San Francisco Transportation Plan Update

PART 4: Revenue Estimate and Investment Options

Spring 2013
Revenue Estimate
Baseline Investment Policy
Investment Needs and Options
Budget Czar Website and Public Feedback
Investment Scenarios
Revenue Estimate
Expected transportation revenue for San Francisco through 2040

$64.3 Billion total expected through 2040

- Transit Operations: $35.50B
- Transit Maintenance: $11.10B
- Street Maintenance: $5.10B
- Projects Already Underway: $9.43B
- Uncommitted Revenue: $3.14B
## Anticipated Revenue Sources Through 2040

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Estimated Revenues for San Francisco</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local</td>
<td>$37.8 billion</td>
</tr>
<tr>
<td>Federal</td>
<td>$12.3 billion</td>
</tr>
<tr>
<td>State</td>
<td>$7.6 billion</td>
</tr>
<tr>
<td>Regional</td>
<td>$5.0 billion</td>
</tr>
<tr>
<td>Anticipated Unspecified*</td>
<td>$1.7 billion</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$64.3 billion</strong></td>
</tr>
</tbody>
</table>

*Additional funding that San Francisco can expect to receive over the next 28 years based on historic trends. This category could include funds from a variety of sources including bonds, new state and federal programs, and/or private contributions.*
Four criteria are used to determine if a project is included in the baseline when developing the investment scenarios:

- Project is under construction
- Project is fully-funded and all funding for the project is committed
- Project is identified as a regional transit expansion priority in the Metropolitan Transportation Commission’s Regional Transportation Plan/Sustainable Communities Strategy Transportation Investment Strategy
- Project is included in the Inter-related Program of Projects within the signed Memorandum of Understanding: High-Speed Rail Early Investment Strategy for a Blended System on the Peninsula Corridor (HSR MOU)

Download the SFTP Baseline Policy
**SFTP Baseline Projects**

### SFTP Baseline Project Costs (as shown in RTP/SCS)

<table>
<thead>
<tr>
<th>Project</th>
<th>Cost (YOE$)</th>
<th>Basis for inclusion in baseline</th>
</tr>
</thead>
<tbody>
<tr>
<td>1  Presidio Parkway</td>
<td>$2,052.6</td>
<td>Under construction</td>
</tr>
<tr>
<td>2  Transbay Transit Center, Phase 1</td>
<td>$1,589.0</td>
<td>Under construction</td>
</tr>
<tr>
<td>3  Transbay Transit Center, Phase 2/Downtown Extension of High Speed Rail/Caltrain Improvements</td>
<td>$2,596.0</td>
<td>Regional transit expansion priority</td>
</tr>
<tr>
<td>4  Central Subway</td>
<td>$1,578.3</td>
<td>Under construction</td>
</tr>
<tr>
<td>5  High Speed Rail MOU projects – Caltrain Electrification/EMU vehicles/Advance Signal System</td>
<td>$485.0</td>
<td>Included in HSR MOU</td>
</tr>
<tr>
<td>6  Van Ness Avenue BRT</td>
<td>$126.00</td>
<td>Regional transit expansion priority</td>
</tr>
<tr>
<td>7  Fully-funded developer projects (Parkmerced local streets, Parkmerced LRT extension, Treasure Island local streets and bus facility)</td>
<td>$99.0</td>
<td>Fully-funded</td>
</tr>
<tr>
<td>8  Yerba Buena Island Ramp Improvements</td>
<td>$103.0</td>
<td>Fully-funded</td>
</tr>
</tbody>
</table>

**Total** $8,628.9

1Includes 30 years of operations and maintenance costs and TIFIA repayments.
Baseline Projects - $9.43 Billion

Projects that are:
- Under construction
- Identified as a regional transit expansion priority by region
- Fully Funded
- Committed under the high-speed rail early investment strategy
Investment Needs and Options
Financially constrained investment scenarios

How should we prioritize $3.14 Billion in uncommitted funds?

State of Good Repair / Operations & Maintenance (SOGR/O&M)
- O&M to relieve crowding, improve reliability
- Pavement quality, structures

Transportation enhancements and programs
- Pedestrian safety, traffic calming
- Bicycle facilities

Expansion projects
- Improve transit for existing and new travel markets
- Develop freeway management strategies (US101, HWY280)
How should we prioritize $3.14 Billion?

Candidate Investment: Operations and Maintenance

- $51.7 B must be spent on Operations and Maintenance
- $4 B more needed just to maintain today’s levels of repair and transit service
- $3 billion to increase transit frequency to address crowding and growth
How should we prioritize $3.14 Billion?

Candidate Investment: Programs

- $764 mil to continue funding at today’s levels
- Several billion for more ambitious goals: citywide cycletrack* network, pedestrian safety strategy

* Cycletracks are grade-separated, buffered bike lanes
Over 40 projects evaluated for cost effective contribution to plan goals

Total cost of $14 billion, top tier cost of ~$1.3 billion in projects
Transportation system needs relative to revenue

Transportation System Investment Need through 2040:
$74 Billion

Estimated Revenues through 2040:
$64 Billion

- Programs and projects
- Street maintenance
- Transit operations

Baseline

www.sfcta.org/MoveSmartSF | twitter.com/SanFranciscoTA | www.facebook.com/MoveSmartSF
Demand for transportation funding exceeds revenue

- SOGR Need - $56B to maintain existing conditions (vs. $51.7B expected)
- Programs - $2.6B for agencies' top priority Capital Improvement Program investments
- Projects - $1.3B in “highest” performing capital or expansion projects
- Expanded service – $2.5B to address crowding and accommodate growth

<table>
<thead>
<tr>
<th></th>
<th>SOGR Gap, Existing System</th>
<th>Programs (1)</th>
<th>Projects (2)</th>
<th>Expanded Service (3)</th>
<th>Total Need (4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Based on Agency top priority CIP needs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Based on Highest Tier, Benefit Cost Proxy Index</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) Based on Agency top priority CIP needs
(2) Based on Highest Tier, Benefit Cost Proxy Index
(3) Service expansion to accommodate growth, meet latent demand
(4) Total top priority estimated need for discretionary funding
Potential new revenue options

- Expected discretionary revenues - $3.14B
- Congestion pricing - $2.5B for both Treasure Island and Downtown Cordon
- Half cent sales tax increase or vehicle license fee (VLF) - ~$4B
- Total potential discretionary revenue - ~$11.5B

Potential revenue sources include, but are not limited to:
- Half-cent sales tax increase
- Transportation user fees (parking pricing, high-occupancy toll (HOT) lanes on freeways, increased bridge tolls
- Increase Vehicle License Fee (VLF)
- Parcel tax
- Community benefits district property assessment (Mello-Roos)
- Local motor fuel (gas) tax
Cost Saving Strategies

Use available resources more efficiently
» Innovative project and service delivery approaches
» Employer / private sector participation
» Infrastructure bank financing
Under Development: Investment Scenarios

• Potential Scenario Frameworks for the Constrained Plan:

• Options for how to allocate investment funds across the range of needs (maintenance and operations, programs, and projects):
  • Even Split
  • % Need
  • Bang for the Buck
  • Fix it First/Back to Basics
  • Safety
  • Crowd-sourced plan (public feedback from Budget Czar game)
Public Input on Investment Priorities
Objectives:

1. Educate the public about transportation needs and available revenues

2. Use “Budget Game” to gather input on how best to prioritize available funds
   - Maintenance and operations vs. smaller programs vs. larger expansion projects

3. Reach a broad cross-section of San Francisco stakeholders
   - Geographic, ethnic, racial, income diversity
   - Residents, employees, business owners

SFTP Budget Game Queen became a popular image around town
Getting the Word Out

- Email notification
  - 500+ SFTP email list, 3,500+ Authority-wide list

- Fact sheets
  - ~1000 (English, Chinese, Spanish) distributed at 14 locations

- Advertisements on buses/shelters + in newspapers
  - 1100 on buses, 450 in shelters, 10 newspaper ads

- Community events and presentations
  - ~2000 postcards distributed at 11 events citywide
  - 18 presentations to Boards, Commissions, various groups

- Social Media (facebook/twitter)

- Press release and media coverage
  - SF Business Times, SF Examiner, Bay Citizen, SF Streetsblog
A Strong Response

- The public response was strong:
  - ~800 submittals for the Budget Czar Game
  - Engaged audiences at presentations to community groups and Boards/Commissions
  - Appreciation for the informative content of the Game
  - Desire for another round relating to revenue options
Who We Reached

Budget Game Results –

Demographics:

- All age, racial, ethnic and income groups reached, but
- Over-representation of:
  - Ages 25-40
  - White
  - Higher-Income
  - Central Supervisorial districts (5, 8, 9)

SF Zip Code: 350 | Non-SF Zip Code: 57 | Did not report: 331
Desire for increase in transit O&M (80%)

Investment In Maintenance and Operations

- Maintain
- Increase Moderately
- Increase Aggressively

- Transit O+M
- Street Maintenance
Desire for more investment in walking, cycling, + Muni Enhancements

Investment in Programs

- Street and Signal Upgrades
  - Reduce: 20%
  - Maintain: 46%
  - Increase Moderately: 24%
  - Increase Aggressively: 10%

- Transportation Demand and Parking Management
  - Reduce: 20%
  - Maintain: 29%
  - Increase Moderately: 23%
  - Increase Aggressively: 29%

- Bicycling
  - Reduce: 17%
  - Maintain: 21%
  - Increase Moderately: 45%

- Regional Transit Enhancement
  - Reduce: 13%
  - Maintain: 36%
  - Increase Moderately: 28%
  - Increase Aggressively: 22%

- Walking and Traffic Calming
  - Reduce: 14%
  - Maintain: 22%
  - Increase Moderately: 25%
  - Increase Aggressively: 40%

- Muni Enhancement
  - Reduce: 10%
  - Maintain: 35%
  - Increase Moderately: 35%
  - Increase Aggressively: 35%
High-Performing Transit Efficiency Projects Lead the Pack

Demand for Projects (top 10 vote-getters)

- Transit Effectiveness Project
- Transit Performance Initiative
- Better Market Street
- Geary Boulevard BRT
- Congestion pricing & related multi...
- BART turn-back spur and BART Metro...
- Potrero / Bayshore Bus Rapid Transit
- Historic streetcar from Fisherman's...
- Increased BART service in San Francisco
- Stockton transit priority and partial...
### Investment in Projects (middle 10 projects)

| Project                                                                 | Cost  
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Historic streetcar service to Fort Mason</td>
<td>$90 mil</td>
</tr>
<tr>
<td>T-Third Street to Caltrain Bayshore</td>
<td>$150 mil</td>
</tr>
<tr>
<td>Central Subway extension to...</td>
<td>$1,690 mil</td>
</tr>
<tr>
<td>19th Avenue Muni Metro M light-rail...</td>
<td>$270 mil</td>
</tr>
<tr>
<td>Geary Boulevard light-rail line</td>
<td>$2,000 mil</td>
</tr>
<tr>
<td>Geneva Avenue BRT</td>
<td>$230 mil</td>
</tr>
<tr>
<td>New Caltrain station at Oakdale...</td>
<td>$60 mil</td>
</tr>
<tr>
<td>HOV / Carpool lane on Central Freeway</td>
<td>$20 mil</td>
</tr>
<tr>
<td>Extend M-Line to Daly City</td>
<td>$380 mil</td>
</tr>
<tr>
<td>BART 30th Street station</td>
<td>$810 mil</td>
</tr>
</tbody>
</table>
Least frequently chosen projects

<table>
<thead>
<tr>
<th>Project</th>
<th>Investment (mil)</th>
</tr>
</thead>
<tbody>
<tr>
<td>N-Judah spur to Mission Bay, along...</td>
<td>$620</td>
</tr>
<tr>
<td>Contra-flow carpool lane on the Bay...</td>
<td>$340</td>
</tr>
<tr>
<td>Express Bus (Hunters Point and...</td>
<td>$150</td>
</tr>
<tr>
<td>Carpool/bus lanes on I-280 and...</td>
<td>$150</td>
</tr>
<tr>
<td>Boulevard replacement for Central...</td>
<td>$230</td>
</tr>
<tr>
<td>Geneva Avenue extension</td>
<td>$150</td>
</tr>
<tr>
<td>Mission Bay ferry terminal</td>
<td>$80</td>
</tr>
<tr>
<td>Evans Avenue transit priority...</td>
<td>$70</td>
</tr>
<tr>
<td>Geneva Avenue light-rail line</td>
<td>$440</td>
</tr>
<tr>
<td>J-Church limited bus</td>
<td>$50</td>
</tr>
<tr>
<td>Southeast Waterfront transit priority...</td>
<td>$880</td>
</tr>
<tr>
<td>Bridge over Yosemite Slough</td>
<td>$70</td>
</tr>
<tr>
<td>Harney Way rebuild</td>
<td>$450</td>
</tr>
</tbody>
</table>
What We Heard - Key Themes

1. Appreciation for Budget Game as a **useful tool** for public engagement.

2. Strong desire to get **back to the basics**: prioritize maintenance and operations of the existing Muni system, improve its reliability, and address crowding.

3. Conviction that San Francisco deserves a world-class public transportation system, with **faster, more frequent service**.

4. Strong desire to **improve cycling and walking conditions**.

5. High priority for a **focus on core capacity improvements**.

6. Quite a bit of **support**, but also some skepticism about congestion pricing; interest in parking-based alternatives.

7. Desire for cost savings, **faster project delivery**.

8. **Support for more revenue**, and more discussion about new revenue options.