



SFMTA
Municipal
Transportation
Agency

The Dollars and Sense of Sustainable Transportation

New Partners for Smart Growth

February 3, 2018



OVERVIEW

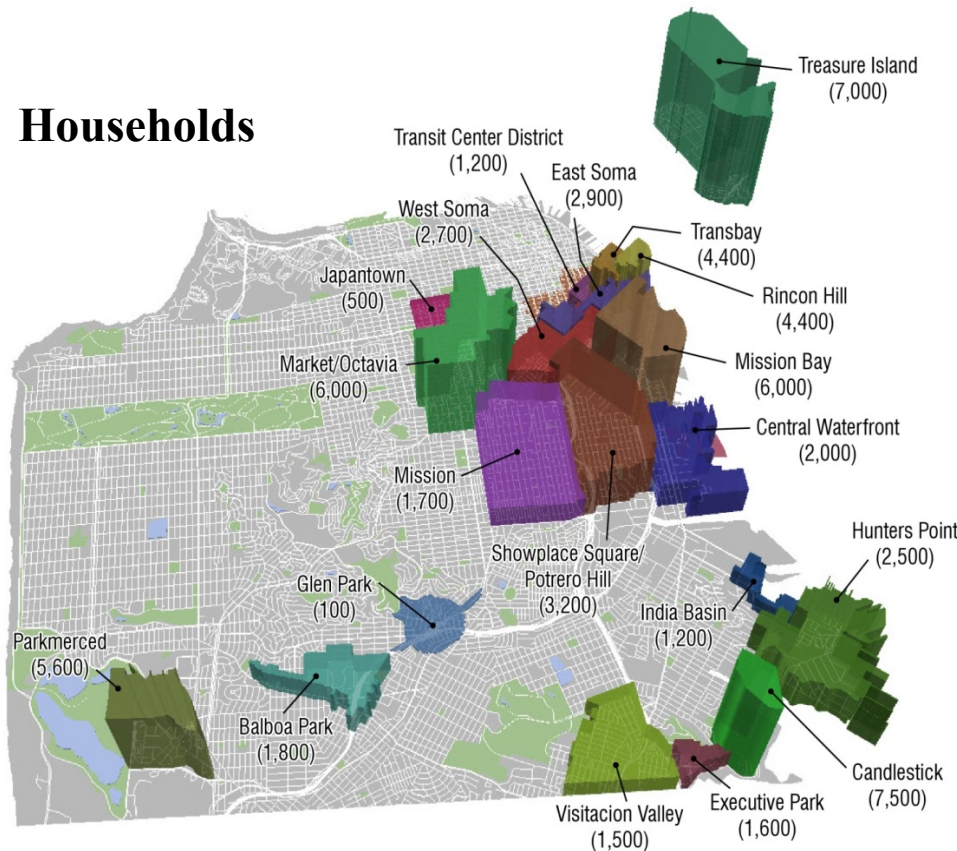
- **SF Transportation Context**
- **SFMTA Budget**
- **Funding Gap**
- **Transportation Sustainability Fee**
- **Parking Pricing**

HOW DO WE GROW SUSTAINABLY?

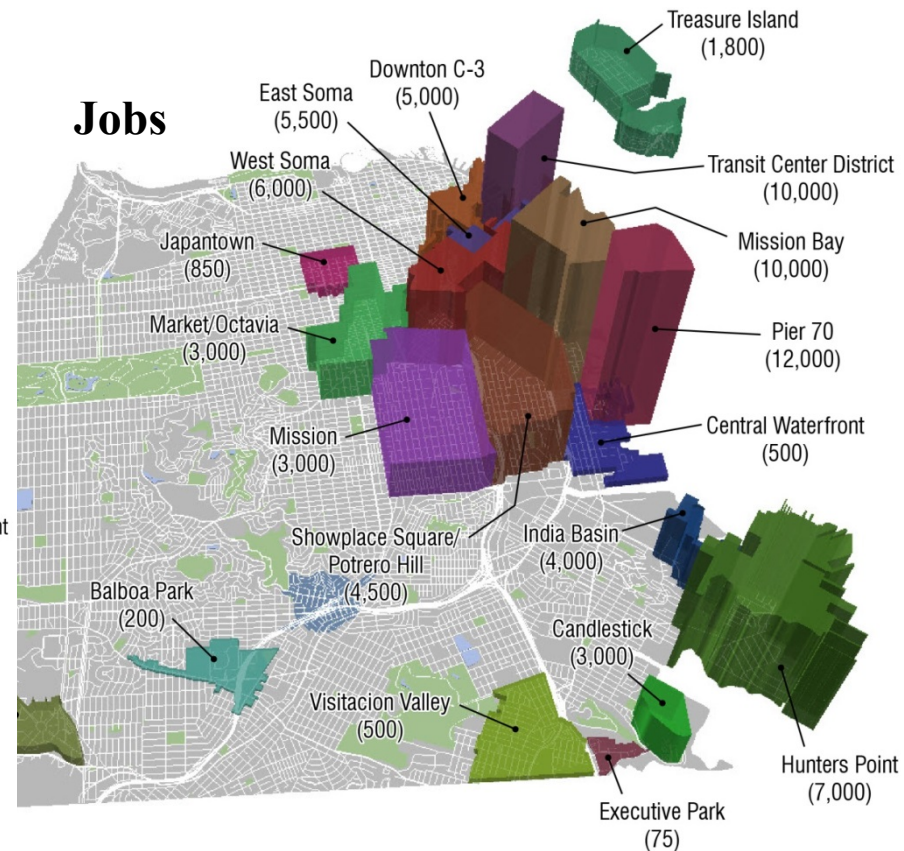
By 2040: **100,000+** new households
190,000+ new jobs

40% of housing projections already in pipeline

Households



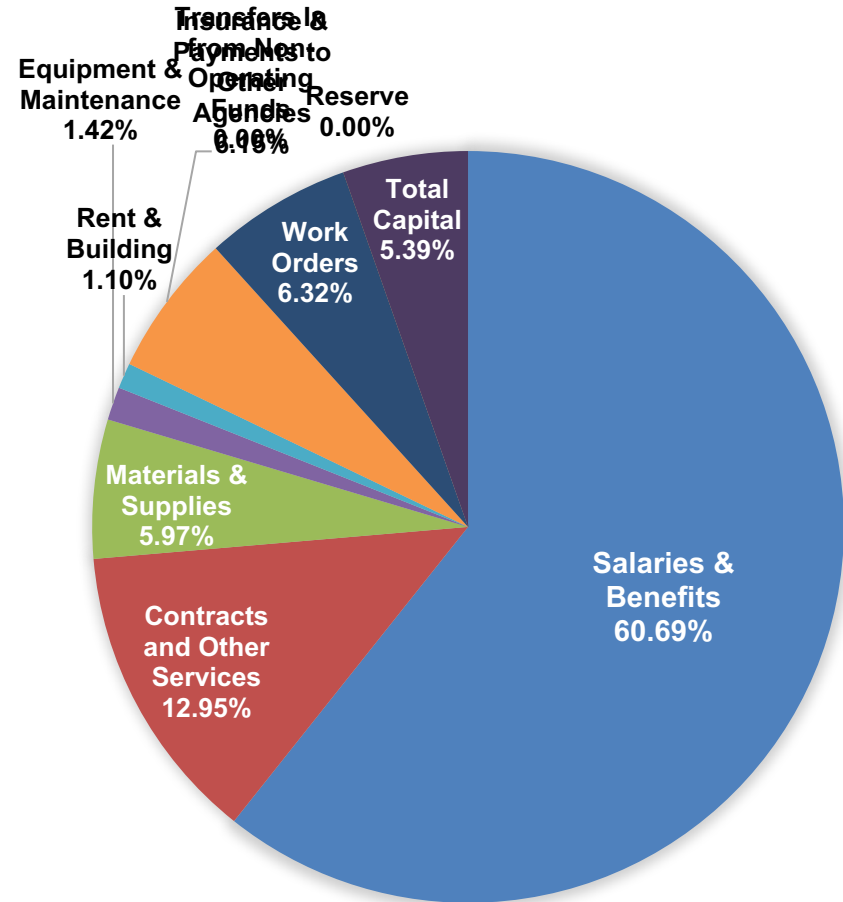
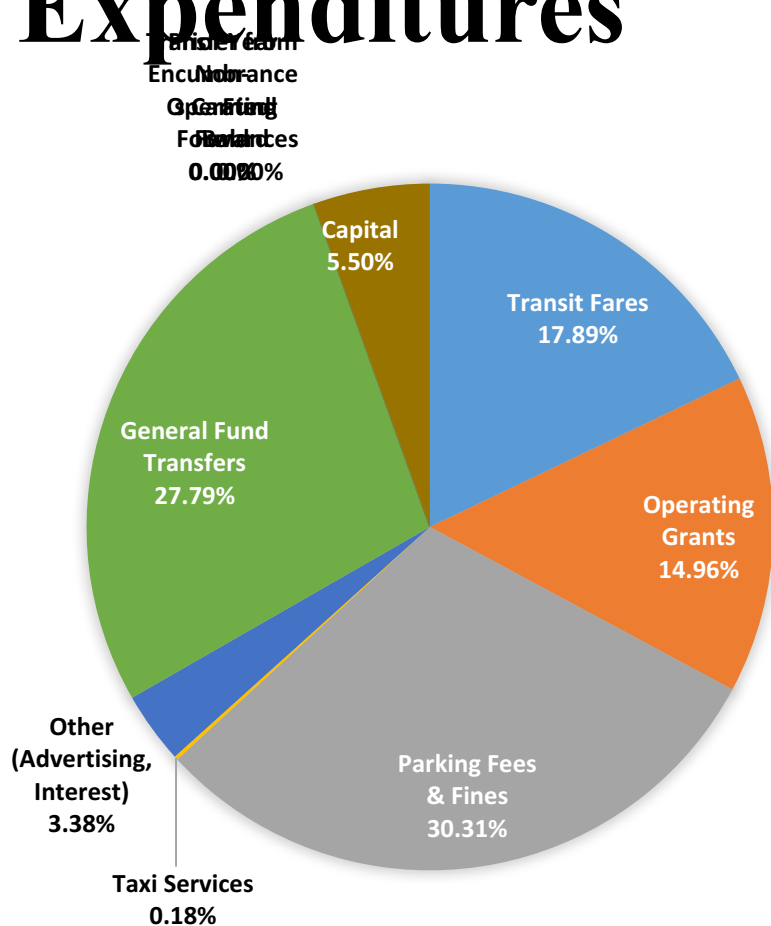
Jobs



SF Transportation Context



Revenues vs. Expenditures



URGENT FUNDING NEED**TRANSPORTATION TASK FORCE 2045**

Category	Total Need (M\$)	Anticipated Revenues (M\$)	Unfunded Gap (M\$)	% of Total Unfunded Need
1. Transit Service and Affordability	\$1,644	\$100	\$1,544	7.0%
2. Muni Fleet, Facilities, and Infrastructure	\$13,680	\$4,922	\$8,758	39.9%
3. Transit Optimization and Expansion	\$8,208	\$2,359	\$5,850	26.7%
4. Regional Transit and Smart Systems Management	\$1,277	\$244	\$982	4.5%
5. Vision Zero, Safer and Complete Streets	\$5,201	\$1,176	\$4,024	18.3%
6. Street Resurfacing	\$1,702	\$918	\$784	3.6%
Total	\$31,661	\$9,719	\$21,942	100%

Proposed Transportation Sustainability Fee (TSF)

- Citywide transportation fee to ensure that new development pays its fair share for impacts on the transportation system
- Replaces *existing* citywide Transit Impact Development Fee (TIDF) and expands applicability to include market-rate residential development and certain large institutions*
- No change to status quo for nonprofits

*Exemptions apply

Nexus & Economic Feasibility Studies

The fee proposal was crafted to strike a balance between two technical studies:

- **TSF Nexus Study:** Analyzed the total cost to the City of providing transportation infrastructure to serve the demand generated by new growth.
- **TSF Economic Feasibility Study:** Evaluated how high fees could be set without making new development projects too costly to build.

Nexus Study: Maximum Justified TSF Rates

LAND USE CATEGORY	TRANSIT COMPLETE STREETS		TOTAL, MAXIMUM JUSTIFIED TSF
RESIDENTIAL	\$22.59	\$8.34	\$30.93
NON-RESIDENTIAL	\$80.68	\$6.74	\$87.42
PRODUCTION, DISTRIBUTION, REPAIR (PDR)	\$22.59	\$3.48	\$26.07

Note: Transit Nexus includes transit capital maintenance and transit capital facilities. Complete streets nexus was established in the San Francisco Citywide Nexus Study (2014).

Proposed Fee Rates

LAND USE CATEGORY	EXISTING TIDF RATES	TSF PER GROSS SQ. FT. OF NEW DEVELOPMENT
RESIDENTIAL	N/A	\$ 7.74
		Units above 99 \$8.74
NON-RESIDENTIAL	\$ 13.87 – \$ 14.59	\$ 18.04
		GSF > 99,999 \$19.04
PDR	\$ 7.46	\$ 7.61

Residential projects in some Area Plans would **NOT** receive a fee reduction in the amount of the transportation portion of the Area Plan fee, up to the amount of TSF

Proposed Fee Applicability

Applies to:

- Most non-residential development (generally same as existing Transit Impact Development Fee)
- Market-rate residential development creating 21 or more units
- Large non-profit **hospitals** with Institutional Master Plan

Proposed Fee Exemptions

Does not apply to:

- Deed-restricted affordable units (80% AMI) & 100% middle-income housing (150% AMI) projects
 - Required inclusionary units are not exempt
- Residential development creating 20 or fewer units
- Small business changes of use (<5,000 sf), except formula retail
- Nonprofits **including postsecondary institutions, except non-profit hospitals**

Projected Revenue as Amended

EXPENDITURE PLAN CATEGORY	ANNUAL REVENUE (2015 \$)	30-YEAR REVENUE (2015 \$)
TSF	\$49,000,000	\$1,474,000,000
Less: TIDF (existing)	(\$24,000,000)	(\$719,000,000)
Less: Exemptions & Grandfathering	(\$8,000,000)	(\$247,000,000)
NET NEW REVENUE UNDER TSF	\$19MN	\$570MN
TOTAL TSF	\$44MN	\$1.3BN

SFMTA Parking Overview

- 275,000 on-street parking spaces
- 28,000 on-street metered parking spaces
 - \$51m annual revenue
- 38 off-street garages and parking lots
 - 15,000 spaces
 - \$95m annual revenue
- 90,000 Residential Parking Permits (RPP)
 - 78,000 on-street spaces
 - \$10m annual revenue

\$156m in total revenue (not including citations & bonding capacities)

SF *park* Expansion

- Expand SF*park* demand-responsive pricing to meters citywide
 - Presently implemented at 6,000 meters in 7 districts
 - Expansion would cover additional 23,000 metered spaces
- Real-time availability data
- Goals:
 - Reduce parking search time
 - Reduce double-parking
 - Reduce congestion



Answering Important Questions

- **Question:** is this just a way for SFMTA to generate more revenue?
- **Answer:**
 - No
 - Overall average rate will not change
 - Revenue impact expected to be minimal
 - Data-driven, rather than budget-driven, approach to setting rates

Recent Trends at City Garages

- Gross Revenues
 - \$94 Million FY15-16
 - \$54.4 M YTD FY16-17 (-2%)
- Parking Tax
 - \$18.2 Million FY15-16
 - \$10.5 M YTD FY16-17 (-3%)
- Overall downward trend
- Impacts of Uber/Lyft ?





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Thank you!

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Expenditure Plan: Outcomes

Over \$400mn in NEW transportation funding over 30 years

- More Muni buses and trains
- Faster and more reliable local transit
- Roomier and faster regional transit (e.g. BART, Caltrain)



Revenue as a Result of Amendments

Fee Scenario	Net Increase in TSF Revenue (30 years)	Net Increase in TSF Revenue (Annual)
Tier by project size: for res>100 units and non-res >100k sq ft	\$55.5mn	\$1.9mn
No grandfathering for projects filed after 7/21/15	\$4.9mn	\$0.2mn
Eliminate area plan exemption	\$53.6mn	\$1.8mn
Increase PDR fee trigger to 1500 sq ft	Negligible	Negligible
Apply TSF to hospitals	\$57.8mn	\$1.9mn
Exempt post-secondary educational uses	(\$18.8mn)	(\$0.6mn)
Total	\$153.0mn	\$5.1mn