



Memorandum

AGENDA ITEM 6

DATE: March 30, 2023
TO: Transportation Authority Board
FROM: Anna LaForte - Deputy Director for Policy and Programming
SUBJECT: 4/11/2023 Board Meeting: Adopt Traffic Congestion Mitigation Tax Program Guidelines and Program \$21,279,740 in Fiscal Years 2022/23 and 2023/24 TNC Tax Funds to the San Francisco Municipal Transportation Agency for Four Projects

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <ul style="list-style-type: none"> • Adopt the Traffic Congestion Mitigation Tax (TNC Tax) Program Guidelines • Program \$21,279,740 in Fiscal Years (FYs) 2022/23 and 2023/24 TNC Tax funds to the San Francisco Municipal Transportation Agency (SFMTA) for four projects: <ul style="list-style-type: none"> • FY23 Vision Zero Quick-Build Program (Part 2) (\$2,451,857) • FY24 Vision Zero Quick-Build Program (\$9,493,883) • FY22 Application-Based Residential Traffic Calming Program (\$5,400,000) • FY24 & FY25 Residential Traffic Calming Program (New Rolling Program) (\$4,270,000) <p>SUMMARY</p> <p>The Transportation Authority receives 50% of the TNC Tax revenues for bicycle and pedestrian safety improvements. In October 2020, the Transportation Authority adopted the first Program Guidelines and programmed \$7.5 million to the SFMTA’s Vision Zero Quick-Build Program. As of February 2023, the Board has fully allocated these funds. While revenues are on a growth trend, with this first update to the Program Guidelines (Attachment 1) we continue to take a</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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<p>conservative approach to both programming and allocations. Specifically, we recommend only programming funds anticipated to be collected through Fiscal Year 2023/24 and allocating funds only after they have been collected. Based on actual revenues collected through December 2022 and estimated revenues through June 2024, we expect to have \$21,279,740 in TNC Tax funds for projects in Fiscal Years 2022/23 and 2023/24 (Table 1). Considering the projected funds available and having consulted with SFMTA about funding needs to help meet the City’s Vision Zero goals, we are recommending four projects in two categories for funding that are key to reducing vehicle speeds and improving roadway safety - the Vision Zero Quick-Build Program and the new, rolling Application-Based Residential Traffic Calming Program. These guidelines also provide guidance to staff and project sponsors on administration of the TNC Tax program. At this meeting, SFMTA staff will present on the quick-build and residential traffic calming programs, including a review of project delivery and the goals of each program.</p>	
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BACKGROUND

The Proposition D Traffic Congestion Mitigation Tax was passed by San Francisco voters in November 2019. The measure, also referred to as the 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 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 is in effect until November 2045. After a 2% set aside for administration by the City and County of San Francisco (CCSF), 50% of the revenues are directed to the SFMTA for transit operations and improvements, and 50% comes to the Transportation Authority for bicycle and pedestrian safety improvements.

The pandemic and new trends in remote work have drastically reduced travel to and within San Francisco, including demand for trips provided by TNCs. This reduction in travel has severely impacted TNC Tax revenues collected over the past three years. The revenues collected between January 2020 and December 2022 total approximately \$33 million, which is about 40% of the annual revenue projected in June 2019. While revenues are on a growth trend, there still is a lot uncertainty and relatively few data points; thus, we continue to recommend a conservative approach for administering this fund program.



The first TNC Program Guidelines were adopted by the Transportation Authority Board in October 2020 when we created four programmatic categories for eligible projects, including Quick-Builds, Safe Streets, Signals, and Maintenance. In light of uncertainty about revenue levels, we programmed \$7.5 million in TNC Tax funds to the SFMTA’s Vision Zero Quick-Build Program from the Quick-Builds category and deferred additional programming actions.

DISCUSSION

Funds Available. With this first update to the guidelines, we are recommending programming \$21,279,740 in TNC Tax revenues expected to be collected through Fiscal Year 2023/24 as shown in Table 1 below.

Table 1 TNC Tax Funds Available for Programming

REVENUE COLLECTION PERIOD	STATUS	AMOUNT*
Total Revenue January 2020 – June 2024	Actual and Projected	\$28,785,426
Total Programming to Date (fully allocated as of February 2023)		\$7,505,686
Total Available for Programming		\$21,279,740**

*Transportation Authority share of TNC Tax revenues is 50% of collections, less 2% to CCSF for administration, less 3% for Transportation Authority administration and data analysis.

**Of the total funds available for programming, the Transportation Authority has received \$8,185,321 as of December 2022.

Priorities for Funds Available. As noted above, we continue to take a conservative approach to both programming and allocations for this new fund source while the economy is still recovering. Specifically, we recommend only programming funds anticipated to be collected through Fiscal Year 2023/24 and allocating funds only after they have been collected. We propose programming funds to four SFMTA projects as shown in Table 2 below.

Table 2 Proposed Programming for Fiscal Year 22/23 and 23/24

PROJECT	AMOUNT	ANTICIPATED ALLOCATION REQUEST
FY23 Vision Zero Quick-Build Program (Part 2)	\$2,451,857	April 2023
FY24 Vision Zero Quick-Build Program	\$9,493,883	Fall 2023 and Spring 2024
FY22 Application-Based Residential Traffic Calming Program	\$5,400,000	Fall 2023
FY24 & FY25 Application-Based Residential Traffic Calming Program (New Rolling Program)	\$4,270,000	May 2023
TOTAL	\$21,279,740	

Details on the projects recommended for programming are described in the Program Guidelines (Attachment 1). SFMTA has requested allocation of \$2,451,857 for the FY23 Vision



Zero Quick-Build Program (Part 2) as part of a separate item on this meeting agenda. That request fully funds the scope of work approved by the Board and partially funded in February 2023.

FINANCIAL IMPACT

There are no impacts to the Transportation Authority's Fiscal Year 2022/23 budget associated with the recommended actions. Funds for program administration and oversight, and data collection and analysis, are included in the Fiscal Year 2022/23 budget. Furthermore, sufficient funds will be included in future year budgets to cover program administration and data analysis.

CAC POSITION

The CAC considered this item at its March 29, 2023 meeting and unanimously adopted a motion of support for the staff recommendation.

SUPPLEMENTAL MATERIALS

- Attachment 1 - TNC Tax Program Guidelines
- Attachment 2 - Vision Zero Quick-Build Program SFMTA Presentation
- Attachment 3 - Application-Based Traffic Calming New Multi-Phase Program Structure SFMTA Presentation
- Attachment 4 - Resolution



Traffic Congestion Mitigation Tax (TNC Tax)

DRAFT Program Guidelines



San Francisco
County Transportation
Authority

March 2023

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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 in a non-zero-emission vehicle. 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.

After a 2% set aside for administration by the City and County of San Francisco (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 (Appendix 1) 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.

REVENUE PROJECTIONS AND THE IMPACTS OF THE COVID-19 PANDEMIC

Revenue projections published by the CCSF Office of the Controller and Office of Economic Analysis released in July 2019 indicated approximately \$30 million in annual revenue. Given the nature of this new revenue source, and that it is the first of its kind in California, there was already uncertainty around how revenues would perform. In addition to that uncertainty, on March 16, 2020, only two months after revenue collection began, a shelter-in-place order was issued for San Francisco due to the COVID-19 pandemic. The pandemic and new trends in remote work have drastically reduced travel to and within San Francisco, including demand for trips provided by TNCs. This reduction in travel has severely impacted TNC Tax revenues collected over the past three years. The revenues collected between January 2020 and December 2022 total approximately \$33 million, which is about 40% of the annual revenue projected in June 2019. While revenues are on a growth trend, there still is a lot of uncertainty and relatively few data points; thus, we continue to recommend a conservative approach for administering this fund program.

The policies herein provide guidance to Transportation Authority staff and project sponsors on administration of the TNC Tax program. The first Program Guidelines were adopted by the Transportation Authority Board in October 2020 when we created four programmatic categories for eligible projects, including Quick-Builds, Safe Streets, Signals, and Maintenance. In light of uncertainty about revenue levels, we programmed \$7.5 million in TNC Tax funds to the SFMTA's Vision Zero Quick-Build Program from the Quick-Builds category. As of February 2023, the Transportation Authority has allocated \$7.5 million in TNC Tax funds, which, along with the half-cent sales tax for transportation, has been the primary source of funding for the Quick-Build Program since its inception in 2019.

Funds Available

The Transportation Authority's share of TNC Tax revenues collected from January 2020 to December 2022 is \$16,176,296. Consistent with the CCSF, we use 2% of the Transportation Authority's share of revenues 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 conducted for the first TNC Tax guidelines, we have set aside 1% of revenues for systematic data collection and analysis of TNC trips in San Francisco. After netting out these costs, this leaves \$15,691,007 available for projects.

Based on projections from the Controller's Office, we expect to receive an additional \$13,094,419 in revenues for projects between January 2023 and June 2024. See Table 1 for actual and projected revenues between January 2020 and June 2024.

Table 1 Actual and Projected TNC Tax Revenues January 2020 - June 2024

REVENUE COLLECTION PERIOD	STATUS	AMOUNT *
January 2020 - June 2020	Actual	\$2,505,687
Fiscal Year 2020/21	Actual	\$2,953,153
Fiscal Year 2021/22	Actual	\$5,936,458
Fiscal Year 2022/23	Actual and Projected	\$7,469,000**
Fiscal Year 2023/24	Projected	\$9,921,128***
Total		\$28,785,426

*Transportation Authority share is 50% of collections, less 2% to CCSF for administration, less 3% for Transportation Authority administration and data analysis.

**Fiscal Year 2022/23 amount reflects \$4,295,709, of actual revenue collected July - December 2022 and \$3,173,291 in revenue projected January - June 2023. Amount is based on the Fiscal Year 2022/23 Six-Month Budget Status Report released by the Controller's Office on February 15, 2023.

Fiscal Year 2022/23 revenue estimate from the Controller's Six-Month Budget Status Report is 3.75% less than the amount that was included in the CCSF Budget and Appropriation Ordinance for the Fiscal Year ending June 30, 2023.

***Fiscal Year 2023/24 amount reflects the projected revenues according to the CCSF Budget and Appropriation Ordinance for Fiscal Year ending June 30, 2023 and Fiscal Year ending June 30, 2024 approved July 27, 2022.

Of the TNC Tax revenues collected since 2020, the Transportation Authority has programmed \$7,505,686 to the SFMTA's Vision Zero Quick-Build Program, as shown in Table 2.

Table 2 TNC Tax Programming to Date

PROJECT	STATUS	AMOUNT
FY21 Vision Zero Quick-Build Program	Allocated	\$2,505,686
FY22 Vision Zero Quick-Build Program	Allocated	\$3,000,000
FY23 Vision Zero Quick-Build Program (Part 1)	Allocated	\$2,000,000
TOTAL		\$7,505,686

With this first update to the guidelines, we are recommending programming \$21,279,740 in TNC Tax revenues expected to be collected through Fiscal Year 2023/24 as shown in Table 3 below.

Table 3 TNC Tax Funds Available for Programming

REVENUE COLLECTION PERIOD	STATUS	AMOUNT*
Total Revenue January 2020 – June 2024	Actual and Projected	\$28,785,426
Total Programming to Date (fully allocated)		\$7,505,686
Total Available for Programming		\$21,279,740**

*Transportation Authority share is 50% of collections, less 2% to CCSF for administration, less 3% for Transportation Authority administration and data analysis.

**Of the total funds available for programming, the Transportation Authority has received \$8,185,321 as of December 2022.

Consistent with the prior guidelines and given lingering uncertainty about economic recovery and impacts on travel demand, we continue to take a conservative approach to both programming and allocations. Specifically, we recommend only programming funds anticipated to be collected through Fiscal Year 2023/24 and allocating funds only after they have been collected.

We will not set aside a capital reserve in order to maximize funds available for projects 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.

Programmatic Categories for Fiscal Years 2022/23 - 2023/24

As previously noted, the TNC Tax Ordinance designates 50% of the funds to the Transportation Authority for planning, design, and/or capital improvements that promote users' safety in the public right-of-way, including pedestrian and bicycle safety improvements, traffic calming, traffic signals, and maintenance of existing safety infrastructure. Considering the projected funds available and having consulted with SFMTA about funding needs to help meet the goals of Vision Zero, we are recommending two programmatic categories to receive funds in Fiscal Years 2022/23 and 2023/24, Quick-Builds and Residential Traffic Calming. Both categories are key to reducing vehicle speeds and improving roadway safety. Descriptions of each programmatic category are below.

QUICK-BUILDS

Quick-build projects include reversible, adjustable traffic safety improvements, such as roadway and curb paint, traffic delineators, signs, traffic signal timing updates, transit boarding islands, and parking and loading changes. These projects are focused on safety improvements to the Vision Zero High Injury Network, the 12% of streets accounting for 68% of the City's severe and fatal traffic 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.

RESIDENTIAL TRAFFIC CALMING

The Residential Traffic Calming Program is an evaluation of community-initiated requests for locations that can benefit from slower traffic speeds that can be achieved through implementation of LOW-COST safety improvements such as speed humps, speed cushions, speed tables, raised crosswalks, median islands, traffic circles, changes to lane widths, and lane shifting. The application-based program objectively evaluates requests and only recommends traffic calming where speeding is confirmed through data collection (in addition to other defined criteria). The SFMTA is the project sponsor for this category.

Priorities for Funds Available

Based upon the above programming approach, we propose programming funds as shown in Table 4 below.

Table 4 Proposed Programming for Fiscal Year 22/23 and 23/24

PROJECT	AMOUNT	ANTICIPATED ALLOCATION REQUEST
FY23 Vision Zero Quick-Build Program (Part 2)	\$2,451,857	April 2023
FY24 Vision Zero Quick-Build Program	\$9,493,883	Fall 2023 and Spring 2024
FY22 Application-Based Residential Traffic Calming Program	\$5,400,000	Fall 2023
FY24 & FY25 Application-Based Residential Traffic Calming Program (New Rolling Program)	\$4,270,000	May 2023
TOTAL	\$21,279,740	

Details on the projects recommended for programming are described below.

VISION ZERO QUICK-BUILD PROGRAM

FY23 Vision Zero Quick-Build Program (Part 2). SFMTA has requested allocation of \$2,451,857 for the FY23 Vision Zero Quick-Build Program (Part 2) at the same meeting that the TNC Tax guidelines are proposed to be approved. This request would fully fund the Vision Zero Quick-Build Program scope of work approved by the Board in February 2023, but with only partial funding for the construction phase.

FY24 Vision Zero Quick-Build Program. There are two planning efforts underway that will inform the program of projects and help the City meet its goal for applying the quick-build toolkit to the entire High Injury Network. The SFMTA is making progress toward this goal and has implemented quick-build measures on over 80 miles of the High Injury Network. By Summer 2023, the SFMTA expects to have recommendations from a Fehr & Peers assessment that will identify appropriate quick-build projects and spot improvements, and estimated costs, to implement measures along the remaining 50 miles of the High Injury Network. We also expect the SFMTA's Active Communities Plan to inform recommendations for quick-build projects supporting bicycle and pedestrian safety. The SFMTA anticipates that the Active Communities Plan will be completed by May 2024.

Special Condition for FY24 Vision Zero Quick-Build Program. Allocating TNC Tax funds to the FY24 Quick-Build Program is contingent upon the SFMTA presenting a

list of quick-build projects that would help fulfill the City's goal to apply quick-build treatments to the entire High Injury Network.

APPLICATION-BASED RESIDENTIAL TRAFFIC CALMING

FY22 Application-Based Residential Traffic Calming. The Transportation Authority has funded the SFMTA's Application-Based Residential Traffic Calming Program since it started in 2013. It has been structured as an annual program with applications accepted between July 1 and June 30. The SFMTA groups the applications received over the prior year and advances them through the evaluation and implementation process. During the planning phase, the SFMTA does an analysis and evaluation to determine the list of locations that meet the criteria for acceptance into the program. Requests that meet the criteria proceed to the design phase when SFMTA staff determine the appropriate traffic calming tool(s) for each location and coordinate with partner agencies, followed by a construction phase for that group of locations.

The final year of the existing application-based program covers the applications received July 1, 2020, through June 30, 2021. Residents submitted an unprecedented number of applications in this cycle primarily due to the COVID-19 emergency which required the SFMTA to waive the signature-gathering/petition requirement. The planning and design phases are funded by Prop K. TNC Tax funds would fully fund the construction phase of this project.

FY24 & FY25 Residential Traffic Calming Program. Starting with the FY24 & FY25 Application-Based Residential Traffic Calming Program, the SFMTA will change the way this program is structured, from an annual program to SFMTA processing applications on a quarterly basis. Having a multi-phase, multi-year allocation would enable the SFMTA to plan, design, and construct traffic calming devices on a continuous rolling basis, with the goal of accelerating project delivery by as much as two years.

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 have made non-substantive changes to the policies from the first Program Guidelines. We anticipate revising these policies in the future as revenue trends emerge and we can more confidently forecast anticipated revenues.

1.1 | ALLOCATION

- Prior to allocation of any TNC Tax funds, projects must be programmed by the Transportation Authority Board.
- Allocations of TNC Tax funds will be based on an application package prepared and submitted by the project sponsor in the SFCTA Portal (<https://portal.sfcta.org/>) for Transportation Authority review and approval. 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 will grant an exception to this policy and recommend multi-phase allocations for the SFMTA’s Vision Zero Quick-Build Program and the Application-Based Residential Traffic Calming Program given overlapping planning, design and construction phases as work is conducted on multiple corridors.
- Allocations of TNC Tax funds for specific project phases will be contingent on the prerequisite milestones shown in Table 5. The Transportation Authority will grant an exception to this policy for the SFMTA’s Vision Zero Quick-Build Program and the Application-Based Residential Traffic Calming Program. Allocation requests will be made prior to advertising for services or initiating procurements for projects funded with TNC Tax funds.

Table 5 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 6 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 6 for a specific phase shall include a description of the expected work product/deliverable, and are subject to approval by the Transportation Authority.

Table 6 Expected Work Product/Deliverable.

PHASE	EXPECTED WORK PRODUCT/DELIVERABLE
• Planning	• Final report or memorandum including set of recommendations identified through the planning process
• Design Studies (PS&E)	• Evidence of completion of design (e.g. copy of design certifications page and/or work authorization)
• Construction	• 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 disadvantaged populations.** Projects that directly benefit disadvantaged populations, whether the project is directly located in an Equity Priority Community or can demonstrate benefits to disadvantaged populations.
 - » **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.
 - » **Located on the High Injury Network.** Projects that improve safety on the Vision Zero High Injury Network.
 - » **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.

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- » **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.

1.2 | 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 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.

1.3 | 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.

- 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.



SFMTA

Attachment 2

Vision Zero Quick-Build Program

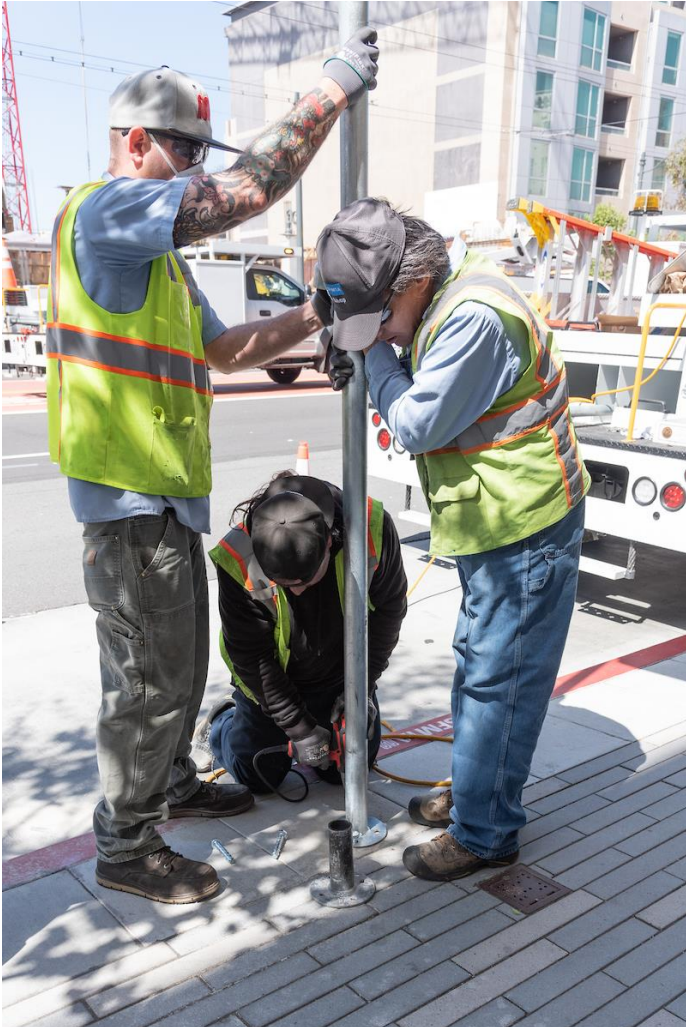
SFCTA Community Advisory Committee

March 23, 2023

Vision Zero Quick-Build Program

- Quick-build safety projects are a critical part of realizing the physical changes to street design required to reach San Francisco's Vision Zero commitment.
- Quick-build projects have a streamlined approval process and use reversible, adjustable and lower-cost materials that can be installed quickly.

Quick-Build Program



- Traffic safety improvements that are
 - Easy to implement
 - Lower cost
 - Adjustable/reversible
- Design, construct, and evaluate more nimbly and iteratively

Quick-Build Improvements

Typical quick-build improvements include:

Paint, signs, and delineators



Signal timing changes



Parking and loading changes

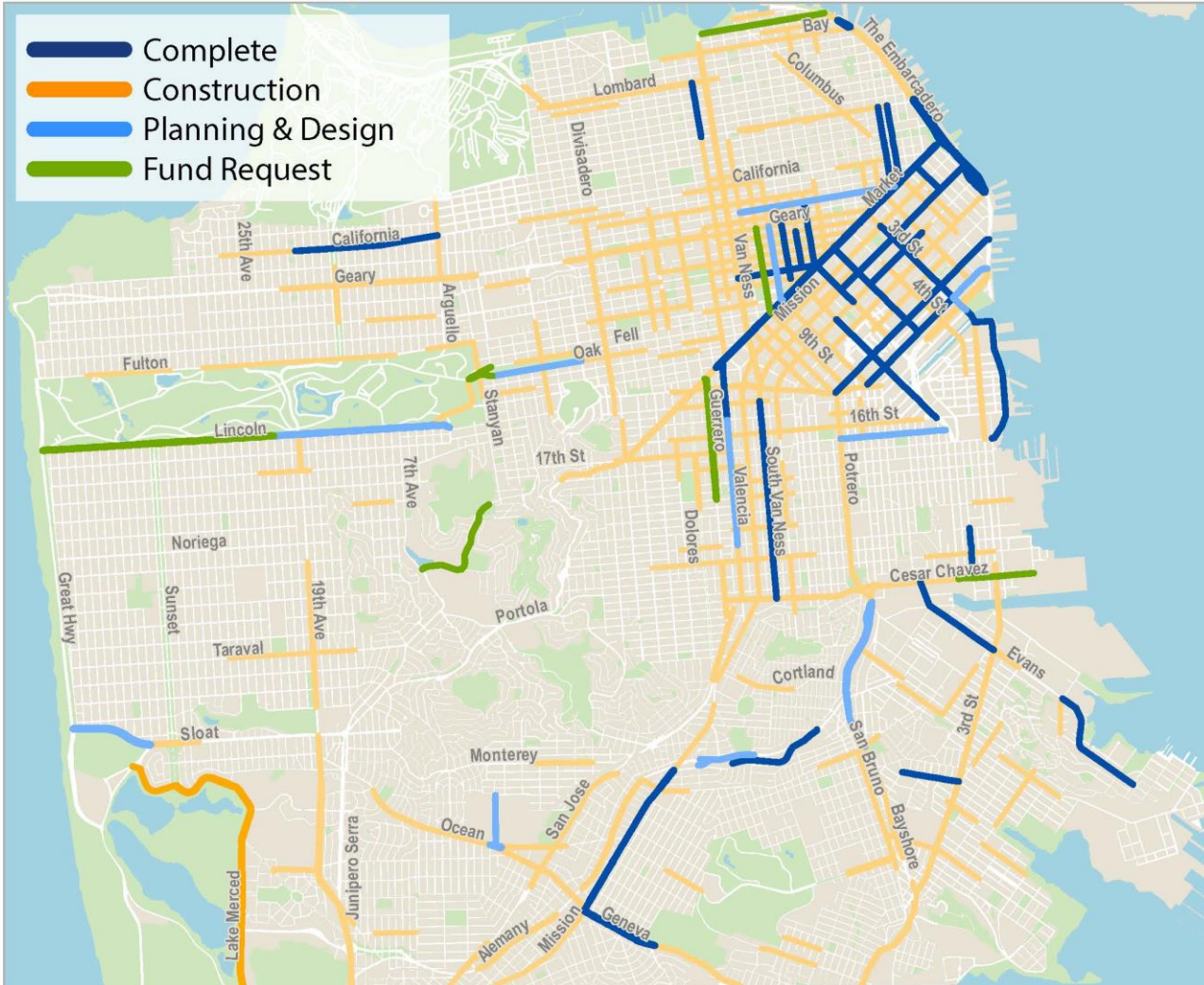


Transit stop changes



Projects to Date

Completed

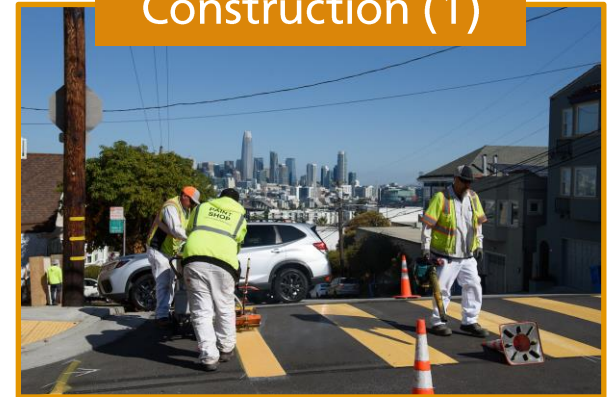


- 3rd Street
- 5th Street
- 6th Street
- 7th Street
- Alemany Boulevard
- Battery/Sansome
- Beale Street
- Brannan Street
- California Street
- Franklin Street
- The Embarcadero
- Evans/Hunters Point/Innes
- Evans Avenue
- Folsom Street
- Golden Gate Avenue
- Howard Street
- Indiana Street
- Jones Street
- Leavenworth Street
- Market Street
- Mission/Geneva
- South Van Ness Avenue
- Taylor Street
- Terry Francois Boulevard
- Townsend Street
- Williams Avenue

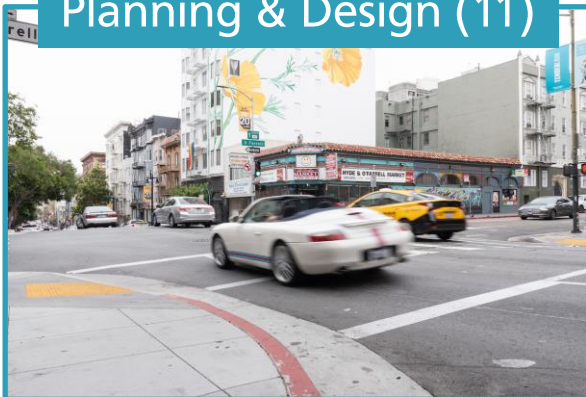
Projects by Phases

Lake Merced Boulevard (Skyline to John Muir)
Approved by SFMTA Board in January 2023

Construction (1)



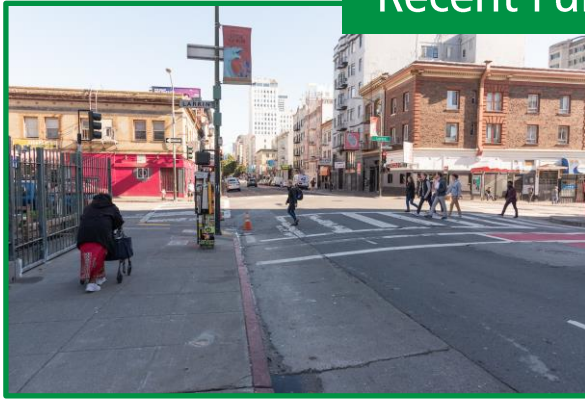
Planning & Design (11)



3rd/Townsend Street
17th Street (Potrero to Pennsylvania)
Alemany Boulevard (Congdon to Ellsworth)
Bayshore Boulevard (Oakdale to Industrial)
Frida Kahlo Way / Ocean Avenue / Geneva Avenue
Hyde Street (Market to Geary)
Lincoln Way (22nd to Arguello)
Oak Street (Shrader to Baker)
Sloat Boulevard (Great Highway to Skyline)
Sutter Street (Market to Polk)
Valencia Street (15th to 23rd)

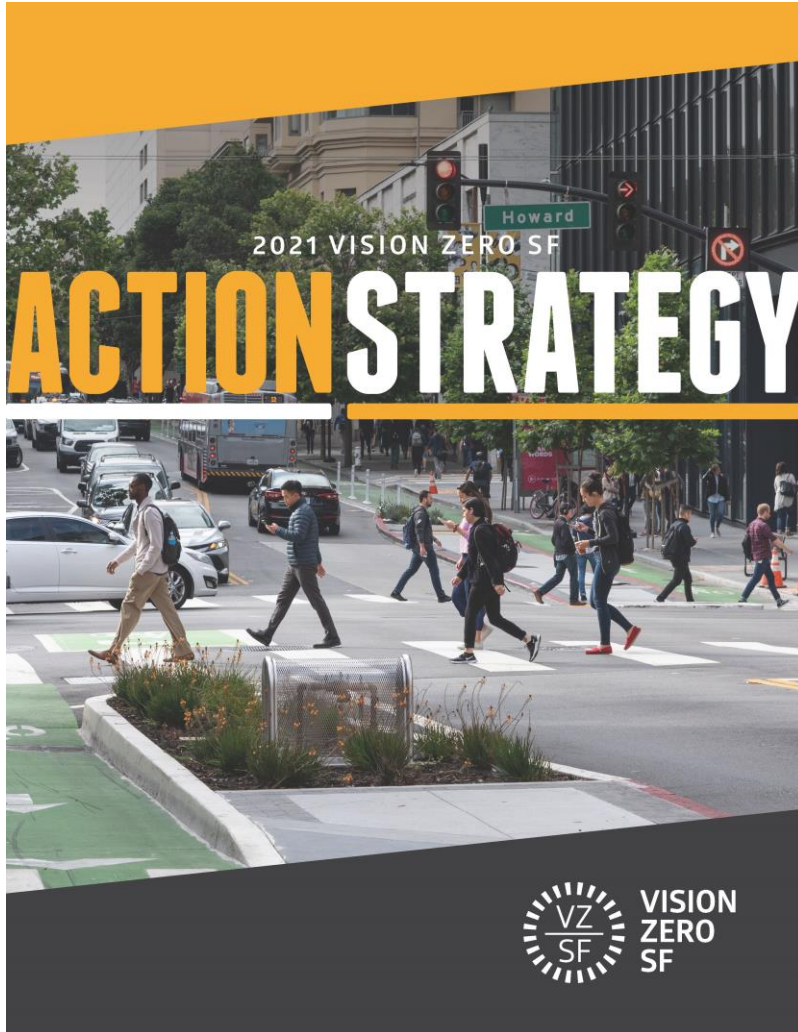
Projects by Phases

Recent Fund Request (7)



Beach Street (Embarcadero to Van Ness)
Larkin Street (Market to Geary)
Cesar Chavez Street (Pennsylvania to Maryland)
Clarendon Avenue (Laguna Honda to Johnstone)
Guerrero Street (Market to 20th)
Lincoln Way (22nd to Great Hwy)
JFK/Oak/Fell

Vision Zero Action Strategy



More than 80 miles of safety improvements have already been completed or are in planning or construction on the High Injury Network. This Action Strategy commits the City to applying the Quick-Build toolkit on the remaining 80 miles of the High Injury Network

visionzerosf.org/about/action-strategy/

- HIN where improvement work remains
- HIN where improvement is installed

DRAFT



Program Successes

Iterative design: streamlined delivery and thorough evaluation

Flexibly respond to community-identified traffic safety needs and construction coordination opportunities

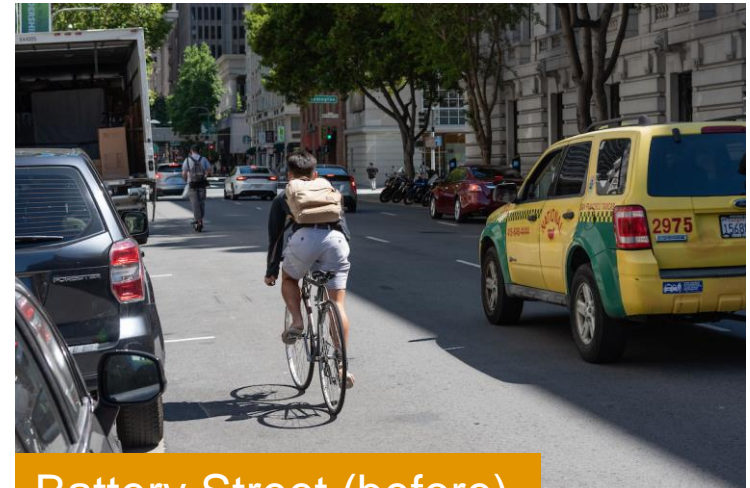
Maximize use of local funding for traffic safety improvements

Project Results

20% improvement of bus on-time performance along 7th and 8th Streets

Bicycle use increased by 29% along Golden Gate

Volume of vehicles traveling on Jones and Hyde decreased by 24%



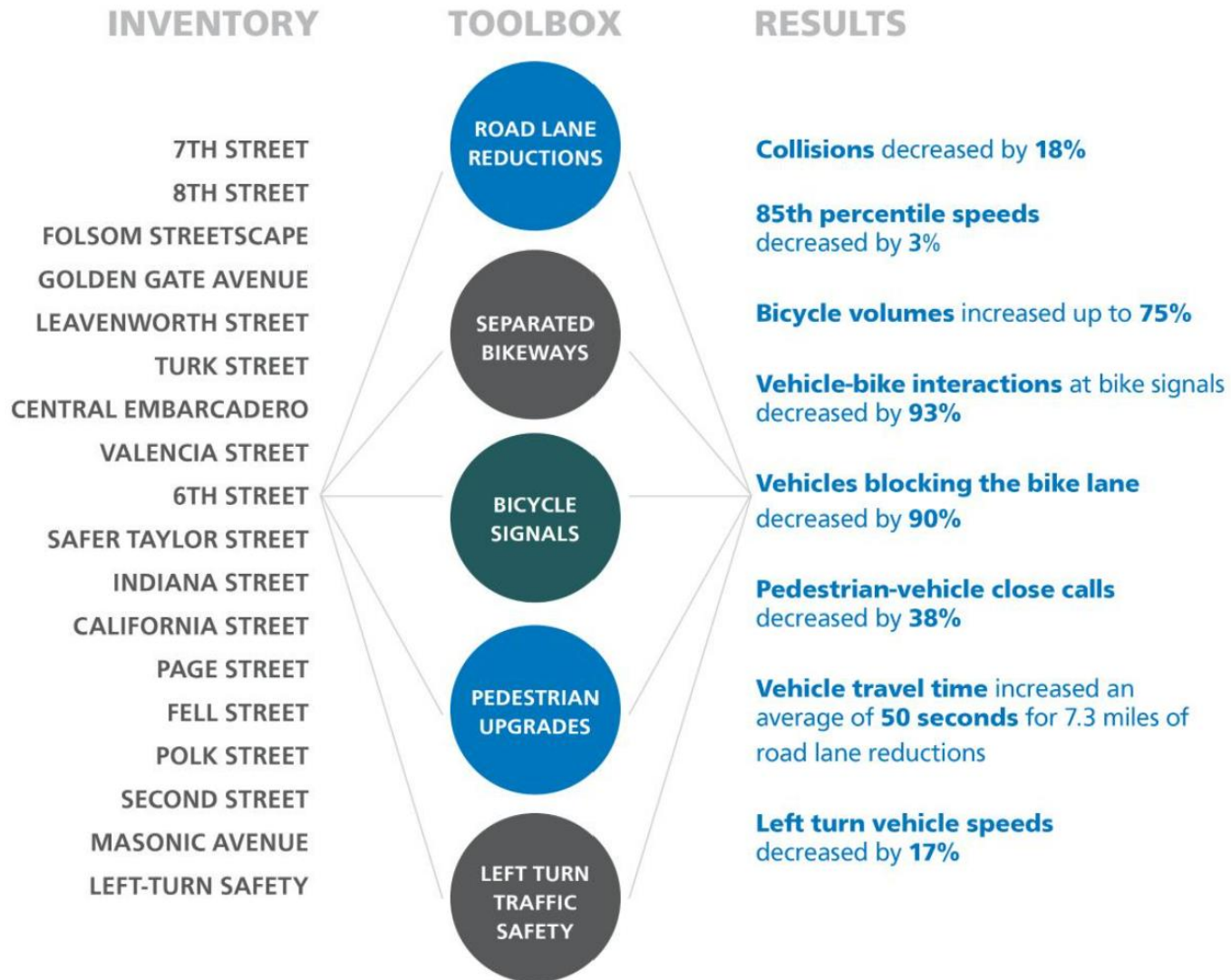
Battery Street (before)



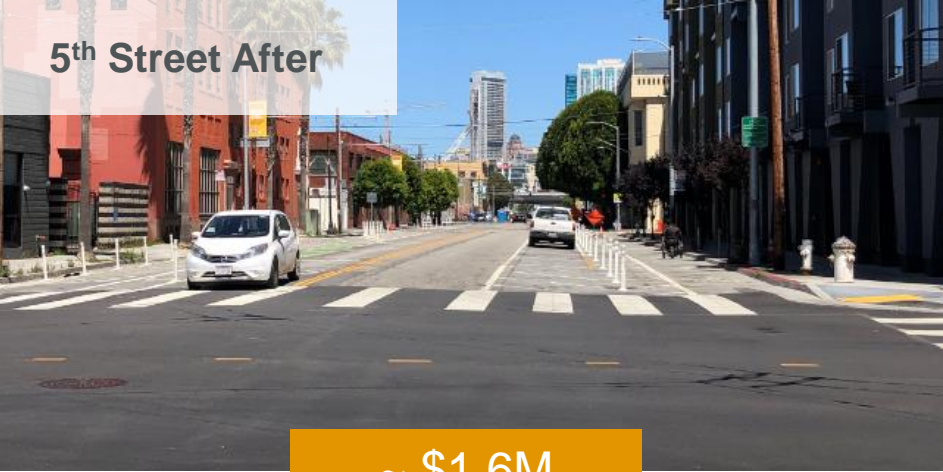
Battery Street (after)

[SFMTA.com/SafeStreetsEvaluation](https://www.sfmta.com/SafeStreetsEvaluation)

Project Results



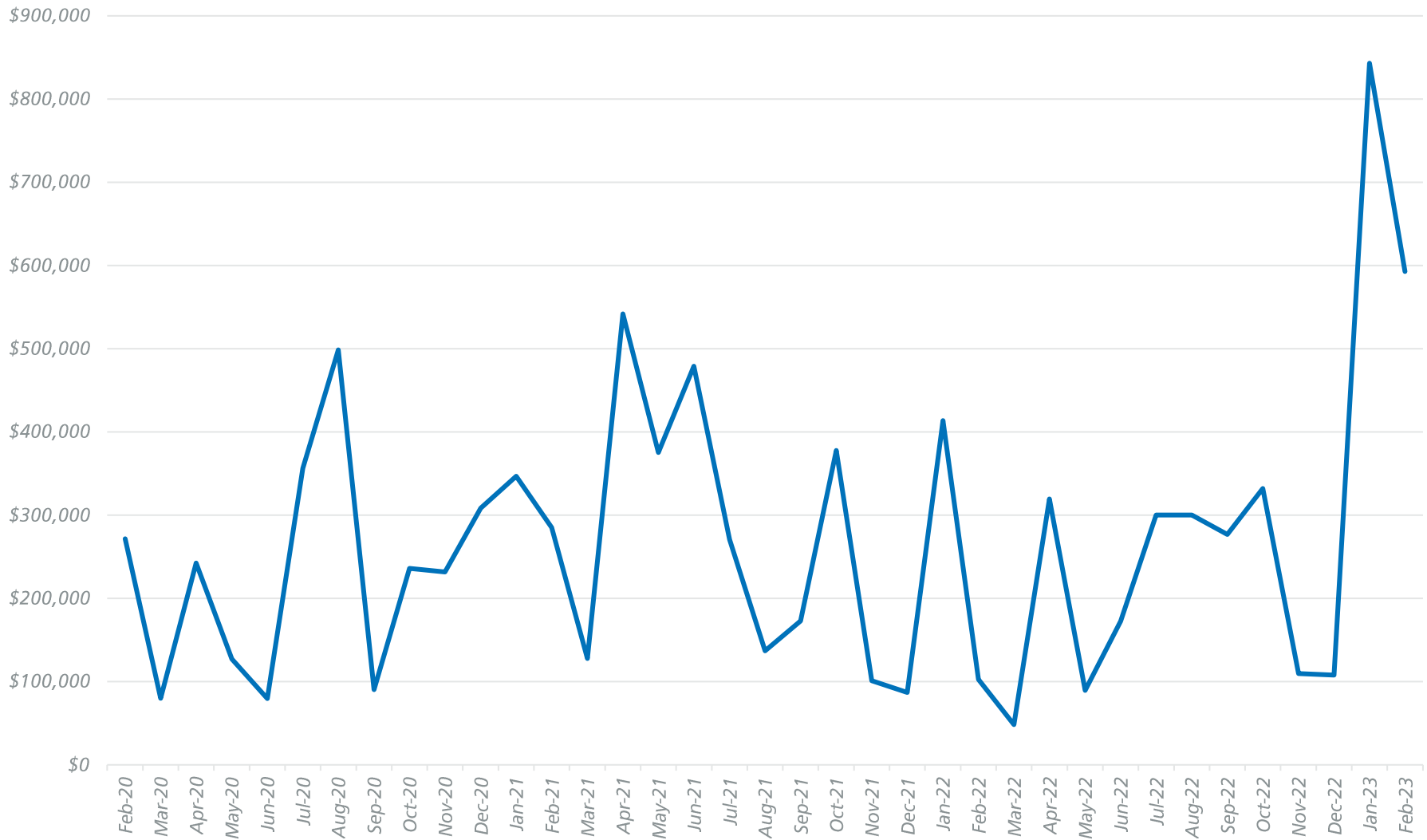
QUICK-BUILDS VS STREETScape PROJECTS



~ \$1.6M
Quick-Build

~ \$20M
Streetscape

Three-Year Monthly Expenditure



Complementary Efforts



Contact Information

Jennifer Wong

Jennifer.Wong@SFMTA.com

Website: [SFMTA.com/QuickBuild](https://www.sfmta.com/QuickBuild)

Email: QuickBuild@SFMTA.com



SFMTA

Attachment 3

Application-Based Traffic Calming Program Restructuring

**SFCTA – Community Advisory Committee
03 | 22 | 2023**

Traffic Calming Program History

2000: Traffic Calming Guidelines Developed and Formal Traffic Calming Program Established

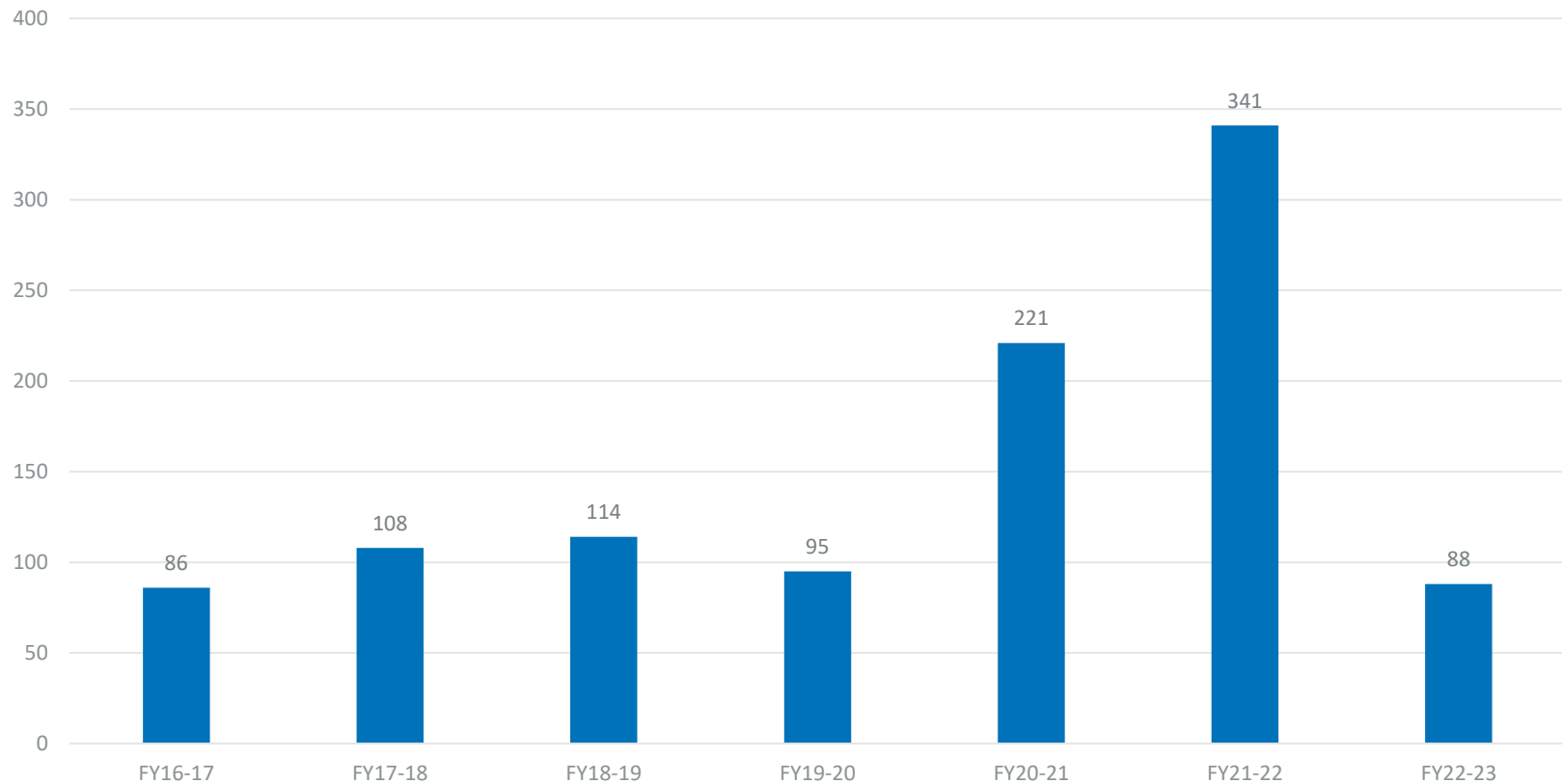
2001-2012: Areawide Projects

2013-2022: Block-Specific Projects

2023: Project-Delivery Focused

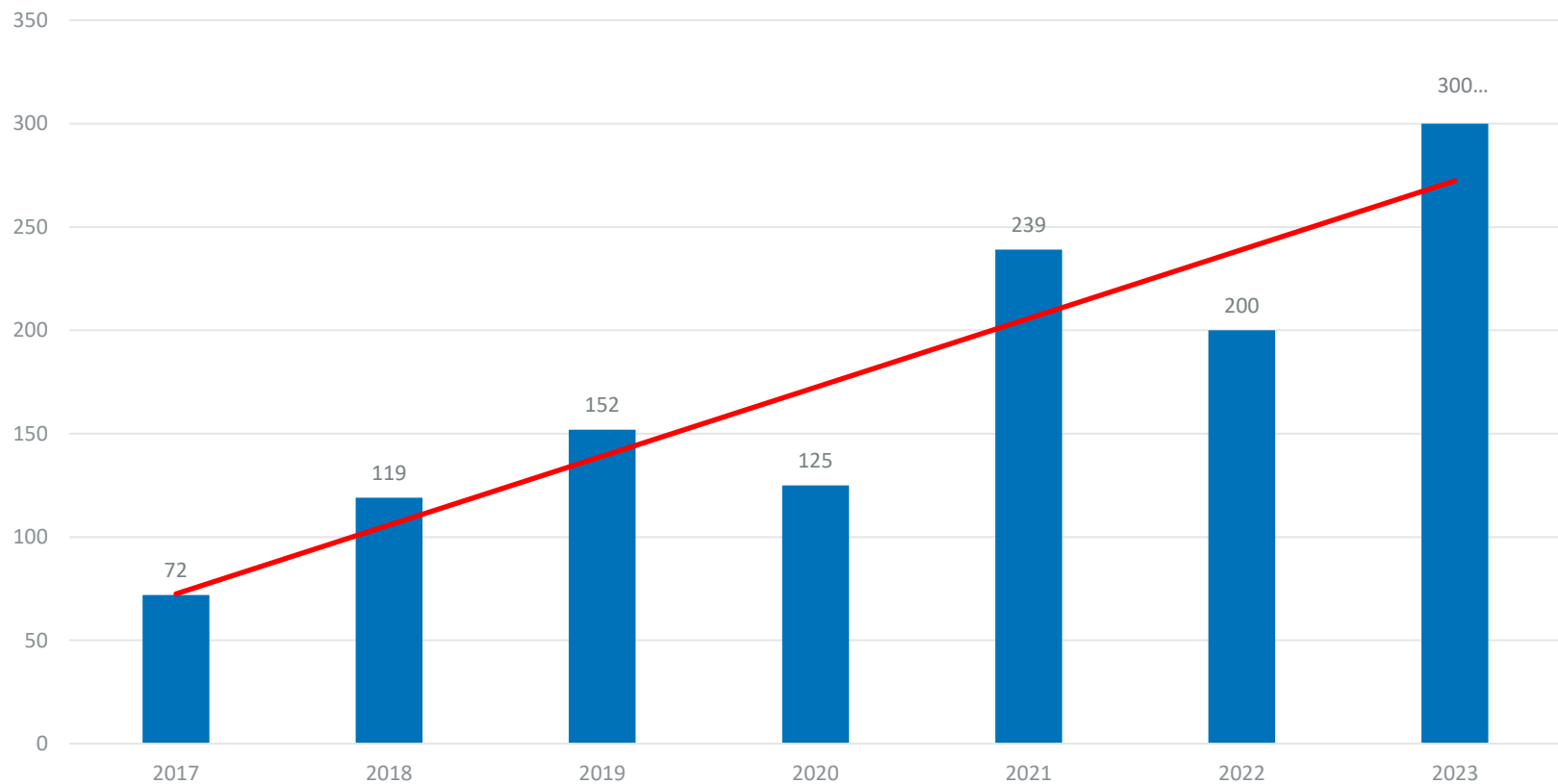
Traffic Calming is Growing

Traffic Calming Applications Received



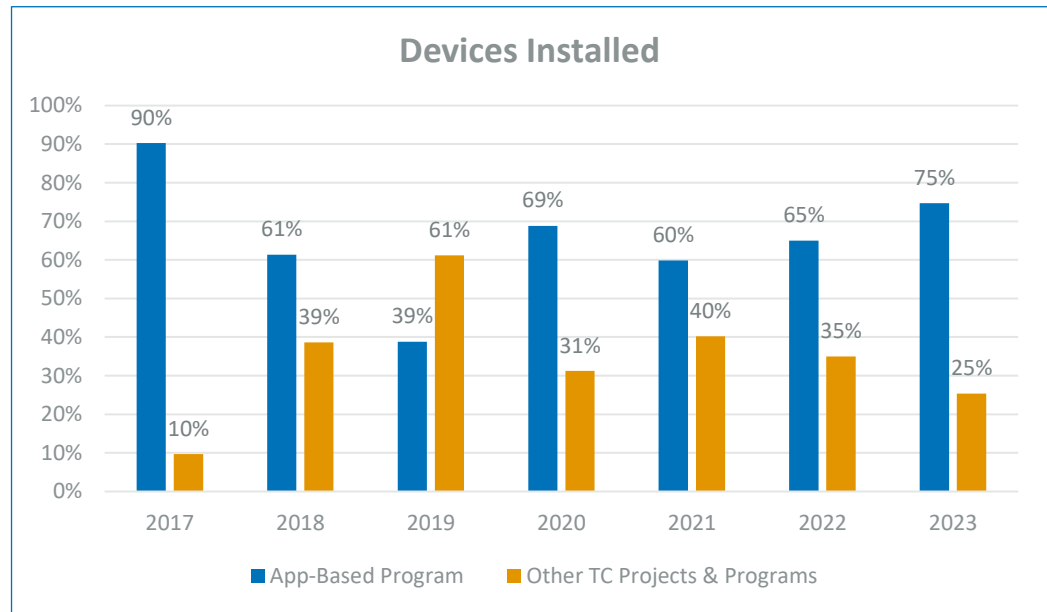
Traffic Calming is Growing

Traffic Calming Devices Installed



Other TC Projects & Programs

- Discretionary Projects from Board of Supervisors/SFCTA
 - Neighborhood Transportation Improvement Program (NTIP)
 - Community Response Team (CRT)
 - Participatory Budgeting (PB)
- Quick Build
- Slow Streets
- Schools Engineering
- Vision Zero Proactive
- Miscellaneous



Other projects and programs typically account for 25%-40% of all traffic calming devices installed each year.

Timeline – Existing Program

Assume cycle begins 7/1/23

- Jul 2023–Jun 2024: APPLICATION PERIOD
- Jul 2024–Jun 2025: PLANNING PHASE
- Jul 2025–Jun 2026: DESIGN PHASE
- Jul 2026–Dec 2027: CONSTRUCTION PHASE

Total Time = 3 to 4½ years

Timeline - New Program

Assume cycle begins 7/1/23

- Jul 2023–Oct 2023: PLANNING PHASE (no separate application period)
- Oct 2023–Jan 2024: DESIGN PHASE
- Jan 2024–Jun 2024: CONSTRUCTION PHASE

This cycle will be repeat on a rolling basis.

Total Time = 9 to 12 months!

New Program Structure

	2023						2024												2025										
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP		
PLN Phase	Submitted Applications: Assessment, Data Collection, Analysis, and Notification																												
				Submitted Applications: Assessment, Data Collection, Analysis, and Notification																									
						Submitted Applications: Assessment, Data Collection, Analysis, and Notification																							
DES Phase				Accepted Applications: Design, TASC, Public Hearing, and Final Approval						Submitted Applications: Assessment, Data Collection, Analysis, and Notification																			
						Accepted Applications: Design, TASC, Public Hearing, and Final Approval					Submitted Applications: Assessment, Data Collection, Analysis, and Notification																		
							Accepted Applications: Design, TASC, Public Hearing, and Final Approval					Submitted Applications: Assessment, Data Collection, Analysis, and Notification																	
CON Phase						Approved Applications: Field Marking, Work Orders, Installation, and Inspection			Accepted Applications: Design, TASC, Public Hearing, and Final Approval					Submitted Applications: Assessment, Data Collection, Analysis, and Notification															
							Approved Applications: Field Marking, Work Orders, Installation, and Inspection			Accepted Applications: Design, TASC, Public Hearing, and Final Approval					Submitted Applications: Assessment, Data Collection, Analysis, and Notification														
								Approved Applications: Field Marking, Work Orders, Installation, and Inspection			Accepted Applications: Design, TASC, Public Hearing, and Final Approval					Submitted Applications: Assessment, Data Collection, Analysis, and Notification													
									Approved Applications: Field Marking, Work Orders, Installation, and Inspection			Accepted Applications: Design, TASC, Public Hearing, and Final Approval					Submitted Applications: Assessment, Data Collection, Analysis, and Notification												
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											Approved Applications: Field Marking, Work Orders, Installation, and Inspection			Accepted Applications: Design, TASC, Public Hearing, and Final Approval					Submitted Applications: Assessment, Data Collection, Analysis, and Notification										
Concurrent Work	Construction of approved applications from FY21-22 Cycle																												
						Design of accepted applications from FY22-23 Cycle																							
											Construction of approved applications from FY22-23 Cycle																		

Questions?

<https://sfmta.com/trafficcalming>

Damon R. Curtis
Traffic Calming Program Manager
SFMTA Sustainable Streets
damon.curtis@sfmta.com
(415) 646-2671



RESOLUTION ADOPTING THE TRAFFIC CONGESTION MITIGATION TAX (TNC TAX) PROGRAM GUIDELINES AND PROGRAMMING \$21,279,740 IN TNC TAX FUNDS TO FOUR PROJECTS

WHEREAS, San Francisco voters approved the Proposition D Traffic Congestion Mitigation Tax or TNC Tax in November 2019; and

WHEREAS, The TNC Tax is a surcharge on commercial ride-hail trips that originate in San Francisco, for the portion of the trip within the city, and it also applies to private transit companies and rides given by autonomous vehicles commercially; and

WHEREAS, After a 2% set aside for administration by the City and County of San Francisco, 50% of the revenues are directed to the San Francisco Municipal Transportation Agency (SFMTA) for transit operations and improvements, and 50% are directed to the Transportation Authority for bicycle and pedestrian safety improvements; and.

WHEREAS, In October 2020, the Transportation Authority adopted the first TNC Tax Program Guidelines and programmed \$7,505,686 to the SFMTA's Vision Zero Quick-Build Program and the Board has fully allocated these funds; and

WHEREAS, In order to inform the first update to the Program Guidelines, staff consulted with the SFMTA on funding needs to meet the goals of Vision Zero; and

WHEREAS, Staff developed the proposed Program Guidelines (Attachment 1), which establish two programmatic categories to guide the programming and allocation of funds (i.e., Quick-Builds and Application-Based Residential Traffic Calming); provide revenue projections; and set policies to guide program administration, including programming and allocation of funds; and

WHEREAS, Given the current uncertainty about economic recovery and impacts on travel demand, staff recommends taking a conservative approach and only programming funds anticipated to be collected through Fiscal Year 2023/24 at this time and allocating funds only after they have been collected; and

WHEREAS, After consulting with the San Francisco Controller's Office, and netting out a combined 3% for Transportation Authority administration (2%) and data analysis (1%), Transportation Authority staff estimate that \$21,279,740 in TNC Tax revenues, comprised of actual and projected revenues, will be available by June 2024 to program to projects; and



WHEREAS, Staff is recommending programming \$21,279,740 in TNC Tax revenues to SFMTA's FY23 Vision Zero Quick-Build Program (Part 2) (\$2,451,857), FY24 Vision Zero Quick-Build Program (\$9,493,883), FY22 Application-Based Residential Traffic Calming (\$5,400,000) and FY24 & FY25 Application-Based Residential Traffic Calming Program (New Rolling Program) (\$4,270,000) in order to provide high priority safety improvements in the near-term; and

WHEREAS, At its March 29, 2023 meeting, the Community Advisory Committee (CAC) was briefed on the draft TNC Tax Program Guidelines and recommended programming and unanimously adopted a motion of support for the staff recommendation; now, therefore, be it

RESOLVED, That the Transportation Authority hereby adopts the attached TNC Tax Program Guidelines; and be it further

RESOLVED, That the Transportation Authority hereby programs a total of \$21,279,740 to four SFMTA projects:

- FY23 Vision Zero Quick-Build Program (Part 2) (\$2,451,857),
- FY24 Vision Zero Quick-Build Program (\$9,493,883),
- FY22 Application-Based Residential Traffic Calming (\$5,400,000) and
- FY24 & FY25 Application-Based Residential Traffic Calming Program (New Rolling Program) (\$4,270,000).

Attachment:

1. TNC Tax Program Guidelines