



**SFMTA**

San Francisco Municipal Transportation Agency

# Budget + Impacts of Proposition A & L

SFMTA Citizens Advisory Council  
December 1, 2022

# The SFMTA FY 2023 and FY 2024 budget is now in effect.

No later than August 1, the Board of Supervisors may allow the Agency's budget to take effect without any action on its part or it may reject but not modify the Agency's budget by a seven-elevenths' vote.

The Board of Supervisors on July 26th took final action on the City and County of San Francisco Annual Appropriation Ordinance and Annual Salary Ordinance.

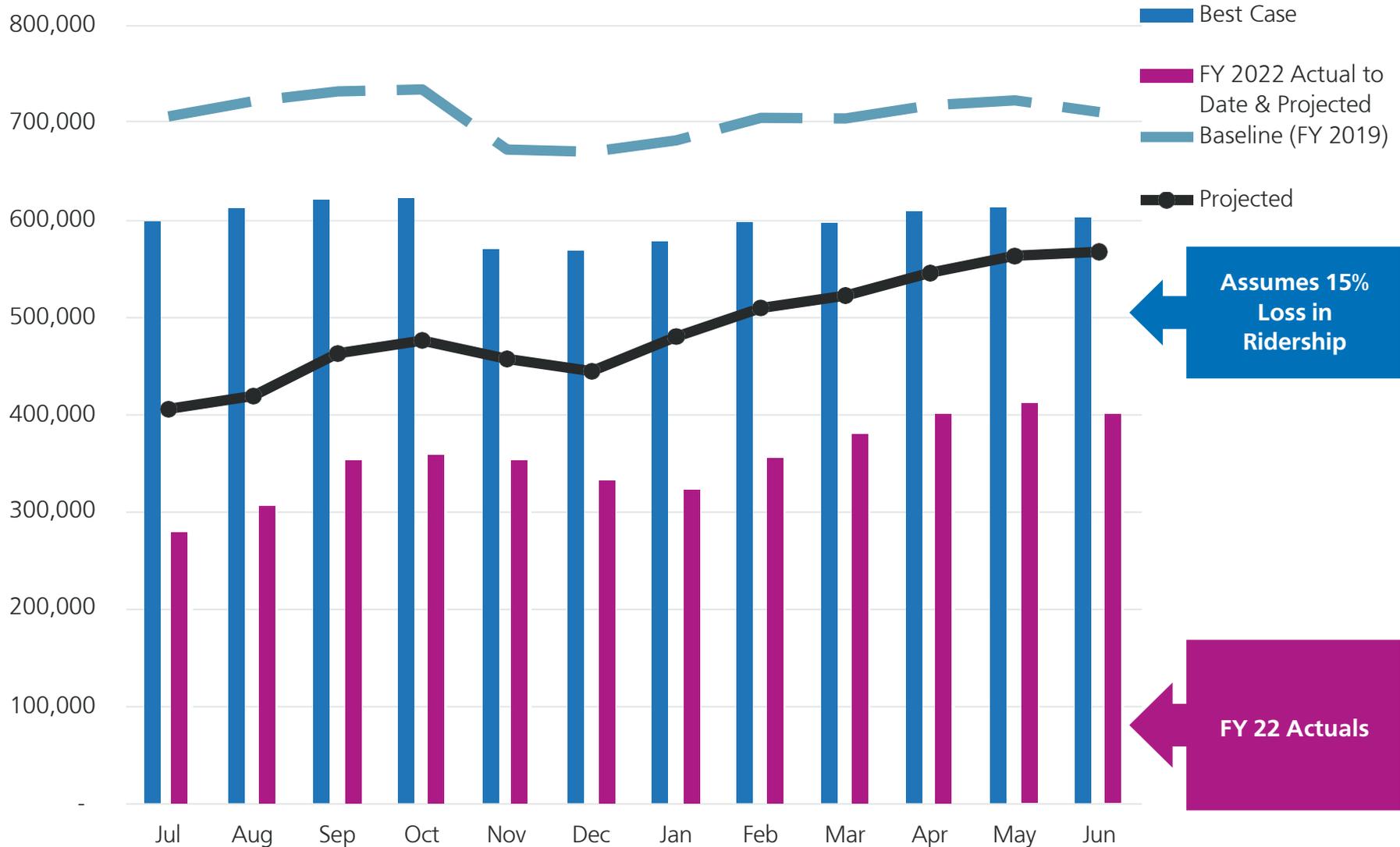
The agency will now work to fully implement the recommendations and programs funded through the 2-year budget process within revenue constrains.

## Adopted FY 23 Performance Measures

In fiscal year 2023, these **policy controls are in place** before new expenditures are initiated.

Performance Measures	Metric/Measure	FY22 Target	FY 22 Actual	FY23 Target	FY 23 Trend
Use of One-Time Funds FY23	Percent of one-time funds for operations in FY23	23.6% (\$309M)	<b>23.0%</b> <b>(\$286M)</b>	16.6% (\$225M)	
SGR Needs Met FY 2023-27	Percent of SGR needs met	80.0%	<b>85.0%</b>	100%	
TERM Score	Age-based condition score	3.30	<b>3.30</b>	3.30	
Fare Revenue Recovery	Current month over FY19 monthly average	54.9% (\$9M)	<b>31.4%</b> <b>(\$5M)</b>	56.8% (\$9M)	
Parking Fine and Fees Revenue Recovery	Current month over FY19 monthly average	92.8% (\$22M)	<b>84.1%</b> <b>(\$20M)</b>	92.6% (\$22M)	

# Muni Ridership Projections FY 2023



Assumes 15%  
Loss in  
Ridership

FY 22 Actuals

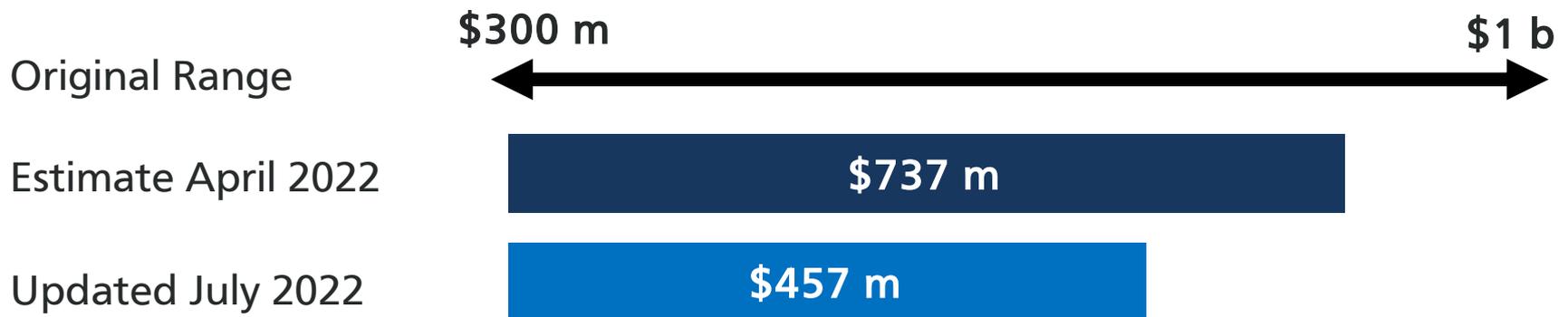
The FY 2023 – 2027  
Capital Improvement Program (CIP)  
was largely stable growing  
in total 3% from the prior.



The CIP also included **first CIP+ a targeted and prioritized investment plan** for advocacy and capital revenue growth.

This included the potential of an additional 28% based on the new Federal Infrastructure Bill, State surplus designed for transportation and ballot initiatives including the 2022 Proposition A Muni Reliability and Street Safety Bond.

# CIP+ is a revenue estimate of what the SFMTA could achieve by implementing the funding strategy laid out in Transportation 2050 (T2050).



Without the GO Bond, our estimate of CIP+ revenue potential is reduced to \$457 million over the 5-year CIP period, if achieved that would be an additional 17% in CIP capital revenues to advance critical infrastructure investments and close backlogs.

# Proposition A the Muni Reliability and Street Safety Bond was on the June 6, 2022 ballot.

Unfortunately, the proposed GO Bond was not passed by the voters securing 65.1% of the vote or about 1.57% short of the two-thirds requirement.

MTA staff are evaluating the results of the election and specifically looking at areas of the City, where the bond did not get at minimum majority support. Lessons learned will be evaluated.

The lack of cashflow that would have resulted from the bond, created immediate project and programmatic risks.

# Proposition A Proposed Funding Programs

GO BOND COMPONENTS	
Make the Transportation System Work Better	Amount (\$m)
<i>Speed up Muni repairs and keep public transit moving by repairing, upgrading and maintaining aging bus yards, facilities and equipment</i>	\$250
<i>Enable faster, more reliable and more frequent Muni service by improving on-street infrastructure for public transit</i>	\$26
<i>Increase subway capacity, reduce delays, and deliver dependable, high-frequency transit by modernizing the Muni train control system</i>	\$10
Improve Street Safety and Traffic Flow	
<i>Improve safety and visibility at intersections by upgrading traffic signals, signage, and crossings</i>	\$42
<i>Increase safety for walking and bicycling and access for Muni connections along major corridors by redesigning streets and sidewalks</i>	\$42
<i>Slow speeds and reduce crashes by implementing traffic calming and speed reduction tools</i>	\$30
<b>TOTAL</b>	<b>\$400</b>

## Program & Project Risks

### State & Federal Grants – CIP+

- Proposition A GO Bond Funding was meant to be a source to leverage against California State Surplus funds for Transportation and competitive grants resulting from the new Federal Infrastructure Bill.
- **With less local match, San Francisco Grants will be less competitive,** reducing the amount the SFMTA could receive from these sources

### Muni Fleet Electrification & Facility State of Good Repair

- The SFMTA is regulatorily required to transition to an all-electric transit fleet; a key element to achieve this goal is charging stations and upgraded facility electric infrastructure.
- This is achieved through the following projects: Potrero Modernization, Kirkland Modernization, 1399 Marin Trolley Facility and Muni Metro East Expansion.
- Lack of bond funds will **lead to programmatic cashflow constraints, delays and cost escalation** due to time or cost of financing.

### Street Safety Projects

- \$24 million was set aside for Quick-Build Projects along the high injury network; the agency will now need to count on other sources and competitive grants, creating delays.
- The bond included a significant investment in Traffic Signal Infrastructure; lack of bond funds will result in increased deferred maintenance.
- **Lack of bond funds will lead to project delays** due to lack of immediate cashflow and leveraging local match on potential state and federal grants.

# Proposition L the Transportation Sales Tax Initiative was on the November 8, 2022 ballot.

The Sales Tax Measure, which included a new 30-year Expenditure Plan was approved by the voters securing 71.8% of the vote.

MTA staff are preparing for the next step in the process, which would include the development of new 5-Year Prioritization Programs.

Proposition L did not increase the sales tax, which remains at \$0.50, however, it did extend the expenditure plan to 2053, which allows the SFMTA with the SFCTA to consider critical cashflow needs for projects, and a reallocation of the overall Sales Tax within the revised categories of the voter adopted Expenditure Plan.

## Program & Project Opportunities

### State & Federal Grants – CIP+

- Proposition L Sales Taxes will provide critical local match for key state and federal grant programs including:
- *RAISE*
- *Active Transportation Program*
- *Transit and Intercity Rail Capital Program (TIRCP)*
- *Federal Transit Formula Funds (sec 5309, 5337)*
- With local match available the SFMTA will be more competitive by leveraging local funds to bring in additional capital resources.

### Muni Fleet Electrification & Facility State of Good Repair

- The new expenditure plan combines the Guideways, Vehicles and Facilities categories of the sales tax, allowing the SFMTA to manage to actual cashflow needs of project, not project categories.
- **Funds will now be available to match federal grants for fleet replacement** (the vehicles category of Prop K was exhausted)
- **Funds will not be available for facilities and electrification projects if necessary to meet minimum cashflows.**

### Street Safety Projects

- Funding will now be available for quick build projects.
- Traffic Calming work will now be funded, the category was almost out of revenue in Prop K.

### Paratransit

- Sales Tax support of Paratransit service was shortly going to run out (approx. \$10 m per year)
- Funds are now replenished, this avoids what could have been a potential impact on the SFMTA operating budget

Thank you.



SFMTA