



To: Supervisor Norman Yee

From: Carli Paine, Acting Chief of Staff, SFMTA

Re: Transportation Investments Related to Balboa Reservoir Project

Date: August 5, 2020

This memo provides additional information related to two elements of transportation investments: the Project's Transportation Sustainability Fee; and, SFMTA infrastructure projects in the vicinity of the Balboa Reservoir Project.

1. Transportation Sustainability Fee

Project's TSF Obligation: The Project is subject to paying the Transportation Sustainability Fee (TSF), as outlined in the TSF Ordinance (Planning Code Section 411A). The Project will pay an estimated \$10 million over the course of its build-out. TSF fees are paid to the city at the time of first construction documents for each building. In a phased project, like the Balboa Reservoir, this means that the project will pay the appropriate amount of TSF at the pace that it proceeds with construction documents, and at completion will have paid the full amount.

How the TSF is used: The intention of the TSF, as adopted by the Board of Supervisors in 2015, was for development to pay its share towards keeping people moving as San Francisco grows. The Board had much discussion during the passage of the TSF Ordinance regarding the importance of funding the citywide system with TSF funds. Further, the TSF Ordinance outlines how TSF funds shall be spent:

- 61% for maintaining our existing transit system in San Francisco
- 32% for enhancing transit in San Francisco
- 2% for enhancing regional transit
- 3% for complete streets
- 2% for program administration

Other things to note: TSF from other projects in other parts of the city is one of the sources of funding that will support the Muni Forward improvements on Ocean. The flexibility of the TSF means that SFMTA can utilize TSF funds that are in-hand for priority projects as needed, rather than waiting for sufficient funding to come in over time from a specific development project.

2. SFMTA Projects in the vicinity of the Balboa Reservoir Project

The Balboa Reservoir community planning process led the SFMTA to accelerate two area transportation projects (that are not part of the Balboa Reservoir project) in response to the transportation concerns raised by neighborhood stakeholders and the District Supervisor:



- A. The SFMTA is initiating the Frida Kahlo/Ocean Ave/Geneva Ave intersection improvement project to improve safety for all roadway users, to support transit service and arterial/emergency operations, and to enhance facilities for people walking and bicycling at this key intersection.

The SFMTA's consultant for the project has initiated work on design alternatives. Community engagement to review options and provide input will take place by mid-2021. \$300,000 in Prop K and Prop B funding is secured in support of the Planning phase. The SFMTA will be seeking future Prop K and Prop B funds for detailed design, engineering, and implementation, which we estimate will cost an additional \$11.6 million.

- B. The SFMTA will implement a Muni Forward K Ingleside Quick Build Project to reduce delay on the K Ingleside line and enhance safety for pedestrians on Ocean Avenue. Muni Forward refers to operational treatments such as transit priority signals, transit lanes, new crosswalks, and extended boarding islands, that are designed to improve Muni reliability.

The SFMTA has funding for the planning and implementation of the K Ingleside Quick Build Project. This project is estimated to cost around \$500,000. Actual costs will depend on specific alternatives selected. Funds to support this work come from the SFMTA's Quick Build program in our Capital Improvement Plan and draw from a variety of local sources. Public engagement related to specific options and trade-offs will commence in 2021. Depending on community process, the quick build project could be implemented within one year of the community engagement.

The quick-build project will be a near-term set of improvements in advance of a full Muni Forward project on the corridor. The full Muni Forward project cost estimate is approximately \$26 million, although actual costs depend on specific alternatives selected. Funds for the longer-term project are anticipated to come from sources including RM3, TSF, Cap and Trade TIRCP funds, and local fund sources.

SFMTA project staff will ensure coordination between the two projects and will be responsible for any necessary environmental review and other approvals associated with the projects.