

# Table 1. Expenditure Plan Line Item Summary

## A. TRANSIT

### I. Major Capital Projects

#### a. MUNI

**EP 1 Rapid Bus Network including Real Time Transit Information**

Funds are identified for four major subcategories within this EP line item: a) Bus Rapid Transit System Development policy and marketing studies and launch activities to correspond with initial phase of Van Ness BRT project; also included is a Transit Preferential Streets Master Plan to identify major needs by corridor; b) Van Ness, Geary and Potrero BRT planning, design and implementation funds; c) Transit Preferential Streets small and spot improvements program and (4) transit preferential corridor projects including projects in Market Street, 19th Avenue and Outer Mission corridors. Funding amounts and the timing of those funds have been coordinated with Muni with the final implementing agency decision to be determined as part of the 5 Year Prioritization Program approvals.

Allocation	\$	67,682,679
Finance Cost	\$	21,853,364
<b>TOTAL</b>	<b>\$</b>	<b>89,536,043</b>
90%P1 Cap	\$	89,280,000

**EP 2 3<sup>rd</sup> Street Light Rail Phase 1**

The major unspent element in the corridor is the Muni Metro East Maintenance Facility (MME). Reimbursement will not begin on these funds until FY 2006-07, as other funds available to the project, particularly \$30 million in RM2 and over \$30 million in federal 5309 Fixed Guideway funds will be utilized when the project starts in FY 2005/06. RM2 is the match to federal, Prop K funds will be spent last. As of the adoption of this Strategic Plan, only \$15 million of the original budgetary amount, committed under Prop B, remains to be allocated. The remainder of the Third Street funds are being dedicated to the Southern Terminal (Segment S), \$5.5 million and Construction Management on the IOS, \$3 M, and Construction Management on the MME, \$7 million.

Allocation	\$	88,279,674
Finance Cost	\$	-
<b>TOTAL</b>	<b>\$</b>	<b>88,279,674</b>

**EP 3 Central Subway (3<sup>rd</sup> Street LRT Phase 2)**

Per the TCRP swap agreement reached with the state, NCS is guaranteed its total amount of \$126 million. That agreement, the Program Supplement No. 04A0092-01, executed November 30, 2001, states:  
 "\$126 million in TCRP funds would be used to fund construction activities on the Phase 1 Initial Operating Segment. An equivalent amount of local sales tax funds would thus become available to fund later Phase 2 work activities."  
 Phase 2 is the New Central Subway. To meet this commitment Muni is guaranteed \$126m, in Year of Expenditure (YOE) dollars. Regardless of the year funds are requested, it will receive a maximum of \$126 million. Similar to the TCRP funds that these were swapped with, the amount would not escalate, but the EP line item would also not have to pay any finance charges that might accrue because of when the funds are needed.

Allocation	\$	105,902,630
Finance Cost	\$	-
<b>TOTAL</b>	<b>\$</b>	<b>105,902,630</b>

**EP 4 Geary LRT**

As funding for the Geary LRT was clearly designated as solely a Priority 3 level of funding, no funding is programmed at this time for the Geary LRT. The Strategic Plan will be update no later than every three years and the funding assumptions will be revisited at that time, to determine if additional revenues can be made available. Both Priority 1 and Priority 2 programming levels must reach 100% before Priority 3 funds can be programmed.

Allocation	\$	-
Finance Cost	\$	-
<b>TOTAL</b>	<b>\$</b>	<b>-</b>
90%P1 Cap	\$	-

#### b. Caltrain

**EP 5 Downtown Extension to a Rebuilt Transbay Terminal**

After significant consultation with TJP staff, Authority staff is making the following recommendation on programming in the Strategic Plan :

Allocation	\$	135,065,346
Finance Cost	\$	79,025,764
<b>TOTAL</b>	<b>\$</b>	<b>214,091,110</b>
90%P1 Cap	\$	213,930,000

PE Phase 1	FY 2004-05	\$5.495M	RM2 \$15.495M	Done
PE Phase 2	FY 2005-06	\$21.605M	RM2 \$13.505M	
PSE	FY 2006-07	\$18.63M	RM2\$36.7M	
	FY 2007-08	\$18.63M	RM2\$25.4M	
	FY 2008-09	\$24.84M		
ROW 80 Natoma	FY 2004-05	\$16.125M	RM2 \$16.125M	Done
ROW (other)	FY 2004-05	\$8 M	RM2 match	
	FY 2005-06	\$11.125M	RM2 match	
	FY 2006-07	\$7.650M	RM2 match	
	FY 2009-10	\$10.8 M	RM2 match	
Construction	FY 20011-12	\$5.0M	RM match	

Highlighted = programming commitments prior to Nov 2006 High Speed Rail vote

Preliminary Engineering (PE) is beginning 6 months later than originally intended. With PE Phase 1 not starting until January 2005, and total funds allocated from Prop K and RM 2 at \$20,990, TJPA staff and the Authority agreed these funds would last until January of 2006, at a minimum.

In January 2006, the TJPA would move into PE Phase 2, totaling \$35 million in additional funding from Prop K and RM2. This is sufficient to carry the project into calendar year 2007. Funds totalling \$25 million are dedicated to the terminal work, with \$10 million dedicated to the extension. TJPA staff believed they would need to start the PSE work on the terminal in Spring of 2007, and the PSE for the extension in Nov/Dec 2006. PSE funds are dedicated for the project beginning in the Spring of 2007.

Federal Air Quality Conformity Regulations establish that no funding for the PS&E (final design) or construction phases of a project will be allocated until those phases are included in a Conforming Plan and Program. While programming is indicated for those phases in the 2005 Prop K Strategic Plan, no allocation shall be made to the Transbay project for PS&E or construction until those phases are included in the Metropolitan Transportation Commission's (MTC's) Regional Transportation Plan and Transportation Improvement Program, and are part of the conformity modeling and the approved conformity finding for the Plan and Program.

The inclusion of the project's Design and Construction phases into a conforming plan and program will at the earliest occur after the passage of the November 2006 High Speed Rail Bond. Note also that the Project Development Agreement between the Federal Transit Administration, FTA, and the Transbay Joint Powers Authority prohibits the incurring of costs for anything but the phases of Environmental, Preliminary Engineering, and Right of Way. If costs are incurred on any other phases the project sponsor jeopardizes their ability to receive federal funding in the future, particularly the federal TIFIA loan (approximately \$700 million from TIFIA, the Transportation Infrastructure Finance Innovation Act) called for in the Financial Plan for the project.

**EP 6 Electrification**

A commitment was made by San Francisco, embodied in MTC's Resolution 3434, of approximately \$108 million for electrification to match the \$108 million from VTA and the \$108 million from San Mateo sales tax. While VTA has committed additional funds, they have been reserved for the extension of Caltrain from San Jose to Gilroy. In the case of San Mateo's funds, it is unknown as of yet when they will be available as San Mateo is still in the midst of developing their Strategic Plan. It may be a more cost-effective strategy to use San Mateo's funds if they come at better price than funds from VTA or Prop K. The Electrification project will be entering the right of way acquisition/utility relocation phase for the next several years. Caltrain is expected to complete the Final EIS/EIR for the project in mid-2005. Funding to begin design of electrification project will be available in FY 2005-06. As a project, electrification will need its funding in a concentrated period of time. Prior to incurring debt finance costs, at the time of allocation, Caltrain will review its funding availability to determine if the borrowing of funding

Allocation	\$	16,756,200
Finance Cost	\$	1,750,845
TOTAL	\$	18,507,405
90%P1 Cap	\$	18,450,000

**EP 7 Capital Improvement Program**

Caltrain's utilization of sales tax funding is primarily dedicated to matching federal funds that come through the FTA's Formula Programs, particularly the Section 5309 Fixed Guideway program. Caltrain relies on non-federal funds from all three joint powers: San Francisco, San Mateo, and Santa Clara. To the extent Caltrain can use funds from the other two counties, it is working towards that goal. Nevertheless, they predict a high early need for sales tax from San Francisco. Final appropriation levels from the Reauthorization of TEA-21 and from annual Congressional actions will determine exact levels of matching funds needed. Prior to incurring debt finance costs, at the time of allocation, Caltrain will review its funding availability to determine if the borrowing of funding capacity from another EP line item will enable them to reduce the need to incur debt costs.

Allocation	\$	14,096,797
Finance Cost	\$	3,893,042
TOTAL	\$	17,989,839
90%P1 Cap	\$	17,910,000

**c. BART Station Access, Safety and Capacity**

**EP 8 BART Station Access, Safety, and Capacity**

BART has several critical projects it is seeking funds for from this EP line item. The 16th Street Plaza improvements project was originally a STIP project, as was the Talking Signs project. These were both subject to an AB 3090 Agreement approved by the Authority Board in March 2004, dedicating Prop K sales tax funds in lieu of STIP funds. BART is seeking funds for these projects as well as funds for the 24th Street plaza remodel and several smaller projects in the next 5 years.

Allocation	\$	6,926,509
Finance Cost	\$	1,384,703
TOTAL	\$	8,311,212
90%P1 Cap	\$	8,280,000

#### d. Ferry

##### EP 9 Ferry

Prop K funding allocations for the Downtown Ferry Terminal are heavily leveraged with other fund sources. This includes RM2, GGB capital funds, and Port funds. The immediate need of the Port is for development of a public involvement plan and the first phase of facility planning necessary for improvements to the Port's intermodal terminal at the Embarcadero.

Allocation \$	3,245,051
Finance Cost \$	695,207
TOTAL \$	3,940,258
90%P1 Cap \$	3,960,000

## II. Transit Enhancements

The next six EP line items, under the subcategory of Transit Enhancements, do not have Priority 1 funding called out in the Expenditure Plan. Rather, funding can be moved if need be from one line item to another. This is not being proposed in this Strategic Plan. However, the direct transfer or the loaning of capacity from one line item to another will be considered a strategy to avoid debt issuance and debt costs within this subcategory.

##### EP 10 Extension of Trolleybus Lines/ Motor Coach Conversion

Programming is for the Mission Bay Loop, which is a proposed enhancement to the 3rd Street Light Rail line, that is scheduled to go into revenue service in November 2005. The MB Loop is a turning loop needed to accommodate the full service plan for the two phases of the Third Street Light Rail Line, which will ultimately consist of a long-line service for the entire corridor, and a short-line service operating between Chinatown and Mission Bay. The short-line service will need to use the MB loop as a terminus and turnback facility. Muni intends to design the project and receive consensus on its layout and features as part of development in the area; Prop K design funding is programmed in FY 2007/08. Funding is also be programmed for the future construction of the line.

Allocation \$	3,907,618
Finance Cost \$	438,465
TOTAL \$	4,346,082
90%P1 Cap \$	6,996,194

##### EP 11 F-Line Extension to Fort Mason

Muni and the National Park Service (NPS) plan to follow-up on the technical feasibility study that was recently completed on a proposed extension of historic streetcar service to Fort Mason. NPS will begin environmental review for this project in FY 2005-06. The environmental review will further develop the conceptual designs looked at in the feasibility study, assess potential impacts from the project, address connectivity to other transit lines, and provide a refined cost analysis. The National Park Service is the lead agency for the environmental work, which will be done in concert with Muni, the Authority, and the Presidio Trust, as well as other affected City departments. The programming of remaining Prop K funds will be determined after the environmental work is completed and a complete funding package for the project is identified.

Allocation \$	471,298
Finance Cost \$	75,684
TOTAL \$	546,982
90%P1 Cap \$	3,682,207

##### EP 12 Purchase/Rehab Historic Street Cars

Muni will be considering expansion of the historic light rail vehicle fleet in concert with a proposed extension of historic streetcar service to Fort Mason. Until the completion of the environmental documentation and a future Conceptual Engineering Report for the historic streetcar extension is complete, the funding available in this EP line item, a maximum of \$7.2 million, is programmed as a placeholder in the outer years of the Strategic Plan.

Allocation \$	723,053
Finance Cost \$	14,580
TOTAL \$	737,633
90%P1 Cap \$	1,031,018

##### EP 13 Balboa Park BART/MUNI Station Access

A variety of projects are proposed for the Balboa Park Station area. Following up on a Better Neighborhoods planning study performed by the Planning Department in 2002, multiple agencies and city departments including the Authority are coming together to develop a conceptual engineering report (CER) for implementation of the items in the planning study, including transit-oriented development, improvements to transit access, pedestrian circulation, and other elements. Prop K funds will be programmed to the CER in FY 2005-06 and 2006-07. Implementation is expected to occur over 10-15 years.

Allocation \$	1,943,638
Finance Cost \$	266,052
TOTAL \$	2,209,689
90%P1 Cap \$	7,158,211

Short-term improvements will also be funded from this EP line item. Muni will upgrade the wayside ADA boarding ramp for the J and K-lines in the Muni portion of the station. These necessary improvements are being funded next year; the project is ready for construction and awaiting construction funding. Funds are also programmed for pedestrian and wheelchair access improvements from Ocean Avenue into the station in the next five years.

##### EP 14 Relocation of Paul St to Oakdale-Caltrain

A Design Feasibility Assessment and Station Concept Report was completed in January 2005, and adopted by the Authority Board in February 2005. The next phase of work will be the ridership analysis, analysis of system impacts and further design and environmental studies, scheduled for FY 2005-06 and FY 2006-07.

Allocation \$	413,186
Finance Cost \$	57,478
TOTAL \$	470,665
90%P1 Cap \$	5,839,981

**EP 15 Purchase Additional LRVs**

MUNI has indicated that their most immediate need for the purchase of additional LRT vehicles for new or expanded service is for the start-up of the 3rd Street Light Rail service, to begin in November 2005. The vehicles for this expanded service are programmed as part of the 3rd Street project, and the vehicles required for the Central Subway will be funded as part of that project. The Prop K funds in this EP line item will be needed for future service growth along the 3rd St Corridor as the Mission Bay development matures and ridership builds in the corridor. Thus, these funds are being programmed as a placeholder later in the Strategic Plan for Muni's future needs.

Allocation	\$	723,053
Finance Cost	\$	14,580
TOTAL	\$	737,633
90%P1 Cap	\$	4,271,361

**EP 16 Other transit Enhancements**

BART's needs in this EP line item are for the design work associated with the Embarcadero and Civic center cross-platform projects. Construction funds for these projects come from Regional Measure 2. MUNI's needs in this EP line item are for funds to install ticket vending machines (TVMs) in the 3rd Street LRT Corridor, and provide matching funds for the 3rd Street Corridor's Mission Bay Loop. The original funding for the TVM's, totaling \$3 million, were not included in the Authority adopted 3rd Street LRT Corridor budget, as MUNI wished to fund the 3rd Street vending machines as part of a future larger fare collection equipment contract, enabling economies of scale as well as consistency with the remainder of Muni's system. These Prop K funds will pay for the 3rd Street portion of the contract. Caltrain's needs are for a conceptual study of access improvements for all users to San Francisco Caltrain stations.

Allocation	\$	28,888,764
Finance Cost	\$	881,362
TOTAL	\$	29,770,126
90%P1 Cap	\$	9,721,028

NOTE: Individual projects within the subcategory of Transit Enhancements could theoretically trigger debt by needing their funds all at once, instead of a "pro-rata share" of funds available over time. As the Expenditure Plan intent was to allow funds to flow between these projects, we are aggregating EP 10 through EP 16, so as not to trigger debt finance costs for any given project. Note that there is \$48 million remaining to be programmed to specific projects in all 7 Transit Enhancement EP line items. For this Strategic Plan, funds are being programmed as placeholders in a manner so as not to trigger any debt finance costs.

**III. System Maintenance and Renovation**

**a. Vehicles**

**EP 17 Vehicles**

The EP line item Vehicles contains capital funding as well as incremental operations and maintenance for two grandfathered projects: the F-Line Historic Streetcar Operations and Maintenance and Trolleybus wheelchair lifts. The EP line item Vehicles has more assigned funding in the original Expenditure Plan than any other EP line item. Totalling \$500 million in Priority 1 funds, the eligible sponsors are Muni, BART, and Caltrain. The Strategic Plan reflects the minimum amounts guaranteed in the Expenditure Plan for each sponsor in the line item. There is also an amount undesignated to any of the eligible sponsors:

Allocation	\$	448,505,067
Finance Cost	\$	8,818,143
TOTAL	\$	457,323,210
90%P1 Cap	\$	445,590,000

- 17M Muni: \$387 M
- 17B BART: \$9.9 M
- 17P Caltrain: \$19.8 M
- 17U Undesignated: \$82 M, to be assigned by the Authority Board

This is insufficient Prop K funding in Muni's vehicle category to match federal funds likely to be available. To optimize the leveraging of federal funds, a programming strategy is being adopted that aggregates Muni's three EP line items of Vehicles, Facilities, and Guideways, as a way to address the higher needs in the Vehicle EP line item. While Muni has some funding capacity in the Guideway EP line item, their needs in the Vehicles and Facilities EP line items are significantly greater than the available funds. Rather than have Muni borrow funds for vehicle needs, they can use the capacity in the Guideway EP line item so as not to incur debt finance costs. This capacity does not mean Muni can exceed their overall 90% P1 cap. Rather, it is a "loan" of capacity in a given year so as not to trigger borrowing and debt finance costs.

Even after applying this approach to reduce debt financing costs, Muni still does not have sufficient funds to program all of its non-federal match needs. Muni reaches its programming cap at about Year 27. Being able to exhibit a solid match strategy through Year 20 is beneficial, in order to meet the Financial Capacity Assessment required by FTA. The Authority will consider utilizing Undesignated Vehicle funds to cover the shortfall in the outer years of the Strategic Plan. This will be considered in future Strategic Plans if it becomes necessary to avoid debt costs, and to enable the capturing of federal funds.

Caltrain is requesting a modest amount of programming in the Vehicle category in the early years of the SP as a match to federal funds primarily, programming totaling less than their pro-rata share of funds. Caltrain has requested, however, four years of programming in FY 2009-10 thru FY 2011-12 which exceeds their pro-rata share, resulting in a modest amount of finance costs. Caltrain has a major vehicle replacement cycle beginning in FY 2013-14 that funds are being reserved for.

BART has requested only one project for programming under this EP line item, which is the San Francisco share of the cost of modifications to car interiors.

Note that Undesignated funds are available for future vehicle needs to be prioritized by the Authority. A suitable use of the U funds would be to help a project sponsor avoid incurring borrowing costs in order to meet vehicle funding needs. For example, before Muni incurs debt finance costs, which may result from borrowing as early as FY 2005-06 to meet its programmed needs, the Authority would consider one of two options:

A - Allocate Undesignated funds to cover Muni's need so as to avoid additional debt issuance; or

B - Loan Undesignated funds to Muni to avoid debt issuance for vehicles, with a condition that funds available in Muni's Vehicles EP line item be reprogrammed to the Undesignated EP line item when Muni has them available within its pro-rata share.

All Undesignated funds will be held without specific programming to allow these or other future needs to be addressed.

**EP 18 Trolley Operations and Maintenance (O&M)**

**EP 19 F-Line Operations and Maintenance (O&M)**

These two EP line items are treated similarly, since they are both Prop B items grandfathered into Prop K. The Expenditure Plan provides specific guidance regarding their programming:

"Funds for operations and maintenance shall be limited exclusively to incremental costs associated with the operation of new transportation services and/or facilities, as specified in this plan....the funding eligibility for incremental operating and maintenance costs shall decrease linearly from 100% on the first year of operation to 0% on year 10.....starting with the amount shown in the 2003 Strategic Plan Update for Prop B for fiscal year 2003/04."

There is insufficient funding to allow the operations and maintenance line items to be reduced by 10% per year annually for 10 years. Starting at levels of operations and maintenance support equal to the last year of Prop B, reducing both line items by 10% per year allows for only 5 years of funding before the 90% Priority 1 funding limit is reached. The fifth year is reduced by 28% in order to stay within the 90% P1 funding cap. If in the next Strategic Plan, revenue projections warrant additional funding to be programmed, programming will pick up where it left off under this Strategic Plan.

**Trolley Coach O&M**

Allocation	\$	2,357,870
Finance Cost	\$	-
<b>TOTAL</b>	<b>\$</b>	<b>2,357,870</b>
90%P1 Cap	\$	2,358,000

**F-Line O&M**

Allocation	\$	4,769,144
Finance Cost	\$	-
<b>TOTAL</b>	<b>\$</b>	<b>4,769,144</b>
90%P1 Cap	\$	4,770,000

**b. Facilities**

**EP 20 Facilities**

Muni has a significant need for funds in this line item, primarily because federal funds are being prioritized regionally to other higher scoring projects, and also because of the intense competition for rapidly dwindling State funds. Muni has requested early programming of facilities funds in the Strategic Plan. The Islais Creek Maintenance facility will replace the existing Kirkland diesel bus facility at North Point and Stockton streets. A crucial project for Muni to meet its clean air requirements, Islais Creek will be a new operating and maintenance facility to serve the new alternative fuel buses. The Islais Creek facility will ideally be available soon after Muni receives final delivery on its hybrid vehicles at the end of 2006.

Allocation	\$	55,119,277
Finance Cost	\$	24,569,214
<b>TOTAL</b>	<b>\$</b>	<b>79,688,491</b>
90%P1 Cap	\$	76,230,000

The early programming of an extensive amount of funds in this element to the Islais Creek facility create the potential for substantial debt financing costs. Similar to the Vehicle EP line item, Muni's three EP line items of Vehicles, Facilities, and Guideways will be aggregated as a way to address the higher needs in the Facilities line item. While Muni has some funding capacity in the Guideway line item, its needs in the Vehicles & Facilities line items are significantly greater than the available funds. Rather than have Muni borrow funds for facility needs, they can use the capacity in the Guideway element so as not to incur debt finance costs. This capacity does not mean Muni can exceed their overall 90% P1 cap. Rather, it is a "loan" of capacity in a given year so as not to trigger borrowing and debt finance costs.

Caltrain's programming for this EP line item is almost entirely as a match to other fund sources in FY 2005/06 for the Lenzen Maintenance Facility in San Jose.

BART has a very small amount of funding available in this EP line item, with the 90% P1 cap at only \$1.5 million, or about \$45,000 per year. At BART's request, all funding is programmed in the first four years of the Strategic Plan, for ready-to-go projects, and serving as match to federal funds.

**EP 21 MUNI Metro Extension Incremental Operations and Maintenance**

This EP line item, the Muni Metro Extension incremental operations and maintenance, is treated similarly to the other O&M entries (Trolley and F-Line) as they are grandfathered from Proposition B and are described very specifically in the EP regarding programming. As described in the EP, "Funds for operations and maintenance shall be limited exclusively to incremental costs associated with the operation of new transportation services and/or facilities, as specified in this plan. The funding eligibility for incremental operating and maintenance costs shall decrease linearly from 100% on the first year of operation to 0% on year 10...starting with the amount shown in the 2003 Strategic Plan Update for Prop B for fiscal year 2003/04."

Allocation	\$	15,479,219
Finance Cost	\$	-
TOTAL	\$	15,479,219
90%P1 Cap	\$	15,480,000

There is insufficient funding to allow any of the O&M's to be reduced 10% per year annually for 10 years. In fact, starting at those levels of support equal to the last year of Prop B, programming being reduced 10% per year allows only 5 years of funding to be programmed. Even then, there is insufficient funding in the last year to reach the required 10% reduction level. If, in the next Strategic Plan, revenue projections warrant additional funding to be programmed, programming will pick up where it left off under this Strategic Plan.

**c. Guideways**

**EP 22 Guideways**

Most of Muni's funding in this EP line item serves as the required match to federal funds, FTA Section 5309 Fixed Guideway funds. While the federal match need is spread throughout the 30 year program, Muni has a significant project need not covered by federal funds in the early years of the Strategic Plan, with their Radio Communication System replacement. Totalling \$72 million in Prop K need, this project meets an FCC requirement that all transit operators switch to a new radio frequency and meet minimum standards for their service. The system must be in place by 2012.

Allocation	\$	220,408,999
Finance Cost	\$	22,307,788
TOTAL	\$	242,716,788
90%P1 Cap	\$	279,225,000

There is programming capacity remaining in this line item, but MUNI has elected to reserve it as a strategy to reduce debt costs in its Vehicles and Facilities line items.

The funds programmed to Caltrain are dedicated as the non-federal match to FTA Section 5309 Fixed Guideway funds. The programmed amount is slightly more than Caltrain's pro-rata share in the early years of the Strategic Plan, triggering a modest amount of interest.

BART did not request programming in this EP line item. The pro-rata share is programmed annually as a placeholder per their request, generating no finance costs.

## B. PARATRANSIT

### EP 23 Paratransit

The Authority Board made a commitment to allocate to paratransit the funding level equal to what they received under the last year of Prop B. This was consistent with an approach of "continued support" outlined in the Expenditure Plan. The allocation in FY 2004-05 of \$9,670,000 exceeds the pro-rata share of funding of \$5.2 million.

Allocation	\$	139,341,651
Finance Cost	\$	43,212,041
TOTAL	\$	182,553,692
90%P1 Cap	\$	181,710,000

Maintaining funding for paratransit at \$9,670,000 generates debt finance costs that are assigned back to the program, per recommended Strategic Plan policy for all EP line items. If paratransit funding was allowed to escalate 3% annually, funding would run out on Year 14, not even halfway through the Expenditure Plan period of 30 years.

Recommended programming is to provide the Prop K portion of paratransit funding at an annual level of \$9,670,000, not allowing it to escalate. This enables Prop K funding to be available for program needs for 20 years, with a reduction in programming in Year 20.

This element will be revisited once the Authority's Select Committee on Paratransit completes a cost-effectiveness and funding study, scheduled to be completed Summer 2005.

## C. Streets and Traffic Safety

### I. Major Capital Projects

#### a. Golden Gate Bridge South Access (Doyle Drive)

##### EP 24 Doyle Drive

The Doyle Drive replacement project is currently in the preliminary engineering / environmental documentation phase. Work is nearing completion on the preparation of state and federal environmental clearances (EIR/EIS) for this project, which will replace the south access to the Golden Gate Bridge. The EIR/EIS is scheduled for final approval in FY 2005-06, with final design commencing immediately after. Doyle is similar to other large projects in the Expenditure Plan in that it needs its funding all at once. Construction will start in FY 2008-09. Prop K funds are being programmed for design support in FY 2005-06 (\$5 million matched by \$28 million in State funds). The remaining Prop K funds are being programmed for construction beginning in FY 2011-12. While construction starts late in FY 2008-09, other fund sources will be utilized first in the project, with Prop K funds not being utilized until construction is underway.

Allocation	\$	54,071,733
Finance Cost	\$	17,508,845
TOTAL	\$	71,580,579
90%P1 Cap	\$	71,280,000

#### b. New and Upgraded Streets

##### EP 25 Bernal Heights

This project is grandfathered in its entirety from Prop B. The project was committed to under Prop B but did not receive an allocation of funding prior to the Prop B program expiring. The project is programmed to receive all of its Priority 1 funds, not subject to finance costs. The project will provide various street improvements in the Bernal Heights area.

Allocation	\$	2,420,164
Finance Cost	\$	-
TOTAL	\$	2,420,164
90%P1 Cap	\$	1,273,500

##### EP 26 Great Highway Erosion Repair

This project is being recommended for programming in FY 2007-08 thru FY 2009-10. The project will stabilize those portions of the roadway damaged by wave action, improving access for bicyclists and pedestrians. The project cannot be delivered relying solely on its pro-rata share of \$50,000 annually, and so generates debt finance costs due to needing its funding all at once.

Allocation	\$	1,265,589
Finance Cost	\$	558,253
TOTAL	\$	1,823,842
90%P1 Cap	\$	1,827,000

##### EP 27 Visitacion Valley Watershed

Planning funds are included next year, FY 2005-06, for the Bi-County Study Update, to identify needed transportation improvements to support planned development in San Francisco and San Mateo County, along with planning funds for a Visitacion Valley Watershed Neighborhood Transportation Plan. Both plans will identify a recommended set of short and medium term capital improvement projects. The highest priority projects, including those with the best funding plans, will then receive funds for design, environmental clearance and implementation. Planned improvements will receive Design funding in the next two years, FY 2005-06 and FY 2006-07. Construction funding will start to be available in FY 2006-07 and continue until the project's 90% P1 cap is reached.

Allocation	\$	11,830,346
Finance Cost	\$	1,683,508
TOTAL	\$	13,513,854
90%P1 Cap	\$	13,500,000

<b>EP 28 Illinois Street Bridge</b>	<p>The construction of the new Illinois Street Bridge was a necessary part of the construction of a replacement spur track for Union Pacific to access Pier 80. Leaving the freight route where it is now would have required an additional at-grade crossing of the Muni LRT near 16th Street, an unacceptable impact on the 3rd Street Corridor. The project is, in effect, a mitigation for the 3rd Street Corridor, improving bicycle and pedestrian movements in the corridor. The new access takes trucks off of 3rd Street, providing truck access along Illinois Street instead. The project was ready for construction in 2003, and received a full allocation of its entire Prop K funding in June of 2004. It's construction is underway. Because of the project's purpose as a mitigation to the 3rd Street Light Rail construction, the full project funding of \$2,000,000 will be programmed, as a parallel commitment to the 3rd Street budget commitment made by the Authority. The project is being programmed with its full Priority 1 funding. The project is starting construction.</p>	<table border="0"> <tr><td>Allocation \$</td><td>1,941,748</td></tr> <tr><td>Finance Cost \$</td><td>-</td></tr> <tr><td>TOTAL \$</td><td>1,941,748</td></tr> <tr><td>90%P1 Cap \$</td><td>1,800,000</td></tr> </table>	Allocation \$	1,941,748	Finance Cost \$	-	TOTAL \$	1,941,748	90%P1 Cap \$	1,800,000
Allocation \$	1,941,748									
Finance Cost \$	-									
TOTAL \$	1,941,748									
90%P1 Cap \$	1,800,000									
<b>EP 29 Golden Gate</b>	<p>The funding for this EP line item has not been assigned to a specifically scoped project. The small amount available, \$180,000, is being programmed as a placeholder until such time as an exact scope is determined for its use.</p>	<table border="0"> <tr><td>Allocation \$</td><td>147,429</td></tr> <tr><td>Finance Cost \$</td><td>33,245</td></tr> <tr><td>TOTAL \$</td><td>180,674</td></tr> <tr><td>90%P1 Cap \$</td><td>180,000</td></tr> </table>	Allocation \$	147,429	Finance Cost \$	33,245	TOTAL \$	180,674	90%P1 Cap \$	180,000
Allocation \$	147,429									
Finance Cost \$	33,245									
TOTAL \$	180,674									
90%P1 Cap \$	180,000									
<b>EP 30 Other Upgrades to Major Arterials</b>	<p>This EP line item has the following eligible sponsors: DPW, DPT, MUNI, Caltrans, and the Authority. No decision has been made on how to spend these funds. In accordance with previous Undesignated (U) categories, placeholder amounts are programmed. Funds could be made available under the following circumstances:</p> <ul style="list-style-type: none"> <li>• The Authority could consider an allocation of Undesignated funds to other projects in the New and Upgraded Streets subEP line item of the Expenditure Plan to cover sponsors' needs so as to avoid debt issuance.</li> <li>• Rather than an actual allocation, the Authority Board could consider "loaning" undesignated funds to the sponsor to prevent debt issuance for their project, with an agreement that funds be returned when the sponsor has them available within their pro-rata share.</li> </ul> <p>The undesignated funding will be programmed as a placeholder to allow future needs to be addressed.</p>	<table border="0"> <tr><td>Allocation \$</td><td>2,874,700</td></tr> <tr><td>Finance Cost \$</td><td>324,798</td></tr> <tr><td>TOTAL \$</td><td>3,199,498</td></tr> <tr><td>90%P1 Cap \$</td><td>3,199,500</td></tr> </table>	Allocation \$	2,874,700	Finance Cost \$	324,798	TOTAL \$	3,199,498	90%P1 Cap \$	3,199,500
Allocation \$	2,874,700									
Finance Cost \$	324,798									
TOTAL \$	3,199,498									
90%P1 Cap \$	3,199,500									

## II. System Operations, Safety, and Maintenance

### a. New Signals and Signs

<b>EP 31 New Signals and Signs</b>	<p>This EP line item will fund project development and capital costs for new traffic signs and signals, including pedestrian and bicycle signals, implementation of transit priority systems on select corridors, and new pavement markings such as raised flashing pavement reflectors and transit lane markings. Signs installed within this EP line item include signs required by national or state mandate or additional signs required due to the implementation of improvements under another EP line item (e.g. new guide signs). Programming is in accordance with the pro-rata share.</p>	<table border="0"> <tr><td>Allocation \$</td><td>32,360,483</td></tr> <tr><td>Finance Cost \$</td><td>-</td></tr> <tr><td>TOTAL \$</td><td>32,360,483</td></tr> <tr><td>90%P1 Cap \$</td><td>32,490,000</td></tr> </table>	Allocation \$	32,360,483	Finance Cost \$	-	TOTAL \$	32,360,483	90%P1 Cap \$	32,490,000
Allocation \$	32,360,483									
Finance Cost \$	-									
TOTAL \$	32,360,483									
90%P1 Cap \$	32,490,000									

### b. Advanced Technology and Information Systems

<b>EP 32 Advanced Technology and Information Systems (SFgo)</b>	<p>Funding programmed for SFgo will support advanced technology and information systems to better manage roadway operations for transit, traffic, cyclists, and pedestrians. Improvements include interconnect and traffic signal controller technology and related communications systems to enable transit and emergency vehicle priority, dissemination of real time information to transit passengers, and management of vehicular flows and signalization to enhance bicycle and pedestrian safety. Programming is in accordance with the pro-rata share.</p>	<table border="0"> <tr><td>Allocation \$</td><td>15,480,845</td></tr> <tr><td>Finance Cost \$</td><td>11,280</td></tr> <tr><td>TOTAL \$</td><td>15,492,125</td></tr> <tr><td>90%P1 Cap \$</td><td>15,570,000</td></tr> </table>	Allocation \$	15,480,845	Finance Cost \$	11,280	TOTAL \$	15,492,125	90%P1 Cap \$	15,570,000
Allocation \$	15,480,845									
Finance Cost \$	11,280									
TOTAL \$	15,492,125									
90%P1 Cap \$	15,570,000									

## III. System Maintenance and Renovation

### a. Signals and Signs

<b>EP 33 Signals and Signs</b>	<p>Projects funded in this EP line item include upgrades and maintenance of traffic signs, signals, and new pavement markers. Project development and capital costs for implementation of transit preemption (and priority) systems on select corridors, new mast arms, LED signals, conduits, wiring, pedestrian signals, left turn signals bicycle and pedestrian route signs and signals, striping and channelization to improve safety are eligible expenditures. Programming is in accordance with the pro-rata share.</p>	<table border="0"> <tr><td>Allocation \$</td><td>68,386,404</td></tr> <tr><td>Finance Cost \$</td><td>10,873,683</td></tr> <tr><td>TOTAL \$</td><td>79,260,087</td></tr> <tr><td>90%P1 Cap \$</td><td>79,110,000</td></tr> </table>	Allocation \$	68,386,404	Finance Cost \$	10,873,683	TOTAL \$	79,260,087	90%P1 Cap \$	79,110,000
Allocation \$	68,386,404									
Finance Cost \$	10,873,683									
TOTAL \$	79,260,087									
90%P1 Cap \$	79,110,000									

**b. Street Resurfacing, Rehabilitation, and Maintenance**

**EP 34 Street Resurfacing and Reconstruction**

Improvements in this EP line item include repaving and reconstruction of city streets to prevent deterioration of the roadway system, based on an industry-standard pavement management system designed to inform cost effective roadway maintenance. Individual projects may include sidewalk rehabilitation, curb ramps and landscaping, subject to approved prioritization program. Funds will be advanced beyond the pro-rata share through FY 2006/07. This is to enable a continuing level of street resurfacing activities. Beginning in FY 2007/08, programming of Prop K funds will be significantly reduced, as the current Governor's budget calls for the reinstatement of Prop 42 funds for Local Streets and Roads purposes to cities and counties, including a share to San Francisco. Simultaneously, federal funds will be made available through the region for street resurfacing purposes.

Allocation	\$	77,511,324
Finance Cost	\$	28,955,766
TOTAL	\$	106,467,091
90%P1 Cap	\$	106,470,000

**EP 35 Street Repair and Cleaning Equipment**

This EP line item will fund capital costs for the replacement of street repair and cleaning equipment according to industry-standards, including but not limited to, asphalt pavers, dump trucks, sweepers, and front-end loaders. Programming is in accordance with the pro-rata share.

Allocation	\$	20,496,122
Finance Cost	\$	-
TOTAL	\$	20,496,122
90%P1 Cap	\$	20,520,000

**EP 36 Embarcadero Roadway Incremental Operations and Maintenance**

This element of the EP, the Embarcadero incremental operations and maintenance, is treated similarly to the other O&M entries as they are grandfathered from Proposition B and are described very specifically in the EP regarding programming. As described in the EP, "Funds for operations and maintenance shall be limited exclusively to incremental costs associated with the operation of new transportation services and/or facilities, as specified in this plan. The funding eligibility for incremental operating and maintenance costs shall decrease linearly from 100% on the first year of operation to 0% on year 10.....starting with the amount shown in the 2003 Strategic Plan Update for Prop B for fiscal year 2003/04."

Allocation	\$	1,980,000
Finance Cost	\$	-
TOTAL	\$	1,980,000
90%P1 Cap	\$	1,980,000

There is insufficient funding to allow any of the O&M's to be reduced 10% per year annually for 10 years. In fact, starting at those levels of support equal to the last year of Prop B, the project being reduced 10% per year allows only 5 years of funding to be programmed. Even then, there is insufficient funding in the last year to reach the required 10% reduction level. If, in the next Strategic Plan, revenue projections warrant additional funding to be programmed, programming will pick up where it left off under this Strategic Plan. .

**c. Pedestrian and Bicycle Facility Maintenance**

**EP 37 Pedestrian and Bicycle Facility Maintenance**

This EP line item includes project development and capital costs for public sidewalk repair and reconstruction, upgrades of substandard bicycle lanes, rehabilitation of bicycle paths, and reconstruction of MUNI passenger boarding islands. Specific attention will be given to repairing sidewalks to permit east of movement for the mobility impaired. Programming is in accordance with the pro-rata share.

Allocation	\$	15,114,737
Finance Cost	\$	576,979
TOTAL	\$	15,691,716
90%P1 Cap	\$	15,660,000

**IV. Bicycle and Pedestrian Improvements**

**a. Traffic Calming**

**EP 38 Traffic Calming**

Traffic calming is a program that supports improvements to neighborhood streets to make them more livable and safe for all users. Although many individual elements of traffic calming strategies are also described under EP lines 39 and 40 below, improvements funded in this EP line item should specifically reduce auto traffic speeds and improve bicycle and pedestrian circulation and safety in city neighborhoods. Components of these comprehensive strategies include sidewalk widening, streetscape upgrades including landscaping, speed humps, corner bulb-outs, ladder crosswalks and pedestrian signals, and development of neighborhood and school area safety plans citywide. Programming is in accordance with the pro-rata share.

Allocation	\$	54,638,285
Finance Cost	\$	-
TOTAL	\$	54,638,285
90%P1 Cap	\$	54,720,000

## b. Bicycle Circulation and Safety

### EP 39 Bicycle Circulation and Safety

The bicycle circulation and safety program enhances the transportation system's usability and safety for bicycles. This will be accomplished through infrastructure improvements, supporting bicycle parking facilities, and public outreach and education programs. Possible projects include new bike lanes and paths, installing bike racks and lockers, and bicycle safety education programs. All improvements must be consistent with the city's bicycle plan. Programming is in accordance with the pro-rata share. \$20,000 is being included in this FY 2004-05 to complete funding for improvements stemming from the Market Street Corridor Study.

Allocation	\$	24,760,774
Finance Cost	\$	-
TOTAL	\$	24,760,774
90%P1 Cap	\$	24,840,000

## c. Pedestrian Circulation and Safety

### EP 40 Pedestrian Circulation and Safety

Projects funded in this EP line item will improve the safety and usability of city streets for pedestrians. Once a Pedestrian Master Plan is complete, improvements should occur in the order recommended by that plan. Possible projects include sidewalk bulb-outs, sidewalk widenings, pedestrian islands, pedestrian countdown signals, striping ladder crosswalks, flashing placement reflectors on crosswalks, and improved pedestrian circulation around BART and Caltrain stations. Programming is in accordance with the pro-rata share.

Allocation	\$	21,393,167
Finance Cost	\$	20,491
TOTAL	\$	21,413,658
90%P1 Cap	\$	21,420,000

## d. Curb Ramps

### EP 41 Curb Ramps

The curb ramp program funds construction of new wheelchair curb ramps, reconstruction of existing curb ramps, and related roadway work to permit east of movement for the mobility impaired. Curb ramp construction and reconstruction should be consistent with and support a citywide transition plan to bring San Francisco into full ADA compliance. Eligible costs include project development and capital costs. Programming is in accordance with the pro-rata share.

Allocation	\$	21,220,052
Finance Cost	\$	-
TOTAL	\$	21,220,052
90%P1 Cap	\$	21,240,000

## e. Tree Planting and Maintenance

### EP 42 Tree Planting and Maintenance

Projects in this EP line item will include both planting new street trees and maintaining existing trees in public rights-of-way throughout the city. Programming continues the commitment initiated under Prop B and is in accordance with the pro-rata share.

Allocation	\$	29,489,280
Finance Cost	\$	4,771
TOTAL	\$	29,494,051
90%P1 Cap	\$	29,520,000

## D. Transportation System Management/Strategic Initiatives

### I. Transportation Demand Management/Parking Management

#### EP 43 Transportation Demand Management/Parking Management

Funding for TDM/PM activities will be subdivided into three categories: 1) Citywide Transportation Demand Management. Planning and implementation of programs to encourage trip reduction and promotion of alternative modes for workers, students, visitors and other individuals; 2) Modal Plans. Planning funds for the policy content of mode-specific plans or plan updates including the Pedestrian Master Plan and a Transit Network Study; and 3) Pricing and Parking Management. Planning and implementation funds for projects that rationalize the pricing of auto use, especially parking, parking management plans and pilots to support activities under D.1. – Citywide TDM and EP line item D.ii. Land Use/Transportation Coordination are included. Also included are a congestion pricing policy initiative and study of citywide parking policy reform.

Allocation	\$	10,079,616
Finance Cost	\$	359,802
TOTAL	\$	10,439,418
90%P1 Cap	\$	10,440,000

### II. Transportation/Land Use Coordination

#### EP 44 Transportation/Land Use Coordination

The Transportation/Land Use Coordination Program will fund three distinct project and program types: 1) Capital Match for TLC/HIP - Planning and capital match funds for TLC/HIP and other capital grant proposals that support transit-oriented development, bicycle and pedestrian transportation; 2) Neighborhood Transportation Planning - Planning funds for neighborhood transportation planning efforts. Projects may be initiated by community organizations though they will require an eligible sponsoring agency to apply for D2 grant funds; and 3) Major Transit Investments - Planning and implementation funds for transit corridor-focused planning efforts aimed at developing opportunities for land use planning and joint development along corridors which are the focus of major transit investment or infill development.

Allocation	\$	15,838,358
Finance Cost	\$	-
TOTAL	\$	15,838,358
90%P1 Cap	\$	15,840,000

**Table 2. Attachment to Prop K Strategic Plan policies**

The phase for which Prop K funds are allocated shall be reasonably expected to result in a complete work product or deliverable. The expected work product for each phase is described in Table 2 below. Requests for allocations that are expected to result in a work product/deliverable other than that shown in Table 2 for a specific phase shall include a description of the expected work product/deliverable. Prior to approval of a request for allocation that is expected to result in a work product/deliverable other than that shown in Table 2 for the specific phase, the Authority shall make a determination that the expected work product is consistent with a cost effective approach to delivering the project or program as required in the Expenditure Plan.

<b>Table 2: Expected Work Products/Deliverables per Phase</b>	
<b>Phase</b>	<b>Expected Work Product/Deliverable</b>
Planning/Conceptual Engineering	Planning document approved by sponsoring agency
Environmental Studies (PA&ED)	Final approved environmental decision/project approval documentation
Design Engineering (PS&E)	Final design package including contract documents
Right of Way Support/Acquisition	Title to property/easements/rights of entry/order of possession or relocated utility(ies)
Construction	Constructed improvement or minimum operating segment
Procurement (e.g. rolling stock)	Equipment in service
Incremental Operating and Maintenance	Continual regular service or operation

<b>Table 3</b>	
<b>Attachement to Prop K Strategic Plan policies</b>	
<b>Prerequisite Milestones</b>	
<b><u>Phase</u></b>	<b><u>Prerequisite Milestone(s) for Allocation</u></b>
Planning/Conceptual Engineering	<ul style="list-style-type: none"> <li>• 5-year Prioritization Program of projects or 5-year project delivery plan</li> </ul>
Environmental Studies (PA&ED)	<ul style="list-style-type: none"> <li>• 5-year Prioritization Program or 5-year project delivery plan</li> </ul>
Design Engineering (PS&E)	<ul style="list-style-type: none"> <li>• 5-year Prioritization Program or 5-year project delivery plan; and</li> <li>• Approved Environmental Document</li> <li>• Capital construction funding in adopted plan, including Regional Transportation Plan and Countywide Plan</li> </ul>
Right of Way Support/Acquisition	<ul style="list-style-type: none"> <li>• 5-year Prioritization Program or 5-year project delivery plan; and</li> <li>• Approved Environmental Document</li> <li>• Capital construction phase committed in programming document</li> </ul>
Construction	<ul style="list-style-type: none"> <li>• 5-year Prioritization Program or 5-year project delivery plan; and</li> <li>• Approved Environmental Document</li> <li>• Right of way certification</li> <li>• 100% PS&amp;E</li> <li>• All applicable permits</li> </ul>
Procurement (e.g. rolling stock)	<ul style="list-style-type: none"> <li>• 5-year Prioritization Program or 5-year project delivery plan; and</li> <li>• Approved Environmental Document</li> <li>• Right of Way Certification (if appropriate)</li> <li>• 100% PS&amp;E</li> </ul>
Incremental Operating and Maintenance	<ul style="list-style-type: none"> <li>• 5-year project delivery plan</li> <li>• Documentation confirming costs are for new transportation services per EP</li> <li>• Documentation confirming costs are for a Grandfathered Project per EP</li> <li>• Proof that all other fund sources are identified and committed for operating the facility or service</li> </ul>