

Agenda Item 6.

Expenditure Plan Policies: Prioritization Process



San Francisco
County Transportation
Authority

October 28, 2021

Expenditure Plan Policies



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The Prop K Expenditure Plan is organized:

1. Introduction
- 2. General Provisions**
3. Plan Summary
4. Description of Projects and Programs
- 5. Implementation Provisions (e.g. Project Prioritization)**
6. Allocation and Re-Allocation of Funds
7. Update Process



Restriction of Funds: No Substitution

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

Restriction of Funds: No Expenditures Outside San Francisco

No sales tax funds shall be spent outside the limits of the City and County of San Francisco, except for cases that satisfy all of the following conditions, and subject to a possible need for amendment of state legislation:

- a. Quantifiable Benefit
- b. Expenses Matched by Other Counties



How to access Priority 2 revenues

Priority 1 and Priority 2 Revenues

If, after funding all Priority 1 projects in a sub-category, the latest Prop K Strategic Plan cash flow analysis forecasts available revenue in excess of Priority 1 levels, the Transportation Authority Board may allow programming of Priority 2 revenues within the subcategory, subject to the category percentage caps and program or project dollar amount caps for Priority 2 established in the New Expenditure Plan.

Project Prioritization Process



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How do we determine which projects to fund when for each of the programs in the Expenditure Plan?

- Every 5 years, we develop a **5-Year Prioritization Plan (5YPP)** to identify projects to be funded in each program over the next 5-year period.



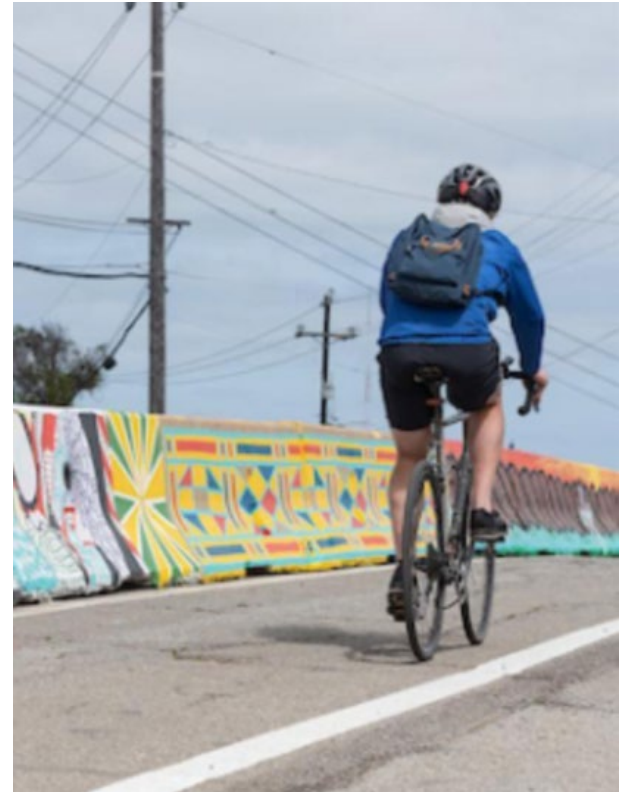
Project Prioritization Process



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The 5-Year Prioritization Plan:

- Provides transparency for how projects are prioritized
- Provides opportunities for public and Board input
- Encourages coordination between categories and sponsors
- Establishes a pipeline of projects, helping to position projects for discretionary funding opportunities



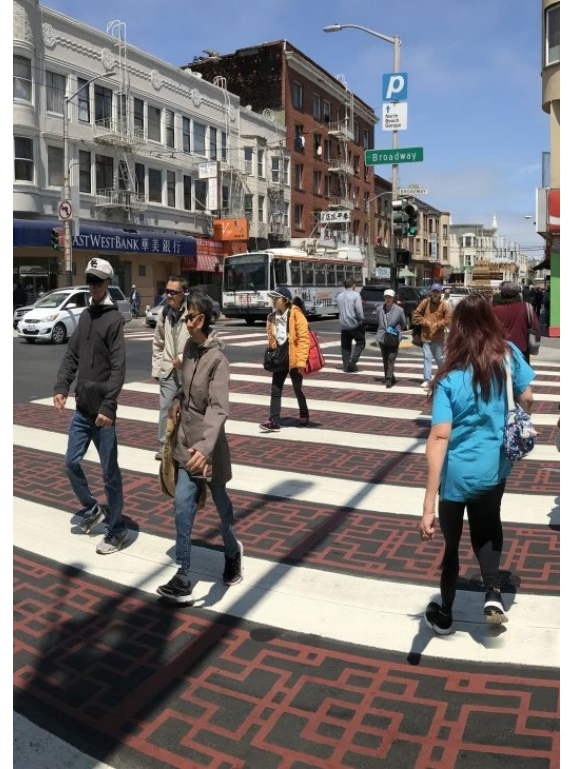
Project Prioritization Process



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The **5-Year Prioritization Plan** includes:

- Prioritization criteria
- 5-year plan (or list) of projects with funding and cash flow by fiscal year
- Project information forms with scope, schedule, cost, and funding
- Performance measures
- Project delivery status (for previously-funded projects)



Project Prioritization Process



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Required Criteria

- Established in the Expenditure Plan
- Need to be flexible to apply across all programs

Current Expenditure Plan Required Criteria:

- Project readiness
- Community support
- Time-sensitive/urgency
- Cost-Effectiveness
- Transportation/land use coordination
- Fair geographic distribution
- ***Equity consideration?***

← Proposed
Addition

Program-Specific Criteria

- Established as part of the 5-Year Prioritization Plan process
- Criteria vary by program, tailored to specific investment type

Current Examples:

Muni Facilities Maintenance:

- Safety (passenger, operator or employee)
- Improves efficiency of transit operations
- Leveraging

Traffic Calming:

- Safety (reduces vehicle speeds, reduces conflicts, etc.)
- Provides benefits to multiple users (pedestrian, bike, or transit user)
- On high-injury corridor
- Leveraging



How can we add an equity consideration to the required criteria?

Sample language for equity consideration criteria:

Priority will be given to projects that directly benefit disadvantaged populations, whether the project is directly located in an Equity Priority Community or can demonstrate benefits to disadvantaged populations.

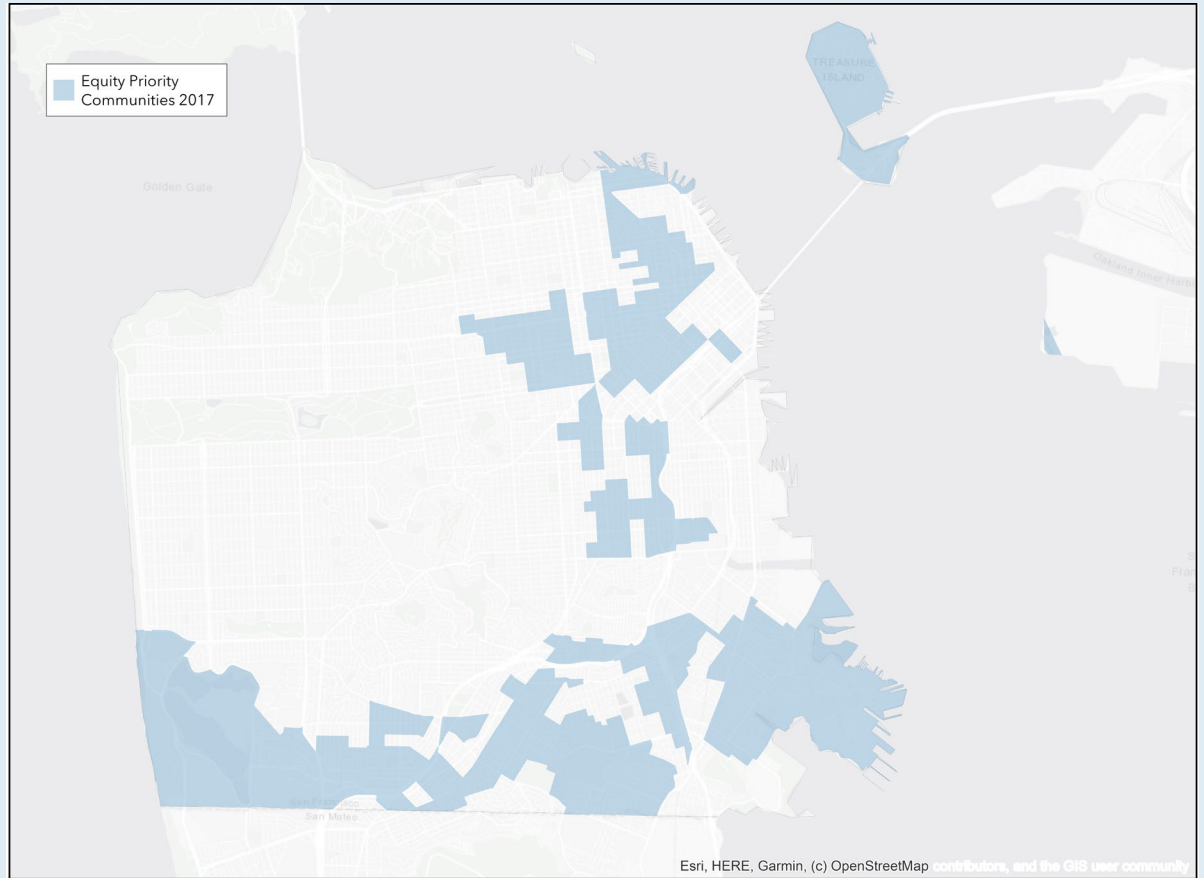
Equity Priority Communities (EPCs)

~51% of low-income
San Franciscans live
within EPCs

~65% of residents of
color live within EPCs



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Source: Metropolitan Transportation Commission data, 2017.



Defined by the Metropolitan Transportation Commission:

1. Census tract exceeds thresholds for both low-income and people of color; OR
2. Census tract exceeds threshold for low-income and three or more other variables
 - People of Color (70% threshold)
 - Limited English Proficiency (20%)
 - Zero-Vehicle Households (10%)
 - People with a Disability (25%)
 - Low Income (<200% Federal Poverty Level) (30%)
 - Seniors 75 Years and Over (10%)
 - Single Parent Families (20%)
 - Rent-Burdened Households (15%)

**We are proposing to to maintain this 5-Year
Prioritization Plan process.**

How do you feel about the proposed new equity
criteria?

Are there any other changes you'd like to see?

Questions?



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