



Memorandum

Date: 05.21.10 **RE:** Citizens Advisory Committee
May 26, 2010

To: Citizens Advisory Committee

From: Anna LaForte – Deputy Director for Policy and Programming *all*
Maria Lombardo – Chief Deputy Director for Policy and Programming *mel*

Subject: **INFORMATION** – Status Report on the Development of a Draft Expenditure Plan for the Imposition of an Additional Vehicle Registration Fee of Up to \$10 in San Francisco Pursuant to the Requirements in SB 83

Summary

In late October, the Governor signed into law SB 83 (Hancock), which authorizes congestion management agencies (CMAs) to impose an annual fee of up to \$10 on motor vehicles registered within their respective counties. The funds would have to be used for programs and projects having a relationship to or benefiting the people paying the fee, and they would have to be consistent with the Regional Transportation Plan. In December 2009, the Authority approved Resolution 10-27, authorizing the Executive Director to initiate the development of an Expenditure Plan for a new vehicle registration fee consistent with the requirements of SB 83. Placing the measure on the November 2010 ballot would necessitate a tight timeline for developing and approving an Expenditure Plan and the required benefit-relationship finding, as shown in Attachment 1. Since our April report to the Citizens Advisory Committee (CAC), we have held an additional meeting of both the CAC subcommittee and the stakeholder advisory panel, and continued our coordination and information sharing efforts with other Bay Area CMAs that are also considering the November 2010 election. At the May CAC meeting we will present the draft Expenditure Plan (Attachment 2), and provide an update on the effort to finalize the plan and related materials for June approval by the Authority Board. We are in the process of scheduling a special CAC meeting in early June for the CAC to act on the final draft Expenditure Plan, required findings, and a resolution to place the measures on the ballot. Interested parties may access current information and updates on the potential vehicle registration fee and the development of the Expenditure Plan, including opportunities for public input, on the Authority's web site at www.sfcta.org/sb83. **We are seeking input and guidance from the CAC. This is an information item.**

BACKGROUND

On December 15, 2009, the Authority Board approved Resolution 10-37, authorizing the Executive Director to initiate the development of an Expenditure Plan pursuant to the requirements in SB 83 so that the Authority Board is able to place the measure on the November 2010 ballot, should it so choose.

SB 83 was authored by Senator Loni Hancock, a Bay Area legislator, and was one of several initiatives considered by the Legislature during the past session intended to mitigate congestion, reduce air quality impacts from mobile sources, and to generate new revenues that can help with these tasks. The bill authorizes congestion management agencies (CMAs) throughout the state to place a measure on the ballot to impose an additional annual fee of up to \$10 on motor vehicles registered within their respective counties. In October 2009, Governor Schwarzenegger signed SB 83 into law, allowing the Authority, as CMA for San Francisco, to take up the question of whether or not to pursue such a measure. This is the first authorization provided by the state in many years that would generate additional transportation revenues at the local level.

The Authority Board could place the vehicle registration fee on the ballot by a simple majority vote, which would also approve the specific Expenditure Plan, to put before the voters, for the revenues

collected. SB 83 requires that the ballot measures resolution contain a finding of fact that fees collected be used only to pay for programs and projects bearing a relationship or benefit to the owners of motor vehicles paying the fee and be consistent with the Regional Transportation Plan. The guidance in SB 83 is broad regarding what types of projects are eligible, but could include bicycle and pedestrian projects, local streets and roads projects, transit projects, traffic signal coordination, and roadway operational improvements. Imposition of the fee would be subject to a simple majority vote of the San Francisco electorate.

Placing a vehicle registration fee on the November 2010 ballot entails a tight timeline for developing and approving an Expenditure Plan and the required benefit-relationship finding. This timeline and the relatively small amount of funds available (e.g., about \$5 million annually compared to over \$70 million annually for the Prop K half-cent sales tax) call for a very focused and streamlined approach to development of the Expenditure Plan. The revised schedule shown in Attachment 1 would enable the Authority Board to place a vehicle registration fee measure on the November 2010 ballot and assumes Board adoption of the Expenditure Plan and required benefit-relationship analysis in June. The deadline for the Board to place a measure on the November 2010 ballot is July 30, 2010. The schedule assumes monthly updates to the Plans and Programs Committee and Citizens Advisory Committee (CAC), and ongoing discussions with a stakeholder advisory panel, subcommittee of the CAC, and the Authority's Technical Working Group to inform the process.

The purpose of this memorandum is to provide an update on the development of an Expenditure Plan for an additional vehicle registration fee in San Francisco and seek input and guidance from the CAC.

DISCUSSION

Over the last month, we have held a third meeting of the CAC subcommittee and a second meeting of the stakeholder advisory panel, where we discussed the draft Expenditure Plan proposal, shown in Attachment 2. We also continued to meet and coordinate with other Bay Area CMAs that are also considering pursuing a similar fee and continued working with a consultant, Cambridge Systematics, to finalize the benefit-relationship analysis on the projects and programs proposed for inclusion in the Expenditure Plan. In the paragraphs below, we provide an overview of the draft Expenditure Plan, give an update on SB 83 activities since our April report to the CAC, highlight key recommendations and feedback we have heard in the last month, provide new information on how a proposed constitutional amendment, "Stop Hidden Taxes," expected to be on the November 2010 ballot, could have on the SB 83 vehicle registration fee, and describe next steps. Our timeline had called for CAC action in May; however, we are scheduling a special CAC meeting in early June to allow more time for input and to finalize the full set of materials that the CAC will act on (e.g., findings, ordinance).

Draft Expenditure Plan: Based upon the input received from various stakeholders, the polling results, the preliminary benefit-relationship analysis, and our experience with administering the sales tax program, in April we developed a first draft of an Expenditure Plan, shown in Attachment 2, and presented it on May 4 to the CAC Subcommittee and stakeholder advisory panel, on May 11 to the Plans and Programs Committee, on May 18 to the Authority Board, and on May 20 to our Technical Working Group. The draft Expenditure Plan will be subject to modification based upon additional Commissioner and stakeholder input. It also is currently under review by legal counsel, which will likely result in additional revisions. The paragraphs below provide an overview of the Expenditure Plan and highlight some of the revisions under consideration, based upon input received.

The guiding principles, administrative policies and procedures, and plan categories in the draft Expenditure Plan are not substantially different from materials that we presented to the CAC in March

and April, but they have undergone some minor refinement. With respect to the three proposed plan categories, described below, we have made minor modifications to the draft list of eligible projects and programs and assigned proposed funding levels expressed as a percentage of vehicle registration fee revenues that would be available to each category of the life of the 30-year Expenditure Plan. We also have flipped the word order in the first two categories based on input from the CAC subcommittee. This will be reflected in the final draft Expenditure Plan.

- **Street repair and reconstruction** – 50% (approximately \$2.5 million annually). Projects funded in this category would provide a strong benefit to the motorists paying the fee, and since it includes the ability to add on complete streets elements, it will also benefit all modes, including bicyclists, pedestrians, and transit users. The San Francisco Bicycle Coalition’s research has indicated that street repair is a high priority for cyclists.
- **Pedestrian safety and circulation** – 25% (approximately \$1.25 million annually). Projects funded in this category would help mitigate the impact that driving has on pedestrian circulation and safety. While these types of projects may be part of or coordinated with a street repair or reconstruction project, providing an independent category in the Expenditure Plan would allow the city to address critical pedestrian safety issues in a timely fashion, rather than having to wait for a particular location to be prioritized for pavement repair. Dedicating some funds specifically for pedestrian safety also is in recognition of the limited discretionary funding opportunities for these types of improvements.
- **Transit reliability and mobility improvements** – 25% (approximately \$1.25 million annually). Similar to the pedestrian circulation and safety category, these projects could be incorporated into or coordinated with street repair projects, but the city would benefit from an independent fund source to support projects that can most effectively benefit transit, independent of the street resurfacing schedule. This category would also provide much-needed capital funds to leverage Prop K and other sources to support future implementation of the Municipal Transportation Agency’s (MTA’s) Transit Effectiveness Project rapid network.

The full text description for each of the three categories is contained in the attached draft Expenditure Plan. As required by SB 83, we have also made a finding that all of the proposed projects and programs in the draft Expenditure Plan are consistent with the Metropolitan Transportation Commission’s latest Regional Transportation Plan, known as *Transportation 2035*. Detail supporting this finding is shown in Attachment 3.

The draft Expenditure Plan follows the organizational structure of the Prop K Expenditure Plan, but is much shorter and more streamlined, primarily to reflect the much smaller revenue source (annually around \$5 million a year compared to \$70-\$80 million a year for Prop K). The draft Expenditure Plan also includes a few new sections to correspond to the requirements of SB 83 (e.g., the required the benefit-relationship finding), expands project sponsor eligibility to all public agencies rather than specifying a more narrow list of eligible sponsors by category, and streamlines the strategic planning process.

During the May 11 Plans and Programs Committee meeting and the May 18 Authority Board meeting, Commissioners, including the Authority Chair, generally expressed support for the draft Expenditure Plan.

Summary of Feedback from Stakeholders: On Tuesday, May 4, we convened meetings of the CAC subcommittee and the stakeholder advisory panel to discuss the draft Expenditure Plan. Both groups supported the proposed principles and administrative guidelines, and generally supported the proposed

Expenditure Plan categories and funding levels. During the discussions, a number of recommendations and outstanding issues surfaced, including:

Prioritization Criteria: The CAC subcommittee also suggested some additions to the prioritization criteria to more clearly emphasize funding of projects with multiple beneficiaries (e.g., drivers and pedestrians) and projects with strong community support. We propose adding these two criteria to Section 6 of the draft Expenditure Plan. CAC member Robert Switzer has subsequently suggested further modifications to the prioritization criteria which we will invite him to present at the May CAC meeting.

Pothole Repair: The CAC subcommittee also raised the issue of whether or not to include pothole repair as an eligible expenditure in the street repair and reconstruction category, and expressed support for including it since it would provide an immediate benefit to motorists. Based on the subcommittee discussion, we worked with the Department of Public Works (DPW) to answer questions that were raised, and DPW's responses are shown in Attachment 4. DPW already has in place a system that targets responding to pothole requests within 72 hours and also routinely inspects roads. DPW would prefer to invest SB 83 revenues into its capital street repair and reconstruction program, which extends the useful life of the asset and reduces the appearance of potholes. The stakeholder advisory panel did not support including pothole repair in the Expenditure Plan, recognizing the temporary nature of the investment (e.g., pothole repairs generally have a useful life of one year or less). Similar to the stakeholder advisory panel, we are proposing that the Expenditure Plan focus on more cost-effective road maintenance efforts such as street resurfacing and reconstruction and are not recommending that pothole repair be included in the Expenditure Plan.

Transit Operations: The issue of whether or not to commit a portion of the revenues to support transit operations has been raised throughout the Expenditure Plan development process. Two members of the stakeholder advisory panel in particular felt strongly that San Francisco, San Mateo, and Santa Clara counties should commit all or part of their respective SB 83 revenues to support and preserve Caltrain service, given its current budget crisis. The CAC subcommittee and other members of the stakeholder advisory panel felt that Caltrain's and the MTA's operations needs are too large to be a good fit for this small fund source. They also recognized that since the revenues will not likely be available until mid-2012, this would not be a solution for filling budget shortfalls during the current or next fiscal years. Several members of both committees also felt that the approach to resolving Caltrain needed to be a regional one given the governance structure that includes San Francisco, San Mateo and Santa Clara counties. Based upon recent conversations with the Santa Clara and San Mateo CMA's, neither of which have formally approved an Expenditure Plan or acted to place an SB 83 vehicle registration fee on the ballot, it is our understanding that Santa Clara's CMA staff has proposed to allow transit to be eligible to receive up to 20% of its SB 83 revenues for access and efficiency projects. However, transit would compete with five other programmatic categories for the same 20% share of the revenues, making transit unlikely to receive even 20% of the fee revenues. Within the transit category, Santa Clara CMA staff has not proposed anything specifically for Caltrain transit operations. The San Mateo CMA is not as far along in its Expenditure Plan development process, but its staff is considering a proposal that would commit up to 25% of its revenues to transit, some of which could be used for transit operations, including Caltrain and SamTrans. We are still vetting this issue with the full membership of the CAC subcommittee and the stakeholder advisory panel, but the sentiment of most members seems to be that finding a sustainable solution for transit operations is a critically important issue that needs to be resolved regardless of the SB 83 effort.

Proposed November 2010 "Stop Hidden Taxes" Ballot Initiative: A group led by the California Chamber of Commerce and the California Taxpayers' Association has submitted signatures to election officials in

order to qualify a constitutional amendment initiative for the November 2, 2010 ballot. The “Stop Hidden Taxes” measure would narrow the guidelines for what constitutes a user fee, which requires a simple majority vote, and a tax, which usually requires a supermajority or two-thirds vote. Currently, the SB 83 vehicle registration fee is considered a fee since it must be used on projects that benefit vehicle owners, and therefore requires a simple majority voter approval. If the “Stop Hidden Taxes” measure is placed on the ballot and passes, it is likely that vehicle registration fees such as those authorized by SB 83 would be reclassified as a tax and not a fee, requiring a two-thirds voter approval. The initiative has a provision that it would be enacted immediately. If this holds, it is possible that the SB 83 vehicle registration fee could be invalidated if it gets less than two-thirds approval on the November ballot. We are currently seeking clarification of the impact of this proposed initiative on the SB 83 vehicle registration fee as well as its impact on the ability of local and state governments to raise revenues and will provide any new information we have at the CAC meeting.

Next Steps: We are continuing to seek and receive input from Commissioners, the CAC subcommittee, the stakeholder advisory panel and our Technical Working Group, and will present any additional feedback we receive at the May 26 CAC meeting. As noted earlier, we are working to schedule a special CAC meeting in early June where the CAC would act on the final draft Expenditure Plan, required findings, and a resolution to place the measure on the November 2010 ballot. These items are scheduled to be considered at the Plans and Programs Committee on June 15 and at the Authority Board on June 22.

Interested parties may access current information and updates on the potential vehicle registration fee and the development of the Expenditure Plan, including opportunities for public input, on the Authority’s website at www.sfcta.org/sb83.

We are seeking input and guidance from the CAC. This is an information item.

ALTERNATIVES

Not applicable – This is an information item.

FINANCIAL IMPACTS

Not applicable – This is an information item.

RECOMMENDATION

Not applicable – This is an information item.

Attachments:

1. Schedule for Developing an Expenditure Plan and Placing a New Vehicle Registration Fee on November 2010 Ballot
2. SB 83 Additional Vehicle Registration Fee – Final Draft Expenditure Plan
3. RTP Consistency Finding for Proposed SB 83 Vehicle Registration Fee Expenditure Plan
4. DPW Response to Questions Regarding Pothole Repair from the May 4, 2010 SB 83 CAC Subcommittee Meeting



Attachment 1

SB 83 Vehicle Registration Fee – Expenditure Plan Development Revised Schedule (Updated 05.20.10)

The revised schedule shown below would enable the San Francisco County Transportation Authority (Authority) Board to place a vehicle registration fee measure pursuant to the requirements in SB 83 (Hancock) on the November 2010 ballot. It shows key dates and indicates activities and deliverables on a monthly basis. The schedule assumes nearly monthly updates to the Plans and Programs Committee (PPC) and Citizens Advisory Committee (CAC), and the establishment of a stakeholder advisory panel and subcommittee of the CAC to inform the process.

December 15, 2009	<ul style="list-style-type: none"> • Authority Board approves process to develop Expenditure Plan.
January 2010	<ul style="list-style-type: none"> • Establish subcommittee of the CAC • Report on revenue projections to CAC
February 2010	<ul style="list-style-type: none"> • Report on revenue projections to PPC • Establish Stakeholder Advisory Panel • Draft Expenditure Plan structure to CAC
March 2010	<ul style="list-style-type: none"> • First CAC Subcommittee meeting • First Stakeholder Advisory Panel meeting • Draft Expenditure Plan structure to PPC
April 2010	<ul style="list-style-type: none"> • Second CAC Subcommittee meeting • Stakeholder Advisory Panel electronic review of materials • Draft Expenditure Plan Projects and Programs to CAC
May 2010	<ul style="list-style-type: none"> • Third CAC Subcommittee meeting • Second Stakeholder Advisory Panel meeting • Draft Expenditure Plan to PPC • Draft Expenditure Plan to CAC
June 2010	<ul style="list-style-type: none"> • Final draft Expenditure Plan and related materials to CAC (special meeting to be scheduled) • Final draft Expenditure Plan and related materials to PPC • Authority Board acts on Expenditure Plan and related materials to place measure on the November 2010 ballot
July 30, 2010	<ul style="list-style-type: none"> • Deadline for the Authority to place measure on November 2010 ballot
November 2, 2010	<ul style="list-style-type: none"> • San Francisco voters consider measure

Meeting notices and materials are available on the Authority's website at www.sfcta.org/sb83.

**SB 83 Additional Vehicle Registration Fee – DRAFT Expenditure Plan
(Updated – May 4, 2010)**

1. INTRODUCTION

A. SUMMARY

In late October, the Governor signed into law SB 83 (Hancock), which authorizes congestion management agencies (CMAs) to impose an annual fee of up to \$10 on motor vehicles registered within their respective counties. The funds would have to be used for programs and projects having a relationship to or benefiting the people paying the fee, and they would have to be consistent with the regional transportation plan.

The Expenditure Plan identifies transportation improvements to be funded from a new \$10 vehicle registration fee in San Francisco. The projects and programs included in the Expenditure Plan are designed to be implemented over the next 30 years. Provisions are also made for future updates to the Expenditure Plan beyond the initial 30-year period. The Expenditure Plan includes investments in three categories:

- Street Reconstruction and Repair
- Pedestrian Circulation and Safety
- Transit Reliability and Mobility Improvements

B. DEVELOPMENT OF EXPENDITURE PLAN

The proposed Expenditure Plan was developed through a multi-faceted stakeholder outreach process that included monthly discussions at the San Francisco County Transportation Authority's (Authority's) Plans and Programs Committee and Citizens Advisory Committee (CAC) and reports to the Authority Board of Commissioners. A subcommittee of the CAC and a stakeholder advisory panel provided more detailed input into the development of the Expenditure Plan, as did the Authority's staff-level Technical Working Group and other stakeholders through direct contact with Authority staff. The roster of CAC and stakeholder advisory panel members is included in Attachment 1. The Expenditure Plan was recommended by the Authority Board on MONTH, DATE, YEAR..

The Expenditure Plan is a list of transportation projects and programs that will be given priority for vehicle registration fee funding. As such, the Expenditure Plan shall be amended into the Capital Improvement Program of the Congestion Management Program, developed pursuant to section 65089 of the California Government Code. These projects and programs are intended to help implement the long-range vision for the development and improvement of San Francisco's transportation system, as articulated in the San Francisco Long Range Countywide Transportation Plan.

The Countywide Transportation Plan is the City's blueprint to guide the development of transportation funding priorities and policy. The major objectives of the Countywide Transportation Plan are to enhance mobility and access throughout the City, improve safety for all transportation system users, support the City's economic development and the vitality of our neighborhoods, sustain environmental quality, and promote equity and efficiency in transportation investments. The Countywide Transportation Plan is a living document, updated on a regular basis to identify and address changing needs and regional trends, and align them with available funding.

**SB 83 Additional Vehicle Registration Fee – DRAFT Expenditure Plan
(Updated – May 4, 2010)**

C. GUIDING PRINCIPLES

The following principles were used to help guide development of the Expenditure Plan:

- Don't spread the limited revenues too thin or too thick: limit the Expenditure Plan to a very small number of programmatic categories, and within the categories focus on smaller, high-impact projects.
- Focus on high-impact projects that will provide tangible benefits in the short-term.
- Stretch limited revenues as far as possible by complementing or enhancing projects that receive Prop K and other funds (e.g. support leveraging of revenues)
- Fill gaps in fund eligibility by supporting projects that are ineligible, have very limited eligibility, or compete poorly to receive Prop K or other discretionary funds.
- Provide a fair geographic distribution that takes into account the various needs of San Francisco's neighborhoods.
- Ensure accountability and transparency in programming and delivery.
- All programs and projects must provide a documentable benefit or relationship to those paying the fee.

D. STRUCTURE

The Expenditure Plan is organized into eight sections. Section 1: Introduction provides background on the Plan's purpose and how it was developed. Section 2: General Provisions provides further context on the Plans' policies and administration. Section 3: Plan Summary contains detailed descriptions of the three programmatic categories included in the Plan, and the types of items that are eligible for funding under each of them. Section 4: Benefit-Relationship Finding addresses the requirement in SB83 that there be a finding of benefit or relationship between the projects and programs in the Plan and those paying the fee. Section 5: Consistency with Regional Transportation Plan addressed the requirement in SB83 that the projects and programs in the Plan are consistent with the regional transportation plan. Section 6: Implementation Provisions describes the process for prioritizing and allocating funds following adoption of the Plan. Section 7: Update Process, describes the mechanisms for developing updates beyond the initial 30-year period.

2. GENERAL PROVISIONS

A. Vehicle Registration Fee Revenues

The Expenditure Plan is fiscally constrained to the total funding expected to be available for the 30-year Expenditure Plan. Prop X establishes a \$10 vehicle registration fee dedicated to transportation improvements that show a benefit or relationship to those paying the fee. The fee shall be continued for the period of implementation of the Expenditure Plan and its updates.

Revenues are estimated over the 30-year period of the Expenditure Plan at approximately \$145.5 million (escalated dollars or year of expenditure (YOE) dollars), or approximately \$4.85 million annually.

B. Restriction of Funds

**SB 83 Additional Vehicle Registration Fee – DRAFT Expenditure Plan
(Updated – May 4, 2010)**

Vehicle registration fee revenues shall be spent on capital projects rather than to fund operations and maintenance of existing transportation services, unless otherwise explicitly specified in the Expenditure Plan. In accordance with enabling legislation and adopted principles, vehicle registration fee revenues generated pursuant to this plan shall be subject to the following restrictions:

i. No Substitution

Vehicle registration fee revenues shall be used to supplement and under no circumstance replace existing revenues used for transportation purposes. Proceeds from the sale or liquidation of capital assets funded with vehicle registration fee revenues shall be returned to the Authority (in proportion to the contribution of vehicle registration fee revenues to the total original cost of the asset), for re-allocation to eligible expenses within the categories from which funds were expended for the original investment.

ii. No Expenditures Outside San Francisco

No vehicle registration fee revenues shall be spent outside the limits of the City and County of San Francisco, except for projects that demonstrate there will be a quantifiable benefit to the City and County's transportation program from the expenditure of funds beyond the City and County line. Should transportation projects or services contemplated in the plan require the participation of multiple counties for any phase of project development or implementation, the Authority shall work cooperatively with the affected county or counties to ensure successful project implementation.

C. Administration by the San Francisco County Transportation Authority

The San Francisco County Transportation Authority, which currently serves as the Congestion Management Agency for the City and County of San Francisco shall allocate, administer and oversee the expenditure of the vehicle registration fee revenues.

D. Environmental Review

Environmental reporting, review and approval procedures as provided for under the National Environmental Policy Act (NEPA), and/or the California Environmental Quality Act (CEQA), and other applicable laws shall be carried out as a prerequisite to the implementation of any project to be funded partially or entirely with vehicle registration fee revenues.

E. Eligible Recipients of Funds

Public agencies are eligible to receive allocations of vehicle registration fee revenues.

F. Severability of Expenditure Plan Projects and Programs

All projects and programs included in the Expenditure Plan and included in the related Benefit-Relationship Finding are severable from the Expenditure Plan. If any individual project or program is deemed ineligible to receive vehicle registration fee revenues, it may be severed from the Expenditure Plan, and its share of the revenues would be reprogrammed to eligible projects and programs according to the Expenditure Plan category distribution formula.

3. PLAN SUMMARY

**SB 83 Additional Vehicle Registration Fee – DRAFT Expenditure Plan
(Updated – May 4, 2010)**

This Expenditure Plan identifies eligible expenditures for three programmatic categories. Programmatic categories are set up to address allocation of funds to multi-year programs for a given purpose, such as the maintenance of local streets and roads, for which not all specific project locations can be anticipated or identified at the time of adoption of the Expenditure Plan. Over the life of the Expenditure Plan, the percentage allocation of vehicle registration fee revenues to each category is as follows: Street Reconstruction and Repair – 50%, Pedestrian Circulation and Safety – 25%, and Transit Reliability and Mobility Improvements – 25%.

A. STREET RECONSTRUCTION AND REPAIR

Reconstruction and repair of city streets to prevent deterioration of the roadway system, based on an industry-standard pavement management system designed to inform cost effective roadway maintenance. Priority given to streets located on San Francisco's bicycle network and to projects that include complete streets elements such as curb ramps, bicycle infrastructure, pedestrian improvements, and traffic calming. Includes design and construction. Total Revenues: \$72.8 million.

B. PEDESTRIAN CIRCULATION AND SAFETY

Improvements to the safety and usability of city streets for pedestrians. Priority given to projects that shorten crossing distances, minimize conflicts with other modes, and reduce pedestrian hazards. May include crosswalk improvements, sidewalk widening and bulbouts, sidewalk repair, repair or upgrade of stairways connecting to transit stops, pedestrian countdown signals, pedestrian lighting, and traffic calming. Includes design and construction. Total Revenues: \$36.4 million.

C. TRANSIT RELIABILITY AND MOBILITY IMPROVEMENTS

Improvements that promote transportation system connectivity, reliability, and accessibility. Priority given to projects on corridors with high transit ridership and those that support proposed rapid transit. May include transit station and stop improvements, transit stop consolidation and relocation, transit signal priority, traffic signal upgrades, travel information improvements, wayfinding signs, innovative parking management pilots and projects, and transportation demand management. Includes design and construction. Total Revenues: \$36.4 million.

4. BENEFIT-RELATIONSHIP FINDING

- Benefit/relationship finding specifically on list of projects and programs (required)

5. CONSISTENCY WITH REGIONAL TRANSPORTATION PLAN

- Statement of consistency with Regional Transportation Plan (required)

6. IMPLEMENTATION PROVISIONS

Prior to allocation of any vehicle registration fee funds, the Authority shall prepare, in close consultation with all other affected planning and implementation agencies, a Strategic Plan for the use of the vehicle registration fee revenues, for review and adoption by the Authority Board. The Strategic Plan shall include a detailed 5-year prioritized program of projects to be funded from each of the Expenditure Plan categories. The program goals shall be consistent with the Countywide Transportation Plan and with the City's General Plan.

The Strategic Plan's 5-year prioritized program of projects shall, at a minimum, address the following factors:

**SB 83 Additional Vehicle Registration Fee – DRAFT Expenditure Plan
(Updated – May 4, 2010)**

- A. Project readiness, including schedule for completion of environmental and design phases; well-documented preliminary cost estimates, and documented community support as appropriate. Priority shall be given to projects that can implement the funded phase(s) within twelve months of allocation.
- B. Compatibility with existing and planned land uses, and with adopted standards for urban design and for the provision of pedestrian amenities; and supportiveness of planned growth in transit-friendly housing, employment and services.
- C. A prioritization mechanism to rank projects within each category, addressing, for each proposed project:
 - Relative level of need or urgency
 - Cost Effectiveness
 - Leveraging of other funds
 - A fair geographic distribution that takes into account the various needs of San Francisco's neighborhoods.
- D. Funding plan, including sources other than the vehicle registration fee.

The Authority shall conduct appropriate public outreach to ensure an inclusive planning process for the development of the Strategic Plan, as well as general plan referral or referral to any City Department or Commission as required.

The Authority and project sponsors shall also identify appropriate performance measures, milestone targets, and a timeline for achieving them, to ensure that progress is made in meeting the goals and objectives of the program. These performance measures shall be consistent with the Authority's Congestion Management Program requirements.

As part of the Strategic Plan development process, the Authority shall adopt, issue, and update detailed guidelines for the development of programs of projects, as well as for the development of project scopes, schedules and budgets.

7. EXPENDITURE PLAN UPDATE PROCESS

The Authority Board may adopt an updated Expenditure Plan anytime after 15 years from the initial receipt of vehicle registration fee revenues, but no later than the last general election in which the Expenditure Plan is in effect. Adoption of the updated Expenditure Plan shall require a 2/3 vote of the Authority Board.

**SB 83 Additional Vehicle Registration Fee – DRAFT Expenditure Plan
(Updated – May 4, 2010)**

Citizens Advisory Committee

Jul Lynn Parsons, Chair*
Peter Tannen, Vice Chair*
Brian Larkin
Jacqueline Sachs*
Wendy Tran
Michael Ma
Chris Jones
Robert Switzer*
Glenn Davis
Fran Martin
Rosie West

*Denotes member of the CAC SB 83 Subcommittee

Stakeholder Advisory Panel

Gillian Gillett
Jim Haas
John Holtzclaw
Jim Lazarus
Gabriel Metcalf
Jeremy Pollack
Andy Thornley

Attachment 3

Regional Transportation Plan Consistency Finding for Proposed SB 83 Vehicle Registration Fee Expenditure Plan

We find the projects and programs contained within the draft Expenditure Plan to be consistent with the Metropolitan Transportation Commission's Regional Transportation Plan (RTP), known as *Transportation 2035*. The chart below indicates, for each proposed Expenditure Plan category and the types of projects eligible for funding under those categories, the corresponding RTP ID number and project name.

The draft Expenditure Plan is consistent with the RTP objectives, most directly supporting:

- Reduce injuries and fatalities for all modes
- Reduce long-term transportation repair costs through timely replacement of assets
- Save consumers repair costs due to poor road conditions
- Increase the number of on-time trips
- Improve connections between transit systems
- Improve information on travel conditions and options
- Make cost-effective use of new technologies
- Create new and safer ways to get around within communities by fostering walking and biking and connecting communities to transit
- Achieve additional reductions in motor vehicle emissions through effective transportation control measures
- Promote non-motorized travel to reduce auto trips

Category	Project Type	RTP ID #	RTP Project Name
Street Repair and Reconstruction	Street Repair and Reconstruction	230696	Local streets and roads maintenance
		230585	Improve the functionality, safe and attractiveness of local streets and arterials in San Francisco
	Complete Streets Projects	230585	Improve the functionality, safe and attractiveness of local streets and arterials in San Francisco
	Curb Ramps	22984	Construct new/reconstruct existing wheelchair curb ramps
	Bicycle Infrastructure	22462	Implement bicycling programs, including construction and rehabilitation of bicycle lanes and paths; improve signage and crossings; and implement a public awareness campaign
	Pedestrian Improvements	21502	Implement pedestrian projects, including sidewalk repair, crossing signal, signage improvements, and an educational campaign
	Traffic Calming	21503	Implement a traffic calming program aimed at reducing auto traffic speeds and improving pedestrian and bicyclist safety throughout San Francisco

Attachment 3

Regional Transportation Plan Consistency Finding for Proposed SB 83 Vehicle Registration Fee Expenditure Plan

Category	Project Type	RTP ID #	RTP Project Name
Pedestrian Safety and Circulation	Crosswalk and Crossing Improvements (e.g. median islands)	21502	Implement pedestrian projects, including sidewalk repair, crossing signal, signage improvements, and an educational campaign
	Sidewalk Widening	21502	Implement pedestrian projects, including sidewalk repair, crossing signal, signage improvements, and an educational campaign
	Bulbouts	21502	Implement pedestrian projects, including sidewalk repair, crossing signal, signage improvements, and an educational campaign
	Sidewalk Repair	21502	Implement pedestrian projects, including sidewalk repair, crossing signal, signage improvements, and an educational campaign
	Stairway Repair or Upgrade	21502	Implement pedestrian projects, including sidewalk repair, crossing signal, signage improvements, and an educational campaign
	Pedestrian Countdown Signals	21502	Implement pedestrian projects, including sidewalk repair, crossing signal, signage improvements, and an educational campaign
	Pedestrian Lighting	21502	Implement pedestrian projects, including sidewalk repair, crossing signal, signage improvements, and an educational campaign
	Intersection Improvements	21502	Implement pedestrian projects, including sidewalk repair, crossing signal, signage improvements, and an educational campaign
	Traffic Calming	21503	Implement a traffic calming program aimed at reducing auto traffic speeds and improving pedestrian and bicyclist safety throughout San Francisco

Attachment 3

Regional Transportation Plan Consistency Finding for Proposed SB 83 Vehicle Registration Fee Expenditure Plan

Category	Project Type	RTP ID #	RTP Project Name
Transit Reliability and Mobility Improvements	Transit Station and Stop Improvements	22982	Enhance transit programs in San Francisco that promote system connectivity and accessibility, close service gaps and expand transit service
		230594	Improve San Francisco BART stations to enhance passenger safety, accessibility and capacity, improve signage and provide real time transit information
	Transit Stop Consolidation and Relocation	22982	Enhance transit programs in San Francisco that promote system connectivity and accessibility, close service gaps and expand transit service
	Transit Signal Priority	21504	Improve roadways throughout San Francisco by installing new traffic signs and signals, providing new transit lane markings, installing new parking meters and relocating a traffic maintenance shop
	Traffic Signal Upgrades	98593	Fund the Integrated Transportation Management System (SFgo)
		21504	Improve roadways throughout San Francisco by installing new traffic signs and signals, providing new transit lane markings, installing new parking meters and relocating a traffic maintenance shop
	Transit Preferential Streets Improvements (e.g. transit-only lanes)	21504	Improve roadways throughout San Francisco by installing new traffic signs and signals, providing new transit lane markings, installing new parking meters and relocating a traffic maintenance shop
		22420	Implement Bus Rapid Transit (BRT) and Transit Preferential Streets (TPS) programs throughout San Francisco
	Travel Information Improvements	21504	Improve roadways throughout San Francisco by installing new traffic signs and signals, providing new transit lane markings, installing new parking meters and relocating a traffic maintenance shop
	Wayfinding Signs	21504	Improve roadways throughout San Francisco by installing new traffic signs and signals, providing new transit lane markings, installing new parking meters and relocating a traffic maintenance shop
	Innovative Parking Management Pilots and Projects	21535	Implement Travel Demand Management (TDM) program, including transit route planning, bicycle and pedestrian planning and transit-oriented development studies and planning
	Transportation Demand Management	21535	Implement Travel Demand Management (TDM) program, including transit route planning, bicycle and pedestrian planning and transit-oriented development studies and planning

Attachment 4

Department of Public Works (DPW) Response to Questions Regarding Pothole Repair from the May 4, 2010 SB 83 CAC Subcommittee Meeting

1. **How much does DPW spend annually on pothole repair?**

The DPW budget for pothole repair is approximately \$2.1 million, including \$1.7 million from the Capital Improvement Program (General Fund) and \$500,000 from the Road Fund (non-Prop 42 gas tax subventions). This budget includes funds for both pothole repair and patch paving, the latter of which includes an asphalt patch over a number of clustered potholes.

2. **What is the process for requesting pothole repair?**

Potholes are identified through calls to 3-1-1 and by DPW crews in the field.

3. **What is the process for prioritizing locations? Is there a queue?**

DPW attempts to repair each pothole as the requests come in.

4. **How long does it take from request to repair?**

DPW has a goal of responding to requests within 72 hours. If the pothole poses a safety hazard, response may occur immediately. DPW coordinates with the Public Utilities Commission and utility companies as necessary. If the potholes are utility cut-related, DPW works to have the utility company fund the repairs.

5. **How long do pothole repairs typically last?**

Pothole repairs generally have a useful life of one year, but repairs may last less than one year if the location is on a transit route or there have been heavy rains.

6. **Does DPW feel like there is a shortage of funds for pothole repair? If so, what is the size of the shortfall?**

Probably, but DPW has not calculated this number as it has focused its efforts on the capital street resurfacing program's needs and shortfall.

7. **With respect to SB83, does DPW have a preference for more funds for street resurfacing or for pothole repair?**

DPW would prefer using SB 83 revenues for its capital street resurfacing program with the ultimate goal of avoiding the need to repair potholes. In Fiscal Year 2010/11, DPW projects a \$25 million shortfall in funding required to maintain the City's current pavement condition index of 64. The annual shortfall increases to \$35 million to improve the pavement condition index.

8. **The gas tax swap is expected to result in about \$1.24 million more annually in Prop 42 for DPW. Has DPW determined how it would like to use these funds? What are the likely types of projects (e.g. resurfacing, potholes, other) that DPW is considering even if the priority has not been established or is done annually?**

DPW anticipates using the additional revenues for its capital street resurfacing program, including crack and slurry sealing projects which extend the useful life of the pavement.