San Francisco
TRANSPORTATION 2050

SFMTA

T2050
Programmatic Update +
Transportation Capital Data

SFMTA Board of Directors
December 5, 2023

Transportation 2050 (T2050) presents possible futures and actions to address transportation needs and priorities in San Francisco.

Years of community planning, visioning and technical analysis

Transportation Task Force 2013 (T2030)	**ConnectSF**	**SFMTA 5-Year CIP**
	Vision Zero Action Plan	**SFMTA 2-Year Budget**
Transportation Task Force 2018 (T2045)	**SFMTA 20-Year Capital Plan**	**SF Transportation Plan**
	Muni Equity Strategy	
Muni Reliability Working Group 2020	**SFMTA State of Good Repair Report**	
	2023 SFMTA Community Survey	

February 2023 → **Key trends** presented to the Board with a set of **policy, operational and capital initiatives** to make the SFMTA financially resilient.

May 2023 → **2023 SFMTA Community & Rider Survey** presented to the Board with detailed information on San Francisco's priorities and thoughts on the SFMTA.

Today → **Capital Data & Programmatic Update –** State of Good Report data + capital needs reflected in the updated SFMTA 20-Year Capital Plan; overall programmatic update closing out 2023.

SFMTA FY 2022 State of Good Repair Report

SFMTA 2023 20-Year Capital Plan

T2050 Programmatic Update

At today's MTA Board of Directors meeting, we will the data from sources that reflect the capital needs of San Francisco's Transportation System and get an update on the priority initiatives from the MTAB workshop in February 2023.

We begin this process by reviewing the following:

- **FY 2022 SFMTA State of Good Repair Report**, which shows total capital assets, assets in backlog and reflects an age-based condition score.

- **SFMTA 2023 20-Year Capital Plan**, which shows our financially unconstrained total capital needs.

- Finally, we will cover **through T2050 how as an agency we are being responsive** to this data in a transparent manner.

In February 2023, the SFMTA Board discussed how to strengthen trust and build community connections.

Two key elements to achieve that included: demonstrating *empathy* and *being transparent*.

This information is meant to provide the Board with *real-time and longitudinal feedback*, as it considers priorities and next steps.

Does the agency's policy priorities match the expectation we are hearing through these sources?

Measuring public views allows us to create and build on the positive relationships we have. This way we:

- *Seek opinions* of San Franciscans;

- *Stay in touch* with their issues, and

- *Balance the results* transparently.

Positive & Reinforce

- Being A Vital Part of the Community
- Being Accessible
- Steady and Improving Service Quality
- Positive Agency Performance

Things to Work On

- Safety
- Responsiveness
- Being more efficient
- Being more innovative

In synthesizing what we have heard via various surveys and data here are some insights:

- **The view of the SFMTA continues to remain steady**, considering concerns about government. But we want to do even better.

- **People are taking fewer trips downtown**. While our riders have returned the number transit trips, they take are reduced downtown. We've adjusted our ridership projections accordingly.

- **Overall, across all surveys 60+% view our transit service positively**; riders rate us higher than non-riders across the board.

- San Franciscans see our service and work as **a vital part of the community**, our Transportation 2050 focus areas continue to address key issues, service needs and projects.

The Community Survey made it clear that Muni is a vital part of the community

88%

of respondents think "a vital part of the community" describes Muni well
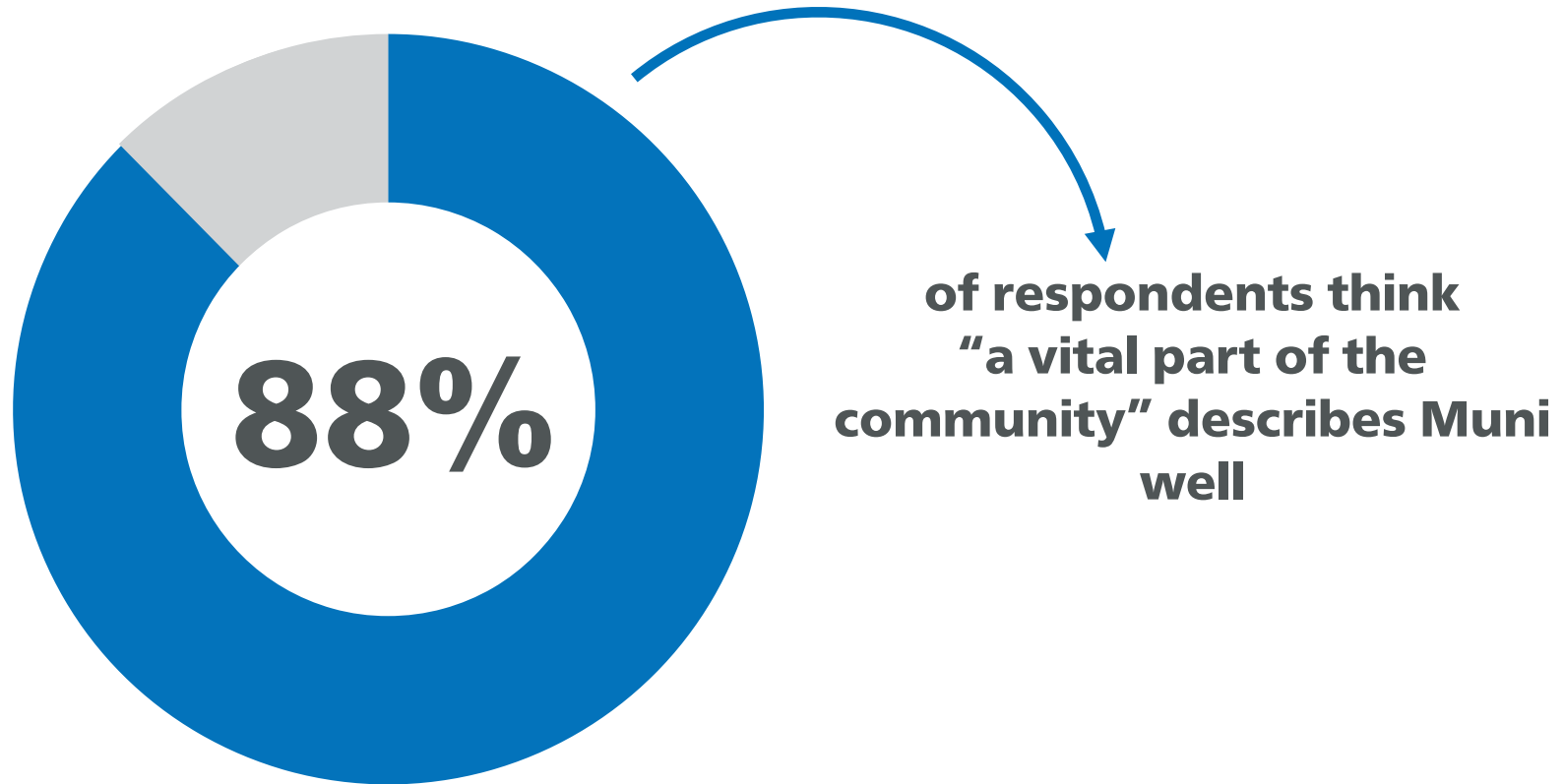
Source: SFMTA 2023 Community Survey

To continue being a vital part of the community, you've told us your **priorities** are:

Investing Equitably
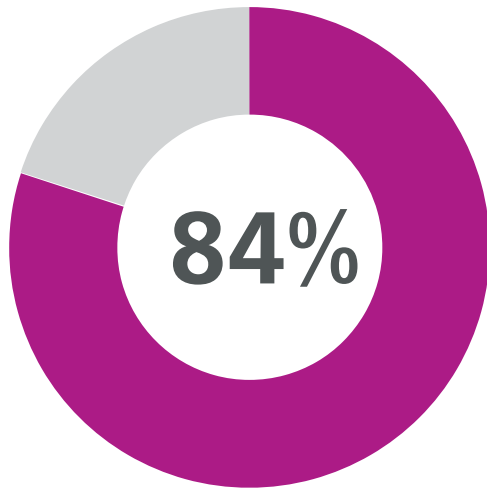
Fast and Convenient Transit
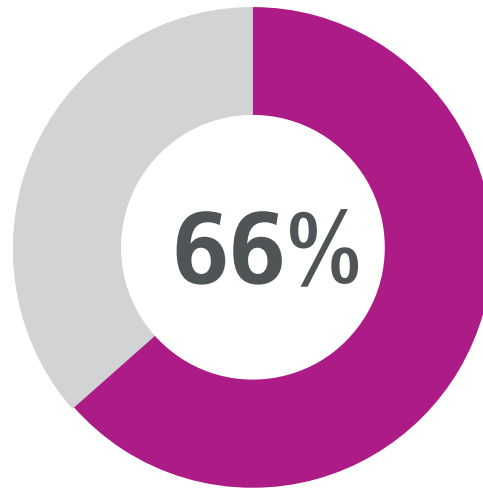
More Repairs and Maintenance

Improving Safety and Access
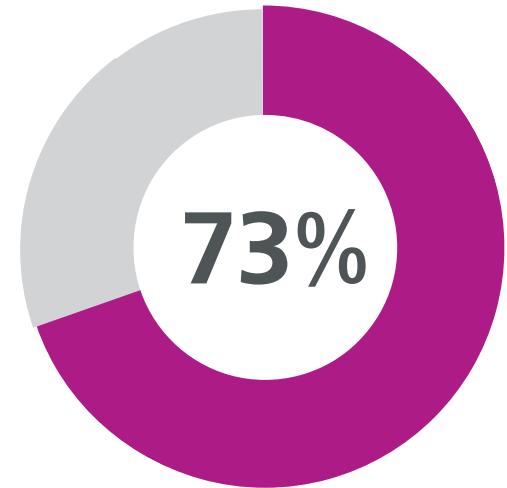
More Repairs and Maintenance

A majority of survey respondents say it is "very important" or "extremely important" to ...

84%

66%

73%

Repair and maintain Muni equipment and facilities to ensure vehicles' safety, frequency, and reliability
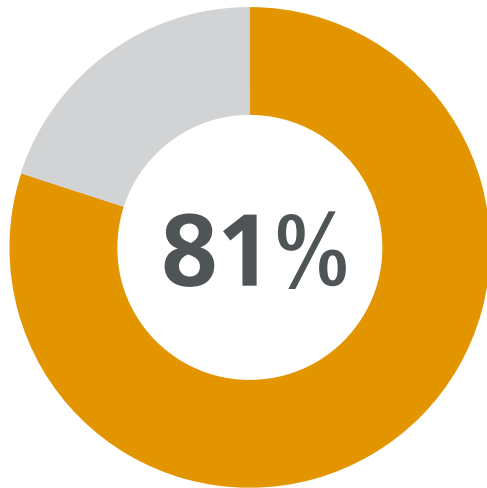
Address the backlog of maintenance work

Rebuild San Francisco's aging rail network
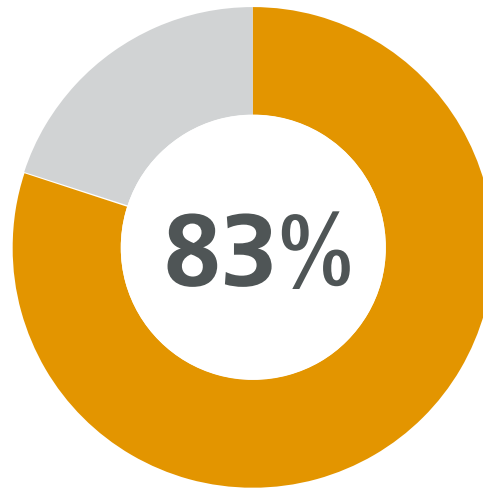
Source: SFMTA 2023 Community Survey
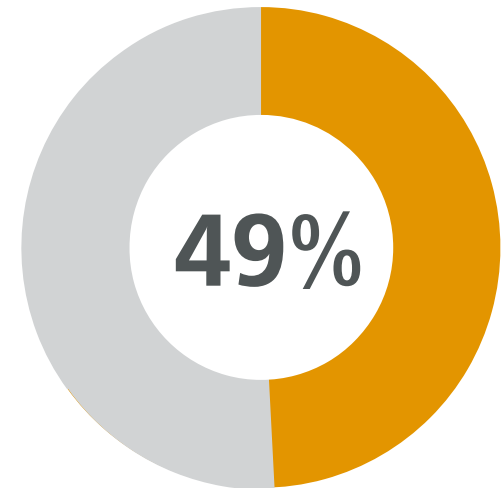
Fast and Convenient Transit

A majority of survey respondents say it is
"very important" or "extremely important" to …

81%

83%

49%

**Provide quick,
convenient transit
access to all parts of
San Francisco**
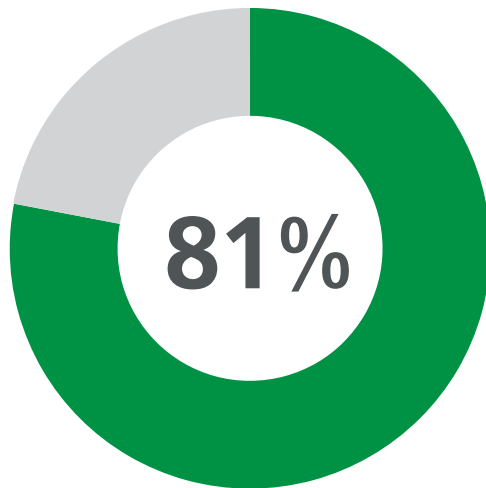
**Reduce delays to make
Muni more reliable**

**Reduce crowding
on Muni**
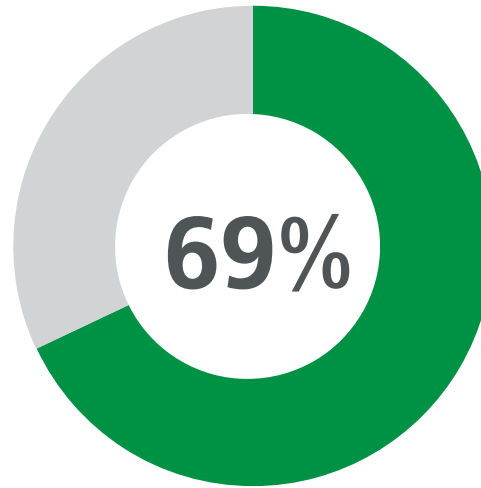
Source: SFMTA 2023 Community Survey
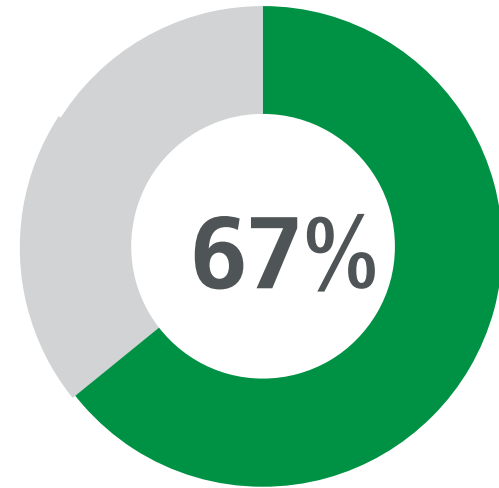
Improving Safety and Access

A majority of survey respondents say it is "very important" or "extremely important" to ...

81%

69%

67%

Increasing safety from crime on Muni busses

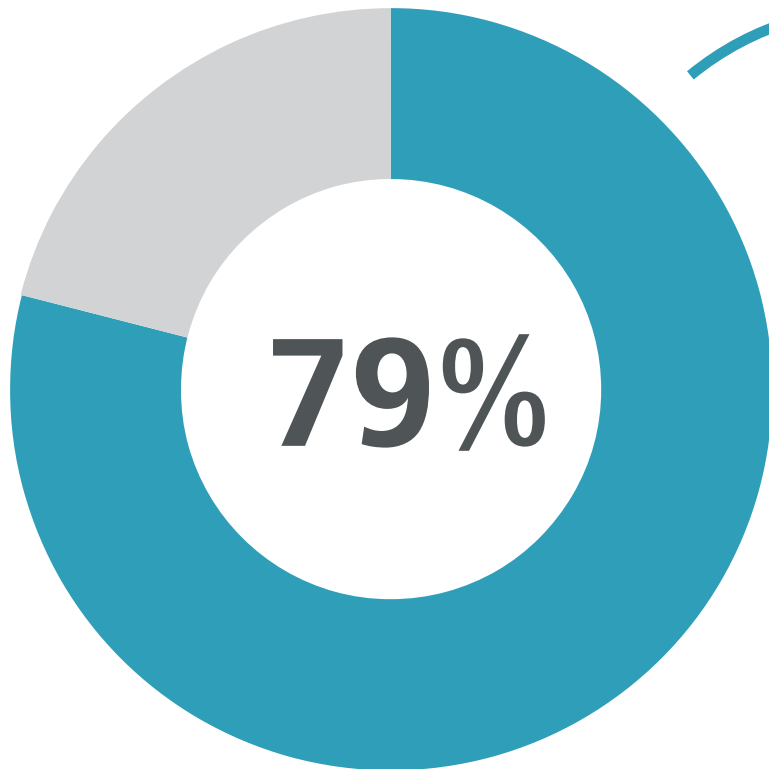**Ensure Muni service is inclusive and accessible to all**

Make street safety improvements for walking

Source: SFMTA 2023 Community Survey

Investing Equitably

A majority of survey respondents say it is "very important" or "extremely important" to ...

79%

Increase and improve Muni service for the communities most dependent on transit

Source: SFMTA 2023 Community Survey

FY 2022 State of Good Repair Report

The San Francisco Municipal Transportation Agency's (SFMTA) 2020 State of Good Repair Report provides an overview of the Agency's rehabilitation and replacement needs and investments. It also outlines the Agency's project prioritization, planning, and delivery practices related to maintaining a State of Good Repair and institutionalizing the practice of asset management.

SFMTA Asset Management Program

FY 2022 State of Good Repair Report

The **State of Good Repair Report** provides an overview of the Agency's infrastructure rehabilitation and replacement needs and investments.

The report tracks age-based **condition scores of key asset classes** and **monitors** state of good repair **investment levels over time**.

An asset is considered in State of Good Repair when the condition of the asset can operate at a full level of performance and is safe and reliable to employees or the public.

Foundational Concepts

- Asset Class = An asset class is a group of investments that exhibit similar characteristics and are subject to the same laws and regulations. We categorized our assets into 10 groups. Facilities, LRV, Motor Coach, Trolley Coach, Overhead, Parking & Traffic, Stations, Track, Train Control& Comm, Other systems & Vehicles.

- Capital Asset = Facilities or equipment with a useful life of at least one year, which are eligible for capital assistance. We strive to capture assets with a value of $5k or more

- Transit Service Critical = Asset Classes and Capital Programs that are essential to ensuring the safe and reliable functioning of the transit system, such as maintaining or replacing overhead wires, rail track, or transit vehicles.

- Replacement Value = The amount that we would have to pay to replace the asset at present time, according to its worth.

- Useful Life = The expected life of an asset from the time it is put into service until it is removed from service.

Asset Replacement Value Detail

The total agency asset replacement value is estimated at $16.9 billion. Knowing the current asset value, helps SFMTA advocate for funding.

- Replacement Values increasing year-over-year with Stations, Overhead and Facilities being the top 3 asset classes.
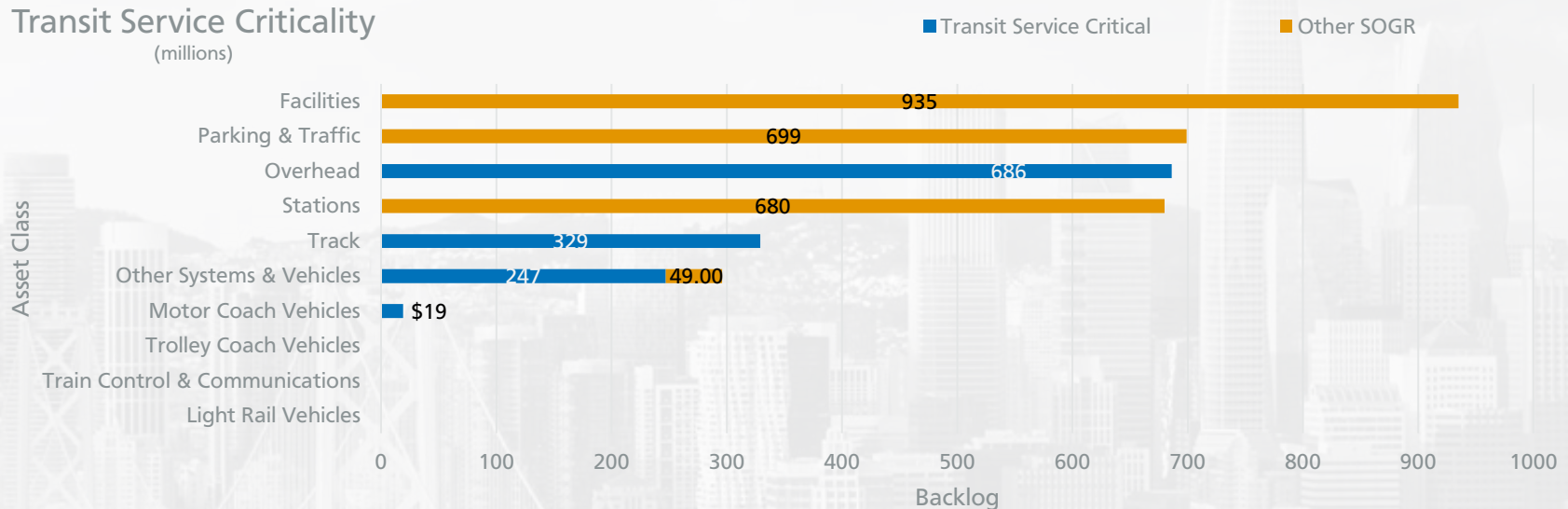
Asset Backlog Detail

The value of assets beyond their useful life is **$3.64 billion or 29.5% of assets are past their useful life**. This represents **21.5% of the total asset value.**
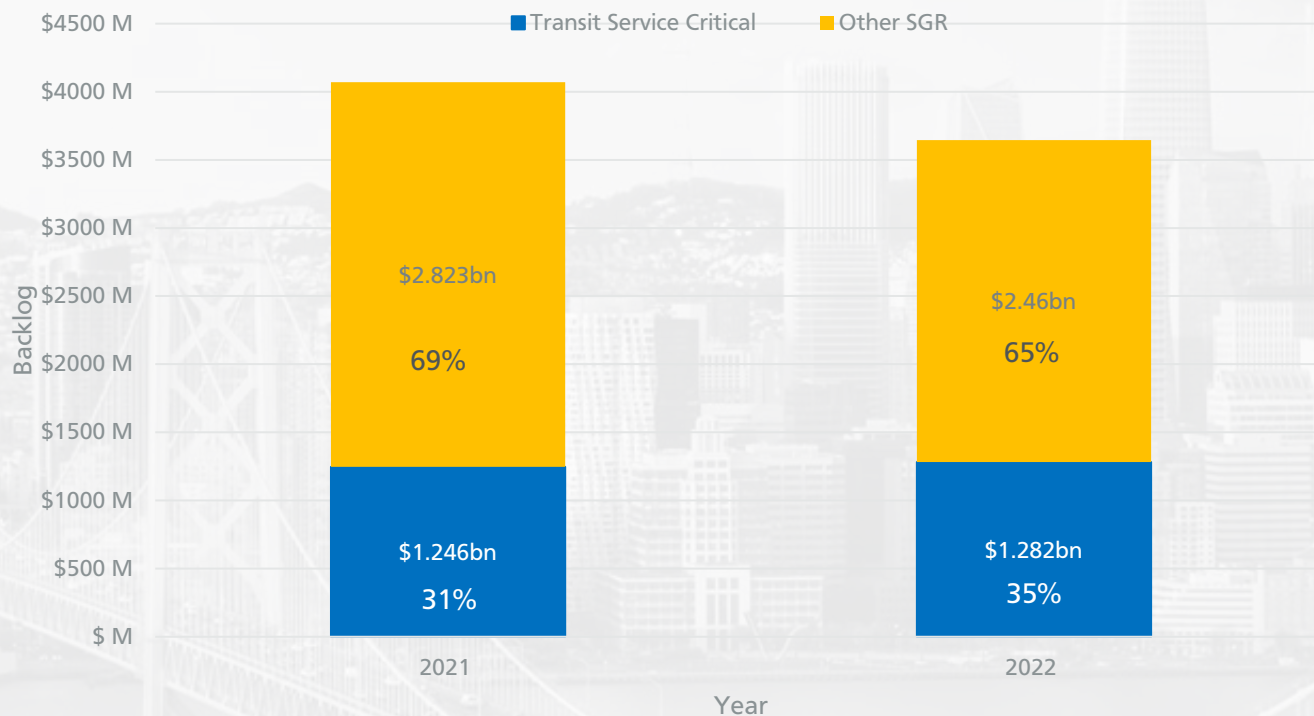
- Since 2021, the percent of Other SGR assets past their useful life decreased and the percent of Service Critical Assets increased.

Asset Backlog Detail by Asset Class

3 of the 4 asset classes with the highest backlog is Other SOGR, with focus on Transit Critical, Other SOGR is falling behind.

Transit Service Criticality
(millions)

Legend: ■ Transit Service Critical ■ Other SOGR

Asset Class	Backlog
Facilities	935
Parking & Traffic	699
Overhead	686
Stations	680
Track	329
Other Systems & Vehicles	247 / 49.00
Motor Coach Vehicles	$19
Trolley Coach Vehicles	
Train Control & Communications	
Light Rail Vehicles	

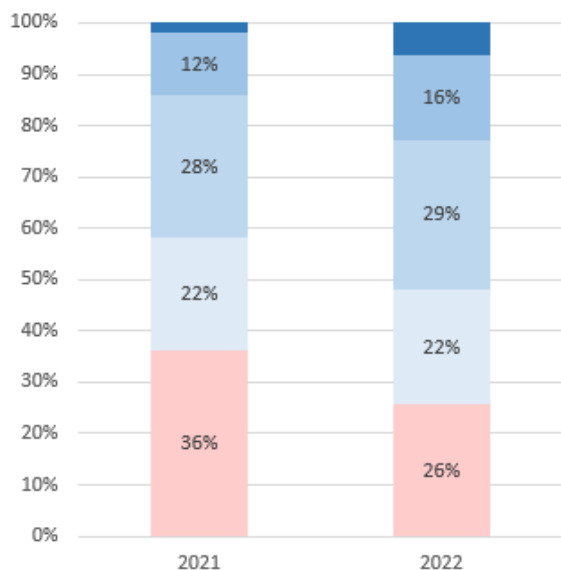(Backlog axis: 0, 100, 200, 300, 400, 500, 600, 700, 800, 900, 1000)

- **Parking & Traffic backlogged reduced 41% from prior year due to updates to over half the signals due to emphasis on signal replacement in CIP.**
- **Overhead backlog is 3rd highest agency-wide, but highest on Transit Service Criticality, pointing to a need to invest in Overhead.**
- **Stations backlog is 4th highest agency-wide, but risk may be higher. Stations are more than 50 years-old and little is known about their condition, pointing to a need for condition assessment.**

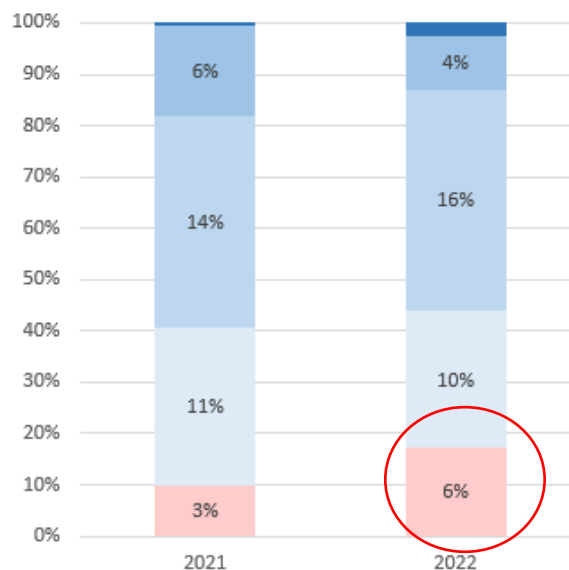# Age Based Condition Score (yearly comparison)

- For All Assets, the % of assets in Poor condition is 10% lower than 2021
- Overall Condition Score improved 1% from 3.01 to 3.05

- For Transit Service Critical Assets, the % of assets in Poor condition is 3% higher than 2021, but assets in in Adequate, Good, and Excellent Range increased.
  - LRV data does not include Mid-Life overhauls and updates to the useful life for paratransit vehicles led to the uptick in poor condition rating.
- For Other SGR Assets: the % of assets in Poor condition is 14% lower than 2021.
  - Updates to Parking & Traffic data

Age Based Condition Score by Asset Class

26% of our total assets are in 1-2 poor range, while 22% of our total assets are in 2-3 marginal condition score range

Condition ● 1-2 Poor ● 2-3 Marginal ● 3-4 Adequate ● 4.0-4.8 Good ● 4.8+ Excellent

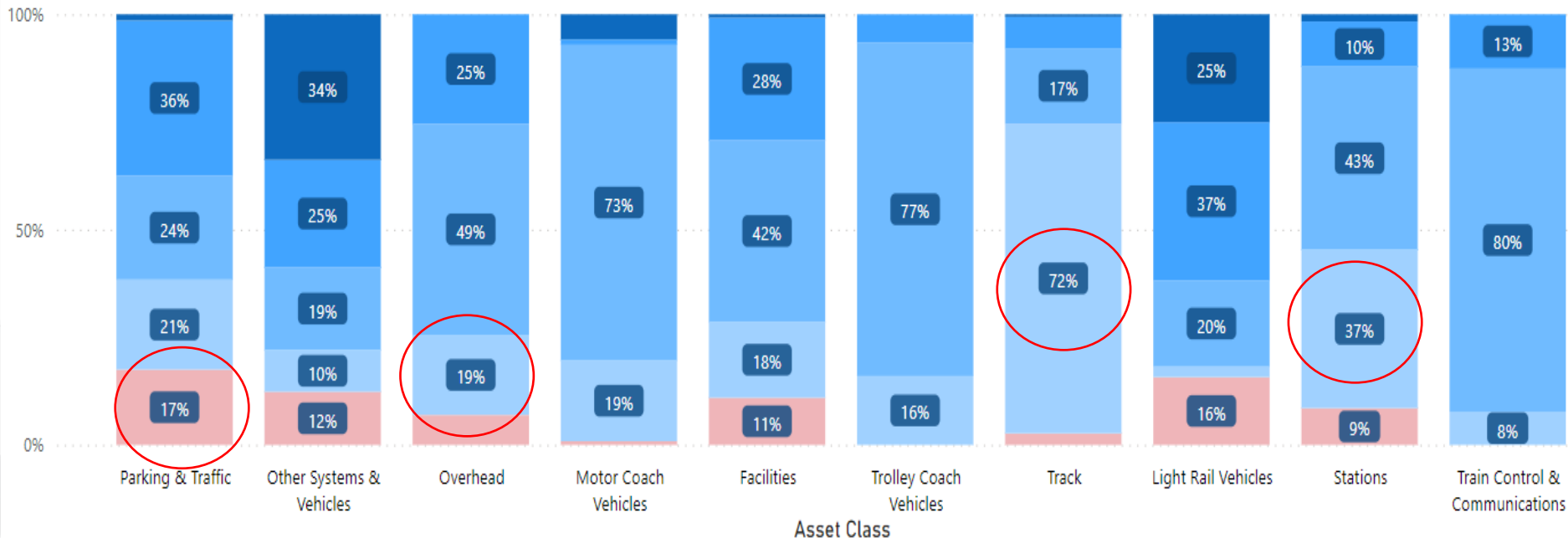- Parking & Traffic has the highest % of assets in poor condition
- Track, Station and Overhead are top 3 with assets in the Marginal range
  - Without action, those assets will eventually fall into the poor range

20 and 5 Year Investment Needs

To maintain the backlog at current levels and meet upcoming replacement needs, SFMTA would need to more than double the amount of current SGR investment.

$810M/yr Full Scheduled Asset Replacement & Eliminate Backlog

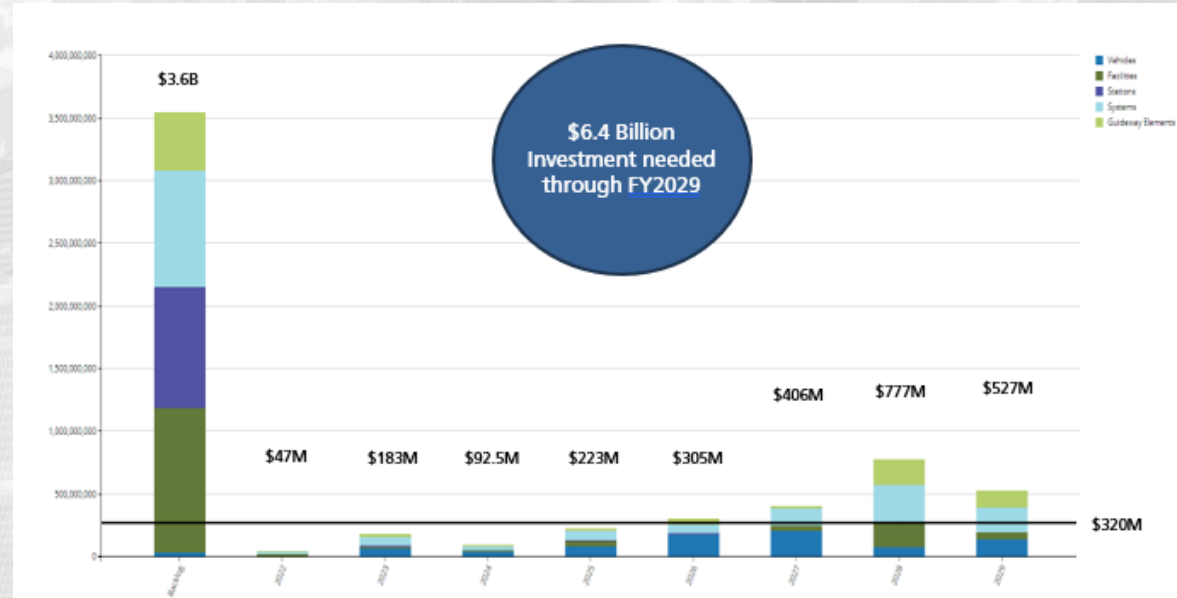**$719M/yr** Full Scheduled Asset Replacement & Reduce the Backlog by 50%

$628M/yr Full Scheduled Asset Replacement & No Growth in Backlog

$403M/yr Transit Service Critical Scheduled Asset Replacement

$250M/yr Annual Investment Target

- Need average spending of $320 million on SGR related projects over the next 5 years just to maintain our current assets without directly addressing the backlog.
- Next 5 years, need $6.4 billion to address backlog and upcoming replacement cycles.

Key Takeaways

Current expenditure only keeps the agency afloat as we are currently averaging just above FTA required investment and State of Good repair is barely average.
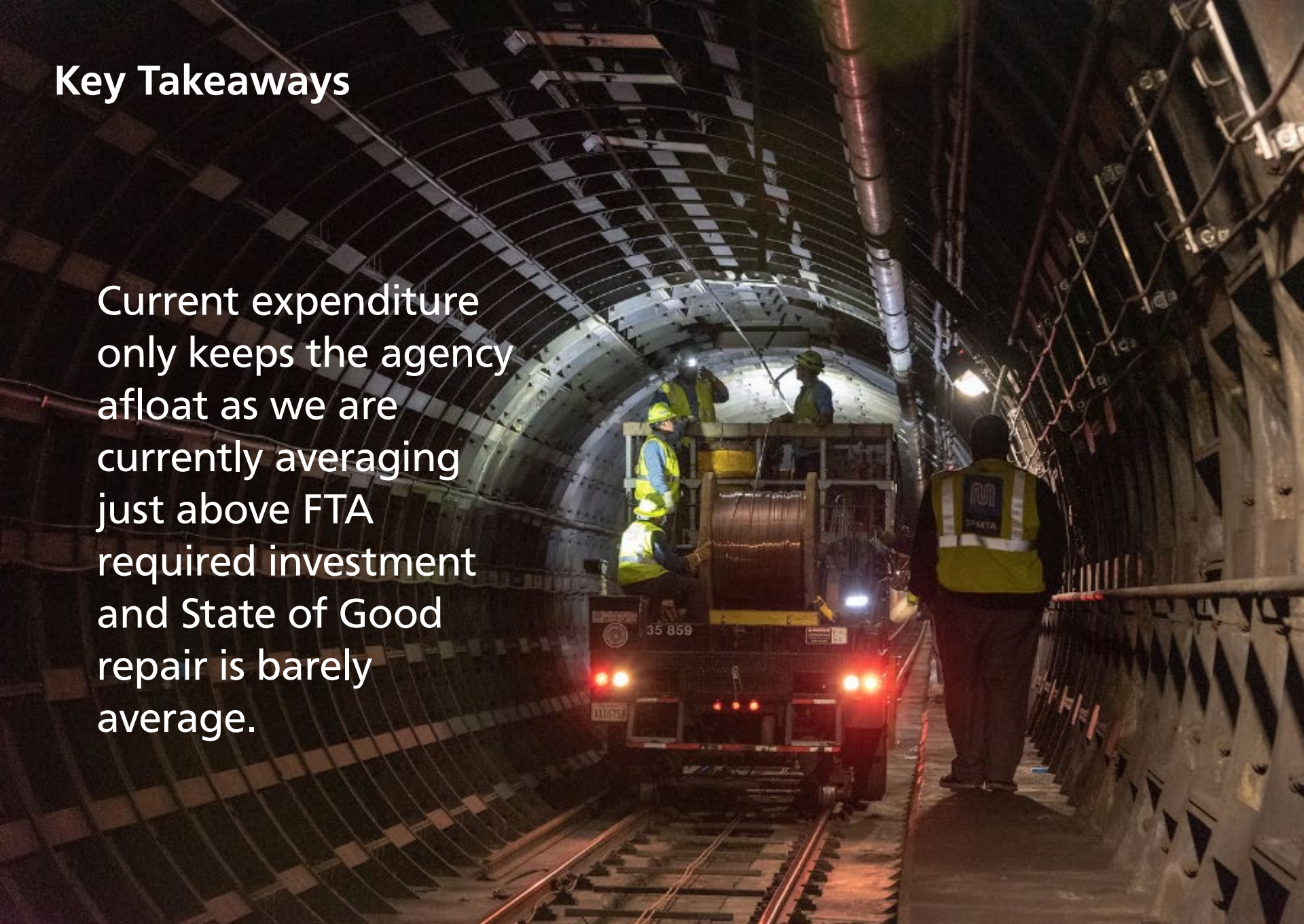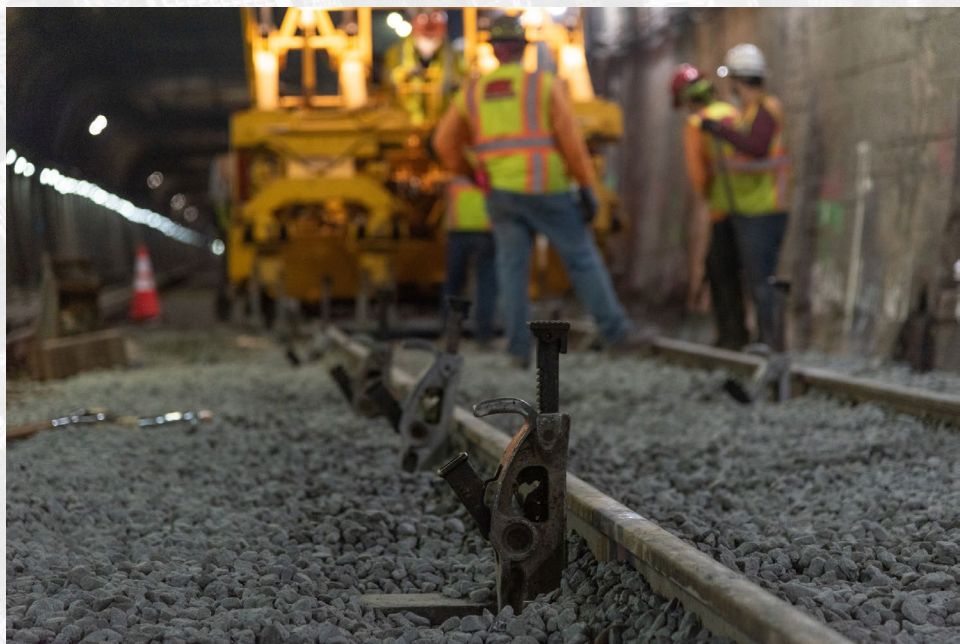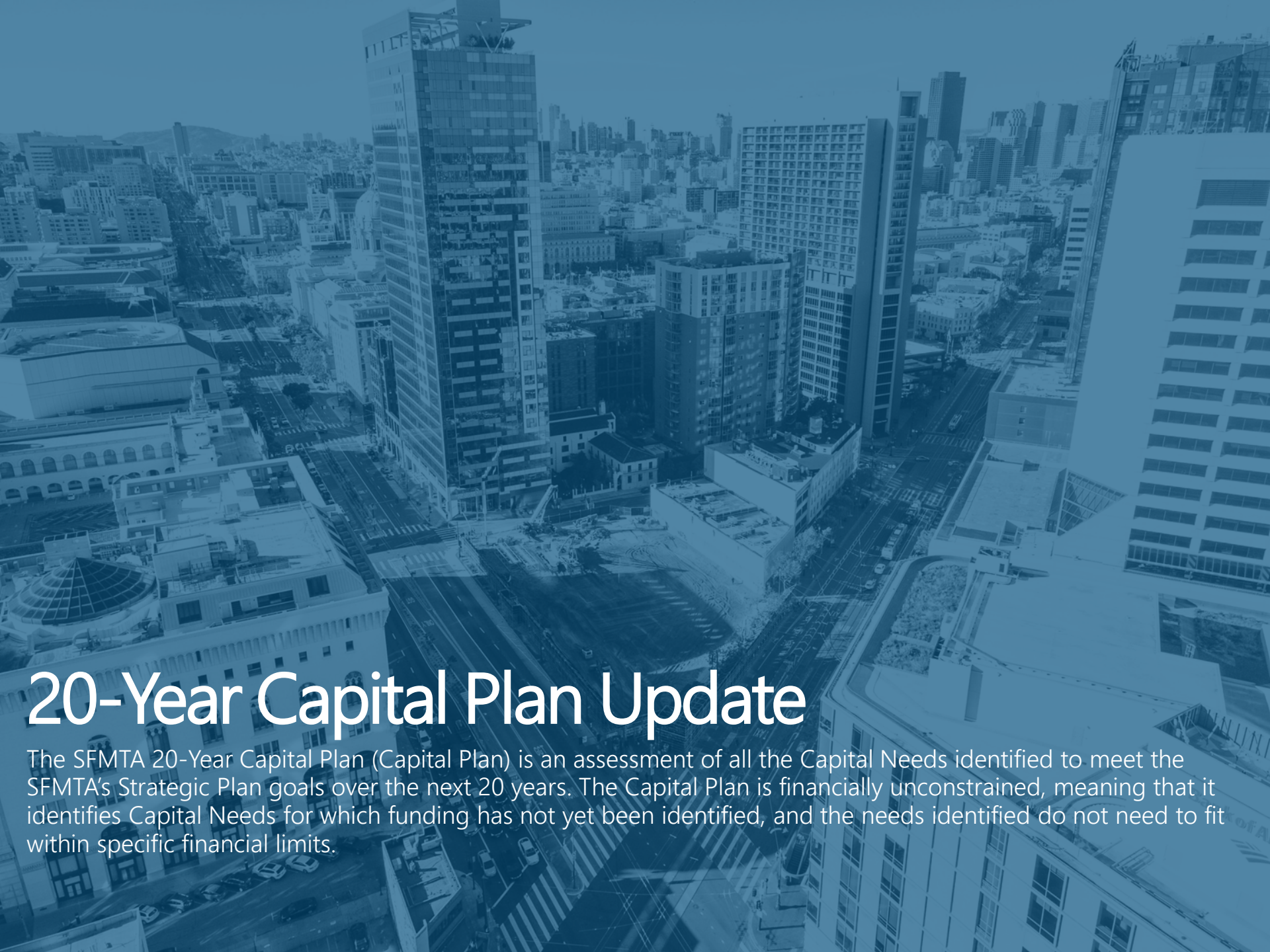
Key Takeaways

- Current condition score is only average and as costs increases, the backlog continues to grow and get more expensive over time.

Key Takeaways

Keeping the transportation system in a State of Good Repair makes the system reliable for all.
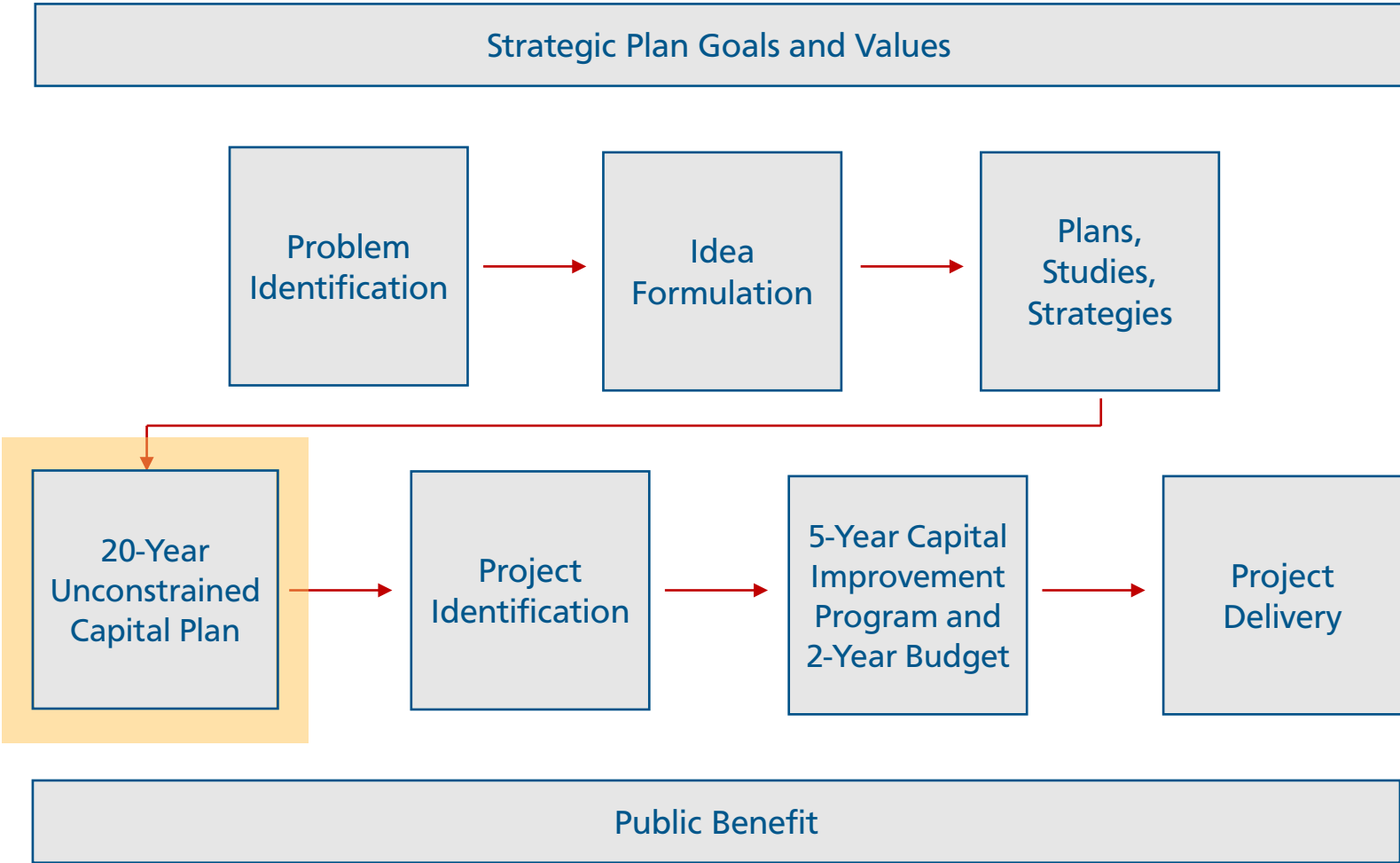
20-Year Capital Plan Update

The SFMTA 20-Year Capital Plan (Capital Plan) is an assessment of all the Capital Needs identified to meet the SFMTA's Strategic Plan goals over the next 20 years. The Capital Plan is financially unconstrained, meaning that it identifies Capital Needs for which funding has not yet been identified, and the needs identified do not need to fit within specific financial limits.

Capital Plan is a financially unconstrained summary and assessment of our potential capital needs over the next 20 years, one piece of a larger process.

Public Outreach Throughout

Strategic Plan Goals and Values

| Problem Identification | → | Idea Formulation | → | Plans, Studies, Strategies |

| 20-Year Unconstrained Capital Plan | → | Project Identification | → | 5-Year Capital Improvement Program and 2-Year Budget | → | Project Delivery |

Public Benefit

Purpose of the Capital Plan

1. Provide a pathway to meet our strategic goals

2. Inform local and regional plans

3. Help coordinate the implementation of SFMTA plans, programs and strategies

4. Inform development of the 5-year CIP and Transportation 2050

5. Create accountability and build trust

Capital Plan roots the SFMTA's investments first in its values.

EQUITY

ENVIRONMENTAL STEWARDSHIP

ACCESSIBILITY

LIVABILITY

SAFETY

CLIMATE ACTION

INCLUSIVITY

TRUST

ECONOMIC VITALITY

ACCOUNTABILITY

SERVICE QUALITY

TRANSPARENCY

RESILIENCY

Capital Plan provides pathways to meet our strategic goals and vision.

A transportation network that:

- Seamlessly connects diverse and vibrant neighborhoods

- Is safe, reliable and affordable for all

- Gets people where they need to go

- Provides access to opportunity and leisure

- Resolves past harms with high-quality services

- Increases transportation options

- Is so efficient and enjoyable that people don't need a car for most trips

- Reduces emissions and pollution and adapts to changing environment

Capital Plan helps coordinate the implementation of SFMTA plans, programs and strategies.

Potential Revenue Measure

Capital Plan helps turn 20-year capital needs to 5-year capital projects.

Capital Plan

- 20-year horizon
- Unconstrained, funding not identified
- Broadly-defined investments with description, timeframe, & cost estimate

Considerations

- *Values*
- *Political*
- *Regulatory*
- *Resourcing*
- *Funding*
- *Community Support*

Capital Improvement Program

- 5-year horizon
- Constrained, at least 90% funding identified
- Specific projects with defined scope, schedule, & budget

Capital Plan also informs our long-range funding forecast.

Capital Plan

- 20-year horizon
- Unconstrained, funding not identified
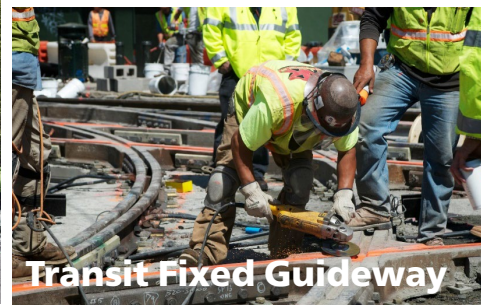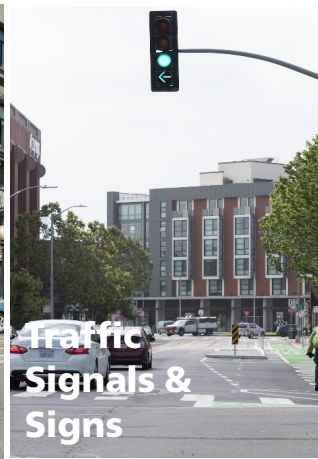- Broadly-defined investments with description, timeframe, & cost estimate

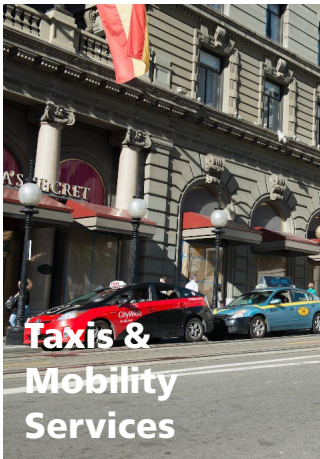**Multiple possible paths to capital and operating funding under different scenarios**

Transportation 2050

- 25-plus-year horizon
- Funding forecasted but not identified
- Presents broad possible futures and actions for funding

The SFMTA has 10 Capital Programs.

Communications & Information Technology

Facility

Fleet

Parking & Curb Management

Security

Streets

Taxis & Mobility Services

Traffic Signals & Signs

Transit Fixed Guideway

Transit Optimization & Expansion
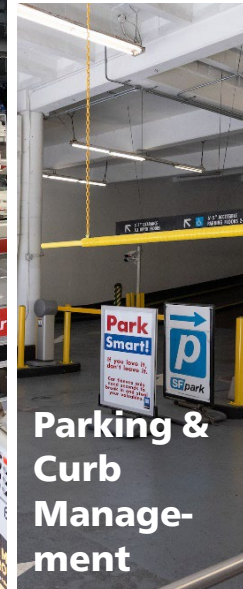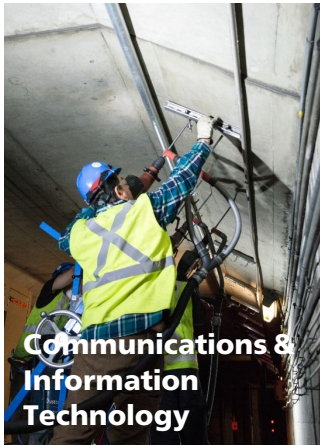
Updating our 20-Year Capital Needs

1. Accounted for completed projects;

2. Added and revised needs to reflect long-range strategies and plans;

3. Revised cost estimates using data from the SFMTA Capital Asset Inventory and from recent projects; and

4. Updated our assessment of capital needs to support our Strategic Plan values.

Notable Additions to our Capital Needs

State of Good Repair Report

Visitacion Valley and Portola Community-based Transportation Plan

ConnectSF

Climate Action Plan

BART Joint Maintenance Agreement

The SFMTA could work with regional partners to support $23.4 billion in Regional needs.

Based on recommendations from ConnectSF and the Climate Action Plan:

- Geary/19th Ave. Subway

- Bayview Caltrain Station

- BART and Muni Station Transfers

Other regional transit projects include The Portal (Downtown Rail Extension).

Other developer projects (e.g. Treasure Island)

Regional needs could be owned and operated by agencies besides the SFMTA or the City.

These updates are intended to inform three investment types.

Restore

Replace existing assets that are beyond their useful life or normal replacement cycle

Enhance

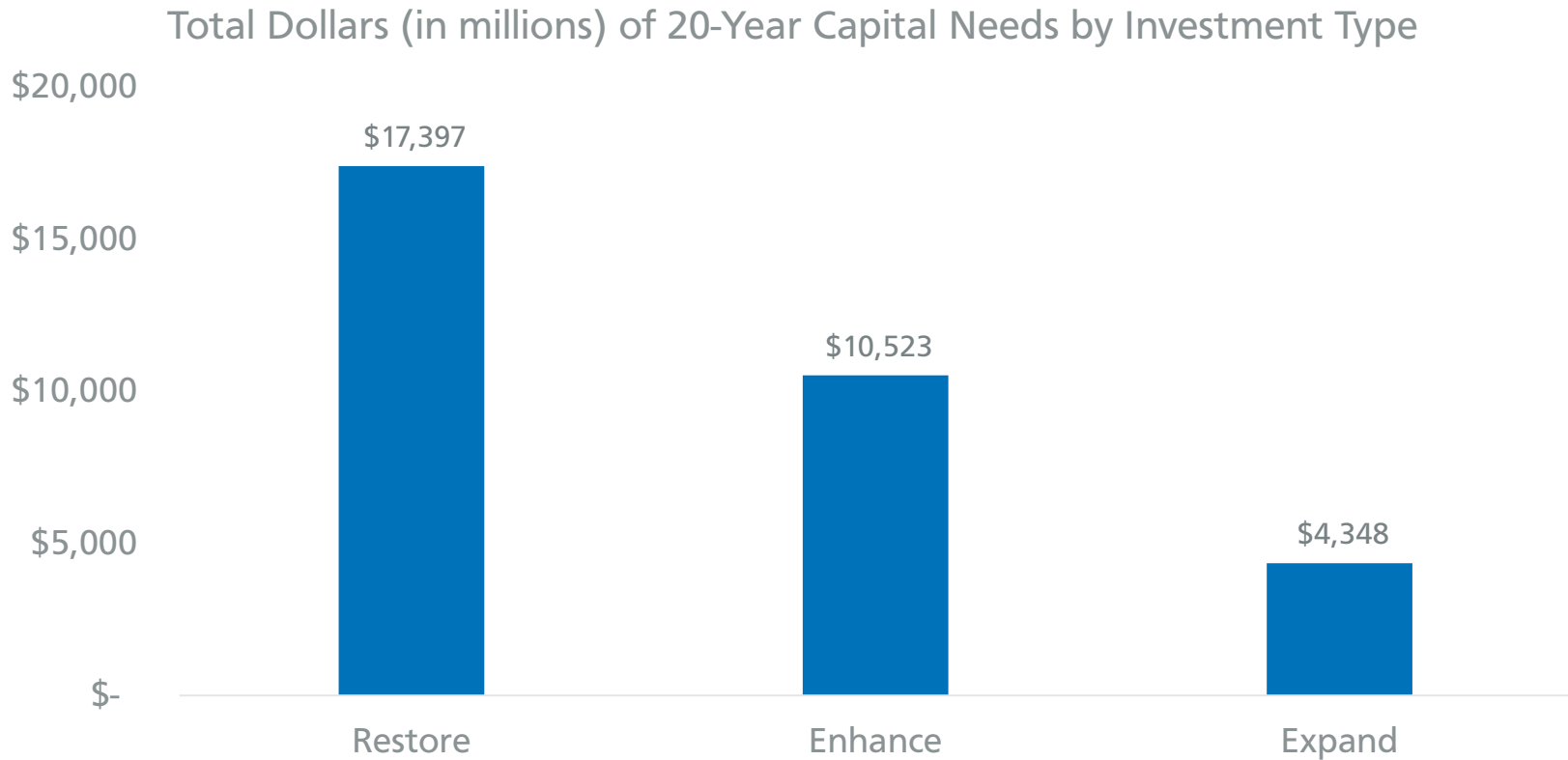Enhance the functionality or quality of assets without adding to the total assets

Expand

Augment and increase capacity of the existing system
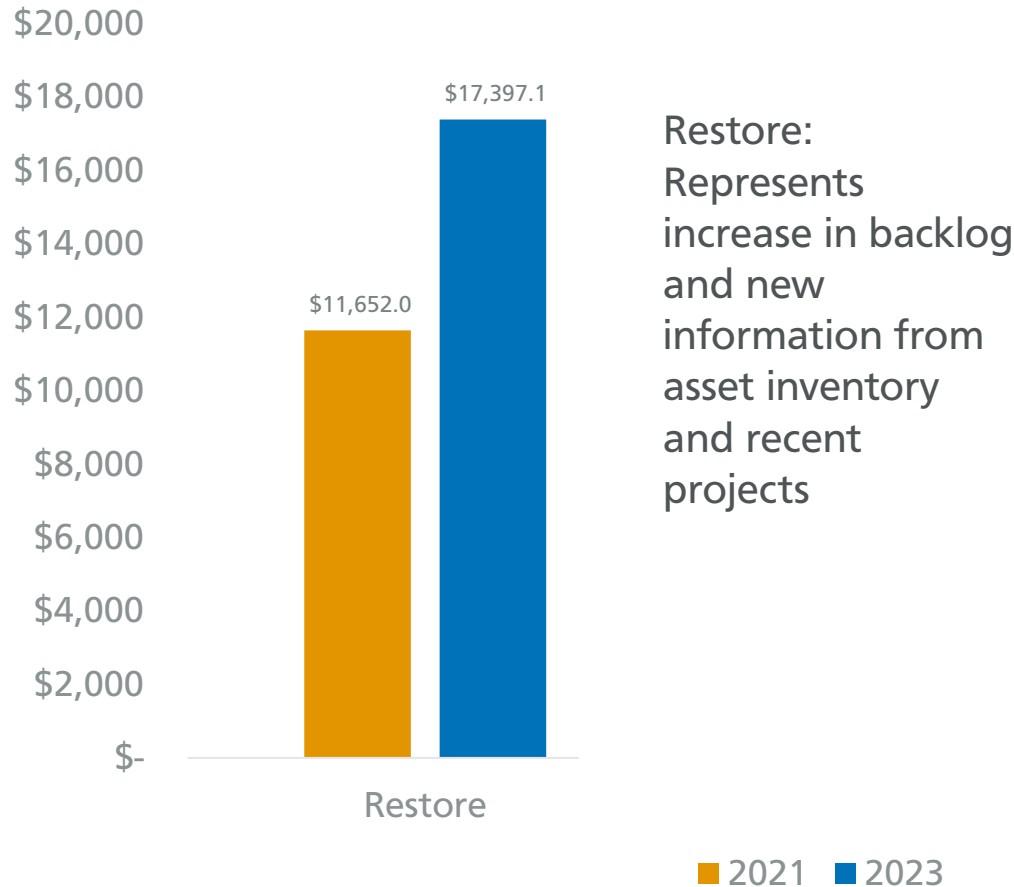
Most of the SFMTA's capital needs are to restore or enhance our existing assets.

Total Dollars (in millions) of 20-Year Capital Needs by Investment Type

	Restore	Enhance	Expand
	$17,397	$10,523	$4,348

Capital Needs by Investment Type, 2021 vs. 2023

($ millions)

Restore:
Represents increase in backlog and new information from asset inventory and recent projects

Chart data:

Restore
- 2021: $11,652.0
- 2023: $17,397.1

Legend: 2021, 2023

Capital Needs by Investment Type, 2021 vs. 2023

($ millions)

Enhance: Primarily represents cost escalation

| Investment Type	2021	2023
Restore	$11,652.0	$17,397.1
Enhance	$8,958.6	$10,523.0

Capital Needs by Investment Type, 2021 vs. 2023

($ millions)
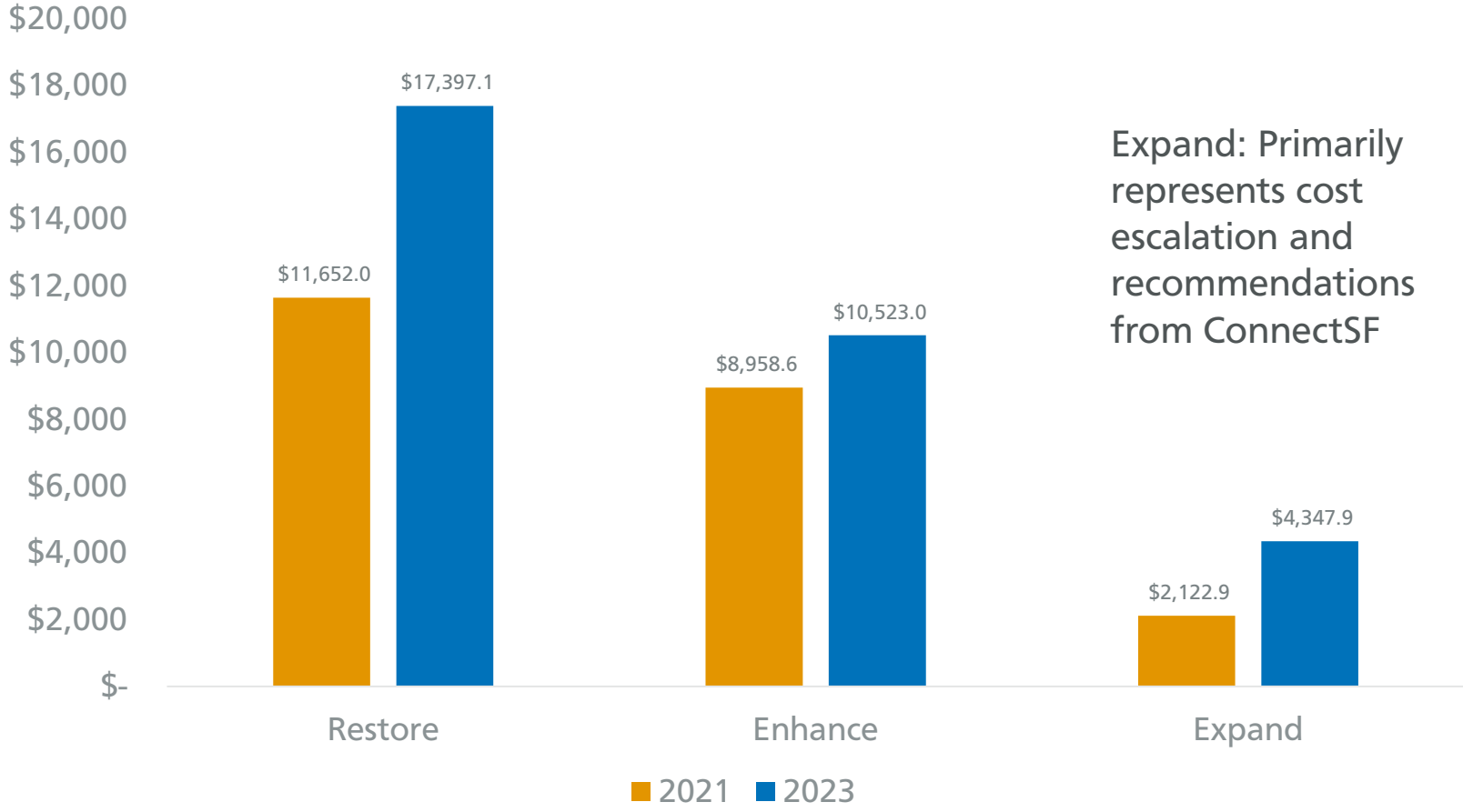
Expand: Primarily represents cost escalation and recommendations from ConnectSF

Legend: ■ 2021 ■ 2023

Restore: 2021 $11,652.0 / 2023 $17,397.1
Enhance: 2021 $8,958.6 / 2023 $10,523.0
Expand: 2021 $2,122.9 / 2023 $4,347.9

The majority of the SFMTA capital needs are in restoring and enhancing the fleet, facilities and streets.

Total Dollars ($ millions) of SFMTA Capital Needs by Capital Program

- Restore
- Enhance
- Expand

SFMTA
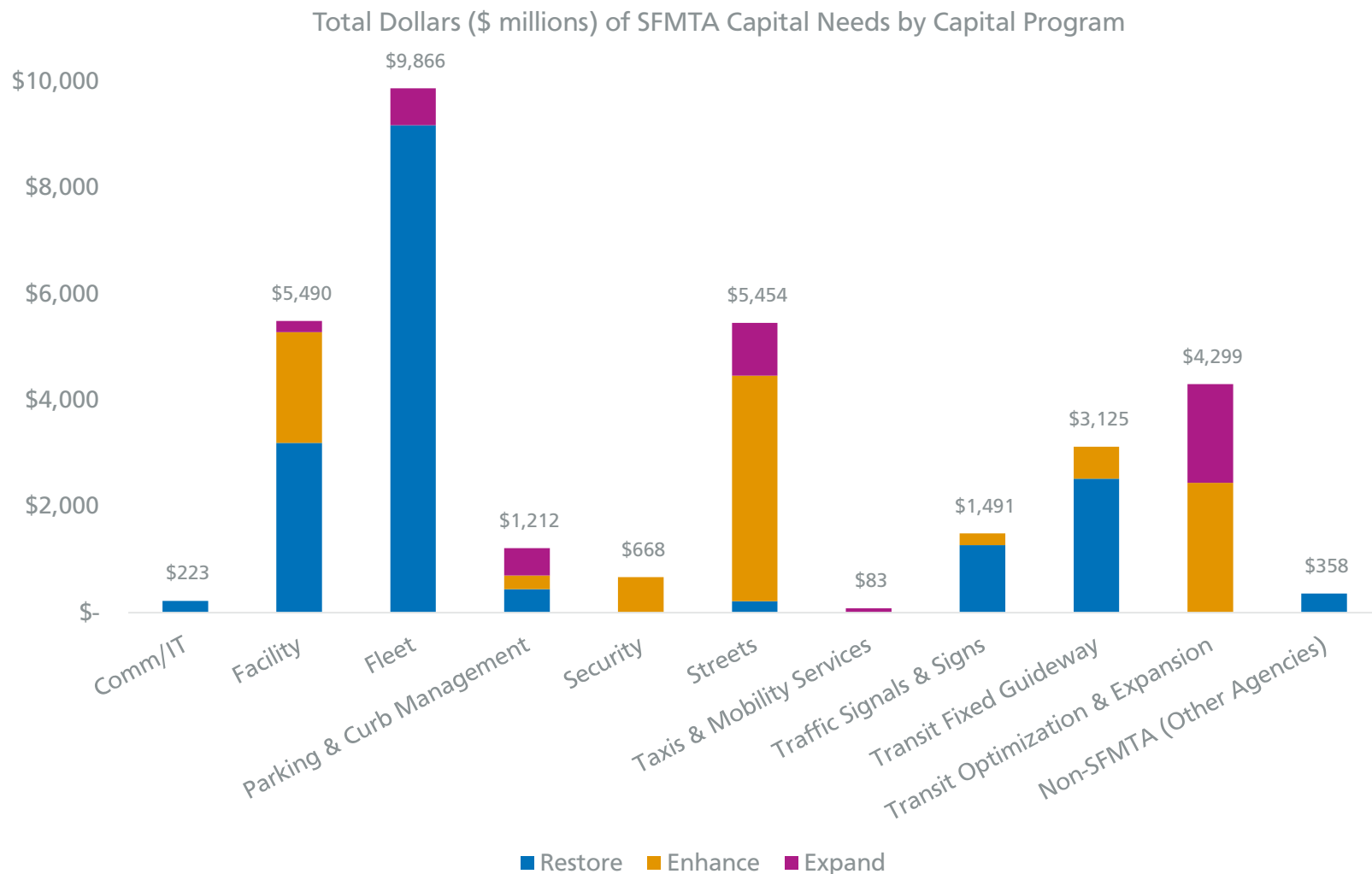
Over time, each Capital Plan has responded to new policy priorities, regulations and growth of San Francisco.

- 2013-2015: Expanded "Restore" needs and refined cost estimates – actualizing the environment of delivering capital projects.

- 2017-2019: Responded to state battery electric bus regulations

- 2021-2023: Included new long-range plans and studies, cost escalation and refined cost estimates

2023 Totals by Capital Program ($ millions)

Capital Program	Total ($ millions)
Communications & IT	$222.9
Facility	$5,489.8
Fleet	$9,865.7
Parking & Curb Management	$1,212.4
Security	$668.1
Streets	$5,453.5
Taxis & Mobility Services	$82.7
Traffic Signals & Signs	$1,490.6
Transit Fixed Guideway	$3,125.0
Transit Optimization & Expansion	$4,298.9
Non-SFMTA (Other Agencies)	$358.4
Grand Total	**$32,368.0**

More detail about the specific capital needs are in the attached report.

What's Next in Capital Planning

December 2023	January 2024	February 2024	April 2024
Present 2023 20-Year Unconstrained Capital Plan	Begin Public Meetings for the 5-Year Capital Improvement Program and 2-Year Capital Budget	Begin Board Hearings on 5-Year Capital Improvement Program and 2-year Capital Budget	Seek/Secure Final Board Approval for 5-Year Capital Improvement Program and 2-Year Capital Budget

In February 2023 we presented a series of actions and initiatives that will allow the SFMTA to be adaptive, build resiliency and move toward financial sustainability

POLICY | **OPERATIONS** | **CAPITAL**

The goal is high quality service that builds trust. Investing in our workforce, in hiring and efficiency. Focused and strategic capital improvements.

Here are your priorities ...
and their cost to the year 2050

INVESTING EQUITABLY

Fast and Convenient Transit

More Repairs and Maintenance

Improving Safety and Access

$112.9B

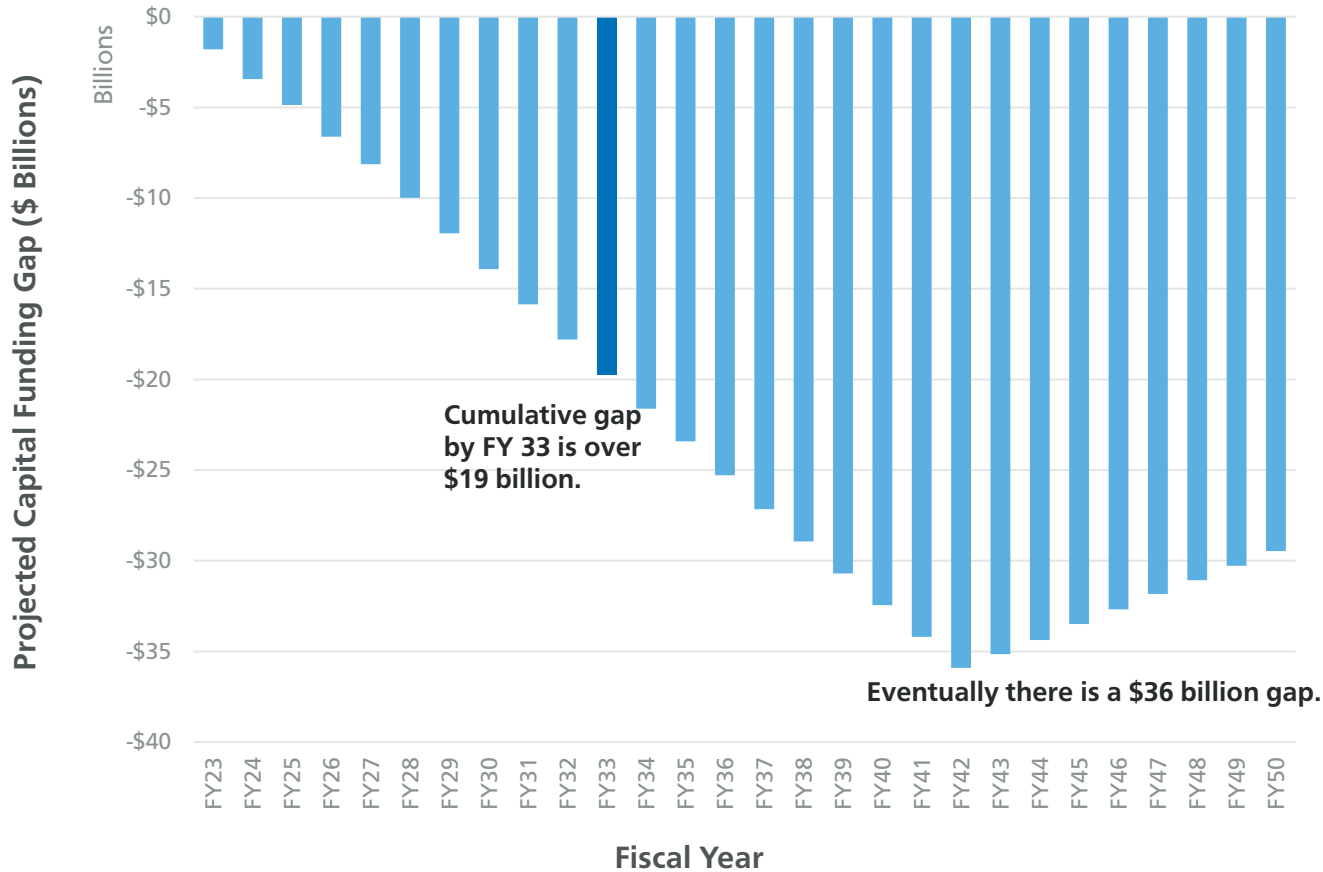What the vision will require us to spend on service and capital to 2050

$69.0B

We will spend to 2050 from our projected sources
61% funded

($43.9B)

T2050 Funding Gap
Cumulative total to 2050
39% funding gap

Our **capital gap continues to grow** and is expected to hit $34 billion by 2040.

Projected Capital Funding Gap ($ Billions)

Billions

$0, -$5, -$10, -$15, -$20, -$25, -$30, -$35, -$40

FY23 FY24 FY25 FY26 FY27 FY28 FY29 FY30 FY31 FY32 FY33 FY34 FY35 FY36 FY37 FY38 FY39 FY40 FY41 FY42 FY43 FY44 FY45 FY46 FY47 FY48 FY49 FY50

Fiscal Year

Cumulative gap by FY 33 is over $19 billion.

Eventually there is a $36 billion gap.

$1.1B

Average Annual Capital Funding Gap

To keep the system running smoothly and expand it based on your priorities

Updates:

- Advocated for new Transportation GO Bond for capital needs; successfully getting a **$300 million bond planned for November 2026** approved as part of the City's Capital Plan in May 2023.

- Advocated to the State & Metropolitan Transportation Commission (MTC) for Transit operating funding resulting in Senate Bill 125 and prioritization of regional dollars for transit operations – **as of November 2023, this has result in approximately $300 million**.

Next Steps:

- Beginning with the Board Workshop in January 2024 discussion are planned on:
  - Fare Indexing Policy
  - Clipper Discount
  - Parking Fees and Fines

- Continue work with the State Legislature on opportunities for transit operating funding, including revenues generated on site by SFMTA joint-development.

- Continue advocacy and program development for a Transit Operating funding source via Regional Measure in November 2026.

Updates:

- **Transit Ridership is up an estimated 35%** between FY 22 and FY 23 (*average weekday*).

- Investments in cleanliness and customer information continue (e.g. Transit **Shelter cleaning increased by 50%** from 2022 by May 2023).

- **Completing analysis of fare recovery across Muni System**; developing program for fare restoration amongst existing ridership.

Next Steps:

- Discussion of fare recovery planned for 2024 SFMTA Board Workshop.

- Make Payments *easier*: optimize payment processes for our system users; support quick review for discount program eligibility; review opportunities for parking payment reforms.

Updates:

- **Reduced SGR Backlog for Traffic Signals in 2022** State of Good Repair Report.

- **Traffic Signal Condition Assessment completed in June 2023** will use to identify and prioritize future needs.

- **Train Control supplier RFP in March 2023** reviews in process; MTA Board approval **of RFP for Consultant support in November 2023**.

- **Potrero Yard Modernization Project reached 100% schematic design in October 2023.**

Next Steps:

- Presidio Yard Modernization Project will secure planning phase funding in December 2023.

- Potrero Yard Modernization Project entitlements and CEQA planned approval February 2024.

- RFP Expected to be released for Station Condition Assessment in March 2024 to inform Subway Renewal Program.

- Continued planning on the Muni Modernization.

Transparency is a key component to building trust.

Our priorities are founded in what we hear, and what the data tells us. Our work is focused on being responsive to what we hear from the public and best practices in capital planning and data analysis.

Thank you.

Appendix

Transportation 2050 Actions
Presented at February 2023 MTA Board Workshop
Full Source: T2050 MTA Board Presentation Full

POLICY

⬆ **Policy:** Extended Meter Hours
Consider expansion of meter hours into the evenings.

⬆ **Policy:** Expand Paid Parking Zones
To better manage parking expand meters and residential parking permit zones.

⬅ **Policy:** Transit Fares – Continue Automatic Indexing Policy
Deviation from the policy starting in FY 25 results in a revenue loss.

⬆ **Policy:** Transit Fares – Remove the Clipper Discount
Deviation from the policy starting in FY 25 results in a revenue loss.

⬆ **Policy:** Advocate with the region for State Transit Relief
Continue to advocate with the State for bridge funding to buy time for other recovery optins.

⬇ **Policy:** Advocate for new local Transportation GO Bond
25% of assets beyond useful life, capital expenditures now, reduce operating costs later.

OPERATIONS

⬆ ## Ops: Grow Transit Demand
Continue investments in safety, security, cleanliness, and reliability to grow transit ridership and fare revenues.

⬇ ## Ops: Ops Investments that Reduce Costs
Make one-time investments to reduce staff time and produce cost savings including attendance management, hiring processes, administrative processes, utility costs.

⬇ ## Ops: Review City Department Workorder Costs
Perform audit of current City Department workorders, verifying service for billings.

⬆ ## Ops: Ensure Transit Fare Compliance
Review fare per passenger costs regularly as recovery continues + continue to promote fare compliance across the transit system.

CAPITAL

Capital: Train Control Upgrade Project

The Train Control System Upgrade (TCUP) project will support the efficient use of the Muni Metro Subway, creating efficiency and improved customer experience.

Capital: Traffic Signal Replacement & Upgrades

Traffic Signals are one of the major infrastructure elements in the Agency's backlog; condition assessment shortly will be complete. Investment in signals reduces long-term maintenance costs, supports Muni Reliability, and improves street safety.

Capital: Facility Replacement & Joint Development

Facilities are one of the major infrastructure elements in the Agency's backlog; condition assessment is complete with $200 m in deferred maintenance. Investment in facilities allowed for modern maintenance bays and support equipment, better training facilities, more efficient utility use and provides the potential for joint-developments that will generate long term revenues – sites include Potrero Yard, Presidio Yard, 5th and Mission Parking Garage and Moscone Parking Garage.