Transportation Sustainability Program

TSP

Photo: Sergio Ruiz
TRANSPORTATION SUSTAINABILITY PROGRAM

Keeping people moving as our city grows
TRANSPORTATION SUSTAINABILITY PROGRAM

Keeping people moving as our city grows

align

MODERNIZE ENVIRONMENTAL REVIEW

More meaningful transportation analysis that better captures environmental effects

shift

ENCOURAGE SUSTAINABLE TRAVEL

On-site transportation amenities that reduce reliance on driving

invest

ENHANCE TRANSPORTATION TO SUPPORT GROWTH

Development fee to help fund transit and safer streets
ENHANCE TRANSPORTATION TO SUPPORT GROWTH
URGENT FUNDING NEED

TRANSPORTATION TASK FORCE 2030

EXISTING PLANS/PROJECTS/POLICIES

- Facilities Vision
- Bicycle Strategy
- SF Area Plans
- SF County Transportation Plan
- Ped Strategy
- Muni Fleet Plan
- SF Capital Plan
- Regional Transportation Growth
- MTA Capital Plan
- MTA Strategic Plan
- TEP
- Neighborhood Transportation Plans

$10 BILLION TRANSPORTATION FUNDING NEED TO 2030

$3.7 BILLION IN EXISTING FUNDING

$3 BILLION IN TTF FUNDING

$3.3 BILLION UNFUNDED
INVESTMENT PRIORITIES

TRANSPORTATION TASK FORCE 2030

Focus of new revenue sources requiring voter approval – existing residents invest in maintaining the core system

Focus of the Transportation Sustainability Fee – Developers pay their fair share for transportation impacts from new trips
PROPOSED TRANSPORTATION SUSTAINABILITY FEE

• 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

• Nexus and Feasibility Studies completed

*Exemptions apply*
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.
## PROPOSED FEE RATES

<table>
<thead>
<tr>
<th>LAND USE CATEGORY</th>
<th>EXISTING TIDF RATES</th>
<th>TSF PER GROSS SQ. FT. OF NEW DEVELOPMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>RESIDENTIAL</td>
<td>N/A</td>
<td>$ 7.74</td>
</tr>
<tr>
<td>NON-RESIDENTIAL</td>
<td>$ 13.87 – $ 14.59</td>
<td>$ 18.04</td>
</tr>
<tr>
<td>PDR</td>
<td>$ 7.46</td>
<td>$ 7.61</td>
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</tbody>
</table>

*Exemptions would apply for certain types of development projects*

Residential projects in some Area Plans would 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 private universities with Institutional Master Plan
PROPOSED FEE APPLICABILITY

Does not apply to:

• Deed-restricted affordable & middle-income housing (except required inclusionary units)
  ➢ Required inclusionary units are not exempt

• Residential development creating 20 or fewer units

• Small businesses (< 5,000 sf), except formula retail

• Nonprofits (same rules as existing TIDF, except for large non-profit universities)
  ➢ Nonprofit hospitals continue to be exempt. The Board of Supervisors may vote to apply TSF when California’s Seismic Safety Law requirements are exhausted (currently 2030).
PROJECTS IN THE PIPELINE – PROPOSED

- **Projects with Planning entitlements**: would not pay TSF, but would pay existing TIDF (which does not apply to residential)

- **Residential projects with development applications submitted**: would pay 50% of TSF

- **Non-residential projects with development applications submitted**: would pay existing TIDF rates
## PROJECTED REVENUE

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>TSF</td>
<td>$45,700,000</td>
<td>$1,370,000,000</td>
</tr>
<tr>
<td>Less: TIDF (existing)</td>
<td>($24,000,000)</td>
<td>($719,400,000)</td>
</tr>
<tr>
<td>Less: Exemptions &amp; Grandfathering</td>
<td>($7,700,000)</td>
<td>($230,000,000)</td>
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<tr>
<td>NET NEW REVENUE UNDER TSF</td>
<td>$14MN</td>
<td>$420MN</td>
</tr>
<tr>
<td>TOTAL TSF</td>
<td>$38MN</td>
<td>$1.2BN</td>
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</table>
## EXPENDITURE PLAN

<table>
<thead>
<tr>
<th>EXPENDITURE PLAN CATEGORY</th>
<th>FUNDING (2015 $)</th>
<th>SHARE OF TOTAL TSF</th>
<th>SHARE OF NET NEW TSF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transit Reliability (existing TIDF)</td>
<td>$707,000,000</td>
<td>61%</td>
<td>n/a</td>
</tr>
<tr>
<td>SFMTA Transit Capacity Expansion</td>
<td>$380,000,000</td>
<td>32%</td>
<td>82%</td>
</tr>
<tr>
<td>Regional Transit Capacity Expansion</td>
<td>$23,500,000</td>
<td>2%</td>
<td>5%</td>
</tr>
<tr>
<td>Complete Streets (Bicycle and Pedestrian)</td>
<td>$38,000,000</td>
<td>3%</td>
<td>8%</td>
</tr>
<tr>
<td>Program Administration</td>
<td>$23,000,000</td>
<td>2%</td>
<td>5%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$1.2BN</strong></td>
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</table>
EXPENDITURE PLAN: OUTCOMES

Over $400 million 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)
• Safer walking and bicycling
EXPENDITURE PLAN: BUDGETING PROCESS

• TSF funds will be allocated through City capital budgeting process.
  • TSF Ordinance specifies that priority shall be given to projects identified in Area Plans.

• SFMTA and the Mayor’s office will confer with SFCTA to develop a 5-year spending plan and 2-year budget for each category.

• Every 2 years the expenditure plan will be reviewed at the Capital Planning Committee and Planning Commission.
OUTREACH TO AFFECTED STAKEHOLDERS

• Community Advisory Committees
• Small businesses
• Development community
• Transportation advocates
• Housing advocates
• Boards and Commissions
BOARD & COMMISSION RECOMMENDATIONS

SFMTA Board and Small Business Commission: unanimously recommend approval

Planning Commission: unanimously recommend approval with the following amendments for the Board to consider:

- Apply a 50% grandfathering discount to projects with Planning applications prior to July 1, 2014; 25% discount for projects with applications after this date
- Exempt post-secondary institutions from the fee
- Remove the fee exemption for hospitals
- Consider graduated fee rates up to 33% of nexus, based on project feasibility and/or remove the area plan fee credit
- Require an updated feasibility study every 3 years, or as requested by Mayor, Board, or Planning Commission
THANK YOU

TRANSPORTATION SUSTAINABILITY PROGRAM

Keeping people moving as our city grows

http://tsp.sfplanning.org