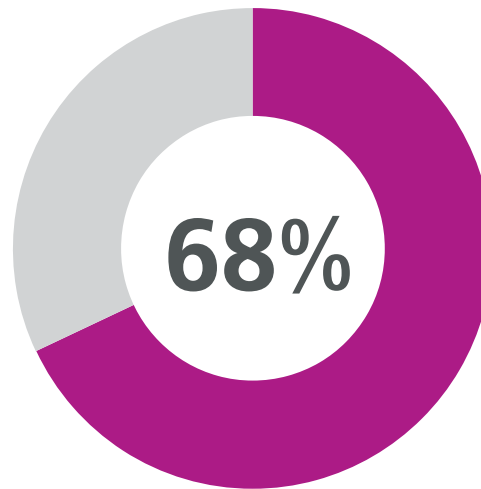
More Repairs and Maintenance



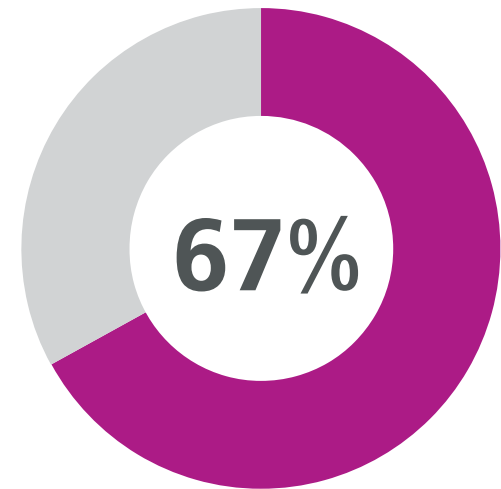
A majority of survey respondents say it is “very important” or “extremely important” to ...



Repair and maintain Muni equipment and facilities to ensure vehicles' safety, frequency, and reliability



Address the backlog of maintenance work



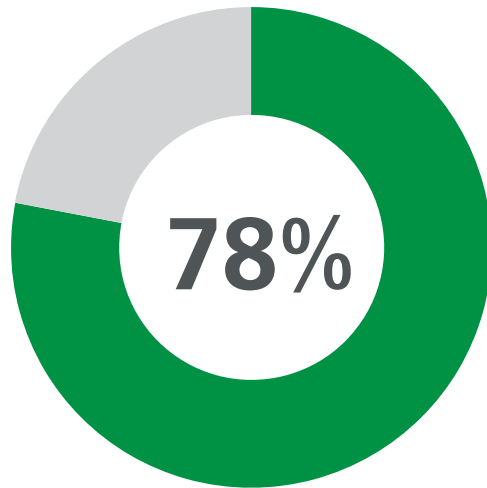
Rebuild San Francisco's aging rail network

Source: San Francisco citywide survey conducted by FM3, April 2021

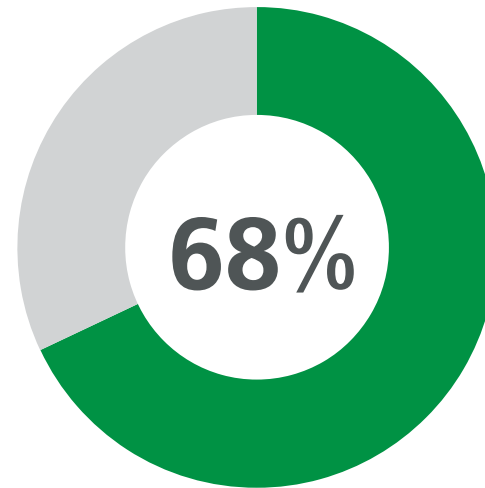
Improving Safety and Access



A majority of survey respondents say it is “very important” or “extremely important” to ...



Ensure Muni service is inclusive and accessible to all



Make street safety improvements for walking

Source: San Francisco citywide survey conducted by FM3, April 2021



Key elements to consider in programming general obligation bonds includes the following:

Project Delivery

- Projects can proceed with significant cashflow within 1-3 years
- Project concepts and initial planning and outreach largely complete
- Staffing resources are in place to deliver the project as programmed

Delivered Asset

- Projects should deliver tangible assets or extend the life of assets
- Overall, the assets should have a useful life of 15 years or more
- Typically civil, transit infrastructure, building, or signal infrastructure

Critical Need

- Gap in funding exists based on existing planning documents or work
- Projects or programs have few other funding alternatives (state, federal)



2022 Muni Reliability and Street Safety Bond



GO BOND COMPONENTS

Make the Transportation System Work Better

Amount (\$m)

Speed up Muni repairs and keep public transit moving by repairing, upgrading and maintaining aging bus yards, facilities and equipment

\$250

Enable faster, more reliable and more frequent Muni service by improving on-street infrastructure for public transit

\$26

Increase subway capacity, reduce delays, and deliver dependable, high-frequency transit by modernizing the Muni train control system

\$10

Improve Street Safety and Traffic Flow

Improve safety and visibility at intersections by upgrading traffic signals, signage, and crossings

\$42

Increase safety for walking and bicycling and access for Muni connections along major corridors by redesigning streets and sidewalks

\$42

Slow speeds and reduce crashes by implementing traffic calming and speed reduction tools

\$30

TOTAL

\$400

2022 Muni Reliability and Street Safety Bond



\$250M

Make the Transportation System Work Better
Repair, upgrade, and maintain aging facilities and equipment



Electrification Infrastructure (Trolley & E-Bus)



Seismic Upgrades & Building Replacement



Bus Washers & Maintenance Bay Replacement



Capacity Expansion for Growing Fleet

2022 Muni Reliability and Street Safety Bond



\$26M

Make the Transportation System Work Better
Muni Network Improvements



Dedicated Transit Only Lanes



Transit Signal Priority & Signal Upgrades



Boarding Improvements (Islands & Sidewalks)



Travel Time Reduction Improvements/Projects

2022 Muni Reliability and Street Safety Bond



\$10M

Make the Transportation System Work Better
Muni Rail Modernization, primarily upgrading the train control system.



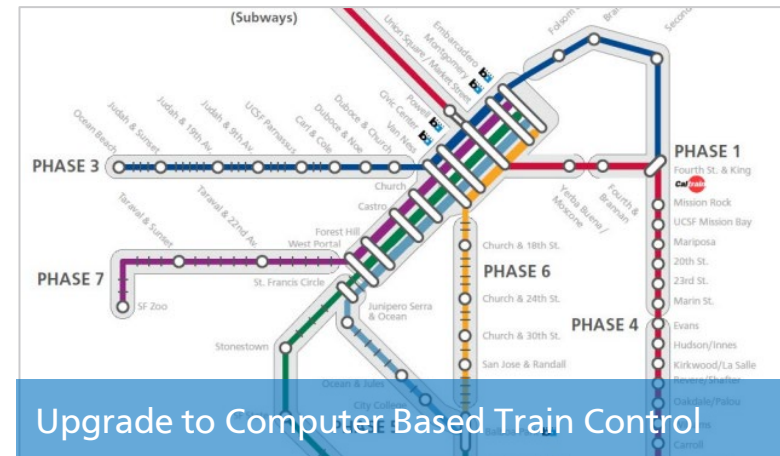
Automatic Train Control System Replacement



Surface Train Control



Tunnel & Infrastructure Improvements



Upgrade to Computer Based Train Control

2022 Muni Reliability and Street Safety Bond



\$42M

Improve Street Safety and Traffic Flow

Traffic Signal and Street Crossing Improvements in Equity Neighborhoods



Traffic Signal & Infrastructure Replacement



Audible Pedestrian Signals



Pedestrian Countdown Signals



Corridor and Full Intersection Improvements

2022 Muni Reliability and Street Safety Bond



\$42M

Improve Street Safety and Traffic Flow
On-Street Improvements



Corridor Bicycle Network Improvements



Corridor Pedestrian Safety Improvements



Complete Street Corridor Improvements

2022 Muni Reliability and Street Safety Bond



\$30M

Improve Street Safety and Traffic Flow

Speed Management Program



Traffic Calming/Speed Reduction



High Injury Network Intersections & Corridors



Quick Build Safety Improvements

Thank You.

San Francisco

TRANSPORTATION 2050



APPENDICES

Budget & Finance Presentation

January 26, 2021

San Francisco

TRANSPORTATION 2050





Make the Transportation System Work Better **Repair, upgrade, and maintain aging facilities and equipment**

Program Summary

To speed up Muni repairs and maintenance and keep public transit moving, we will repair, renovate, and modernize SFMTA bus yards, facilities, and equipment through the agency's Building Progress program.

Project Prioritization Criteria

Equity

Access

Safety

\$250M

Why is this program important?

Efficient and timely repairs to buses and trains increases Muni's reliability and saves the SFMTA money.

Larger yards provide needed space for a growing Muni fleet.

Improved working conditions for frontline staff give them modern tools and space to efficiently do their jobs in earthquake-ready facilities.

SFMTA is working towards a 100% zero-emission fleet as part of its leadership in confronting climate change. Renovated yards will support the electric vehicle charging infrastructure needed to achieve a zero-emissions fleet.

2022 Muni Reliability and Street Safety Improvement Bond



Make the Transportation System Work Better **Muni Network Improvements**

Program Summary

Muni Network Improvements consist of smart traffic signals, wider sidewalks and bus bulbs, and dedicated transit lanes to reduce travel times and keep buses and rail moving.

Project Prioritization Criteria

Ridership

Service Frequency

Equity

Network Connectivity

\$26M

Why is this program important?

Improvements will go to routes that carry 80% of Muni riders including passengers who depend most on public transportation.

Improvements will go to routes that have shown crowding during peak hours in winter of 2020.

Transit priority improvements have demonstrated 10-25% travel time savings in past projects. Collectively, these improvements support a more reliable bus and rail network.

Freeing buses from traffic allows Muni to serve more people with less resources. These savings can be reinvested in the system.



Make the Transportation System Work Better **Muni Rail Modernization, primarily upgrading the train control system.**

Program Summary

Modernize systems that are key for operating the transit system. Replacing the aging train control system, wayside signals, switch machines, and supporting guideway infrastructure.

Project Prioritization Criteria

Ridership

Service Frequency

Equity

Network Connectivity

\$10M

Why is this program important?

Modernized train management leads to more efficient operations and reduces bunching and gaps between trains.

New train communications systems allows for longer trains, reduced crowding, and capacity for future growth.

The current, aging train control system is frequently responsible for slowdowns in the Market Street Subway. Upgrading this system would make the schedule more dependable and travel times more consistent.

The new train control system will complement Muni's new light rail fleet to optimize the riding experience for Muni patrons.



Improve Street Safety and Traffic Flow **Traffic Signal and Street Crossing Improvements in Equity Neighborhoods**

Program Summary

Traffic signal upgrades improve safety and visibility at intersections and other places where people may be crossing the street.

Project Prioritization Criteria

Equity

Collision History

Traffic Volumes

Multiple Mode Benefits

\$42M

Why is this program important?

Signal upgrades make intersections work for everyone, especially people with disabilities and other vulnerable road users.

Improvements will be made on the High Injury Network where a preponderance of traffic deaths and severe injuries are concentrated. Streets in historically disadvantaged communities are almost twice as likely to be on the High Injury Network.

2022 Muni Reliability and Street Safety Improvement Bond



Improve Street Safety and Traffic Flow On-Street Improvements

Program Summary

Redesigning major corridors of the public right of way enhances the quality and use of public spaces, improves safety for all street users, improves Muni access and service, and fixes critical aging transportation infrastructure.

Project Prioritization Criteria

Collision History

Equity Neighborhoods

Nearby Destinations

Community Requests

\$42M

Why is this program important?

This program will focus on quality-of-life improvements along key corridors by providing a better experience for residents, visitors, and workers who bike, walk, and take transit.

The program builds on near-term improvements designed to address collision and fatality trends to transform corridor street design and make safety improvement more permanent.

Multimodal enhancements will support increased housing density, affordability, and mobility.

Corridor improvements to support existing and new investment in commercial corridors.



Improve Street Safety and Traffic Flow Speed Management Program

Program Summary

Implement proven interventions to slow motor vehicle speeds and improve safety, such as application-based residential traffic calming, lowered speed limits along neighborhood corridors, and speed radar signs to improve driver awareness.

Project Prioritization Criteria

Collision History

Equity Neighborhoods

Nearby Destinations

Community Requests

\$30M

Why is this program important?

Every year in San Francisco, about 30 people lose their lives and over 500 more are seriously injured while traveling on city streets.

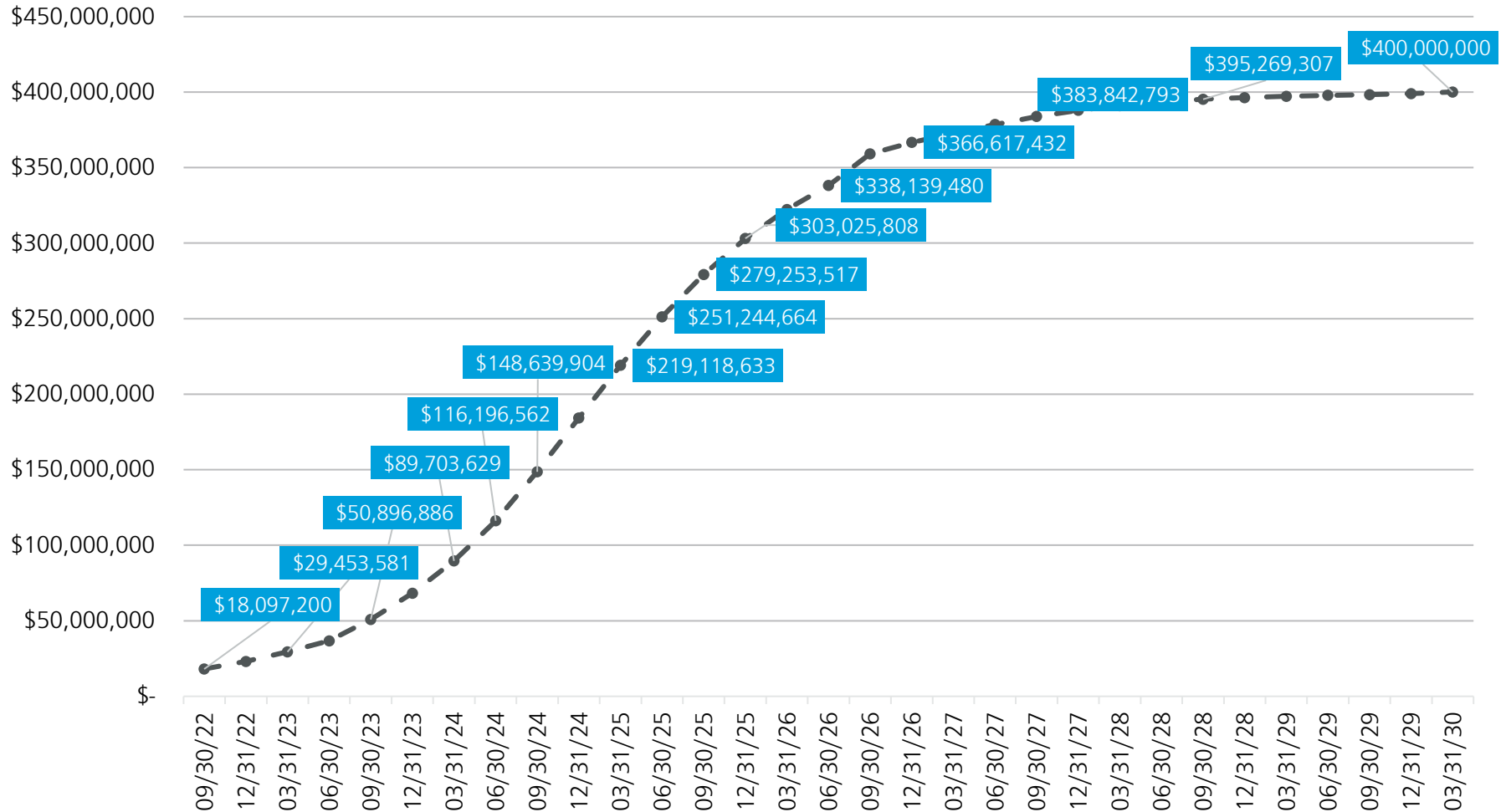
The higher the speed of a crash, the higher the chances are that someone will be killed or seriously injured.

This program invests in street design that supports slower speeds to protect lives.

2022 Muni Reliability and Street Safety Improvement Bond



\$400M Transportation Bond – Spend-down Projection*

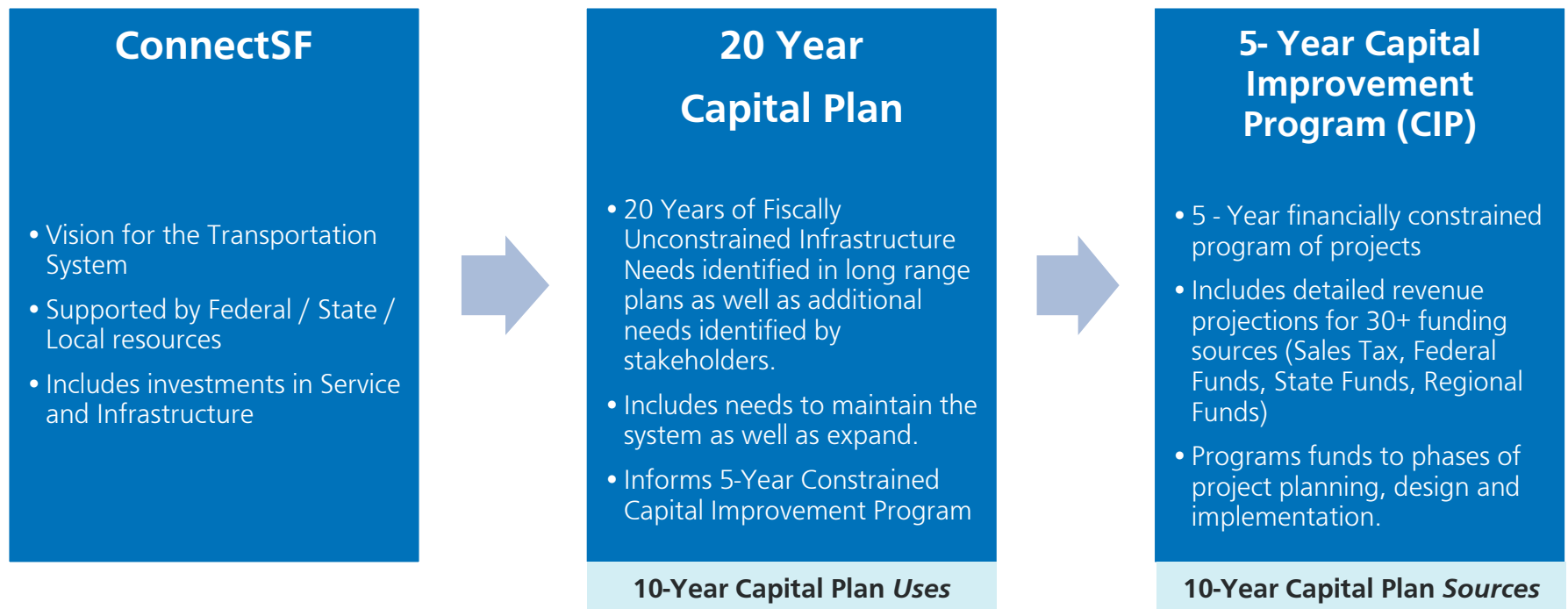


*Based on cashflow requirements of eligible projects under the proposed bond program



Transportation 2050 – Needs and Gaps

The SFMTA took the **vision of ConnectSF** and the capital needs in the agency's **Capital Plan** and looked at operational and capital needs for **the next 30-years**.



Reference: [Transportation 2050](#)

BOARD of SUPERVISORS



City Hall
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Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

December 21, 2021

File No. 211290

Lisa Gibson
Environmental Review Officer
Planning Department
1650 Mission Street, Suite 400
San Francisco, CA 94103

Dear Ms. Gibson:

On December 14, 2021, the following proposed General Obligation Bond for the June 7, 2022, Election was received and assigned to the Board of Supervisors' Budget and Finance Committee:

File No. 211290

Ordinance calling and providing for a special election to be held in the City and County of San Francisco on Tuesday, June 7, 2022, for the purpose of submitting to San Francisco voters a proposition to incur the following bonded indebtedness of the City and County: \$400,000,000 to finance the costs of construction, acquisition, and improvement of certain transportation, street safety and transit related capital improvements, and related costs necessary or convenient for the foregoing purposes; authorizing landlords to pass-through 50% of the resulting property tax increase to residential tenants under Administrative Code, Chapter 37; providing for the levy and collection of taxes to pay both principal and interest on such bonds; incorporating the provisions of Administrative Code, Sections 5.30-5.36; setting certain procedures and requirements for the election; finding that the proposed bond is not a project under the California Environmental Quality Act; and finding that the proposed bond is in conformity with the eight priority policies of Planning Code, Section 101.1(b), and with the General Plan consistency requirement of Charter, Section 4.105, and Administrative Code, Section 2A.53.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

A handwritten signature in black ink, appearing to read "Victor Young".

By: Victor Young, Assistant Clerk
Committee Clerk

Attachment

c: Devyani Jain, Deputy Environmental Review Officer
Joy Navarrete, Environmental Planning
Don Lewis, Environmental Planning
Laura Lynch, Environmental Planning

BOARD of SUPERVISORS



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MEMORANDUM

TO: Ben Rosenfield, City Controller, Office of the Controller

FROM: Victor Young, Assistant Clerk, Rules Committee
Board of Supervisors

A handwritten signature in cursive script that reads "Victor Young".

DATE: December 21, 2021

SUBJECT: GENERAL OBLIGATION BOND INTRODUCED
June 7, 2022 Election

The Board of Supervisors' Rules Committee has received the following Charter Amendment for the June 7, 2022, Election. This matter is being referred to you in accordance with Rules of Order 2.22.3.

File No. 211290

Ordinance calling and providing for a special election to be held in the City and County of San Francisco on Tuesday, June 7, 2022, for the purpose of submitting to San Francisco voters a proposition to incur the following bonded indebtedness of the City and County: \$400,000,000 to finance the costs of construction, acquisition, and improvement of certain transportation, street safety and transit related capital improvements, and related costs necessary or convenient for the foregoing purposes; authorizing landlords to pass-through 50% of the resulting property tax increase to residential tenants under Administrative Code, Chapter 37; providing for the levy and collection of taxes to pay both principal and interest on such bonds; incorporating the provisions of Administrative Code, Sections 5.30-5.36; setting certain procedures and requirements for the election; finding that the proposed bond is not a project under the California Environmental Quality Act; and finding that the proposed bond is in conformity with the eight priority policies of Planning Code, Section 101.1(b), and with the General Plan consistency requirement of Charter, Section 4.105, and Administrative Code, Section 2A.53.

File No. 211291

Resolution determining and declaring that the public interest and necessity demand the construction, acquisition, improvement, and retrofitting of transportation, street safety and transit related improvements, and other critical infrastructure and facilities for transportation system improvements and safety improvements and related costs necessary or convenient for the foregoing purposes; authorizing landlords to pass-through 50% of the resulting property tax increase to residential tenants under Administrative Code, Chapter 37; providing for the levy and collection of taxes to pay both principal and interest on such bonds; incorporating the provisions of Administrative Code, Sections 5.30-5.36; setting certain procedures and requirements for the election; finding that the proposed bond is not a project under the California Environmental Quality Act (CEQA); and finding that the proposed bond is in conformity with the eight priority policies of Planning Code, Section 101.1(b), and with the General Plan consistency requirement of Charter, Section 4.105, and Administrative Code, Section 2A.53.

Please review and prepare a financial analysis of the proposed measure prior to the first Budget and Finance Committee hearing.

If you have any questions or concerns, please call me at (415) 554-7723 or email: victor.young@sfgov.org. To submit documentation, please email or forward to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c: Todd Rydstrom, Deputy City Controller
 Peg Stevenson, City Performance Director
 Natasha Mihal, City Services Auditor

BOARD of SUPERVISORS



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MEMORANDUM

TO: Tom Paulino, Liaison to the Board of Supervisors, Mayor's Office
Anne Pearson, Deputy City Attorney, Office of the City Attorney
John Arntz, Director, Department of Elections
LeeAnn Pelham, Executive Director, Ethics Commission
Jeffrey Tumlin, Director, Municipal Transportation Agency
(jeffrey.tumlin@sfmta.com)

Taxes

FROM: Victor Young, Assistant Clerk, Rules Committee
Board of Supervisors

A handwritten signature in black ink that reads "Victor Young".

DATE: December 21, 2021

SUBJECT: GENERAL OBLIGATION BOND INTRODUCED
June 7, 2022 Election

The Board of Supervisors' Rules Committee has received the following matters for the June 7, 2022, Election. These matter is being referred to you in accordance with Rules of Order 2.22.4.

File No. 211290

Ordinance calling and providing for a special election to be held in the City and County of San Francisco on Tuesday, June 7, 2022, for the purpose of submitting to San Francisco voters a proposition to incur the following bonded indebtedness of the City and County: \$400,000,000 to finance the costs of construction, acquisition, and improvement of certain transportation, street safety and transit related capital improvements, and related costs necessary or convenient for the foregoing purposes; authorizing landlords to pass-through 50% of the resulting property tax increase to residential tenants under Administrative Code, Chapter 37; providing for the levy and collection of taxes to pay both principal and interest on such bonds; incorporating the provisions of Administrative Code, Sections 5.30-5.36; setting certain procedures and requirements for the election; finding that the proposed bond is not a project under the California Environmental Quality Act; and finding that the proposed bond is in conformity with the eight priority policies of Planning Code, Section 101.1(b), and with the General Plan consistency requirement of Charter, Section 4.105, and Administrative Code, Section 2A.53.

File No. 211291

Resolution determining and declaring that the public interest and necessity demand the construction, acquisition, improvement, and retrofitting of transportation, street safety and transit related improvements, and other critical infrastructure and facilities for transportation system improvements and safety improvements and related costs necessary or convenient for the foregoing purposes; authorizing landlords to pass-through 50% of the resulting property tax increase to residential tenants under Administrative Code, Chapter 37; providing for the levy and collection of taxes to pay both principal and interest on such bonds; incorporating the provisions of Administrative Code, Sections 5.30-5.36; setting certain procedures and requirements for the election; finding that the proposed bond is not a project under the California Environmental Quality Act (CEQA); and finding that the proposed bond is in conformity with the eight priority policies of Planning Code, Section 101.1(b), and with the General Plan consistency requirement of Charter, Section 4.105, and Administrative Code, Section 2A.53.

Please review and submit any reports or comments you wish to be included with the legislative file.

If you have any questions or concerns, please call me at (415) 554-7723 or email: victor.young@sfgov.org.

c: Andres Power, Mayor's Office
 Patrick Ford, Ethics Commission
 Kate Breen, SFMTA
 Janet Martinsen, SFMTA
 Joel Ramos, SFMTA
 Viktoriya Wise, SFMTA
 Christine Silva, SFMTA

BOARD of SUPERVISORS



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TDD/TTY No. (415) 554-5227

December 21, 2021

Rich Hillis, Director
Planning Department
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Mr. Rahaim:

On December 14, 2021, the following matters was introduced for the June 7, 2021, Elections:

File No. 211290

Ordinance calling and providing for a special election to be held in the City and County of San Francisco on Tuesday, June 7, 2022, for the purpose of submitting to San Francisco voters a proposition to incur the following bonded indebtedness of the City and County: \$400,000,000 to finance the costs of construction, acquisition, and improvement of certain transportation, street safety and transit related capital improvements, and related costs necessary or convenient for the foregoing purposes; authorizing landlords to pass-through 50% of the resulting property tax increase to residential tenants under Administrative Code, Chapter 37; providing for the levy and collection of taxes to pay both principal and interest on such bonds; incorporating the provisions of Administrative Code, Sections 5.30-5.36; setting certain procedures and requirements for the election; finding that the proposed bond is not a project under the California Environmental Quality Act; and finding that the proposed bond is in conformity with the eight priority policies of Planning Code, Section 101.1(b), and with the General Plan consistency requirement of Charter, Section 4.105, and Administrative Code, Section 2A.53.

File No. 211291

Resolution determining and declaring that the public interest and necessity demand the construction, acquisition, improvement, and retrofitting of transportation, street safety and transit related improvements, and other critical infrastructure and facilities for transportation system improvements and safety improvements and related costs necessary or convenient for the foregoing purposes; authorizing landlords to pass-through 50% of the resulting property tax increase to residential tenants under Administrative Code, Chapter 37; providing for the levy and collection of taxes to pay both

principal and interest on such bonds; incorporating the provisions of Administrative Code, Sections 5.30-5.36; setting certain procedures and requirements for the election; finding that the proposed bond is not a project under the California Environmental Quality Act (CEQA); and finding that the proposed bond is in conformity with the eight priority policies of Planning Code, Section 101.1(b), and with the General Plan consistency requirement of Charter, Section 4.105, and Administrative Code, Section 2A.53.

The proposed General Obligation Bond is being transmitted to the Planning Department for review and determination regarding consistency with the City's General Plan and eight priority policies of Planning Code Section 101.1. The General Obligation Bond is pending before the Budget and Finance Committee and will be scheduled for hearing upon receipt of your response.

Angela Calvillo, Clerk of the Board

A handwritten signature in black ink, appearing to read "Victor Young", written in a cursive style.

By: Victor Young, Clerk
Committee Clerk

Attachment

c: Jonis Ionin, Director of Commission Affairs
Scott Sanchez, Deputy Zoning Administrator
Corey Teague, Zoning Administrator
Lisa Gibson, Environmental Review Officer
Devyani Jain, Deputy Environmental Review Officer
Adam Varat, Acting Director of Citywide Planning
AnMarie Rodgers, Legislative Affairs
Dan Sider, Director of Executive Programs
Aaron Starr, Manager of Legislative Affairs
Joy Navarrete, Environmental Planning