



AGENDA

Citizens Advisory Committee Meeting Notice

Date: Wednesday, September 23, 2020; 6:00 p.m.

Location: Watch <https://bit.ly/3fn7Xdf>

PUBLIC COMMENT CALL-IN: 1 (415) 655-0001; Access Code: 146 017 0369 # #

To make public comment on an item, when the item is called, dial '*3' to be added to the queue to speak. When your line is unmuted, the operator will advise that you will be allowed 2 minutes to speak. When your 2 minutes are up, we will move on to the next caller. Calls will be taken in the order in which they are received.

Members: John Larson (Chair), David Klein (Vice Chair), Robert Gower, Jerry Levine, Stephanie Liu, Kevin Ortiz, Peter Tannen, Danielle Thoe, Sophia Tupuola and Rachel Zack

Remote Access to Information and Participation:

In accordance with Governor Gavin Newsom’s statewide order for all residents to “Stay at Home” - and the numerous local and state proclamations, orders, and supplemental directions - aggressive directives have been issued to slow down and reduce the spread of the COVID-19 disease. Pursuant to the lifted restrictions on video conferencing and teleconferencing, the Citizen Advisory Committee (CAC) meetings will be convened remotely and allow for remote public comment. Members of the public are welcome to stream the live meeting via the meeting link provided above. If you want to ensure your comment on any item on the agenda is received by the CAC in advance of the meeting, please send an email to clerk@sfcta.org by 8 a.m. on Wednesday, September 23rd , or call (415) 522-4800.

- | | Page |
|--|-------------|
| 1. Call to Order | |
| 2. Chair’s Report - INFORMATION | |

Consent Agenda

- | | |
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| 3. Approve the Minutes of the September 2, 2020 Meeting - ACTION* | 5 |
| 4. Citizen Advisory Committee Appointments - INFORMATION | |

The Board will consider recommending appointment of two members to the Citizens Advisory Committee (CAC) at its September 23, 2020 meeting. The vacancies are a result of the upcoming term expirations of David Klein (District 1 representative) and Robert Gower (District



11 representative), both of whom are seeking reappointment. Neither staff nor CAC members make recommendations regarding CAC appointments. CAC applications can be submitted through the Transportation Authority's website at www.sfcta.org/cac

End of Consent Agenda

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| 5. | Adopt a Motion of Support to Adopt Traffic Congestion Mitigation Tax (TNC Tax) Program Guidelines and Program \$7,505,686 in TNC Tax Funds to Two Projects - ACTION* | 13 |
| 6. | Adopt a Motion of Support to Allocate \$5,897,303 in Prop K Sales Tax Funds, \$378,372 in Prop AA Vehicle Registration Fee Funds, and \$2,505,686 in Traffic Congestion Mitigation Tax (TNC Tax) Funds, with Conditions, for Five Requests - ACTION* | 47 |
| | Projects: (SFMTA) Replace 28 Paratransit Vans (\$1,156,151), Upper Market Street Safety Improvements (\$2,833,813), Vision Zero Quick-Build Program FY21 (\$936,314 Prop K, \$2505,686 TNC Tax), 5 th Street Quick-Build Improvements (\$378,372); (SFPW) Mansell Street Curb Ramps (\$971,025) | |
| 7. | Adopt a Motion of Support to Authorize the Executive Director to Execute the Utility Relocation Agreement, the Right of Way Certification, Amendments to the Memorandums of Agreement (MOAs) with Treasure Island Development Authority (TIDA) for Both Right of Way and Construction Phases, and All Other Related Project Agreements for the Yerba Buena Island (YBI) Westside Bridges Seismic Retrofit Project - ACTION* | 55 |
| 8. | Progress Report for Van Ness Avenue Bus Rapid Transit Project - INFORMATION* | 61 |
| | <u>Other Items</u> | |
| 9. | Introduction of New Business - INFORMATION | |
| | During this segment of the meeting, CAC members may make comments on items not specifically listed above or introduce or request items for future consideration. | |
| 10. | Public Comment | |
| 11. | Adjournment | |

*Additional Materials

Next Meeting: October 28, 2020

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DRAFT MINUTES

Citizens Advisory Committee

Wednesday, September 2, 2020

1. Call to Order

Chair Larson called the meeting to order at 6:03 p.m.

CAC Members Present: Robert Gower, David Klein, John Larson, Jerry Levine, Stephanie Liu, Peter Tannen, and Danielle Thoe (6)

CAC Members Absent: David Klein, Kevin Ortiz, Sophia Tupuola, Rachel Zack (4)

Transportation Authority staff members present were Tilly Chang, Michelle Beaulieu, Cynthia Fong, Rachel Hiatt, Anna LaForte, Maria Lombardo, Yvette Lopez-Jessop, Hugh Louch, Kaley Lyons, Mike Pickford, Eric Young, and Luis Zurinaga (consultant).

2. Chair's Report - INFORMATION

Chair Larson reported on last month's CAC discussion on the proposed Caltrain sales tax measure, and thanked Member Danielle Thoe for initiating it. He added all seven agencies including the Caltrain Board have approved placing a 1/8-cent sales tax to cover Caltrain operations and capital improvements on the November 2020 ballot. He also stated as a dedicated tax, the ballot measure will need 2/3 voter approval across San Francisco, Santa Clara, and San Mateo counties in order to pass in November. Mr. Larson mentioned that the final governance related provisions are essentially the same as the CAC discussed last month, with the addition of language requiring the Joint Powers Board to initiate efforts to reimburse the San Mateo County Transit District for its investment in Caltrain.

Chair Larson reported that the Downtown Congestion Pricing study is in the midst of a public engagement round and is seeking input as the team develops pricing policy alternatives. He added the team will plan to share what they learn from this engagement in a future project update to the CAC, meanwhile more information can be found on the Transportation Authority website (www.sfcta.org).

Lastly Chair Larson reported that yesterday's SFMTA Board meeting talked about the incidents with splicers failing and abruptly ending the planned resumption of rail service. He reported the Transportation Authority Board is anticipated to have Director Tumlin and staff present an update on this topic at the September 15 Board.

Consent Agenda

3. **Approve the Minutes of the July 22, 2020 Meeting - ACTION**
4. **Progress Report for Van Ness Avenue Bus Rapid Transit Project - INFORMATION**



5. **Major Capital Project Update - Better Market Street - INFORMATION**
6. **Citizen Advisory Committee Vacancy - INFORMATION**

There was no public comment on the minutes.

Jerry Levine moved to approve the minutes, seconded by Danielle Thoe.

The Consent Agenda was approved by the following vote:

Ayes: CAC Members Gower, Larson, Levine, Liu, Tannen, and Thoe (6)

Absent: Klein, Ortiz, Tupuloa, Zack (4)

End of Consent Agenda

7. **Adopt a Motion of Support to Program \$4,308,164 in Prop AA Vehicle Registration Fee Funds to Three Projects and Amend the 2017 Prop AA Strategic Plan - ACTION**

Mike Pickford, Senior Transportation Planner, presented the item.

Chair Larson asked about the style of fare gate that BART proposed to install as part of the New Generation Fare Gate project.

Mr. Pickford replied that the fare gates would swing away from the person passing through them, similar to a saloon door.

Aileen Hernandez, BART, added that the BART Board had approved the proposed design and that a pilot implementation had been installed at BART's Richmond station.

Stephanie Liu asked how pedestrian lighting was typically funded other than Prop AA.

Mr. Pickford replied that the Transportation Authority had funded pedestrian lighting using Prop K when lighting was included as part of a comprehensive streetscape project, but it was difficult to fund as a stand alone project. He said that pedestrian lighting was maintained by the San Francisco Public Utilities Commission (SFPUC) and installation of new pedestrian lighting typically required complex coordination between SFMTA, SFPW and SFPUC to ensure that projects were designed to meet specific project objectives and maintenance requirements.

There was no public comment.

Stephanie Liu moved to approve the item, seconded by Robert Gower.

The Item was approved by the following vote:

Ayes: CAC Members Gower, Larson, Levine, Liu, Tannen, and Thoe (6)

Absent: Klein, Ortiz, Tupuloa, Zack (4)

8. **Adopt a Motion of Support to Allocate \$10,645,271 and Appropriate \$60,000 in Prop K Sales Tax Funds, with Conditions, and Allocate \$3,664,159 in Prop AA Vehicle Registration Fee Funds, with Conditions, for Nine Requests - ACTION**

Anna LaForte, Deputy Director for Policy and Programming presented the item.

Robert Gower asked about the community engagement conducted to date for the 6th Street Pedestrian Safety project.

Kimberly Leung, SFMTA, replied that prior to October 2018, there had been extensive



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outreach as part of the planning phase. She said outreach was also planned for the construction phase and said the project's construction mitigation plan was described in allocation request materials.

Danielle Thoe expressed her excitement with the 6th street project and shared her concern that the scope of the Slow Streets request did not include District 6 locations. She proposed amending CAC approval of the request to be conditional on modifying the scope to include more durable treatments for the Slow Streets improvements on the east side of a four-block segment of Jones Street. She added that SFMTA should identify other District 6 streets for inclusion in the Slow Streets program.

Stephanie Liu asked about equitable distribution of bike racks. Adrian Leung, SFMTA, replied that the Bike Parking program was based on public requests through the 311 system, along with siting based on proactive analysis by SFMTA staff. He invited location suggestions from CAC members, and welcomed assistance in generating location proposals.

Peter Tannen asked if there was a Slow Streets map and what problems had come up with the Slow Streets program. Shannon Hake, SFMTA, said there was a map on SFMTA's website (www.sfmta.com/projects/slow-streets-program). She then explained that excessive popularity had been a problem early in the program, which had since been ameliorated by the addition of more Slow Streets. She said that ongoing maintenance was the biggest issue for the program right now because of difficulties with allocating sufficient resources for maintaining the temporary markings and signage the program had initially used.

Mr. Tannen spoke in support of the Golden Gate Park Sustainable Travel Study, noting the idea of closing or restricting streets in the park has been a long standing issue, in particular due to its potential impact on the museums in the park. Mr. Tannen also asked how Oakdale had been chosen for pedestrian lighting and why the bike routes in the map on page 63 of the enclosure did not appear to correspond to the current network.

Shannon Hake, SFMTA replied that the recommendations came from the Bayview Community Based Transportation Plan for the pedestrian lighting. She also said she thought the map showed planned bike improvements whereas the SFMTA bike map only shows existing routes.

Chair Larson spoke in support of the improvements proposed for Fulton Street. He also asked why there were no slow streets in District 7. He noted there is the protected bikeway around Lake Merced, but said if the intent of the Slow Streets was to connect different parts of the city, there seem to be some missing pieces.

Shannon Hake, SFMTA, replied that Slow Streets were part of the City's COVID emergency response. She listed a number of criteria for the program, which was targeted to residential streets with two lanes of traffic, one in each direction; without a series of signalized intersections; without conflicts with Muni Service, commercial loading zones, emergency response routes; and don't have steep slopes. She said that as a result not all streets were suitable for inclusion in the program but that doesn't mean they are suitable for other improvements. Ms. Hake pointed out that in the Tenderloin there was an alternative program, "Tenderloin Community Streets," which had developed to address pedestrian safety issues, including treatments similar to the



Slow Streets program. She emphasized that the lack of Slow Streets in Districts 6 and 7 is not intentional and that SMTA had tried many different streets which have had unexpected access conflicts. She said the program is not done and encouraged people to contact her or SFMTA with ideas for other potential streets.

Ms. Thoe thanked staff for the response and said that her intent was to ensure that the streets and improvements in the Tenderloin get treated the same way as those in the Slow Streets Program in terms of investment in more semi-permanent structures, a commitment of maintenance to keep them there as long as the Slow Streets are kept in place. Further, she requested a formal plan, response or method of reporting on the streets in District 6 to report on status, what's been explored, and what is moving forward - and said she thought Chair Larson may be interested in this, as well, for District 7.

During public comment caller David Pilpel asked for clarification on the schedule for the L-Taraval project noting the schedule in the agenda item seemed longer than he had originally understood. With respect to the Slow Street Program, Mr. Pilpel asked if the previous certification of Categorical Exemption would be sufficient environmental clearance under the California Environmental Quality Act for the expanded Slow Streets program, noting that it only covers the temporary project and not a permanent project.

Keanway Kyi, with SFMTA, replied that Segment B extended along the L-Taraval route from West Portal to Sunset Avenue. He said the Notice to Proceed is anticipated in March/April 2021 and construction schedule was 930 calendar days, starting in March or April 2021.

In answer to Mr. Pilpel's question about Slow Streets, Shannon Hake answered that the existing Categorical Exemption would be sufficient since the Slow Streets request was for more durable materials rather than permanent improvements such as concrete structures. Permanent improvements would require additional CEQA clearance.

Danielle Thoe moved to amend the item to condition the SFMTA's Slow Streets Program allocation upon the SFMTA treating the current treatment along Jones Street in the Tenderloin in the same way as the streets included in its Slow Streets Program with regard to installing more durable measures and performing ongoing maintenance, and requiring the SFMTA to prepare a plan to identify Slow Streets or similar treatments in Districts 6 and 7, seconded by Jerry Levine.

The motion to amend was approved by the following vote:

Ayes: CAC Members Gower, Larson, Levine, Liu, Tannen, and Thoe (6)

Absent: Klein, Tupuloa, Zack (2)

Abstain: Ortiz (1)

Danielle Thoe moved to approve the item as amended, seconded by John Larson.

The motion failed by the following vote:

Ayes: CAC Members Gower, Larson, Levine, Liu, and Thoe (5)



Absent: Klein, Tupuloa, Zack (3)

Abstain: Ortiz, Tannen (2)

John Larson moved to rescind vote, seconded by Robert Gower.

The motion to rescind was approved by the following vote:

Ayes: CAC Members Gower, Larson, Levine, Liu, Tannen, and Thoe (6)

Absent: Klein, Ortiz, Tupuloa, Zack (4)

Danielle Thoe moved to approve the item as amended, seconded by John Larson

The motion was approved by the following vote:

Ayes: CAC Members Gower, Larson, Levine, Liu, Tannen, and Thoe (6)

Absent: Klein, Ortiz, Tupuloa, Zack (4)

9. Adopt a Motion of Support to Adopt the Alemany Corridor Safety Project Final Report [NTIP Planning] - ACTION

Victoria Chong, Transportation Planner with SFMTA, presented the item.

Member Robert Gower said that he saw pedestrian safety recommendations in the report, but that there was an absence of significant bicyclist safety recommendations. He asked why SFMTA had not included bike lane improvements in the recommendations.

Ms. Chong responded that near-term buffered bike lanes were being implemented between Russo and Seneca with a paving project, as well as bike boxes where bike routes intersect with Alemany.

Mr. Gower asked if any mid- or long-term bicycle improvements had been studied, such as Class IV bike lanes or swapping the location of street parking and the bike lane to create a parking protected bike lane. He said he appreciated the near-term improvements but wanted to know why longer-term bicycle improvements were not studied or recommended.

Ms. Chong responded that SFMTA had looked into additional bicycle improvements, but that the Alemany corridor is a residential area and that additional bicycle improvements would result in dramatic parking loss, as the area has many driveways and SFMTA would need to establish red zones adjacent to each driveway. Additional bicycle improvements could also potentially require a road diet and signal work.

Mr. Gower replied that while he appreciated the recommended improvements, he remained concerned that not enough was being done for cyclist safety on a major cyclist thoroughfare. He said he would like to see continuing studying to see what additional mid- and long-term bicycle safety improvements might be possible.



Chair Larson said that the Alemany corridor is a challenging area, as it is residential, but with high traffic volumes.

Danielle Thoe said that when she has biked down Alemany she did not feel safe. She said that she related to the project area, since she lived in area where people treat local streets like a freeway.

Peter Tannen said that he used to bicycle down Alemany. He said he was happy to see the recommended improvements, but that more aggressive improvements would be good. He explained to CAC members a feature of Google Maps that allows one to view prior year Street View photos for an area, which he said was helpful to view earlier improvements.

There was no public comment.

10. Adopt a Motion of Support to Adopt the Proposed Fiscal Year 2020/21 Budget and Work Program - ACTION*

Cynthia Fong, Deputy Director for Finance and Administration and Tilly Chang, Executive Director, presented the item.

Member Robert Gower inquired on the short term /long term during the pandemic. He asked what procedures are in place to monitor the flow of people and traffic, and how will people will adjust once the pandemic comes to an end.

Tilly acknowledged the very pertinent question and answered that there are some ongoing data sources that we can rely on, such as INRIX data received through the Metropolitan Transportation Commission, which gives us data on speed of traffic on any major arterial link which is shown in the agencies' COVID-Era Congestion Tracker. She explained that while it doesn't provide actual traffic volumes, it can be supplemented with actual observed volumes. Executive Director Chang also said there are bike counters, and occasionally staff go out into the field to observe traffic movements, and there is transit data. She noted that one thing we can say for sure is that if transit is not able to recover, traffic congestion will be a disaster. She ended by saying the agency is tracking the plans for re-opening of various businesses, as well, and the impacts that may have on travel demand.

During public comment, Roland Lebrun encouraged the CAC to agendize an update on the Downtown Extension, the Pennsylvania Avenue Alignment, and second transbay tube efforts to benefit the newer CAC members. Mr. Lebrun said the issue is the train box in the Salesforce Transit Center is more than long enough to accommodate the train platforms but somehow due to the Second Street alignment, the platforms are 400 feet short. He said the Transbay Joint Powers Authority is offering two options which would either force the rear of trains to protrude onto Second Street or push the box another 400 feet from Beale to Main, which would make it impossible to connect the trains to the east bay without taking a significant amount of high rise buildings. He encouraged the CAC to get a presentation on the layout to be in a good place to make decisions going forward.

Peter Tannen inquired about the Prop AA Geary renovations and asked how it relates to and coordinates with the Geary Bus Rapid Transit (BRT) project. Executive Director Tilly Chang replied that it is 100 percent coordinated and will happen in sequence, with



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underground utilities work happening first and then paving of the BRT and general traffic lanes will happen after bulbouts and other civil work.

Mr. Tannen asked if the Quint Street acquisition is coming close to happening. Executive Director Chang replied that the Transportation Authority has the funds from Prop K and an agreement from the Public Utilities Commission, which has agreed to provide \$4 million dollars towards the project. The utility agreements and easements with PG&E are still being negotiated.

Robert Gower moved to approve the item, seconded by Danielle Thoe

The item was approved by the following vote:

Ayes: CAC Members Gower, Larson, Levine, Liu, Tannen, and Thoe (6)

Absent: Klein, Ortiz, Tupuloa, Zack (4)

11. **Adopt a Motion of Support to Execute Contract Renewals and Options for Various Annual Professional Services in an Amount Not to Exceed \$7,075,000 - ACTION**
12. **Adopt a Motion of Support to Approve the Revised Procurement Policy and Travel, Conference, Training and Business Expense Reimbursement Policy - ACTION**

Chair Larson called items 11 and 12 together. Cynthia Fong, Deputy Director for Finance and Administration presented both items.

Jerry Levine inquired on the contract with the City Attorney and asked if the agency traditionally has used the entire \$100,000. Ms. Fong replied that it has been under \$100,000 for the last 3 years, but for the sake of simple accounting a new contract is started each year.

With respect to the proposed policy revisions in item 12, Kevin Ortiz commented that the changes were long overdue, and he is fully in support of the item.

There was no public comment.

Jerry Levine motioned to approve items 11 and 12, seconded by Danielle Thoe.

Items 11 and 12 were approved by the following vote:

Ayes: CAC Members Gower, Larson, Levine, Liu, Ortiz, Tannen, and Thoe (6)

Absent: Klein, Tupuola, Zack (3)

Other Items

13. **Introduction of New Business - INFORMATION**

Chair Larson suggested following up on Mr. Lebrun's suggestion to get a DTX update after the CAC gets a new member.

Danielle Thoe asked for a presentation from staff on Better Market Street at an upcoming CAC meeting. She said at the last presentation to the Transportation Authority Board, the project manager said the project was up to 6 months behind schedule, is anticipating additional funding shortfalls, and is considering scope reductions to work on sidewalks since they are so critical to businesses reopening. Ms. Thoe said all of this seemed reasonable, but the entire Phase 1 scope is in District 6 and



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the project teams hasn't been very responsive to business owners and others trying to figure out what is going on with those changes even if they aren't all known. She reiterated her request to have staff come to the next CAC meeting or shortly thereafter, adding that business owners installing outdoor dining and building structures around that, and that are getting permits to do that may not want to spend the money if the sidewalks are going to be dug up in the near-term.

Chair Larson also commented that he had recently been on Yerba Buena Island and you can see a lot of construction work happening, including some of the Transportation Authority's projects mentioned in the earlier agenda item on the budget.

Kevin Ortiz asked for an update on 16th Street Improvements Project such as the transit only lanes.

During public comment, Roland Lebrun thanked Chair Larson for following up on the suggestion for the DTX update. He also recommended that the CAC ask for an update on Caltrain electrification.

14. Public Comment

There was no general public comment.

15. Adjournment

The meeting was adjourned at 8:03 p.m.

*Additional Materials

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Memorandum

AGENDA ITEM 5

DATE: September 17, 2020
TO: Transportation Authority Board
FROM: Anna LaForte - Deputy Director for Policy and Programming
SUBJECT: 10/20/20 Board Meeting: Adopt Traffic Congestion Mitigation Tax (TNC Tax) Program Guidelines and Program \$7,505,686 in TNC Tax Funds to Two Projects

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <p>Adopt the TNC Tax Program Guidelines Program \$7,505,686 in TNC Tax Funds to Two Projects:</p> <ul style="list-style-type: none"> • San Francisco Municipal Transportation Agency's (SFMTA's) FY21 Vision Zero Quick-Build Program (\$2,505,686) • SFMTA's FY22 Vision Zero Quick-Build Program (\$5,000,000) <p>SUMMARY The TNC Tax passed by San Francisco voters in November 2019, imposes a per-ride fee on transportation network companies (TNCs) (e.g., Uber and Lyft) trips originating in San Francisco. Revenues must be used to improve transportation and are split evenly between the San Francisco Municipal Transportation Agency (SFMTA) and Transportation Authority, with our 50% share designated for pedestrian and bicycle safety improvements. The Program Guidelines provide guidance on administration of the TNC Tax program for Fiscal Year (FY) 2020/21. We are establishing four programmatic categories for eligible projects. However, in light of uncertainty about revenue levels brought on by the COVID-19 pandemic, we are recommending programming only \$7.5 million right now of the total \$9.9 million forecast to be available in FY 2020/21 to the SFMTA's Vision Zero Quick-Build Program. This approach responds to the need to provide high priority safety improvements in the near-term, balanced with the uncertainty about revenue levels. We will closely monitor revenues, and if they are coming in as projected or higher, we may issue a call for projects to program additional funds later this year.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Fund Allocation <input checked="" type="checkbox"/> Fund Programming <input type="checkbox"/> Policy/Legislation <input type="checkbox"/> Plan/Study <input type="checkbox"/> Capital Project Oversight/Delivery <input type="checkbox"/> Budget/Finance <input type="checkbox"/> Contract/Agreement <input type="checkbox"/> Other:
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BACKGROUND

In 2017, San Francisco's Transportation Task Force 2045 published a final report recommending a tax on ride-hail trips as one mechanism to help close the identified \$22 billion funding gap for San Francisco's transportation systems from 2019-2045. That same year, the Transportation Authority published *TNCs Today*, a report finding that 50% of the increase in traffic congestion in San Francisco from 2010 to 2016 was attributable to TNC trips.

With this data and recommendation, Assemblymember Phil Ting authored Assembly Bill 1184 (2018), which authorized the City and County of San Francisco (CCSF) to tax ride-hail trips originating in San Francisco. Transportation Authority Board Chair Aaron Peskin worked with Mayor London Breed and TNC companies to develop the Traffic Congestion Mitigation Tax (also referred to as the TNC Tax), which was approved by voters last November.

The TNC Tax imposes a surcharge on TNC trips that originate in San Francisco, for the portion of the trip within the city. The tax also applies to private transit companies and rides given by autonomous vehicles commercially. Single occupant trips are taxed at 3.25%, with electric vehicle trips receiving a discount to 1.5% through 2024. Shared trips are taxed at 1.5%. The tax went into effect on January 1, 2020, and sunsets in November 2045. After a 2% set aside for administration by CCSF, 50% of the revenues go to SFMTA for transit operations and improvements, and 50% comes to the Transportation Authority for bicycle and pedestrian safety improvements, traffic calming, signals, and maintenance.

DISCUSSION

The TNC Tax Program Guidelines establish policies for the programming and allocation of TNC Tax revenue for FY 2020/21. The policies include guidance on revenue projections, eligibility, programmatic categories, programming, and administration of projects to be funded by the TNC Tax. The Program Guidelines are based on language in the adopted ordinance, stakeholder feedback, and our experience with administering other fund programs such as the Prop K sales tax and Prop AA vehicle registration fee.

Revenues. Revenue projections published in July 2019 by CCSF's Office of the Controller and Office of Economic Analysis indicated approximately \$30 million annually from the TNC Tax. After the 2% administration fee to CCSF, and subsequent 50/50 split between the Transportation Authority and the SFMTA, approximately \$14.7 million annually was projected to come to the Transportation Authority. However, the COVID-19 pandemic and shelter-in-place orders have severely impacted actual revenue collection, as shown in Table 1.



Table 1. Projected and Actual TNC Tax Revenues, January to June 2020

Months	Original Total Revenue Projections	Actual Total Revenue Collections	Transportation Authority 50% Share*
January - June 2020	\$15,000,000	\$5,271,588	\$2,583,181**

*Transportation Authority share is 50% of collections, less 2% to CCSF for administration.

**Total revenue collections include \$7,641 in interest earned, with the Transportation Authority receiving 50%, or \$3,820.

For FY 2020/21, we are aligning with the CCSF Controller's Office estimate of \$15 million in revenue from the TNC Tax, with \$7.35 million coming to the Transportation Authority. Consistent with the CCSF, we are recommending 2% of the Transportation Authority's share of revenues be used for program administration and oversight. Building off data collection and analysis efforts that led to development of the TNC Tax as well as feedback received from listening sessions about the proposed TNC Tax guidelines, we recommend setting aside 1% of revenues for systematic data collection and analysis of TNC trips in San Francisco. See Table 2 below for details.

Table 2. Funds Available for Programming and Potential Allocation for FY 2020/21

Revenue Collection Period	Status	Transportation Authority 50% Share*	Administration / Oversight (2%)	Data Collection / Analysis (1%)	Available for Programming / Allocation
January 2020 - June 2020	Actual	\$2,583,181	\$51,664	\$25,832	\$2,505,686
July 2020 - June 2021	Estimate	\$7,350,000	\$147,000	\$73,500	\$7,129,500
January 2020 - June 2021	Actual / Estimate	\$9,933,181	\$198,664	\$99,332	\$9,635,368

*Transportation Authority share is 50% of TNC Tax collections, less 2% to CCSF for administration.

There is continued uncertainty about how this new revenue source will perform this fiscal year due the pandemic and other policy-related decisions about TNC operations in California. As a result, we are taking a conservative approach to programming and allocations, e.g. this year we will only recommend allocating funds that have already been collected.

Programmatic Categories. Based on the eligibility language in the TNC Tax ordinance, stakeholder feedback, and our experience with Prop K and other fund programs, this program will include four programmatic categories to guide the allocation of funds:



1. **Quick-Build** projects include reversible or adjustable traffic control, such as roadway and curb paint, signs, traffic signal timing updates, transit boarding islands, and parking and loading changes. These projects allow for quick implementation and evaluation of safety improvements while longer-term improvements are designed. While the materials and methods used to install improvements makes reversal possible, it is not necessarily the intent that treatments will be reversed. The SFMTA will be the project sponsor for this category.
2. **Safe Streets** projects include permanent safety improvements, such as protected bike lanes, midblock crossings, traffic calming measures, and safety improvements that may be part of larger projects such as complete streets or corridor-length projects. This category is expected to leverage other funding sources. The Transportation Authority will issue periodic competitive calls for projects for this category. Any public agency may apply for funds from this category.
3. **Signals** projects include new signals, upgraded signals, and signal retiming. The SFMTA will be the project sponsor for this category.
4. **Maintenance** of existing safety infrastructure for pedestrians and cyclists. Projects may include paint, safe hit posts, signal, and other low-cost maintenance needs. The SFMTA is the project sponsor for this category.

Quick-Build Project Priority for FY 2020/21. In light of uncertainty about revenue levels brought on by the COVID-19 pandemic, we are recommending programming only \$7.5 million of the total \$9.9 million forecast to be available by the end of FY 2020/21 to the SFMTA's Vision Zero Quick-Build Program, as shown in Table 3. This approach responds to the need to provide high priority safety improvements in the near-term, balanced with the uncertainty about revenue levels.

Table 3. TNC Tax Programming for FY 2020/21

Programmatic Category	Project Sponsor	Programming Amount	Year of Programming
Quick-Builds	SFMTA	\$7,505,686*	FY 2020/21
To Be Determined (TBD)	TBD	\$2,427,495	FY 2021/22

*\$2,505,686 will be allocated as part of a separate item on this agenda.

For the inaugural allocation of TNC Tax funds (the subject of the following agenda item at the September 23 CAC meeting), based on funds received through June 2020, we are recommending allocating \$2.5 million for the SFMTA's FY21 Vision Zero Quick-Build Program. Based on current projections for FY 2020/21 collections, we recommend programming the first \$5 million for the SFMTA's FY22 Vision Zero Quick-Build Program. During the year, we will closely monitor revenues, and if they are coming in as projected or higher, we may issue a call for projects to program additional funds later this year.



Program Policies. The TNC Tax fund source will be administered in a similar manner as Prop K and Prop AA, with allocation requests presented to the Board when projects are ready to go. TNC Tax funds will be allocated to one project phase at a time, except for less complex projects such as Quick-Builds. We do not anticipate borrowing or financing to fund projects, and plan to administer this as a “pay as you go” program. We will work with project sponsors to identify performance measures to ensure progress is made in meeting the goals of the fund program.

FINANCIAL IMPACT

There are no impacts to the Transportation Authority’s proposed FY 2020/21 budget associated with the recommended actions. Allocation of \$2,505,686 in TNC Tax funds to the FY21 Vision Zero Quick-Build Program is the subject of a separate item on this meeting’s agenda. Funds for program administration and oversight, as well as data collection and analysis, are included in the proposed FY 2020/21 budget.

CAC POSITION

The CAC will consider this item at its September 23, 2020 meeting.

SUPPLEMENTAL MATERIALS

- Attachment 1 - TNC Tax Program Guidelines



Traffic Congestion Mitigation Tax

Draft Program Guidelines



San Francisco
County Transportation
Authority

Draft

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1. Introduction

The Proposition D Traffic Congestion Mitigation Tax was passed by San Francisco voters in November 2019. The measure, also referred to as the Transportation Network Company (TNC) Tax, is a surcharge on commercial ride-hail trips that originate in San Francisco, for the portion of the trip within the City. The intent of the TNC Tax program is to deliver improvements to transit reliability and safety on San Francisco's roadways, mitigating the effects of increased congestion due to TNC vehicles. Beginning January 1, 2020, a 1.5% tax is charged on shared rides or rides taken in a zero-emission vehicle, and 3.25% is charged on rides with a single occupant. The measure also takes into account rides provided by autonomous vehicles in the future which would be taxed in this same manner and rides provided by private transit companies if a company were to enter the market. The tax is in effect until November 2045.

Revenue projections published by the City and County of San Francisco (CCSF) Office of the Controller and Office of Economic Analysis released in July 2019 indicated approximately \$30 million in annual revenue. After a 2% set aside for administration by CCSF, 50% of the revenues are directed to the San Francisco Municipal Transportation Agency (SFMTA) for transit operations and improvements, and 50% comes to the Transportation Authority for bicycle and pedestrian safety improvements. The ordinance outlines the eligible uses for the Transportation Authority's share of revenues which are specified as pedestrian and bicycle safety improvements, traffic calming, traffic signals, and maintenance. Eligible phases include planning, design, and construction and sponsors can be any public agency that implements eligible projects.

2. Special Circumstances for Fiscal Year 2020/21

Given the nature of this new revenue source, and that it is the first of its kind in California, there is uncertainty around how revenues will perform. In addition to that uncertainty, only two months after revenue collection began on January 1, a shelter-in-place order was issued on March 16 for San Francisco due to the COVID-19 pandemic. The pandemic has drastically reduced travel to and within San Francisco, including demand for trips provided by TNCs. This reduction in travel has severely impacted TNC Tax revenue.

These Program Guidelines reflect the extraordinary circumstances we are in. The policies herein provide guidance to Transportation Authority staff and project sponsors on administration of the TNC Tax program for Fiscal Year (FY) 2020/21. We are establishing four programmatic categories for eligible projects. However, in light of uncertainty about revenue levels brought on by the COVID-19 pandemic, we are recommending programming only \$7.5 million of the total \$9.9 million forecast to be available by the end of FY 2020/21 to the SFMTA's Vision Zero Quick-Build Program (from the Quick-Builds category). This approach responds to the need to provide high priority safety improvements in the near-term, balanced with the uncertainty about revenue levels. During the year, we will closely monitor revenues, and if they are coming in as projected or higher, we may issue a call for projects to program additional funds later this year. As revenue trends emerge and the economy recovers from the COVID-19 pandemic, we will revise these Program Guidelines to establish the process for programming funds in each of the programmatic categories.

3. Programming

3.1 | FUNDS AVAILABLE

The initial revenue projections for the TNC Tax were based on pre-pandemic conditions during which San Francisco was experiencing significant levels of traffic congestion. Revenue collections began January 1, 2020 and then in mid-March health authorities issued shelter-in-place orders in San Francisco and much of the Bay Area. In the first six months of collection, revenues were 65% lower than projected, generating a total of \$2,583,181 for the Transportation Authority's share of the program. Table 1 below compares the projections against actual collections from program inception through June 2020.

Table 1 Projected and Actual TNC Tax Revenues, January to June 2020.

MONTH 2020	ORIGINAL TOTAL REVENUE PROJECTIONS	ACTUAL TOTAL REVENUE COLLECTIONS	TRANSPORTATION AUTHORITY 50% SHARE*
January	\$2,500,000	\$1,842,117	\$902,637
February	\$2,500,000	\$1,863,898	\$913,310
March	\$2,500,000	\$825,459	\$404,475
April	\$2,500,000	\$164,791	\$80,748
May	\$2,500,000	\$101,212	\$49,594
June	\$2,500,000	\$466,525	\$228,597
Total	\$15,000,000	\$5,271,588**	\$2,583,181**

*Transportation Authority share is 50% of collections, less 2% to CCSF for administration.

**Total revenue collections include \$7,641 in interest earned, with the Transportation Authority receiving 50%, or \$3,820.

For FY 2020/21, the CCSF Controller's Office is estimating \$15 million in revenue from the TNC Tax, with approximately \$7.35 million coming to the Transportation Authority. This estimate is based on \$500,000 per month from July to September 2020 and \$1.5 million per month from October 2020 to June 2021, assuming the economy starts to recover from the pandemic-induced recession.

Table 2 Projected TNC Tax Revenues, July 2020 to June 2021.

REVENUE COLLECTION PERIOD	TOTAL PROJECTED TNC TAX REVENUES	TRANSPORTATION AUTHORITY 50% SHARE*
July 2020 – June 2021	\$15,000,000	\$7,350,000

*Transportation Authority share is 50% of collections, less 2% to CCSF for administration.

There is continued uncertainty about how this new revenue source will perform this fiscal year due the pandemic and other policy-related decisions about TNC operations in California. As a

result, we are taking a conservative approach to both programming and allocations (e.g. we will only allocate funds that have already been collected). Based on funds received through June 2020, we anticipate allocating \$2.5 million for the SFMTA's FY21 Vision Zero Quick-Build Program in October 2020. Based on current projections for FY 2020/21 collections, we are programming the first \$5 million for the SFMTA's FY22 Vision Zero Quick-Build Program. We will monitor revenues closely and may return to the Board for additional programming and potentially allocation actions this fiscal year, if revenues increase significantly and there is an urgent need for funds.

3.2 | PROGRAMMATIC CATEGORIES

Prior to the COVID-19 pandemic, we developed four programmatic categories to guide the allocation of funds. These categories are based on the eligibility language in the TNC Tax ordinance, stakeholder feedback, and our experience with other fund programs. While we are prioritizing Quick-Builds for the inaugural allocation, we are establishing the four programmatic categories as part of the Program Guidelines and will program and allocate to the additional categories as revenue trends emerge. Descriptions of each programmatic category are below.

QUICK-BUILDS

Quick-Build projects include reversible or adjustable traffic control, such as roadway and curb paint, signs, traffic signal timing updates, transit boarding islands, and parking and loading changes. These projects are focused on safety improvements to the High Injury Network, the 13% of city streets that account for 75% of severe and fatal injuries. Quick-Builds allow near-term implementation of safety improvements while longer-term infrastructure improvements are designed. While the materials and methods used to install improvements makes reversal possible, it is not necessarily the intent that treatments will be reversed. The SFMTA is the project sponsor for this category.

SAFE STREETS

Safe Streets projects include permanent safety improvements, such as protected bike lanes, midblock crossings, traffic calming measures, and safety improvements that may be part of larger projects such as complete streets or corridor-length projects. This category is expected to leverage other funding sources. The Transportation Authority will issue periodic competitive calls for projects for this category. Any public agency may apply for funds from this category.

SIGNALS

Signals projects include new signals, upgraded signals, and signal retiming to improve safety. The SFMTA is the project sponsor for this category.

MAINTENANCE

Maintenance of existing safety infrastructure for pedestrians and cyclists. Projects may include paint, safe hit posts, signal, and other low-cost maintenance needs. The SFMTA is the project sponsor for this category.

3.3 | PRIORITIES FOR FY 2020/21

Programming priorities for FY 2020/21 respond to the need to provide high priority safety improvements in the near-term, balanced with the uncertainty brought on by the COVID-19 pandemic. Programming details are provided below.

- Consistent with the CCSF, 2% of the Transportation Authority’s share of revenues will be used for program administration and oversight.
- Building off data collection and analysis efforts that led to development of the TNC Tax as well as feedback received from listening sessions about the proposed TNC Tax guidelines, we will set aside 1% of revenues for systematic data collection and analysis of TNC trips in San Francisco.
- For FY 2020/21, we will not set aside a capital reserve in order to maximize funds available for projects, and because we are only allocating funds after they have been collected. In the future when we are able to project revenues with more confidence, we may begin to allocate funds based on projections (rather than what has been collected) and would then establish a capital reserve of 10%, in line with Transportation Authority fiscal policy.

Based upon the above programming approach, Table 3 shows the funds available for programming and potential allocation in FY 2020/21.

Table 3 Funds Available for Programming and Potential Allocation for FY 2020/21.

REVENUE COLLECTION PERIOD	STATUS	TRANSPORTATION AUTHORITY 50% SHARE*	ADMINISTRATION / OVERSIGHT (2%)	DATA COLLECTION / ANALYSIS (1%)	AVAILABLE FOR PROGRAMMING / ALLOCATION
January 2020 – June 2020	Actual	\$2,583,181	\$51,664	\$25,832	\$2,505,686
July 2020 – June 2021	Estimate	\$7,350,000	\$147,000	\$73,500	\$7,129,500

*Transportation Authority share is 50% of collections, less 2% to CCSF for administration.

- The proposed inaugural allocation based on funds received through June 2020 will provide \$2,505,686 for the SFMTA’s FY 2020/21 Vision Zero Quick-Build Program, which will leverage an anticipated \$936,314 in Prop K funds and \$810,000 in Prop B General Funds, for a total of \$4,252,000.

In addition to the inaugural allocation of \$2.5 million, we will program an additional \$5 million in anticipated TNC Tax revenues from FY 2020/21 for the Vision Zero Quick-Build Program.

- We may issue a call for projects to program additional funds for any revenue collected during FY 2020/21 beyond the \$5 million prioritized for the SFMTA’s Vision Zero Quick-Build Program.

We will closely monitor revenue collection in the coming months and anticipate amending these Program Guidelines in the future to establish the process for programming funds in each of the four programmatic categories: Quick-Builds, Safe Streets, Signals, and Maintenance.

4. Policies

Policies provide guidance to both Transportation Authority staff and project sponsors on the various aspects of managing the TNC Tax program. The policies highlighted here address the allocation and administration of funds and clarify the Transportation Authority's expectations of sponsors to deliver their projects. We anticipate revising these policies in the future as revenue trends emerge and we can more confidently forecast anticipated revenues.

4.1 | ALLOCATION

- Prior to allocation of any TNC Tax funds, projects must be programmed by the Transportation Authority Board. To become programmed, projects must be submitted by project sponsors for Transportation Authority review and approval.
- Allocations of TNC Tax funds will be based on an application package prepared and submitted by the lead agency for the project. The package will be in accordance with application guidelines and formats as outlined in the Transportation Authority's allocation request procedures, with the final application submittal to include sufficient detail and supporting documentation to facilitate a determination that the applicable conditions of these policies have been satisfied.
- Fiscal Year Cash Flow Distribution Schedules will be adopted as part of the allocation approval. The Transportation Authority will not guarantee reimbursement levels higher than those adopted in the original allocation or as amended.
- Funds will be allocated to phases of a project based on demonstrated readiness to begin the work and ability to complete the product. Any impediments to completing the project phase will be taken into consideration, including, but not limited to, lack of a full funding plan for the requested phase(s), failure to provide evidence of necessary inter- and/or intra-agency coordination, evidence of a lack of community support or consensus, or any pending or threatened litigation.
- The project sponsor will provide certification at the time of an allocation request that all complementary fund sources are committed to the project. Funding is considered committed if it is included specifically in a programming document adopted by the governing board or entity with the authority to program (or commit) the funds and recognized by the Transportation Authority as available for the phase at the time the funds are needed.
- In establishing priorities, the Transportation Authority will take into consideration the need for TNC Tax funds to be available for matching federal, state, or regional fund sources for the project or program requesting the allocation.
- Projects with complementary funds from other sources will be given priority for allocation if there are timely use of funds requirements outside of the Transportation Authority's jurisdiction applied to the other fund sources.

- To support cost-effective project delivery, transparency, and prudent management of this pay-as-you-go-program, TNC Tax funds will be allocated to one project phase at a time. The Transportation Authority may consider exceptions to approve multi-phase allocations.
- Allocations of TNC Tax funds for specific project phases will be contingent on the prerequisite milestones shown in Table 4. Exceptions will be considered on a case-by-case basis. Allocation requests will be made prior to advertising for services or initiating procurements for projects funded with TNC Tax funds.

Table 4 Prerequisite Milestones for Allocation.

PHASE	PREREQUISITE MILESTONE(S) FOR ALLOCATION
Planning	<ul style="list-style-type: none"> ● Funds programmed by the Board
Design Studies (PS&E)	<ul style="list-style-type: none"> ● Funds programmed by the Board ● Approved environmental document ● Capital construction phase included in programming document, such as Capital Improvement Program
Construction	<ul style="list-style-type: none"> ● Funds programmed by the Board ● Approved environmental document ● Right of way certification (if appropriate) ● 95% PS&E or substantial completion of design ● All applicable permits

- Project phases for which TNC Tax funds will be allocated will be expected to result in a complete work product or deliverable. Table 5 demonstrates the products expected to accompany allocations. Requests for allocations that are expected to result in a work product/deliverable other than that shown in Table 5 for a specific phase shall include a description of the expected work product/deliverable, and are subject to approval by the Transportation Authority.

Table 5 Expected Work Product/Deliverable.

PHASE	EXPECTED WORK PRODUCT/DELIVERABLE
Planning	<ul style="list-style-type: none"> ● Final report or memorandum including set of recommendations identified through the planning process
Design Studies (PS&E)	<ul style="list-style-type: none"> ● Evidence of completion of design (e.g. copy of design certifications page and/or work authorization)
Construction	<ul style="list-style-type: none"> ● Constructed improvement

-
- It is imperative to the success of the TNC Tax program that project sponsors of TNC Tax-funded projects work with Transportation Authority representatives in a cooperative process. It is the project sponsor's responsibility to keep the Transportation Authority apprised of significant issues affecting project delivery and costs. Ongoing communication resolves issues, facilitates compliance with Transportation Authority policies and contributes greatly toward ensuring that adequate funds will be available when they are needed.
 - At the time of allocation, priority will be given to projects that:
 - » **Benefit Communities of Concern.** Projects that directly benefit disadvantaged communities, whether the project is directly located in a Community of Concern or can demonstrate benefits to disadvantaged communities.
 - » **Located on the High Injury Network.** Projects that improve safety on the Vision Zero High Injury Network.
 - » **Improve safety for vulnerable populations.** Projects that improve safety for vulnerable populations, including but not limited to projects near schools, senior centers, community centers that improve safety for pedestrians, people on bicycles, children and seniors.
 - » **Demonstrate community engagement and support.** Projects with clear and diverse community support and/or developed out of a community-based planning process (e.g., community-based transportation plan, the Neighborhood Transportation Improvement Program, corridor improvement study, campus master plan, station area plans, etc.).
 - » **Time sensitive.** Projects that are trying to take advantage of time sensitive construction coordination opportunities and whether the project would leverage other funding sources with timely use of funds requirements.
 - » **Leverage other funding.** Projects that can demonstrate leveraging of TNC Tax funds, or that can justify why they are ineligible, have very limited eligibility, or compete poorly to receive Prop K or other discretionary funds.
 - » **High priority for project sponsor.** For project sponsors that submit multiple TNC Tax programming requests, the Transportation Authority will consider the project sponsor's relative priority for its requests.
 - » **Consider project delivery track record.** The Transportation Authority will consider the project sponsors' past project delivery track record of prior Transportation Authority-programmed funds when prioritizing potential TNC Tax-funded projects. For sponsors that have not previously received Transportation Authority funds, the Transportation Authority will consider the sponsors' project delivery track record for capital projects funded by other means.
 - » **Demonstrate geographic equity.** TNC Tax programming will reflect fair geographic distribution that takes into account the various needs of San Francisco's neighborhoods. This factor will be applied program-wide and to individual projects, as appropriate.
-

4.2 | TIMELY USE OF FUNDS REQUIREMENTS

- Timely-use-of-funds requirements will be applied to all TNC Tax allocations to help avoid situations where funds sit unused for prolonged periods of time. Any programmed project that does not request allocation of funds in the year of programming may, at the discretion of the Transportation Authority Board, have its funding deobligated and reprogrammed to other projects.
- The intent of the TNC Tax program is to expedite delivery of safety improvements. Therefore, implementation of the project phase must commence within 6 months of the date of allocation. Implementation includes issuance of a purchase order to secure project components, award of a contract, or encumbrance of staff labor charges by project sponsor. Any project that does not begin implementation within 6 months of the date of allocation may have its sponsor request a new timely-use-of-funds deadline with a new project schedule, subject to the approval of the Transportation Authority.
- TNC Tax final reimbursement requests and project closeout requests shall be submitted within 12 months of project completion.

4.3 | ADMINISTRATION

- This is a reimbursement-based program.
 - TNC Tax funds will be spent down at a rate proportional to the TNC Tax share of the total funds programmed to that project phase or program. The Transportation Authority will consider exceptions on a case-by-case basis (e.g. another fund source is not immediately available or cannot be used to cover certain expenses). Project sponsors should notify the Transportation Authority of the desire for an exception to this policy when requesting allocation of funds.
 - Unexpended portions of allocated amounts remaining after final reimbursement for that phase will be returned to the project's programmed balance if the project is not yet completed and has future funds programmed. If there are no future phases for that project, remaining funds will be returned to the TNC Tax program for reprogramming in any category.
 - Retroactive expenses are ineligible. No expenses will be reimbursed that are incurred prior to Board approval of the allocation for a particular project. The Transportation Authority will not reimburse expenses incurred prior to fully executing a Standard Grant Agreement. Exceptions to this policy may be made, including:
 - » Where the Transportation Authority has previously approved the scope of a project and that scope has incurred increased costs.
 - » Capital costs of a multi-year project to which the Transportation Authority has made a formal commitment in a resolution for out-year costs, although the funds have not been allocated.
-

While these costs shall be eligible for reimbursement in the situations cited above, the timing and amount of reimbursement will be subject to a Transportation Authority allocation.

- Indirect expenses are ineligible. Reimbursable expenses will include only those expenses directly attributable to the delivery of the products for that phase of the project receiving a TNC Tax allocation.

Appendix I: TNC Tax Ordinance



City and County of San Francisco

Certified Copy

Motion

SAN FRANCISCO
FILED
2019 JUL 26 AM 10:21
DEPARTMENT OF ELECTIONS
City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

190584

[Initiative Ordinance - Business and Tax Regulations, Administrative Codes - Tax on Net Rider Fares of Commercial Ride-Share Companies, Autonomous Vehicles, and Private Transit Services Vehicles]

Sponsors: Mayor; Peskin, Yee, Ronen, Mandelman, Brown, Fewer, Haney, Walton, Stefani, Safai and Mar

Motion ordering submitted to the voters at an election to be held on November 5, 2019, an Ordinance amending the Business and Tax Regulations Code and Administrative Code to impose an excise tax on the net rider fares for rides facilitated by commercial ride-share companies and rides provided by autonomous vehicles and private transit services vehicles, to fund transportation operations and infrastructure for traffic congestion mitigation in the City; and to increase the City's appropriations limit by the amount collected under the tax for four years from November 5, 2019.

7/23/2019 Board of Supervisors - APPROVED

Ayes: 11 - Brown, Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Safai, Stefani, Walton and Yee

STATE OF CALIFORNIA
CITY AND COUNTY OF SAN FRANCISCO


CLERK'S CERTIFICATE

I do hereby certify that the foregoing Motion is a full, true, and correct copy of the original thereof on file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City and County of San Francisco.

July 25, 2019

Date


Angela Calvillo
Clerk of the Board

1 [Initiative Ordinance - Business and Tax Regulations, Administrative Codes - Tax on Net
2 Rider Fares of Commercial Ride-Share Companies, Autonomous Vehicles, and Private
3 Transit Services Vehicles]

4 **Motion ordering submitted to the voters at an election to be held on November 5, 2019,**
5 **an Ordinance amending the Business and Tax Regulations Code and Administrative**
6 **Code to impose an excise tax on the net rider fares for rides facilitated by commercial**
7 **ride-share companies and rides provided by autonomous vehicles and private transit**
8 **services vehicles, to fund transportation operations and infrastructure for traffic**
9 **congestion mitigation in the City; and to increase the City's appropriations limit by the**
10 **amount collected under the tax for four years from November 5, 2019.**

11
12 MOVED, That the Board of Supervisors hereby submits the following ordinance to the
13 voters of the City and County of San Francisco, at an election to be held on November 5,
14 2019.

15
16 **Ordinance amending the Business and Tax Regulations Code and Administrative Code**
17 **to impose an excise tax on the net rider fares for rides facilitated by commercial ride-**
18 **share companies and rides provided by autonomous vehicles and private transit**
19 **services vehicles, to fund transportation operations and infrastructure for traffic**
20 **congestion mitigation in the City; and to increase the City's appropriations limit by the**
21 **amount collected under the tax for four years from November 5, 2019.**

22 NOTE: **Unchanged Code text and uncodified text** are in plain font.
23 **Additions to Codes** are in *single-underline italics Times New Roman font*.
24 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
25 **Asterisks (* * * *)** indicate the omission of unchanged Code subsections or parts of tables.

1 Be it ordained by the People of the City and County of San Francisco:

2
3 Section 1. Pursuant to Articles XIII A and XIII C of the Constitution of the State of
4 California, this ordinance shall be submitted to the qualified electors of the City and County of
5 San Francisco at the November 5, 2019, municipal election.

6
7 Section 2. The Business and Tax Regulations Code is hereby amended by adding
8 Article 32, consisting of Sections 3201 to 3213, to read as follows:

9
10 **ARTICLE 32: TRAFFIC CONGESTION MITIGATION TAX**

11
12 **SEC. 3201. SHORT TITLE.**

13 *This Article 32 shall be known as the "Traffic Congestion Mitigation Tax Ordinance," and the*
14 *tax it imposes shall be known as the "Traffic Congestion Mitigation Tax."*

15
16 **SEC. 3202. FINDINGS AND PURPOSE.**

17 *(a) Strategies for managing traffic congestion are key to ensuring that San Francisco's*
18 *transportation system remains efficient, affordable, and safe as the number of jobs and the population*
19 *in San Francisco grows. These strategies include improving transit, improving access to bicycling and*
20 *walking, supporting walkable and transit-oriented neighborhoods, and managing vehicle use, parking,*
21 *and traffic signals.*

22 *(b) Over the years, traffic congestion has increased in San Francisco, with San Francisco*
23 *ranking among the top five most congested cities in the world, according to the 2018 INRIX Global*
24 *Traffic Scorecard, which analyzes traffic congestion in more than 200 cities across 38 countries. As*
25

1 congestion increases, it is vital that San Francisco continue to make its transit system faster and more
2 reliable while ensuring that the City invests in streets to create a safer environment.

3 (c) Emerging technologies, including autonomous vehicles, are expected to further increase
4 traffic congestion in San Francisco, with the San Francisco County Transportation Authority's 2017
5 Report "TNCs Today" documenting that transportation network companies accounted for
6 approximately 50% of San Francisco's congestion increase from 2010-2016. As these technologies
7 expand, it is critical that they complement existing transit infrastructure and improve first-mile-last-
8 mile accessibility, while mitigating congestion.

9 (d) In 2014, San Francisco adopted Vision Zero, a plan committed to eliminating all traffic
10 deaths in San Francisco. The Vision Zero High Injury Network guides the City's investments in
11 infrastructure and ensures prioritization of critical Transit First, pedestrian safety, and bicycle safety
12 projects. In San Francisco, 13% of streets account for 75% of the City's severe traffic injuries and
13 fatalities. To further the goal of Vision Zero, San Francisco must increase capital investments in street
14 safety.

15 (e) In 2017, the San Francisco Transportation 2045 Task Force identified a projected \$22
16 billion funding gap for San Francisco's transportation system through 2045 and possible revenue
17 sources to close that gap, including a tax on rides facilitated by transportation network companies.

18 (f) In 2018, the Legislature enacted Assembly Bill 1184, which confirmed the City's authority to
19 impose a tax on net rider fares for rides originating in San Francisco, including rides facilitated by
20 transportation network companies and rides provided by autonomous vehicles.

21
22 **SEC. 3203. DEFINITIONS.**

23 Unless otherwise defined in this Article 32, the terms used in this Article shall have the
24 meanings given to them in Article 6 of the Business and Tax Regulations Code, as amended from time
25 to time.

1 For purposes of this Article 32, the following definitions apply.

2 "Autonomous Vehicle" means a vehicle, other than a Taxicab or Limousine, with or without a
3 driver, equipped with and into which has been integrated technology that has the capability to drive the
4 vehicle without the active physical control by a natural person, regardless of whether the vehicle is in
5 driverless operation. An Autonomous Vehicle includes any vehicle capable of being driven remotely by
6 a natural person.

7 "Commercial Ride-Share Company" means a person that provides prearranged transportation
8 services for compensation using an online-enabled application or platform or any offline method to
9 connect passengers with drivers using a Personal Vehicle, including but not limited to a transportation
10 network company as that term is defined in Section 5431(c) of the California Public Utilities Code as of
11 June 30, 2019.

12 "Limousine" means a limousine as that term is used in Section 5431 of the California Public
13 Utilities Code as of June 30, 2019.

14 "Mobility Provider" means any person conducting or controlling a business that provides rides
15 to fare-paying passengers using an Autonomous Vehicle or a Private Transit Services Vehicle, or both,
16 including but not limited to the owner or proprietor of such business.

17 "Net Rider Fare" means all charges for a ride, including but not limited to charges based on
18 time or distance, or both, and excluding any taxes, fees, and other charges where such taxes, fees, and
19 other charges are imposed by governmental entities on that ride. The Net Rider Fare for a ride
20 includes subscription fees and other indirect charges that are attributable to that ride. The entire
21 amount of subscription fees and other indirect charges that are charged in connection with passenger
22 rides shall be presumed, subject to rebuttal, to be attributable to passenger rides.

23 "Personal Vehicle" means a vehicle that (1) has a passenger capacity of eight persons or less,
24 including the driver, (2) is owned, leased, rented, or otherwise authorized for use by the driver,

25

1 (3) meets any applicable inspection and other safety requirements imposed by the California Public
2 Utilities Commission, and (4) is not a Taxicab or Limousine.

3 "Private Transit Services Vehicle" means a private transit vehicle as defined in Section 1202 of
4 the Transportation Code as of June 30, 2019.

5 "Shared Ride" means a ride in which, prior to the commencement of the ride, a passenger
6 requests to share the ride with one or more passengers and each passenger is charged a fare that is
7 calculated, in whole or in part, based on the passenger's request to share all or part of the ride with
8 one or more passengers, regardless of whether the passenger actually shares all or part of the ride. A
9 ride provided by a Private Transit Services Vehicle shall be deemed to be a Shared Ride if that vehicle
10 is designed to carry and regularly carries more than one passenger at a time.

11 "Taxicab" means a taxicab as that term is used in Section 5431 of the California Public
12 Utilities Code as of June 30, 2019.

13 "Zero-Emission Vehicle" means a vehicle of a year, make, and model that the California Air
14 Resources Board has certified as a zero-emission vehicle under Section 1962.2 of Title 13 of the
15 California Code of Regulations, as may be amended or replaced by a similar regulation, for 2018 and
16 subsequent model years; under Section 1962.1 of Title 13 of the California Code of Regulations for
17 2009 through 2017 model years; or under Section 1962 of Title 13 of the California Code of
18 Regulations or predecessor regulation, for 2008 and prior model years. For purposes of this
19 Article 32, a vehicle shall be considered a Zero-Emission Vehicle on and after the date the California
20 Air Resources Board has certified that vehicle's year, make, and model as a zero-emission vehicle
21 under the aforementioned regulations.

1 **SEC. 3204. IMPOSITION OF TAX.**

2 (a) Except as otherwise provided in this Article 32, for the privilege of engaging in business in
 3 the City and to raise revenue for the purposes set forth in Section 3208, the City imposes a Traffic
 4 Congestion Mitigation Tax, which shall be a special excise tax, as follows:

5 (1) Except as provided in Section 3204(a)(3), for each ride originating in the City
 6 facilitated by a Commercial Ride-Share Company, the tax shall be imposed on the Commercial Ride-
 7 Share Company and shall be calculated by applying the following percentages to the Net Rider Fare
 8 attributable to the City.

9 (A) 1.5% for a Shared Ride;

10 (B) 3.25% for a ride other than a Shared Ride.

11 (2) Except as provided in Section 3204(a)(3), for each ride originating in the City
 12 provided by an Autonomous Vehicle or a Private Transit Services Vehicle, and not facilitated by a
 13 Commercial Ride-Share Company, the tax shall be imposed on the Mobility Provider of the
 14 Autonomous Vehicle or the Private Transit Services Vehicle and shall be calculated by applying the
 15 following percentages to the Net Rider Fare attributable to the City.

16 (A) 1.5% for a Shared Ride;

17 (B) 3.25% for a ride other than a Shared Ride.

18 (3) From January 1, 2020 through December 31, 2024, for each ride described in
 19 Section 3204(a)(1) or Section 3204(a)(2) that is provided in a Zero-Emission Vehicle, the tax shall be
 20 calculated by multiplying the Net Rider Fare attributable to the City for that ride by 1.5%.

21 (b) For purposes of this Article 32, a passenger's ride originates in the City if the vehicle picks
 22 up that passenger in the City. The Net Rider Fare attributable to the City for each ride shall be the Net
 23 Rider Fare for that ride multiplied by a fraction, the numerator of which is the distance traveled within
 24 the City for that ride and the denominator of which is the total distance traveled for that ride. In lieu of
 25 calculating the distance traveled within the City for each ride a portion of which occurs outside the

1 City, a person subject to tax under this Article 32 may presume that the Net Rider Fare for each such
2 ride is 50% attributable to the City; provided, however, that such presumption must be applied to all
3 rides for which a portion occurs outside the City during the reporting period. If it is impracticable or
4 unreasonable to attribute a Net Rider Fare to the City based on distance traveled, the Net Rider Fare
5 attributable to the City shall be determined on the basis of all relevant facts and circumstances of the
6 particular case, in accordance with any rulings or regulations issued or promulgated by the Tax
7 Collector.

8 (c) The tax imposed under this Section 3204 shall apply only to persons that are engaging in
9 business within the City within the meaning of Section 6.2-12 of Article 6 of the Business and Tax
10 Regulations Code.

11 (d) The Traffic Congestion Mitigation Tax shall be operative on January 1, 2020 and shall
12 expire on November 5, 2045.

13
14 **SEC. 3205. EXEMPTIONS AND EXCLUSIONS.**

15 (a) Rides that originate in the City and carry passengers across the California state line shall
16 be exempt from the Traffic Congestion Mitigation Tax for only so long as and to the extent that the City
17 is prohibited from taxing such rides under Section 14505 of Title 49 of the United States Code.

18 (b) Net Rider Fare as defined in Section 3203 shall not include charges for a ride or a portion
19 of a ride if, and only so long as and to the extent that, the City is prohibited from taxing such ride or
20 portion of a ride under the Constitution or laws of the United States or under the Constitution or laws
21 of the State of California.

22 (c) Any person upon whom the City is prohibited under the Constitution or laws of the United
23 States or under the Constitution or laws of the State of California from imposing the Traffic Congestion
24 Mitigation Tax shall be exempt from the Traffic Congestion Mitigation Tax.

1 **SEC. 3206. CONSTRUCTION AND SCOPE OF THE TRAFFIC CONGESTION MITIGATION**
 2 **TAX ORDINANCE.**

3 *(a) This Article 32 is intended to authorize application of the Traffic Congestion Mitigation Tax*
 4 *in the broadest manner consistent with its provisions and with the California Constitution, the United*
 5 *States Constitution, and any other applicable provision of federal or state law.*

6 *(b) The Traffic Congestion Mitigation Tax imposed by this Article 32 is in addition to all other*
 7 *City taxes, including without limitation the gross receipts tax imposed by Article 12-A-1 of the Business*
 8 *and Tax Regulations Code, as amended from time to time. Accordingly, by way of example and not*
 9 *limitation, persons subject to both the Traffic Congestion Mitigation Tax and the gross receipts tax*
 10 *shall pay both taxes. Similarly, persons exempt from either the gross receipts tax or the Traffic*
 11 *Congestion Mitigation Tax, but not both, shall pay the tax from which they are not exempt.*

12
 13 **SEC. 3207. ADMINISTRATION OF THE TRAFFIC CONGESTION MITIGATION TAX**
 14 **ORDINANCE.**

15 *Except as otherwise provided under this Article 32, the Traffic Congestion Mitigation Tax shall*
 16 *be administered pursuant to Article 6 of the Business and Tax Regulations Code, as amended from time*
 17 *to time, including all penalties and other charges imposed by that Article.*

18
 19 **SEC. 3208. DEPOSIT OF PROCEEDS; EXPENDITURE OF PROCEEDS.**

20 *(a) All monies collected under the Traffic Congestion Mitigation Tax Ordinance shall be*
 21 *deposited to the credit of the Traffic Congestion Mitigation Fund, established in Administrative Code*
 22 *Section 10.100-345. The Fund shall be maintained separate and apart from all other City funds and*
 23 *shall be subject to appropriation. Any balance remaining in the Fund at the close of any fiscal year*
 24 *shall be deemed to have been provided for a special purpose within the meaning of Charter*
 25

1 Section 9.113(a) and shall be carried forward and accumulated in the Fund for the purposes described
2 in Section 3208(b)(3), below.

3 (b) Subject to the budgetary and fiscal provisions of the Charter, monies in the Traffic
4 Congestion Mitigation Fund shall be appropriated on an annual or supplemental basis and used
5 exclusively for the following purposes:

6 (1) Up to 2% of the proceeds of the Traffic Congestion Mitigation Tax distributed in
7 any proportion to the Tax Collector and other City departments, for administration of the Traffic
8 Congestion Mitigation Tax and administration of the Traffic Congestion Mitigation Fund.

9 (2) Refunds of any overpayments of the Traffic Congestion Mitigation Tax, including
10 any related penalties, interests, and fees.

11 (3) All remaining amounts for the following purposes, in the following percentages,
12 which amounts shall include the costs of administering the programs described.

13 (A) 50% to the Municipal Transportation Agency, or any successor agency, for
14 Muni transit service and affordability, system reliability and capacity, and keeping transit
15 infrastructure in a state of good repair, to be used exclusively for the following purposes:

16 (i) Improving bus and rail service frequency and reliability.

17 (ii) Maintaining and expanding Muni fleet and facilities.

18 (iii) Improving access, including stations, escalators, and elevators.

19 (iv) Improving reliability through fixing and/or replacing rails, overhead
20 wires, associated fixed guideway infrastructure, and traffic signals.

21 (B) 50% to the San Francisco County Transportation Authority, or any
22 successor body, for planning, design studies, and/or capital improvements that promote users' safety in
23 the public right-of-way, to be used exclusively for the following purposes:

24 (i) Pedestrian and bicycle safety infrastructure, including civil and
25 signal improvements, mid-block crossings, and bike boxes.

1 (ii) Physical protection of bicycle facilities from motorized traffic,
 2 including bicycle lanes within street rights-of-way.

3 (iii) Traffic calming.

4 (iv) Traffic signal and traffic signal timing improvements.

5 (v) Maintenance of existing safety infrastructure.

6 (c) All amounts allocated to the Municipal Transportation Agency under Section 3208(b)(3)(A)
 7 shall be credited to the Municipal Transportation Fund as described in Section 8A.105 of Article VIII A
 8 of the Charter.

9 (d) Commencing with a report filed no later than February 15, 2022, covering the fiscal year
 10 ending on June 30, 2021, the Controller shall file annually with the Board of Supervisors, by
 11 February 15 of each year, a report containing the amount of monies collected in and expended from the
 12 Traffic Congestion Mitigation Fund during the prior fiscal year, the status of any project authorized to
 13 be funded by this Section 3208, and such other information as the Controller, in the Controller's sole
 14 discretion, deems relevant to the operation of this Article 32.

15
 16 **SEC. 3209. AUTHORIZATION AND LIMITATION ON ISSUANCE OF BONDS.**

17 The City is hereby authorized to issue from time to time limited tax bonds to finance the costs of
 18 the capital projects described in Section 3208. The City shall be authorized to pledge revenues
 19 generated by the Traffic Congestion Mitigation Tax to the repayment of limited tax bonds authorized
 20 under this Section 3209. The amount of limited tax bonds authorized hereby shall not exceed
 21 \$300,000,000 in aggregate principal amount. The Board of Supervisors shall by ordinance or
 22 resolution, as applicable, establish the terms of any limited tax bonds authorized hereby, including but
 23 not limited to, the amount of the issue, date, covenants, denominations, interest rate or rates, maturity
 24 or maturities, redemption rights, tax status, manner of sale, and such other particulars as are necessary
 25 or desirable.

1 **SEC. 3210. AMENDMENT OF ORDINANCE.**

2 The Board of Supervisors may amend or repeal this Article 32 by ordinance by a two-thirds
3 vote and without a vote of the people except as limited by Articles XIII A and XIII C of the California
4 Constitution.

5
6 **SEC. 3211. EFFECT OF STATE AND FEDERAL AUTHORIZATION.**

7 To the extent that the City's authorization to impose or to collect any tax imposed under this
8 Article 32 is expanded or limited as a result of changes in state or federal statutes, regulations, or other
9 laws, or judicial interpretations of those laws, no amendment or modification of this Article shall be
10 required to conform the taxes to those changes, and the taxes are hereby imposed in conformity with
11 those changes, and the Tax Collector shall collect them to the full extent of the City's authorization up
12 to the full amount and rate of the taxes imposed under this Article.

13
14 **SEC. 3212. SEVERABILITY.**

15 (a) Except as provided in Section 3212(b), if any section, subsection, sentence, clause, phrase,
16 or word of this Article 32, or any application thereof to any person or circumstance, is held to be
17 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not
18 affect the validity of the remaining portions or applications of this Article. The People of the City and
19 County of San Francisco hereby declare that, except as provided in Section 3212(b), they would have
20 adopted this Article 32 and each and every section, subsection, sentence, clause, phrase, and word not
21 declared invalid or unconstitutional without regard to whether any other portion of this Article or
22 application thereof would be subsequently declared invalid or unconstitutional.

23 (b) If the imposition of the Traffic Congestion Mitigation Tax in Section 3204 is held in its
24 entirety to be facially invalid or unconstitutional in a final court determination, the remainder of this
25 Article 32 shall be void and of no force and effect, and the City Attorney shall cause it to be removed

1 from the Business and Tax Regulations Code, and likewise cause Section 10.100-345 to be removed
 2 from the Administrative Code.

3
 4 **SEC. 3213. SAVINGS CLAUSE.**

5 No section, clause, part, or provision of this Article 32 shall be construed as requiring the
 6 payment of any tax that would be in violation of the Constitution or laws of the United States or of the
 7 Constitution or laws of the State of California.

8
 9 Section 3. Chapter 10 of the Administrative Code is hereby amended by adding
 10 Section 10.100-345 to Article XIII, to read as follows:

11
 12 **SEC. 10.100-345. TRAFFIC CONGESTION MITIGATION FUND.**

13 (a) Establishment of Fund. The Traffic Congestion Mitigation Fund ("Fund") is established as
 14 a category four fund as defined in Section 10.100-1 of the Administrative Code, and shall receive all
 15 taxes, penalties, interest, and fees collected from the Traffic Congestion Mitigation Tax imposed under
 16 Article 32 of the Business and Tax Regulations Code.

17 (b) Use of Fund. Subject to the budgetary and fiscal provisions of the Charter, monies in the
 18 Fund shall be used exclusively for the purposes described in Section 3208(b) of Article 32 of the
 19 Business and Tax Regulations Code.


20 (c) Administration of Fund. As stated in Section 3208(d) of Article 32 of the Business and Tax
 21 Regulations Code, commencing with a report filed no later than February 15, 2022, covering the fiscal
 22 year ending June 30, 2021, the Controller shall file annually with the Board of Supervisors, by
 23 February 15 of each year, a report containing the amount of monies collected in and expended from the
 24 Fund during the prior fiscal year, the status of any project authorized to be funded by Section 3208.

1 and such other information as the Controller, in the Controller's sole discretion, deems relevant to the
2 operation of Article 32.

3
4 Section 4. Appropriations Limit Increase. Pursuant to California Constitution
5 Article XIII B and applicable laws, for four years from November 5, 2019, the appropriations
6 limit for the City shall be increased by the aggregate sum collected by the levy of the tax
7 imposed under this ordinance.

8
9 Section 5. Effective and Operative Dates. The effective date of this ordinance shall be
10 ten days after the date the official vote count is declared by the Board of Supervisors. This
11 ordinance shall become operative on January 1, 2020.

12
13 APPROVED AS TO FORM:
14 DENNIS J. HERRERA, City Attorney

15 By: 
16 KERNE H. O. MATSUBARA
Deputy City Attorney

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City and County of San Francisco

Tails

Motion: M19-116

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 190584

Date Passed: July 23, 2019

Motion ordering submitted to the voters at an election to be held on November 5, 2019, an Ordinance amending the Business and Tax Regulations Code and Administrative Code to impose an excise tax on the net rider fares for rides facilitated by commercial ride-share companies and rides provided by autonomous vehicles and private transit services vehicles, to fund transportation operations and infrastructure for traffic congestion mitigation in the City; and to increase the City's appropriations limit by the amount collected under the tax for four years from November 5, 2019.

July 10, 2019 Budget and Finance Sub-Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

July 10, 2019 Budget and Finance Sub-Committee - CONTINUED AS AMENDED

July 17, 2019 Budget and Finance Sub-Committee - RECOMMENDED

July 23, 2019 Board of Supervisors - APPROVED

Ayes: 11 - Brown, Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Safai, Stefani, Walton and Yee

File No. 190584

I hereby certify that the foregoing Motion was APPROVED on 7/23/2019 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

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Memorandum

AGENDA ITEM 6

DATE: September 18, 2020
TO: Transportation Authority Board
FROM: Anna LaForte - Deputy Director for Policy and Programming
SUBJECT: 10/20/2020 Board Meeting: Allocate \$5,897,303 in Prop K Sales Tax Funds, \$378,372 in Prop AA Vehicle Registration Fee Funds, and \$2,505,686 in Traffic Congestion Mitigation Tax (TNC Tax) Funds, with Conditions, for Five Requests

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <p>Allocate \$4,926,278 in Prop K funds and \$2,505,686 in TNC Tax funds to the San Francisco Municipal Transportation Agency (SFMTA) for:</p> <ol style="list-style-type: none"> 1. Replace 28 Paratransit Vans (\$1,156,151) 2. Upper Market Street Safety Improvements (\$2,833,813) 3. Vision Zero Quick-Build Program FY21 (\$936,314 Prop K, \$2,505,686 TNC Tax) <p>Allocate \$971,025 in Prop K funds to San Francisco Public Works (SFPW) for:</p> <ol style="list-style-type: none"> 4. Mansell Street Curb Ramps <p>Allocate \$378,372 in Prop AA funds to SFMTA for:</p> <ol style="list-style-type: none"> 5. 5th Street Quick-Build Improvements <p>SUMMARY</p> <p>Attachment 1 lists the requests, including phase(s) of work and supervisorial district(s) for the projects. Attachment 2 provides a brief description of the projects. Attachment 3 contains the staff recommendations.</p>	<p><input checked="" type="checkbox"/> Fund Allocation</p> <p><input checked="" type="checkbox"/> Fund Programming</p> <p><input type="checkbox"/> Policy/Legislation</p> <p><input type="checkbox"/> Plan/Study</p> <p><input type="checkbox"/> Capital Project Oversight/Delivery</p> <p><input type="checkbox"/> Budget/Finance</p> <p><input type="checkbox"/> Contract/Agreement</p> <p><input type="checkbox"/> Other: _____</p>
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DISCUSSION

Attachment 1 summarizes the subject allocation requests, including information on proposed leveraging (i.e. stretching Prop K sales tax dollars further by matching them with other fund sources) compared with the leveraging assumptions in the Prop K Expenditure Plan. Attachment 2 includes brief project descriptions. Attachment 3 summarizes the staff recommendations for each request, highlighting special conditions and other items of interest. An Allocation Request Form for each project is enclosed, with more detailed information on scope, schedule, budget, funding, deliverables and special conditions.



The recommended allocation for the **SFMTA's FY21 Vision Zero Quick-Build Program** is contingent upon Board adoption of the TNC Tax Program Guidelines and programming funds to the subject project, which is a separate item on the September 23 CAC agenda.

FINANCIAL IMPACT

The recommended action would allocate \$5,897,303 in Prop K funds, \$378,372 in Prop AA funds, and \$2,505,686 in TNC Tax funds. The allocations would be subject to the Fiscal Year Cash Flow Distribution Schedules contained in the enclosed Allocation Request Forms.

Attachment 4 shows the approved Prop K, Prop AA and TNC Tax Fiscal Year 2020/21 allocations to date, with associated annual cash flow commitments as well as the recommended allocation and cash flow amounts that are the subject of this memorandum.

Sufficient funds are included in the proposed Fiscal Year 2020/21 annual budget. Furthermore, sufficient funds will be included in future budgets to cover the recommended cash flow distributions for those respective fiscal years.

CAC POSITION

The CAC will consider this item at its September 23, 2020 meeting.

SUPPLEMENTAL MATERIALS

- Attachment 1 - Summary of Requests
- Attachment 2 - Project Descriptions
- Attachment 3 - Staff Recommendations
- Attachment 4 - Prop K/AA/TNC Tax Allocation Summaries - FY 2020/21
- Enclosure - Allocation Request Forms (5)

Source	EP Line No./ Category ¹	Project Sponsor ²	Project Name	Current Prop K Request	Current Prop AA Request	Current TNC Tax Request	Total Cost for Requested Phase(s)	Leveraging		Phase(s) Requested	District(s)
								Expected Leveraging by EP Line ³	Actual Leveraging by Project Phase(s) ⁴		
Prop K	17M	SFMTA	Replace 28 Paratransit Vans	\$ 1,156,151			\$ 2,660,000	84%	57%	Construction	Citywide
Prop K	38, 39, 40	SFMTA	Upper Market Street Safety Improvements	\$ 2,833,813			\$ 9,627,868	38%	71%	Construction	8
Prop K, TNC Tax	40 Quick-Build	SFMTA	Vision Zero Quick-Build Program FY21	\$ 936,314		\$ 2,505,686	\$ 4,555,000	25%	79%	Design, Construction	3, 6, 8, 9, 10; Spot Improvements TBD
Prop K	41	SFPW	Mansell Street Curb Ramps	\$ 971,025			\$ 971,025	45%	0%	Construction	9, 10
Prop AA	Ped	SFMTA	5th Street Quick-Build Improvements		\$ 378,372		\$ 1,427,407	NA	100%	Construction	6
TOTAL				\$ 5,897,303	\$ 378,372	\$ 2,505,686	\$ 19,241,300	39%	69%		

Footnotes

¹ "EP Line No./Category" is either the Prop K Expenditure Plan line number referenced in the 2019 Prop K Strategic Plan or the Prop AA Expenditure Plan category referenced in the 2017 Prop AA Strategic Plan, including: Street Repair and Reconstruction (Street), Pedestrian Safety (Ped), and Transit Reliability and Mobility Improvements (Transit) or the Traffic Congestion Mitigation Tax (TNC Tax) category referenced in the Program Guidelines.

² Acronyms: SFMTA (San Francisco Municipal Transportation Agency); SFPW (San Francisco Public Works)

³ "Expected Leveraging By EP Line" is calculated by dividing the total non-Prop K funds expected to be available for a given Prop K Expenditure Plan line item (e.g. Pedestrian Circulation and Safety) by the total expected funding for that Prop K Expenditure Plan line item over the 30-year Expenditure Plan period. For example, expected leveraging of 90% indicates that on average non-Prop K funds should cover 90% of the total costs for all projects in that category, and Prop K should cover only 10%.

⁴ "Actual Leveraging by Project Phase" is calculated by dividing the total non-Prop K or non-Prop AA funds in the funding plan by the total cost for the requested phase or phases. If the percentage in the "Actual Leveraging" column is lower than in the "Expected Leveraging" column, the request (indicated by yellow highlighting) is leveraging fewer non-Prop K dollars than assumed in the Expenditure Plan. A project that is well leveraged overall may have lower-than-expected leveraging for an individual or partial phase.

Attachment 2: Brief Project Descriptions ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Prop AA Funds Requested	TNC Tax Funds Requested	Project Description
17M	SFMTA	Replace 28 Paratransit Vans	\$ 1,156,151	\$ -	\$ -	Funds will be used to procure 28 paratransit cutaway vans that are replacing 28 paratransit minivans that have reached the end of their useful lives. Each new vehicle will have a maximum capacity of 14 passengers including four wheelchair users, whereas the minivans carry three total passengers including one wheelchair user. Thus, the new vehicles will allow for more flexibility in use and an increase in overall capacity. The vans will be operated as part of SFMTA's SF Access prescheduled, shared-ride door-to-door paratransit service which is provided in city-owned vehicles operated under contract. This project will improve passenger comfort, service reliability and reduce maintenance costs. SFMTA expects to place all new vehicles into service by June 2021.
38, 39, 40	SFMTA	Upper Market Street Safety Improvements	\$ 2,833,813	\$ -	\$ -	Requested funds will leverage impact fees from the Market-Octavia plan area, General Funds, and state grant funds to fund the construction phase of sidewalk and roadway improvements on Market Street from Octavia Boulevard/Central Freeway ramp to Castro Street, a one-mile segment of the city's Vision Zero High Injury Network. Improvements include pedestrian safety and accessibility upgrades at seven intersections; traffic signal upgrades; bikeway and bicycle access upgrades; transit access improvements including an expanded boarding platform at Laguna Street; and streetscape enhancements including landscaping and other decorative elements. District 8 Neighborhood Transportation Improvement Program (NTIP) funds are intended to support the ADA curb ramp improvements near Castro Street/Pink Triangle Park and signal modifications to the Castro/Market intersection that were requested by the community. Project will be open for use by December 2022.
40 Quick-Build	SFMTA	Vision Zero Quick-Build Program FY21	\$ 936,314	\$ -	\$ 2,505,686	<p>Requested funds would help expedite delivery of safer streets on the High Injury Network. A quick-build project is defined to only include reversible or adjustable traffic controls to facilitate transportation safety, such as roadway and curb paint, traffic signs, traffic delineators, traffic signal changes, transit boarding islands, and parking and loading changes. Safety improvements implemented using these traffic control measures can include painted safety zones, bike lanes, adjustments to parking regulations, changes to the configuration of traffic lanes, and other changes. While quick-build projects are limited in scope, they offer the opportunity to implement safety improvements more quickly than a typical design-bid-build process. Quick-build projects are primarily implemented entirely by City crews, rather than with contractors.</p> <p>The scope of this project includes corridor projects on Valencia (15th to 19th Street), Bayshore Boulevard (Industrial Street to Jerrold Avenue), Evans Avenue (Cesar Chavez to 3rd Street), South Van Ness Avenue (13th Street to Cesar Chavez), Sansome/Battery Street (Market Street to Broadway), and Tenderloin Quick-Build (potential locations may include Hyde Street, Jones Street, and the programmatic implementation of safety treatments neighborhood-wide). The scope also includes spot improvements at to-be-determined high crash locations on the High Injury Network. The SFMTA anticipates that all work will be completed by June 2022.</p>

Attachment 2: Brief Project Descriptions ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Requested	Prop AA Funds Requested	TNC Tax Funds Requested	Project Description
41	SFPW	Mansell Street Curb Ramps	\$ 971,025	\$ -	\$ -	Requested funds will be used for the construction of 30 curb ramps at the four intersections along Mansell Street at Bowdoin, Hamilton, Somerset, and Goettingen Streets. The proposed curb ramp locations are on concrete streets, which is a higher cost material than asphalt and contributes to the increased average cost per ramp when compared to 2017 estimates from a prior Prop K allocation for SFPW's Curb Ramp Program (\$18,652 vs. \$40,148). In addition, Mansell Street curb ramps require eight water meter relocations and nine survey monuments which have added about \$4,000 to the average cost per ramp. Also, SFPW acknowledges that construction support costs are trending higher due to structural work complexities that require increased construction oversight. This project meets the City's obligations under federal and state accessibility statutes to provide curb ramps to improve accessibility for people with disabilities.
Ped	SFMTA	5th Street Quick-Build Improvements	\$ -	\$ 378,372	\$ -	This request will improve safety along the 5th Street corridor by constructing pedestrian, bicycle, transit and loading/parking improvements between Market and Townsend Streets in the South of Market (SoMa) neighborhood. Funds will be used to expand the scope of the quick-build project to fund additional capital/hardscape improvements along the corridor including a raised crosswalk at Minna Street, four transit boarding islands, and roadway striping. City crews will perform the work. SFMTA expect the project will be open for use by June 2021.
TOTAL			\$5,897,303	\$378,372	\$2,505,686	

¹ See Attachment 1 for footnotes.

Attachment 3: Staff Recommendations ¹

EP Line No./ Category	Project Sponsor	Project Name	Prop K Funds Recommended	Prop AA Funds Recommended	TNC Tax Funds Recommended	Recommendations
17M	SFMTA	Replace 28 Paratransit Vans	\$ 1,156,151	\$ -	\$ -	Prop K 5-Year Prioritization Program (5YPP) Amendment: The recommended allocation is contingent upon amendment of the Prop K Vehicles-Muni 5YPP to add the subject project and reprogram \$1,156,151 from the Replace 85 40-Foot Trolley Coaches project to the subject project. See enclosed allocation request form for 5YPP amendment for details.
38, 39, 40	SFMTA	Upper Market Street Safety Improvements	\$ 2,833,813	\$ -	\$ -	Prop K 5YPP Amendments: The recommended allocation is contingent upon amendments of the Traffic Calming, Bicycle Circulation/Safety and Pedestrian Circulation/Safety 5YPPs. See the enclosed allocation request form for 5YPP amendments for details.
40 Quick-Build	SFMTA	Vision Zero Quick-Build Program FY21	\$ 936,314	\$ -	\$ 2,505,686	Special Condition: Recommendation is contingent upon Board adoption of the TNC Tax Program Guidelines and fund programming item. See separate agenda item on this meeting's agenda.
41	SFPW	Mansell Street Curb Ramps	\$ 971,025		\$ -	
Ped	SFMTA	5th Street Quick-Build Improvements	\$ -	\$ 378,372	\$ -	
TOTAL			\$5,897,303	\$378,372	\$2,505,686	

¹ See Attachment 1 for footnotes.

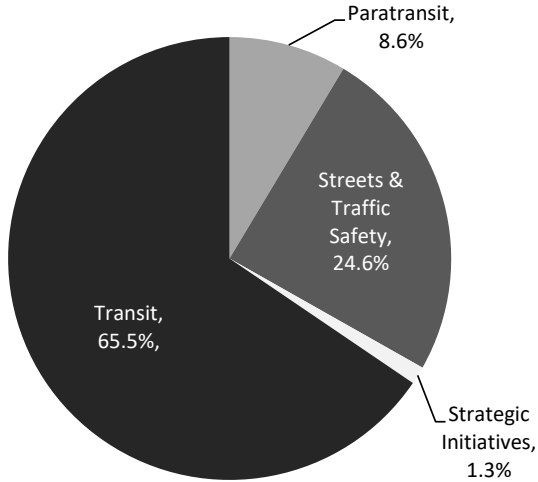
Attachment 4.
Prop K Allocation Summary - FY2020/21
Prop AA Allocation Summary - FY2020/21
TNC Tax Allocation Summary - FY2020/21

PROP K SALES TAX

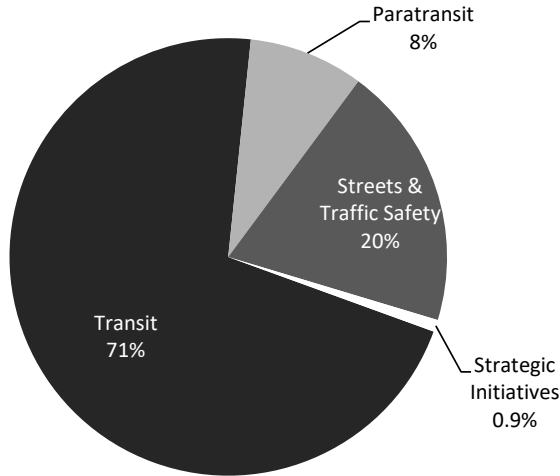
FY2020/21	Total	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
Prior Allocations	\$ 25,859,950	\$ 13,300,789	\$ 7,659,423	\$ 3,722,326	\$ 1,177,412	\$ -	\$ -
Current Request(s)	\$ 5,897,303	\$ 1,470,832	\$ 3,403,073	\$ 1,023,398	\$ -	\$ -	\$ -
New Total Allocations	\$ 31,757,253	\$ 14,771,621	\$ 11,062,496	\$ 4,745,724	\$ 1,177,412	\$ -	\$ -

The above table shows maximum annual cash flow for all FY 2020/21 allocations and appropriations approved to date, along with the current recommended allocation(s).

Investment Commitments, per Prop K Expenditure Plan



Prop K Investments To Date

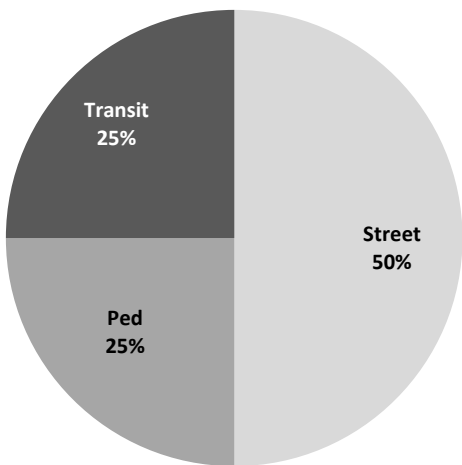


PROP AA VEHICLE REGISTRATION FEE

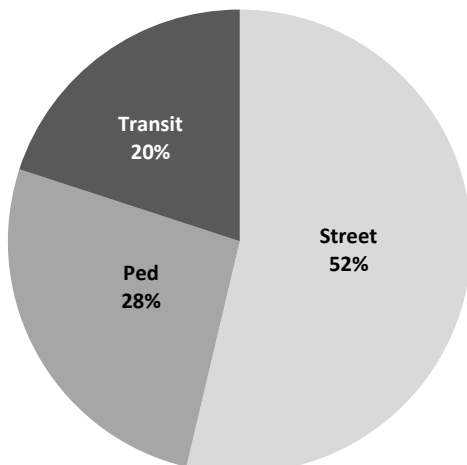
FY2020/21	Total	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
Prior Allocations	\$ 4,708,057	\$ 2,354,029	\$ 2,354,029	\$ -	\$ -	\$ -
Current Request(s)	\$ 378,372	\$ 378,372	\$ -	\$ -	\$ -	\$ -
New Total Allocations	\$ 5,086,429	\$ 2,732,401	\$ 2,354,029	\$ -	\$ -	\$ -

The above table shows total cash flow for all FY 2020/21 allocations approved to date, along with the current recommended allocation(s).

Investment Commitments, per Prop AA Expenditure Plan



Prop AA Investments To Date



Attachment 4.

Prop K Allocation Summary - FY2020/21
 Prop AA Allocation Summary - FY2020/21
 TNC Tax Allocation Summary - FY2020/21

TRAFFIC CONGESTION MITIGATION TAX (TNC Tax)

FY2020/21	Total	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
Prior Allocations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Request(s)	\$ 2,505,686	\$ 1,376,800	\$ 1,128,886	\$ -	\$ -	\$ -
New Total Allocations	\$ 2,505,686	\$ 1,376,800	\$ 1,128,886	\$ -	\$ -	\$ -

The above table shows total cash flow for all FY 2020/21 allocations approved to date, along with the current recommended allocation(s).



Memorandum

AGENDA ITEM 7

DATE: September 18, 2020
TO: Transportation Authority Board
FROM: Eric Cordoba - Deputy Director for Capital Projects
SUBJECT: 10/20/2020 Board Meeting: Authorize the Executive Director to Execute the Utility Relocation Agreement, the Right of Way Certification, Amendments to the Memorandums of Agreement (MOAs) with Treasure Island Development Authority (TIDA) for Both Right of Way and Construction Phases, and All Other Related Project Agreements for the Yerba Buena Island (YBI) Westside Bridges Seismic Retrofit Project

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <ul style="list-style-type: none"> • Authorize the Executive Director to execute the following agreements and documents to prepare the YBI Westside Bridges Seismic Retrofit Project for construction: <ul style="list-style-type: none"> ○ Utility relocation agreement for TIDA waterline ○ Right of Way Certification ○ Amendments to the Memorandums of Agreement (MOAs) with TIDA for both the Right-of-Way Phase and Construction Phase ○ All other related project agreements • Authorize the Executive Director to negotiate and modify agreement payment terms and non-material terms and conditions <p>SUMMARY</p> <p>We are working jointly with TIDA and the Office of Economic and Workforce Development (OEWD) on the development of the I-80/YBI Interchange Improvement Project. One of the elements of the overall project is the YBI Westside Bridges Seismic Retrofit Project. In order to prepare this portion of the project for construction, the Transportation Authority must execute a series of agreements and documents as described in the recommendation action listed above.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Fund Allocation <input type="checkbox"/> Fund Programming <input type="checkbox"/> Policy/Legislation <input type="checkbox"/> Plan/Study <input checked="" type="checkbox"/> Capital Project Oversight/Delivery <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Contract/Agreement <input type="checkbox"/> Other: _____
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BACKGROUND

Project Background/Status. The I-80/YBI Interchange Improvement Project includes two major components: the I-80/YBI Ramps Improvement Project and the YBI Westside Bridges Seismic Retrofit Project. The subject of this request is the YBI Westside Bridges Seismic Retrofit Project.

The YBI Westside Bridges Seismic Retrofit Project will demolish eight bridge structures and reconstruct a realigned roadway, six retaining walls, and a new undercrossing structure. Additionally, one structure will be seismically retrofitted and requires a column relocation. This project will be challenging to implement, given its unique location along steep terrain on the western edge of Yerba Buena Island overlooking San Francisco Bay. In addition to the challenging location, the project presents numerous complex structural (bridge/retaining wall foundations) and geotechnical challenges (unstable soils), as well as difficult construction access (very steep terrain) and environmental constraints (construction adjacent to and above San Francisco Bay).

Construction of roadway projects on Yerba Buena Island is very complex, requiring significant coordination among a number of entities and projects. One complicating factor is that the United States Coast Guard (USCG) Station, which is part of the Department of Homeland Security, is located on YBI. In constructing and reconstructing roadways on YBI, the projects need to be well coordinated to ensure there are sufficient roadways available to provide adequate traffic circulation for the USCG, Caltrans, TIDA, Treasure Island Community Development (TICD), and the residents and businesses of Treasure Island.

The YBI Westside Bridges Seismic Retrofit Project is one of several roadway construction projects on Yerba Buena Island. The other major roadway construction projects include the Macalla Road Reconstruction Project, the Forest Road Detour Project and the I-80/YBI Ramps Improvement Project, Phase 1 (Westbound Ramps Project - Completed in October 2016 and opened to traffic) and Phase 2 (Southgate Road Realignment Project - Under Construction). TICD is the lead for the Macalla Road Reconstruction Project and the Forest Road Detour Project, while we are the lead for the Westbound Ramps Project and the Southgate Road Realignment Project. All four of these projects need to be essentially completed before construction of the Westside Bridges Seismic Retrofit Project can start (with a seven-month overlap of the Southgate Road Project).

In March 2018, through Resolution 18-42, the Board approved the Construction Manager/General Contractor (CM/GC) Project Delivery Method for this Project. In October 2018, through Resolution 19-17, the Board awarded a professional services contract to Golden State Bridge/Obayashi Joint Venture for CM/GC preconstruction services and a contract amendment to WMH Corporation to complete design services.



DISCUSSION

There are various agreements, documents, and amendments that need to be executed in order to prepare the Westside Bridges Seismic Retrofit Project for construction. Each agreement is briefly discussed below.

Utility Relocation Agreement with TIDA: This utility relocation agreement confirms TIDA's approval of the relocation of the TIDA waterline required for the Westside Bridges Seismic Retrofit Project. This utility relocation agreement identifies estimated costs and associated cost liability for the waterline relocation, which will be included in the scope of the upcoming construction contract.

Right-of-Way Certification: This right-of-way certification confirms we have made all necessary arrangements to secure the right-of-way for construction of the Westside Bridges Seismic Retrofit Project. Note that the entire project will be constructed within TIDA-owned property, so there is no need for any right-of-way acquisition.

TIDA MOA Amendments for Right-of-Way and Construction Phases: In 2013, we entered into MOAs with TIDA for the right-of-way phase and for the construction phase the YBI Ramps Improvement Project. The MOAs establish each party's role and responsibilities as well as the terms and conditions of TIDA repayments to us for all costs we incurred on the YBI Ramps Improvement Project. In 2019, the parties amended the MOAs to add the Southgate Road Realignment Project to the scope of the MOAs and extended the terms to June 30, 2022 for the right-of-way phase and December 31, 2022 for the construction phase. The proposed amendments would add the YBI Westside Bridges Seismic Retrofit Project to the scope of the respective MOAs and extend the term of both MOAs to December 31, 2024.

Caltrans' certification of right-of-way is required prior to awarding the construction contract for the Project. TIDA has requested that we take certain actions necessary to satisfy right-of-way certification conditions prior to awarding the construction contract. We agreed to take such actions provided that TIDA agreed to reimburse us for, and indemnify and hold us harmless from, any and all costs and liabilities we incurred. TIDA also requests that we act on TIDA's behalf to complete the steps necessary to pursue construction of the project. We anticipate bringing a construction contract award to the Board for approval by January 2021.

Additional Project Agreements: In order to prepare the project for right-of-way and construction phases, we may need to enter into agreements with other agencies/entities, including but not limited to the California Highway Patrol, the San Francisco Public Utilities Commission, San Francisco Municipal Transportation Agency, San Francisco Public Works, and the Pacific Gas and Electric Company.

Funding/Cost. The project is funded with Federal Highway Bridge Program (HBP) funds, with matching funds provided from Proposition 1B's Local Bridge Seismic Retrofit Account (Prop 1B) and from TIDA. We are actively seeking to secure all required federal, state, and regional



funds for the project, which is estimated to cost approximately \$119.7 million for all phases. To date, Caltrans has approved programming of \$80.6 million of federal HBP and state Prop 1B funds in the Federal Transportation Improvement Program for federal Fiscal Year 2020/21 for the project. We anticipate additional grant funds will be programmed in October 2020. The overall project funding is shown in the table below.

Project Funding/Cost			
Project Phase	Prop 1B/Local Match Funding (11.47%)	Federal Funding (HBP) (88.53%)	Total Funding/ Cost per Phase
Preliminary Engineering	\$2,307,604	\$17,811,002	\$20,118,606
Right of Way	\$91,696	\$707,748	\$799,444
Construction Support	\$1,359,412	\$10,492,481	\$11,851,893
Construction	\$9,969,022	\$76,944,862	\$86,913,884
Total	\$13,727,734	\$105,956,093	\$119,683,827

Similar to the Westbound Ramps and the Southgate Road Realignment Projects, we will be advancing Prop K funds to pay for project costs incurred in the right-of-way and construction phases, in amounts not to exceed \$799,444 and \$98.8 million, respectively, until we receive reimbursements from a combination of federal HBP, State Prop 1B, and TIDA funds. TIDA is responsible for reimbursing us for all project costs and accrued interest, less state and federal reimbursements. Interest will accrue on all outstanding unreimbursed project costs until TIDA, state and federal agencies fully reimburses us for all costs related to the project. If the state or federal grant funds do not become available for some or all of the project costs, or if the state or federal agency disallows our reimbursement claims on some or all of the project costs, then TIDA bears the responsibility to repay us for all costs incurred on the project. Furthermore, TIDA shall indemnify us and assume all liabilities incurred from entering into the agreements executed as a result of this item.

Schedule. The planned project schedule is shown on the following page.



Project Delivery Milestone	Completion Date
100% PS&E Date (Design)	October 2020
Right of Way Certification	October 2020
Construction Request for Authorization (RFA) Date	October 2020
Award Construction Contract	January 2021
Start Construction	March 2021
End Construction Date	June 2024
Closeout Date	June 2025

FINANCIAL IMPACT

A portion of this year's activities for the project is included in the Fiscal Year 2020/21 adopted budget. Upon approval of additional federal HBP and state Prop 1B funding from Caltrans, we will include additional funding and related costs in the mid-year budget amendment. Sufficient funds will be included in future fiscal year budgets for the remaining activities. All project costs will be funded with federal HBP, state Prop 1B, and TIDA funds specifically designated for the project.

CAC POSITION

The CAC will consider this item at its September 23, 2020 meeting.

SUPPLEMENTAL MATERIALS

None.

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Memorandum

AGENDA ITEM 8

DATE: September 17, 2020
TO: Transportation Authority Citizens Advisory Committee
FROM: Eric Cordoba - Deputy Director for Capital Projects
SUBJECT: 09/22/2020 Board Meeting: Progress Report for Van Ness Avenue Bus Rapid Transit Project

<p>RECOMMENDATION <input checked="" type="checkbox"/> Information <input type="checkbox"/> Action</p> <p>None. This is an information item.</p> <p>SUMMARY</p> <p>The San Francisco Municipal Transportation Agency's (SFMTA's) Van Ness Avenue Bus Rapid Transit (BRT) project incorporates a package of transportation improvements along a 2-mile corridor of Van Ness Avenue, between Mission and Lombard streets, including dedicated bus lanes, consolidated transit stops, and pedestrian safety enhancements. The cost of the BRT project is \$185.5 million. The BRT project is part of an overall larger Van Ness Improvement Project, totaling \$309.3 million, which combines the BRT project with several parallel infrastructure upgrade projects. The project team completed electric duct bank installation, a major project milestone that represents completion of nearly all underground utilities installation including water and sewer, but sewer abandonment work and utility connections continue. The project team also continues with BRT work along the center median. The project is approximately 55.3% complete as reported at the September 2nd Citizens Advisory Committee (CAC) meeting as part of their monthly report on the project. Peter Gabancho, SFMTA's Project Manager will provide an update at the September 22 Board meeting.</p>	<p><input type="checkbox"/> Fund Allocation</p> <p><input type="checkbox"/> Fund Programming</p> <p><input type="checkbox"/> Policy/Legislation</p> <p><input type="checkbox"/> Plan/Study</p> <p><input checked="" type="checkbox"/> Capital Project Oversight/Delivery</p> <p><input type="checkbox"/> Budget/Finance</p> <p><input type="checkbox"/> Contract/Agreement</p> <p><input type="checkbox"/> Other: _____</p>
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BACKGROUND

The Van Ness Avenue BRT aims to bring to San Francisco its first BRT system to improve transit service and address traffic congestion on Van Ness Avenue, a major north-south arterial. The Van Ness Avenue BRT is a signature project in the Prop K Expenditure Plan, a



regional priority through the Metropolitan Transportation Commission's Resolution 3434, and a Federal Transit Administration Small Starts program project.

The construction of the core Van Ness Avenue BRT project, which includes pavement resurfacing, curb ramp upgrades, and sidewalk bulb outs, is combined with several parallel city-sponsored projects. These parallel projects, which have independent funding, include installing new overhead trolley contacts, street lighting, and poles replacement; SFgo traffic signal replacement; sewer and water line replacement; and storm water "green infrastructure" installation.

DISCUSSION

Status and Key Activities. The project team completed electric duct bank installation in early September. Phoenix Electric installed the last duct bank between Bay and North Point streets, which includes both midblock and street intersection installation. The completion of electric duct bank is a project milestone and also represents the completion of nearly all underground utility installation, including water and sewer work.

Ranger Pipelines Inc. (Ranger) continues working on sewer abandonment between Mission and Fell streets and completed sewer abandonment between Eddy and Sutter streets. Ranger also started sewer abandonment work between Greenwich and Lombard streets. Sewer abandonment preparation work took place at night to reduce impact.

The project team continues transitioning to the BRT scope of work which includes grading the street, forming curbs for the boarding islands, installing landscape irrigation, and installing traffic signal foundations. Bauman Landscape and Construction (Bauman) completed median island irrigation sleeves installation for future landscaping between Golden Gate Avenue and Turk Street. After completing the irrigation installation, Bauman will regrade the soil to prepare for BRT lane concrete pour. Bauman also started BRT construction on Turk and Eddy streets, and between McAllister Street and Golden Gate Avenue. Bauman completed BRT surveying, demolition, and excavation of BRT lanes between Post and Sutter streets, and between Eddy and Ellis streets. Bauman also started median irrigation installation on those streets. Bauman also started BRT surveying between Broadway and Green Street.

Bauman continues mid-block roadway work and sidewalk replacement on both sides of Van Ness Avenue. This work included the demolition of the existing sidewalk and pouring new concrete sidewalk, parking strip, and roadway. Bauman started sidewalk replacement between Jackson and Washington streets. Bauman also started sidewalk demolition and replacement between Washington and California streets. As part of our oversight and monitoring efforts we have advised SFMTA of noted deficiencies in maintenance of required storm water pollution prevention measures, in particular in the areas of cleanliness of pedestrian corridors, storm drain protection, trash clean up, removal of construction debris, sweeping of project site, and overall general housekeeping. SFMTA is following up with the contractor to ensure compliance with the contract.



Phoenix Electric (Phoenix) continues to install streetlight poles and foundations between Mission and McAllister streets. Phoenix is also working on streetlight pole installation between Sutter to Jackson streets.

Van Ness Avenue continues to accommodate two lanes of northbound and southbound traffic along the corridor project limits. The project team is using temporary traffic control measures such as channelizer traffic cones and variable message signs to direct traffic. Temporary bus stop platforms have also been installed on both sides of Van Ness Avenue as needed.

Public and Business Outreach. SFMTA project staff continues to host monthly Van Ness BRT Community Advisory Committee meetings to provide project updates and address issues businesses and residents are having on Van Ness Avenue. The Van Ness Business Advisory Committee recently approved a motion to reschedule meetings to every-other month. Technical advisory services are also provided to impacted businesses by the Office of Economic and Workforce Development's Open for Business program, including legal assistance services, financial assistance, training and technical assistance, and grant and loan programs.

Project Schedule, Budget and Funding Plan. The project is 55.3% complete, as reported in early September to the CAC. The revised BRT service date remains anticipated for December 2021, delayed from the original late 2019 BRT service start date (Attachment 1) due to construction difficulties previously reported. Walsh Construction expenditures up to July 31, 2020 totaled \$137.3 million out of the \$215.4 million contract amount for the Van Ness Ave Improvement Project.

Construction soft costs, which include SFMTA and San Francisco Public Works staff, consultant, and bus substitution costs, total \$40.7 million as of August 3, 2020, out of \$50.3 million budgeted, or 80% expended while construction completion is at 55%. This isn't surprising given the project schedule delays but is a potential concern in terms of potential budget impact. SFMTA indicate they have been monitoring these expenditures and will have a projection by next quarter of whether additional allocation for soft costs this fiscal year will be necessary.

Current Issues and Risks. The project is currently more than a year and a half behind schedule, primarily due to challenges securing a utility subcontractor and the extent of utility conflicts encountered in the field. Unanticipated existing water and sewer pipe conditions required design changes, such as resequencing of construction, resizing of new pipes, or slip-lining existing sewer lines instead of installing new lines. With the sewer, water, and electric duct bank work substantially completed, the surface work such as the BRT should proceed with less delays. However, any additional unforeseen work such as the installation of new concrete base at various locations along Van Ness Avenue may increase the scope of the project and cause additional contract workdays. There may be additional potential delays if we experience a heavy rain season this winter.

Given the schedule delays and aforementioned project delivery issues, potential impacts to the project budget are a concern. We have requested that SFMTA provide us a cost to complete analysis, including a potential claims analysis, before the end of the year.



Compliance with required storm water pollution prevention measures is also an issue that requires attention.

FINANCIAL IMPACT

None. This is an information item.

SUPPLEMENTAL MATERIALS

- Attachment 1 - Project Schedule



Attachment 1: Van Ness Avenue BRT Project Schedule

Activities	2013				2014				2015				2016				2017				2018				2019				2020				2021				2022			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1. Conceptual Engineering + Environmental Studies*	■	■	■	■																																				
2. Preliminary Engineering (CER)		■	■	■	■	■																																		
3. Final Design					■	■	■	■	■	■	■	■	■	■	■	■																								
4. Construction Manager-General Contractor Process									■	■	■	■	■	■	■	■																								
5. Construction													■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■				
6. Revenue Operations Begin																																								

* Conceptual Engineering and Environmental Studies began in 2007 Key: ■ Currently Scheduled ■ Late Start since last report ■ Late Finish since last report

Date: June 20, 2019