



Presentation to Board of Directors

Capital Investment Plan (CIP):
A New Approach to Project Prioritization

Overview

- 1. Background/Previous Steps**
- 2. CIP Purpose**
- 3. Reason for CIP Revision**
- 4. Process to Develop a CIP Methodology**
- 5. Next Steps**

Background/Previous Steps

June 2008 – SFMTA Board Adopted CIP

July 2009 – SFMTA Board Special Meeting

- Presented background on purpose of CIP and the changing planning environment
- Discussed potential need to defer capital projects
- Emphasized the importance of a transparent and logical prioritization system tied to long-range planning goals

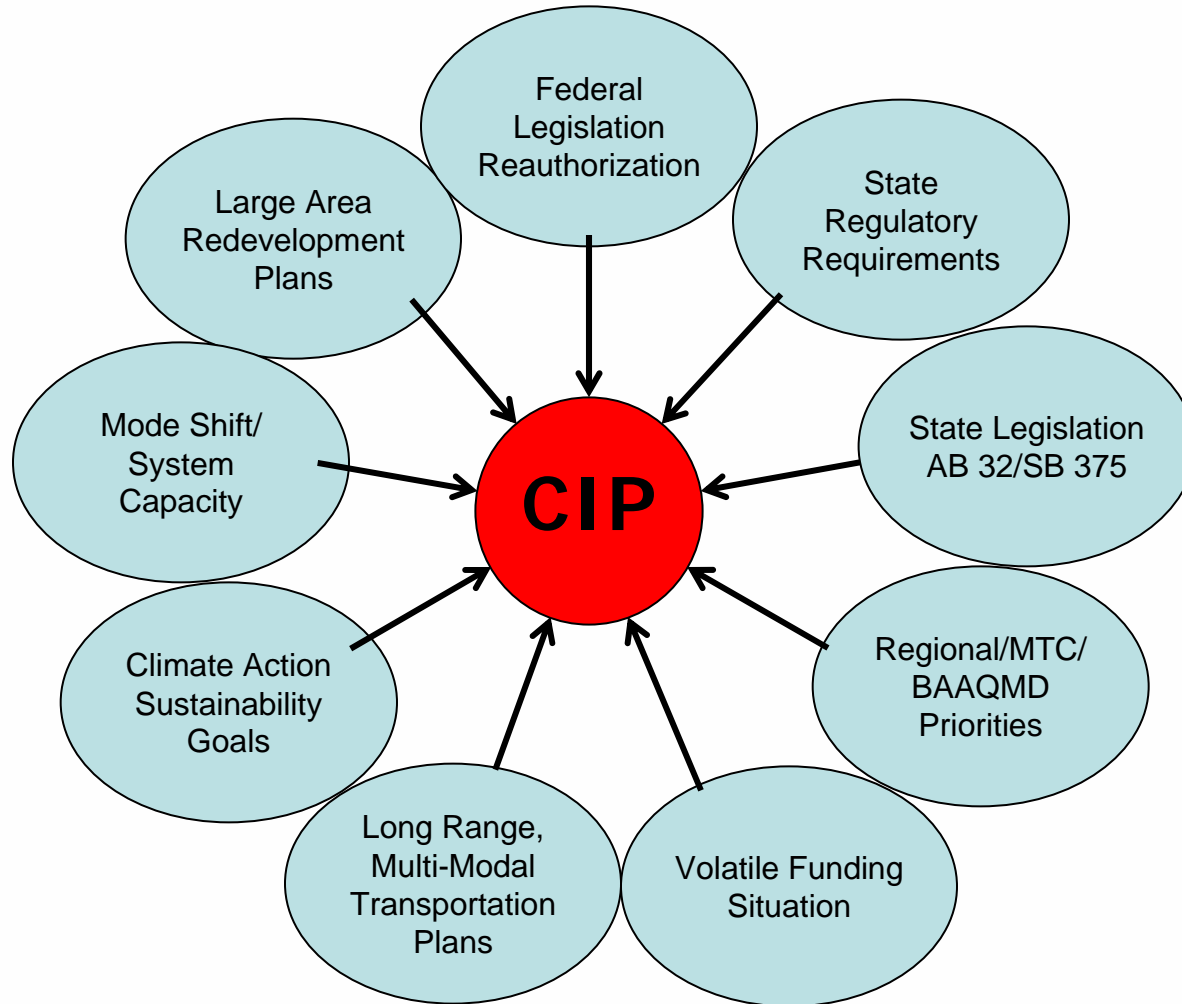
October/November 2009 – Developing Framework

- Research on best practices and local/regional plans
- Staff and CAC review of framework
- Presenting the Board with a process to determine the prioritization methodology

Purpose of Capital Investment Plan

- **Describes the Agency's Capital Investment Priorities**
 - Unconstrained long-range capital needs
 - Multi-year programming document
 - Two year (fiscal) Capital Budget
- **Key Reasons for Having a CIP**
 - A means to achieve the Agency's strategic priorities
 - Preserves existing assets and strategically expands transportation system
 - Integrates capital planning, prioritization, budgeting and financing

Reason for a New CIP Approach

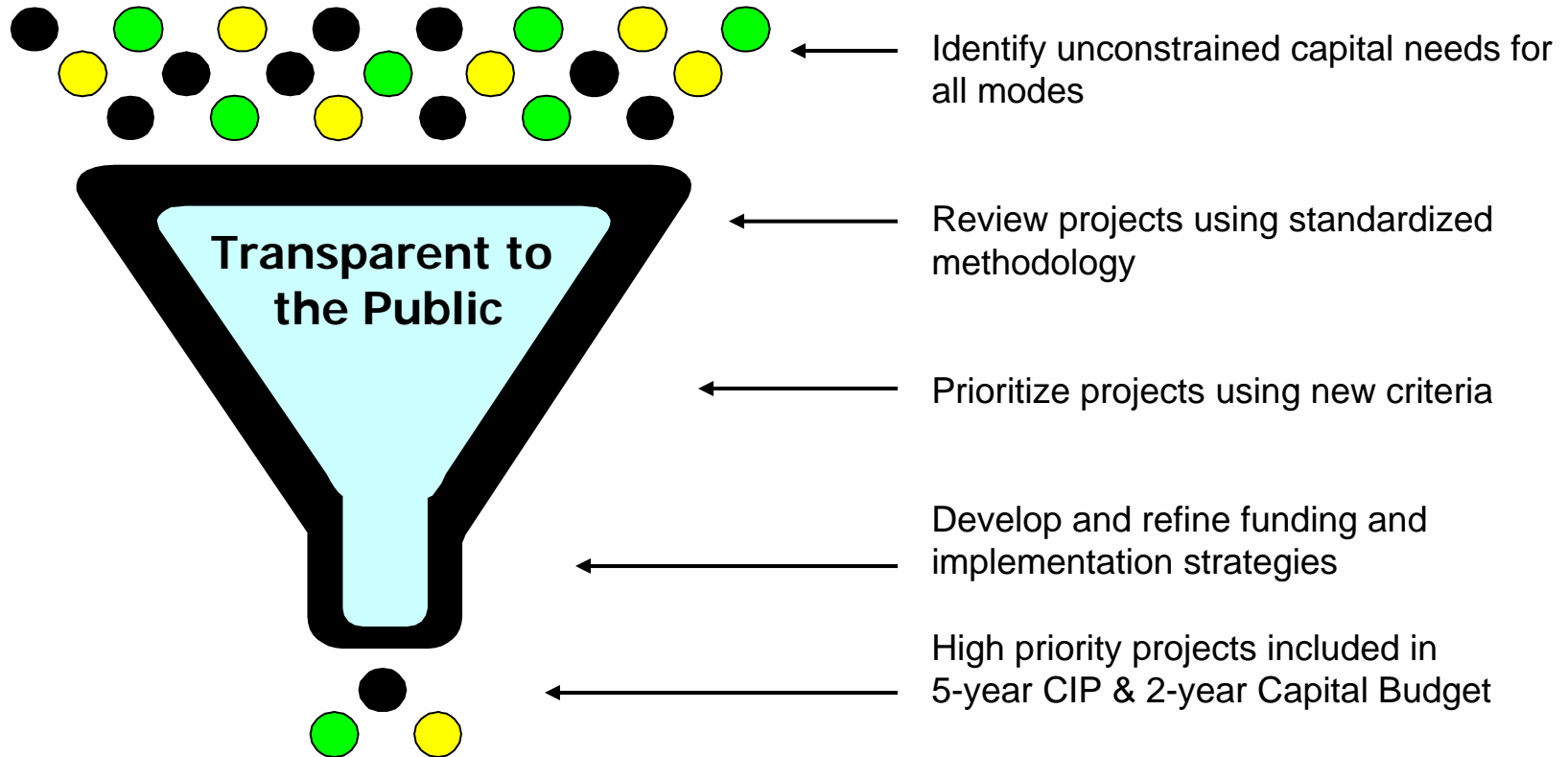


Proactively position the agency to best meet rapidly changing environment

Process for the CIP Revision

Review best practices and key local/regional plans

Develop prioritization methodology



National Review of CIP Methodologies

- **Questions about Agencies with Multi-Modal Responsibilities:**
 - Do they rank projects across modes?
 - Do they rank different project types and by scale (e.g., major extensions vs. employee support equipment)?
- **Prioritization Methodologies Researched Include:**

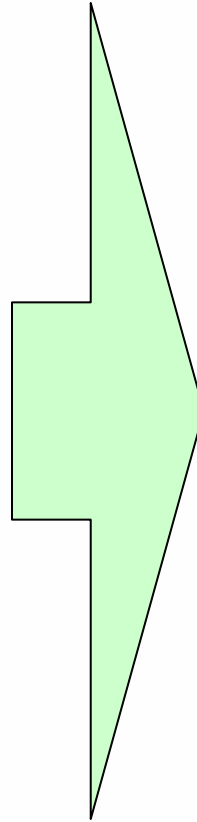
Transit Agencies, Metropolitan Transportation Authorities, Metropolitan Planning Organizations, City Departments of Transportation
- **Findings:**
 - Few agencies have the breadth of responsibilities of the SFMTA
 - Agencies rarely use systematic approach to rate projects across modes
 - Projects are generally grouped by corridor/area, mode or type

...The SFMTA Comprehensive CIP will be a first in the nation in breadth and focus

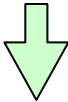
Key Local/Regional Plans

Plans & Policy Documents:

- SFMTA Strategic Plan
- SFMTA Short Range Transit Plan
- SFMTA Climate Action Plan
- SF 10-Year Capital Plan
- SF General Plan Transportation Element
- SFCTA Countywide Transportation Plan
- MTC Regional Transportation Plan 2035
- ABAG Projections 2009
- BAAQMD Clean Air Plan
- California Transportation Plan
- State Improvement Plan



Common Themes:

- Sustainable, Mixed-Use Communities
 - Quality Transportation System
 - Multi-modal Safety
 - Local Economic and Community Development
 - Social Equity
 - Asset Preservation
- 
- **Environmental Sustainability**
 - **Economic Sustainability**
 - **Social Sustainability**

Preliminary Goals and CIP Criteria

Environmental Sustainability

- Support **sustainable, mixed-use** communities
- Use **renewable** energy and **recyclable** resources
- Reduce air, water, land & noise **pollution, emissions** (greenhouse gases & particulates) and **waste**

Social Sustainability

- Provide **safe and secure** transportation
- Provide a universally **integrated, multimodal transportation system** for all
- Offer **reliable, comfortable, accessible** transportation
- **Minimize adverse transportation impacts:** noise, vibration, glare, etc.

Economic Sustainability

- **Manage Travel Demand & provide cost-effective** service and capacity, supported by **timely project delivery** and using full range of **available funding**
- Provide **affordable** services and facilities to all users
- Support **vibrant and sustainable** local **economic activity**

Ensure early multi-modal integration to leverage resources

Linking Goals, Objectives and Performance Standards

THEME: Cluster of related goals.

- **CIP Goal:** Vision statement. Corresponds to long range planning goals and the SFMTA's Strategic Plan goals.
 - **Objective:** More specific, measurable outcome statement.
 - *Performance Standard:* Metrics used before and after to determine whether objective is met.

Linking Goals, Objectives and Performance Standards: *Example*

THEME: Social Sustainability

- **CIP Goal:** Offer reliable, comfortable, accessible, transportation (*consistent with Strategic Plan goals 1 and 2*).
- **Objective A: Improve transit on-time performance and travel times.**
 - *Performance Standard:* >85 percent schedule and headway adherence (Prop E service standard).
 - *Performance Standard:* Encourages bike parking and other convenient access to transit.

Issues to Reconcile for Revised CIP

- Quantitative (scores) or qualitative
- Equal or weighted criteria
- Ranking all projects together or comparing only same modes together
- Treat special factors (legal etc) separately
- Include project readiness as an initial ranking factor or assessing readiness after ranking is completed
- Consider internal efficiency/agency support projects separately

Example of CIP Prioritization System

Quantitative Comparison (illustration only)

CIP Scoring Criteria	Weighted Scoring Options	Transit Project	Parking Project	Bicycle Project	Pedestrian Project	Signal Project	Taxi Project	Agency Support Systems Project
Total Score (Goals/Objectives/ Performance Standards)	0-100 points	65	30	60	70	40	20	45
Special Factors								
• Legally Required	10 points	0	0	0	10	0	0	0
• State of Good Repair	20 points	20	10	0	0	20	0	20
• Public Commitment	10 points	10	0	10	10	0	0	0
Social Sustainability	20 points	5	0	10	20	5	5	10
Environmental Sustainability	20 points	20	5	20	15	10	5	5
Economic Sustainability	20 points	10	15	20	15	5	10	10

Further refinement if necessary using project readiness and other criteria

Example of CIP Prioritization System

Qualitative Comparison (illustration only)

CIP Scoring Criteria	Qualitative Scoring Options	Transit Project	Parking Project	Bicycle Project	Pedestrian Project	Signal Project	Taxi Project	Agency Support Systems Project
Meets Majority of (Goals/Objectives/ Performance Standards)	Meets the most objectives	Med-High	Med-Low	Med-High	High	Low-Med	Low	Low-Med
Special Factors	Yes/No	N	N	N	Y	N	N	N
• Legally Required		Y	Y	N	N	Y	N	Y
• State of Good Repair		Y	N	Y	Y	N	N	N
• Public Commitment								
Social Sustainability	Number of objectives met per category	1	0	1	3	1	1	1
Environmental Sustainability		3	1	3	2	1	1	1
Economic Sustainability		2	2	3	2	1	1	1

Further refinement if necessary using project readiness and other criteria

Next Steps

- **Develop Prioritization Methodology** **Fall 2009/Winter 2010**
- **Develop Recommendations for Board, CAC & Stakeholder review** **Winter 2010**
- **Public Hearing to adopt CIP Process** **Early Spring 2010**
- **Prepare CIP & FY 2011-FY 2012 Capital Budget for Board consideration** **Spring 2010**
- **Adopt FY 2011-FY 2012 Capital Budget** **May 2010**