

**THIS PRINT COVERS CALENDAR ITEM NO.: 10.2**

**MUNICIPAL TRANSPORTATION AGENCY  
City and County of San Francisco**

**DIVISION:** Parking and Traffic Division

**BRIEF DESCRIPTION:** Approving traffic and parking modifications itemized below

**SUMMARY:**

- Under Proposition A, the SFMTA Board of Directors has authority to adopt parking and traffic regulations changes

**Benefit to the SFMTA 2008 – 2012 Strategic Plan:**

- Goal 1 – Customer Focus
  - 1.1 – Improve safety and security across all modes of transportation
- Goal 2 – System Performance
  - 2.4 – Reduce congestion through major corridors
  - 2.5 – Manage parking supply to align with SFMTA and community goals

**ENCLOSURES:**

1. MTAB Resolution

**APPROVALS:**

**DATE**

DIRECTOR OF DIVISION

PREPARING ITEM \_\_\_\_\_

EXECUTIVE DIRECTOR/CEO \_\_\_\_\_

SECRETARY \_\_\_\_\_

ASSIGNED MTAB CALENDAR DATE: \_\_\_\_\_

**ITEMS: (All items except as indicated were heard at 5/2/08 Public Hearing.)**

- A. ESTABLISH- STOP SIGNS –York Street at Mariposa Street, stopping the stem of this currently uncontrolled T-intersection **Requested by: Resident** AND Santiago Street at 29th Avenue, making this intersection an All-Way STOP. **Requested by: Supervisor Chu**
- B. RESCIND - RED (NO PARKING ANYTIME) ZONES - Santiago Street, south side, from 29th Avenue to 20-feet westerly. **Requested by: Supervisor Chu**
- C. ESTABLISH - RESIDENTIAL PERMIT PARKING AREA "L" (2-HOUR TIME LIMIT, 8

- AM - 6 PM, MONDAY THROUGH FRIDAY) - 3rd Avenue, both sides, between Anza and Balboa Streets (500 block). **Requested by: Resident**
- D. RESCIND - MUNI FLAG STOP - Polk Street, west side, south of Grove Street. **Requested by: SFMTA**
- E. RESCIND - MUNI BUS ZONES - Harrison Street, north side, from 7th Street to 100 feet easterly AND Clement Street, south side, from 14th Avenue to 100 feet westerly. **Requested by: SFMTA**
- F. ESTABLISH -MUNI BUS ZONES - Harrison Street, north side, from 7th Street to 80 feet westerly; Grove Street, south side, from Polk Street to 100 feet westerly AND Clement Street, south side, from 14th Avenue to 73 feet easterly. **Requested by: SFMTA**
- G. ESTABLISH – TOW-AWAY, NO STOPPING ANYTIME - Fell Street, south side, from 60 feet to 150 feet east of Masonic Avenue (an additional 90 feet to create a left turn lane).**PH: 5/16/08 Requested by: SFMTA**

MUNICIPAL TRANSPORTATION AGENCY  
 BOARD OF DIRECTORS  
 CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, The San Francisco Municipal Transportation Agency has received a request, or identified a need for traffic modifications as follows:

- A. ESTABLISH- STOP SIGNS –York Street at Mariposa Street, stopping the stem of this currently uncontrolled T-intersection AND Santiago Street at 29th Avenue, making this intersection an All-Way STOP.
- B. RESCIND - RED (NO PARKING ANYTIME) ZONES - Santiago Street, south side, from 29th Avenue to 20-feet westerly.
- C. ESTABLISH - RESIDENTIAL PERMIT PARKING AREA "L" (2-HOUR TIME LIMIT, 8 AM - 6 PM, MONDAY THROUGH FRIDAY) - 3rd Avenue, both sides, between Anza and Balboa Streets (500 block).
- D. RESCIND - MUNI FLAG STOP - Polk Street, west side, south of Grove Street.
- E. RESCIND - MUNI BUS ZONES - Harrison Street, north side, from 7th Street to 100 feet easterly AND Clement Street, south side, from 14th Avenue to 100 feet westerly.
- F. ESTABLISH -MUNI BUS ZONES - Harrison Street, north side, from 7th Street to 80 feet westerly; Grove Street, south side, from Polk Street to 100 feet westerly AND Clement Street, south side, from 14th Avenue to 73 feet easterly.
- G. ESTABLISH – TOW-AWAY, NO STOPPING ANYTIME - Fell Street, south side, from 60 feet to 150 feet east of Masonic Avenue (an additional 90 feet to create a left turn lane).

WHEREAS, The public has been notified about the proposed modifications and has been given the opportunity to comment on those modifications through the public hearing process; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors,

upon recommendation of the Executive Director/CEO and the Director of Parking and Traffic, does hereby approve the changes as attached.

I hereby certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of

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Secretary, Municipal Transportation Agency Board

**THIS PRINT COVERS CALENDAR ITEM NO.: 10.3**

**SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY  
City and County of San Francisco**

**DIVISION:** Finance and Administration

**BRIEF DESCRIPTION:**

Resolution authorizing the Executive Director/CEO or his designee to execute and file an application/claim with the Metropolitan Transportation Commission (MTC) for allocation of operating assistance from Transportation Development Act (TDA), State Transit Assistance (STA), AB1107 One-Half Cent Sales Tax (AB1107), and Regional Measure 2 (RM2) funds for Fiscal Year 2008-2009 for \$106 million to support the operating budget.

**SUMMARY:**

- The San Francisco Municipal Transportation Agency (SFMTA) files annually an application for Operating Assistance with the MTC in accordance with the rules and regulations established by the transportation planning agency pursuant to Public Utilities Code Section 99261.
- SFMTA is required to submit a resolution authorizing the Executive Director/CEO or his designee to execute and file appropriate TDA, STA, AB1107, and RM2 applications, together with all necessary supporting documents with the MTC for an allocation of TDA, STA, AB1107, and RM2 funds in Fiscal Year 2008-2009.
- Annually, the SFMTA gets operating assistance from TDA, STA, AB1107, and RM2 funds administered by MTC.
- The Board of Directors approved the \$106 million as part of the FY 08-09 Budget.

**ENCLOSURES:**

- 1.MTAB Resolution
- 2.Opinion of Counsel

**APPROVALS:**

	<b>DATE</b>
<b>DEPUTY OF DIVISION</b>	
<b>PREPARING CALENDAR ITEM:</b> _____	_____
<b>FINANCE</b> _____	_____
<b>DIRECTOR</b> _____	_____
<b>SECRETARY</b> _____	_____

**ADOPTED RESOLUTION**

**TO BE RETURNED TO: Fernando Urbano –1 So. Van Ness Ave., Finance-7<sup>th</sup> Floor.**

**ASSIGNED MTAB CALENDAR DATE:** \_\_\_\_\_

**EXPLANATION:**

The Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Sections 66500 et seq. Prospective applicants wishing to receive an allocation from the Local Transportation Fund for any transit-related purposes must file an annual claim with MTC.

The SFMTA is required to submit a resolution authorizing the Executive Director/CEO or his designee to execute and file with MTC appropriate applications, together with all necessary supporting documents, for an allocation of Transportation Development Act (TDA), State Transit Assistance (STA), AB1107 One-Half Cent Sales Tax (AB1107), and Regional Measure 2 (RM2) funds in Fiscal Year 2008-2009. The attached Opinion of Counsel is also required by MTC.

Apportionment of the TDA fund is based on an estimate of sales tax generation for the claim year prepared by MTC and San Francisco County Auditors. STA revenue-based operating assistance comes from a State sales tax on fuel, and STA-population-based (paratransit) assistance is computed according to a formula based on the population of the area, which may be adjusted during the governor's annual budget process. AB1107 one-half cent sales tax is based on MTC estimates of sales tax growth generations. RM2 funds are dispensed based on the agency's request for operating allocations, subject to meeting eligibility requirements and availability of RM2 operating funds.

In order to receive payment from MTC, the SFMTA must submit a resolution authorizing the Executive Director/CEO or his designee to execute and file appropriate applications for allocations of TDA, STA, AB 1107, and RM2 funds in Fiscal Year 2008-2009.

SFMTA expects to receive the following amounts in operating assistance for Fiscal Year 2008-2009 pending the finalization of the State Budget:

- TDA funding - \$35,511,624
- State Transit Assistance - \$33,811,668
- AB 1107 funding - \$34,000,000
- RM2 operating assistance funding - \$2,500,000
- RM2 Owl Service funding - \$184,688
- Total Request - \$106,807,980

The SFMTA will further the following goal of the Strategic Plan through acceptance of these funds:

- Goal 4 - Financial Capacity: To ensure financial stability and effective resource utilization

Objective 4.2 - Ensure efficient and effective use of resources

MTC requires an SFMTA Board resolution to apply for these funds.

The City Attorney's Office has reviewed this calendar item.

MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, The Transportation Development Act (TDA) (Public Utilities Code §§99200 **et seq.**), provides for the disbursement of funds from the Local Transportation Fund (LTF) of the City and County of San Francisco for use by eligible applicants for the purpose of approved transit projects; and

WHEREAS, Pursuant to the provision of the TDA, and pursuant to the applicable rules and regulations hereunder (21 Cal. Code of Regs. §6600 **et seq.**), a prospective applicant wishing to receive an allocation from the LTF shall file its claim with the Metropolitan Transportation Commission (MTC); and

WHEREAS, The State Transit Assistance (STA) fund is created pursuant to Public Utilities Code §99310 **et seq.**; and

WHEREAS, The STA fund makes funds available pursuant to Public Utilities Code §99313.6 for allocation to eligible applicants to support approved transit projects; and

WHEREAS, TDA funds from the LTF of the City and County of San Francisco and STA funds will be required by the San Francisco Municipal Transportation Agency (SFMTA) in Fiscal Year 2008-2009 for approved transit projects; and

WHEREAS, Public Utilities Code Sections 29140, **et seq.**, make available 25 percent of the half-cent sales tax revenues collected in the three BART counties (Alameda, Contra Costa, and San Francisco) for allocation by MTC to eligible applicants; and

WHEREAS, Pursuant to the provision of Public Utilities Code Section 29142.2, eligible applicants for AB1107 funds include Alameda-Contra Costa Transit District, the Bay Area Rapid Transit District, and the City and County of San Francisco for the SFMTA; and

WHEREAS, Regional Measure 2 (RM2) establishes the Regional Traffic Relief Plan and identifies specific capital projects and programs eligible to receive RM2 funding, including operating assistance, as identified in Section 30914 (c) and (d) and Section 30914.5 of the California Streets and Highway Code; and

WHEREAS, MTC has determined that the SFMTA complies with the requirements of

Public Utilities Code Section 29142.5 and Government Code Section 66517.5; and

WHEREAS, The SFMTA is an eligible applicant for TDA, STA, AB 1107, and RM2 funds as attested by the opinion of counsel dated May 21, 2008; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors authorizes the Executive Director/CEO or his designee to execute and file appropriate applications/claims together with all necessary supporting documents for Operating Assistance funds with Metropolitan Transportation Commission for Fiscal Year 2008-2009, as follows: Transportation Development Act funding - \$35,511,624; State Transit Assistance funding - \$33,811,668; AB1107 Sales Tax funding - \$34,000,000; and, Regional Measure 2 funding \$2,684,688; and, be it

FURTHER RESOLVED, That a copy of this resolution shall be transmitted to MTC in conjunction with the filing of the claim, and MTC is requested to grant the allocations of the funds as specified herein.

I certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board at its meeting of \_\_\_\_\_.

\_\_\_\_\_  
Secretary, Municipal Transportation Agency Board

CITY AND COUNTY OF SAN FRANCISCO



DENNIS J. HERRERA  
City Attorney

OFFICE OF THE CITY ATTORNEY

ROBIN M. REITZES  
Deputy City Attorney

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May 21, 2008

Metropolitan Transportation Commission  
Joseph P. Bort MetroCenter  
101 Eight Street  
Oakland, CA 94607-4700

Re: MTA Application for State Transit Assistance

To Whom It May Concern:

This communication will serve as the requisite opinion of counsel in connection with the San Francisco Municipal Transportation Agency's application for an allocation of Transportation Development Act ("TDA"), State Transit Assistance ("STA"), and /or AB1107 One-Half Cent Sales Tax ("AB1107"), and/or Regional Measure 2 ("RM2") funds.

1. The City and County of San Francisco, through its Municipal Transportation Agency ("SFMTA") is authorized to provide public transportation services and to perform all the projects for which the funds are requested.

2. The SFMTA is an eligible applicant for TDA and STA funds pursuant to California Public Utilities Code (“PUC”) section(s) 99260 and 99314 et seq., AB1107 funds pursuant to PUC sections 29142.4 and 29142.5, and for RM2 funds pursuant to California Street and Highways Code sections 30914 (c) and (d) and 30914.5.
3. I have reviewed the pertinent State and local laws, and I am of the opinion that there is no legal impediment to the SFMTA making applications for TDA, STA, AB1107, and/or RM2 funds for Fiscal Year 2008-2009 and that there is no pending or threatened litigation that might adversely affect the projects for which the funds are requested or the ability of SFMTA to carry out such projects.

Yours very truly,

DENNIS J. HERRERA  
City Attorney

Robin M. Reitzes  
Deputy City Attorney



**THIS PRINT COVERS CALENDAR ITEM NO.: 10.4**

**MUNICIPAL TRANSPORTATION AGENCY  
City and County of San Francisco**

**DIVISION:** Finance and Administration

**BRIEF DESCRIPTION:**

Authorizing the San Francisco Municipal Transportation Agency to accept and expend \$12,810,000 in Traffic Light Synchronization Program grant funds from the State of California to upgrade the traffic signal corridor along Highway 1 and along Franklin, Gough, Polk and Lombard Streets.

**SUMMARY:**

- On November 7, 2006, California voters approved Proposition 1B, “The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006.” This Bond Act provides \$250 million to fund a Traffic Light Synchronization Program (TLSP) that allocates funding for traffic light synchronization projects that improve safety, operations and the effective capacity of local streets and roads. The funds are available, upon appropriation by the State Legislature, to the California Department of Transportation (Caltrans), as allocated by the California Transportation Commission.
- The San Francisco Municipal Transportation Agency (SFMTA) applied to the State of California through Caltrans for \$12,810,000 in TLSP grant funds to upgrade the traffic signal corridor along Highway 1 and along Franklin, Gough, Polk and Lombard Streets.
- This action authorizes the SFMTA, through its Executive Director/CEO (or his designee), to accept and expend \$12,810,000 in TLSP funds from the State of California.

**ENCLOSURES:**

1. SFMTA Board Resolution

**APPROVALS:**

**DATE**

DIRECTOR OF DIVISION

PREPARING ITEM \_\_\_\_\_

\_\_\_\_\_

FINANCE \_\_\_\_\_

\_\_\_\_\_

EXECUTIVE DIRECTOR/CEO \_\_\_\_\_

\_\_\_\_\_

SECRETARY \_\_\_\_\_

\_\_\_\_\_

ADOPTED RESOLUTION

BE RETURNED TO Leda Young - 1 South Van Ness, 7th Floor

ASSIGNED SFMTA CALENDAR DATE \_\_\_\_\_

**EXPLANATION:**

On November 7, 2006, California voters approved Proposition 1B, “The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006.” This Bond Act includes \$250 million to fund the Traffic Light Synchronization Program (TLSP) for technology-based improvements to improve safety, operations, and the effective capacity of local streets and roads.

In 2007, the State Legislature approved Senate Bill 88 (SB88) that designated the California Transportation Commission (CTC) as the administrative agency responsible for programming TLSP funds. SB88 also directed that \$150 million from the TLSP be allocated to the City of Los Angeles for upgrading and installing traffic signal synchronization within its jurisdiction, and the remaining \$100 million to be allocated competitively to all other jurisdictions statewide. Under California Public Utilities Code Sections 99314, the San Francisco Municipal Transportation Agency (SFMTA) is an eligible sponsor of projects for TLSP funding.

The SFMTA has applied for TLSP funds for the following projects:

- \$5,110,000 to upgrade the Highway 1 traffic signal corridor. The SFMTA is working closely with Caltrans to design and upgrade the traffic signal infrastructure on Highway 1 (19<sup>th</sup> Avenue). Funding specifically will be used for Phase II of the Highway 1 upgrade: Caltrans and the SFMTA will upgrade 16 intersections along the corridor and install signal interconnect from Lincoln Way to Holloway. This funding would supplement previous Caltrans funding and could enable existing Prop. K funds to be reallocated to other similar projects.
- \$7,700,000 for SFgo along Franklin, Gough, Polk and Lombard Streets. Funding would be used to replace the deteriorating traffic signal infrastructure along Franklin, Gough, Polk and Lombard Streets. This improvement to the traffic signal infrastructure is part of the SFgo arterial traffic management project. This funding would serve as a partial match to U.S. Department of Transportation’s Urban Partnership Program funds of \$58 million.

The award of TLSP funds is currently undergoing review and approval by the California Transportation Commission. At this time, Caltrans has recommended award of funds only to upgrade the Highway 1 traffic signal corridor. The SFMTA has sent a letter to the CTC emphasizing that the traffic signal corridor along Franklin, Gough, Polk and Lombard Streets is ready to proceed should other recommended projects by other agencies be unable to meet TLSP guidelines. Thus, the subject MTAB resolution accommodates acceptance and expenditure of funds up to the full amount that the SFMTA could receive.

The SFMTA will further the following goal of the Strategic Plan through acceptance of these funds:

- Goal 4 - Financial Capacity: To ensure financial stability and effective resource utilization

Objective 4.2 - Ensure efficient and effective use of resources

This action authorizes the SFMTA, through its Executive Director/CEO (or his designee), to accept and expend up to \$12,810,000 in TLSP funds from the State of California.

The City Attorney's Office has reviewed this calendar item.

MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, On November 7, 2006, California voters approved Proposition 1B, "The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006;" and

WHEREAS, This Bond Act includes a program of \$250 million to fund a Traffic Light Synchronization Program (TLSP) that allocates funding for traffic light synchronization projects that improve safety, operations and the effective capacity of local streets and roads; and

WHEREAS, The TLSP funds are available, upon appropriation by the State Legislature, to the California Department of Transportation (Caltrans), as allocated by the California Transportation Commission; and

WHEREAS, Under California Public Utilities Code Sections 99314, the San Francisco Municipal Transportation Agency (SFMTA) is an eligible sponsor of projects for TLSP funding; and

WHEREAS, The SFMTA has applied to the State of California, through Caltrans, for a total of \$12,810,000 of TLSP funds to upgrade the traffic signal corridor along Highway 1 (\$5,110,000) and along Franklin, Gough, Polk and Lombard Streets (\$7,700,000); and

WHEREAS, Under Section 10.170 of the San Francisco Administrative Code, the department head has authority to apply for federal, state, or other grants involving any project or program on behalf of the department; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors authorizes the San Francisco Municipal Transportation Agency, through its Executive Director/CEO (or his designee), to accept and expend a total of \$12,810,000 of Traffic Light Synchronization Program funds from the State of California to upgrade the traffic signal corridor along Highway 1 (\$5,110,000) and along Franklin, Gough, Polk and Lombard Streets (\$7,700,000); and, be it further

RESOLVED, That the SFMTA Board of Directors authorizes the Executive Director/CEO (or his designee) to furnish whatever additional information that may be requested by the State of California in connection with this request; and be it further

RESOLVED, That the SFMTA Board of Directors authorizes the Executive Director/CEO (or his designee) to execute any and all agreements necessary to complete the transfer of funds.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

\_\_\_\_\_  
Secretary, Municipal Transportation Agency Board

**THIS PRINT COVERS CALENDAR ITEM NO. : 10.5**

**MUNICIPAL TRANSPORTATION AGENCY  
City and County of San Francisco**

**DIVISION:** Operations

**BRIEF DESCRIPTION:**

Authorizing the Executive Director/CEO to issue a Request for Proposals for Contract No. 583-03, Rehabilitation of 16 PCC Streetcars, evaluate proposals, and negotiate a contract with the most qualified proposer.

**SUMMARY:**

- The F-Line ridership has grown from 10,000 to 20,000 trips per weekday from 2000 to present day. This growth in ridership and planned future expansion service requires Muni to add vehicles to its historic fleet.
- This program is to perform a rehabilitation of 16 PCC historic streetcars which includes a major rehabilitation of five PCCs and partial rehabilitation (electrical and mechanical) of 11 PCCs.
- The work is to be completed in phases within five years from Notice to Proceed.
- This project will be funded through existing local and federal sources.
- The Contract Compliance Office has established a five percent Small Business Enterprise (SBE) participation goal for this contract.
- The City Attorney's Office has reviewed this calendar item.

**ENCLOSURES:**

1. Explanation
2. MTAB Resolution
3. Program Budget and Funding Plan

**APPROVALS:**

**DATE**

DIRECTOR OF DIVISION PREPARING ITEM	_____	_____
FINANCE	_____	_____
EXECUTIVE DIRECTOR/CEO	_____	_____
SECRETARY	_____	_____

ADOPTED RESOLUTION                      Trinh Nguyen  
BE RETURNED TO:

**ASSIGNED MTAB CALENDAR DATE:** \_\_\_\_\_

## **EXPLANATION:**

The active historic streetcar fleet is a collection of electric rail vehicles on the F-Market & Wharves line, carrying nearly 20,000 trips per weekday. These include fifteen Presidents' Conference Committee Cars (PCCs), nine cars designed by Peter Witt that were bought from Milan, Italy, and other historic streetcars from the U.S. and around the world. Muni currently runs twenty four historic streetcars in regular revenue service.

The F-Line ridership has grown from 10,000 to 20,000 per weekday from 2000 to present day. This growth in ridership and planned future expansion service requires Muni to add vehicles to the historic fleet. There are several procurements and rehabilitation projects moving forward to expand the size of the fleet.

This request is to authorize the Executive Director or his Designee to issue a Request for Proposals for the rehabilitation of 16 PCC historic streetcars which include a major rehabilitation of five cars, and partial rehabilitation of eleven cars.

When proposals are received, a Selection Committee will evaluate the technical proposals, taking into consideration the experience and technical expertise of the proposers. Price will also be factored into the evaluation process. Staff will negotiate a contract with the most qualified, highest-rated proposer and bring the contract to the SFMTA Board for approval.

Listed below are the cars to be included in this project:

1. Partial Rehabilitation of 11 Former New Jersey Transit (NJT) PCCs (Nos. 1070, 1071, 1072, 1073, 1074, 1075, 1076, 1077, 1078, 1079, 1080).

The work to be done on these vehicles includes re-engineering the electrical and propulsion systems; producing a set of schematics and drawings and rebuilding and rewiring the vehicles' systems to those schematics and drawings. The existing propulsion system will be replaced with rebuilt Westinghouse PCC propulsion and braking equipment. The contractor will be required to inspect the wiring to the power circuits of the radio, Translink, NextBus and Vetag systems and doors and will install exterior cameras that will provide the operator with a view along the left side of the PCC. All lighting systems will be rewired and the underfloor and exposed car frames will be cleaned and painted. The structural work and accessibility improvements were done in 2006.

2. Major Rehabilitation of 4 Double-Ended PCCs (Nos. 1006, 1008, 1009, 1011) and 1 Single-Ended PCC – (Car No. 1040).

The major rehabilitation includes body, frame, interior and exterior work; lead paint removal; repainting of the interior and exterior; mechanical and electrical work; safety features; accessibility improvements; and other work to prepare these streetcars for revenue service. The contractor will replace the existing propulsion system with a rebuilt

system of the same vintage and will install a radio and public announcement system. The vehicles will be wired to allow for the installation of Translink and NextBus equipment.

A radio and public announcement system will be installed. Vetag components will be added for the remote operation of track switches. In addition to remanufacturing the PCCs, the contractor will be required to submit a series of documents to include schematics and drawings; manufacture and repair procedures and detailed maintenance and operation instructions. The passenger seating area shall be equipped for wheelchair accessibility.

When completed, these cars will be used to supplement and expand the existing historic streetcar fleet to operate on the F-Line and the future E-Line.

The engineer's estimate for this project is \$24,771,112. The work is to be completed within five years from the notice to proceed.

The Contract Compliance Office has established a five percent Small Business Enterprise (SBE) participation goal for this contract.

The City Attorney's Office has reviewed this Calendar Item.

## **Funding**

This project will be funded through local and federal sources as shown in the attached Project Budget and Financial Plan.

## **Strategic Plan Goals:**

This project will meet the following goals of the SFMTA Strategic Plan:

- Goal 1 – Customer Focus
  - 1.1 Improve safety and security across all modes of transportation
  - 1.2 Improve cleanliness of SFMTA stations and vehicles by providing a clean, comfortable experience
  - 1.3 Reduce emissions as required by the SFMTA Clean Air Plan
  - 1.4 Improve accessibility across transit services
  - 1.5 Increase percentage of trips using more sustainable modes (such as transit, walking, bicycling, and rideshare)
  -
- Goal 2 – System Performance
  - 2.1 Transit reliability: Improve on-time performance to 85%
  - 2.2 Ensure efficient transit connectivity and span of service
  - 2.4 Reduce congestion through major corridors
  -
- Goal 3 – External Affairs / Community Relations
  - 3.1 Improve economic vitality by growing relationships with businesses, community, and stakeholder groups

- 3.2 Pursue internal and external customer satisfaction through proactive outreach and heightened communication conduits

## **RECOMMENDATION**

Staff recommends that the SFMTA Board authorize the Executive Director/CEO to issue a Request for Proposals for Contract No. 583-03, Complete Rehabilitation of 16 PCC Streetcars, evaluate proposals, and negotiate a contract with the most qualified proposer.

The RFP is not included as an enclosure but it is available for review in the Office of the Board Secretary.

MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO  
RESOLUTION No. \_\_\_\_\_

WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA), which operates the Municipal Railway (Muni), has 24 historic streetcars in revenue service; and,

WHEREAS, The F-line ridership has grown from 10,000 to 20,000 per weekday from 2000 to present day; and,

WHEREAS, This growth in ridership and planned future expansion service requires Muni to add vehicles to its historic streetcar fleet; and,

WHEREAS, There are several procurements and rehabilitation projects moving forward to expand the size of the fleet; and,

WHEREAS, SFMTA requires that 16 SFMTA Presidents Conference Committee historic streetcars be rehabilitated and returned to their original conditions so that they may be used to supplement and expand the existing historic streetcar fleet and extend their useful life for at least 20 years; and,

WHEREAS, When completed, these cars will be available to operate on the F-Line and future E-Line; and,

WHEREAS, MTA has capital funding for this project from federal and local sources; and,

WHEREAS, The Contract Compliance Office has established a five percent Small Business Enterprise (SBE) participation goal for this contract; and,

WHEREAS, Municipal Transportation Agency staff will seek the approval of this Board prior to the award of the Contract; now, therefore, be it



RESOLVED, That the SFMTA Board of Directors authorizes the Executive Director/CEO to issue a Request for Proposals for Contract No. 583-03, Complete Rehabilitation of 16 SFMTA Historic Streetcars, evaluate proposals, select the highest ranking proposer, and negotiate a contract with the most qualified proposer.

I certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

\_\_\_\_\_  
Secretary, Municipal Transportation Agency Board

**PROJECT BUDGET AND FINANCIAL PLAN:  
For  
SFMTA HISTORIC STREETCARS REHABILITATION PROGRAM**

**PROGRAM BUDGET**

<b>No</b>	<b>Project List</b>	<b>Budget</b>	<b>Status</b>
1	<b>Safety Enhancements for 9 Milan Cars</b> 1807, 1811, 1814, 1815, 1818, 1856, 1859, 1893, 1895	\$1,183,431	In Planning
2	<b>Car # 1: Rehabilitation</b>	\$2,486,505	Request to issue RFP
3	<b>Rehabilitation and Overhaul Program for PCC Fleet</b> 1. 11 NJ PCC : (1070, 1071, 1072, 1073, 1074, 1075, 1076, 1077, 1078, 1079, 1080) 2. 4 DE (1006, 1008, 1009, 1011) 3. 1 SE (1040) PCC	\$24,771,112	Request to issue RFP
4	<b>Major Overhaul of 16 former SEPTA PCCs (MK PCC)</b> 1007 (DE), 1010 (DE), 1015 (DE), 1050, 1051, 1052, 1053, 1055, 1056, 1057, 1058, 1059, 1060, 1061, 1062, 1063	\$3,016,898 Partially Funded	In Planning
<b>TOTAL</b>	<b>PROGRAM COST ESTIMATE</b>	<b>\$31,457,946</b>	

**PROGRAM FUNDING PLAN**

<b>Funding Source</b>	<b>Grant Amount</b>
FTA Grant CA-03-0708	\$5,407,608
FTA Grant CA-90-Y533-00 (Section 5307)	\$5,499,496
FTA Grant CA-05-0215	\$2,294,104
FTA Grant CA 90-X957	\$1,668,473
FTA Grant CA 90-X957	\$1,378,051

<b>Funding Source</b>	<b>Grant Amount</b>
FTA Grant CA 90-0040	\$2,068,000
FTA Grant CA 90-0124	\$1,106,000
FTA Grant CA 03-0673	\$4,791,550
FTA Grant CA 03-0708	\$893,423
FTA Grant CA 90-0424	\$276,000
Regional Measure 2	\$1,090,000
SFMRIC #58	\$849,189
Prop B Res. 02-74	\$605,499
Prop B Res. 03-51	\$4,499
Prop K - (in request)	\$3,526,054
<b>TOTAL FUNDING PLAN</b>	<b>\$31,457,946</b>

**THIS PRINT COVERS CALENDAR ITEM NO. : 10.6**

**MUNICIPAL TRANSPORTATION AGENCY  
City and County of San Francisco**

**DIVISION:** Operations

**BRIEF DESCRIPTION:**

Authorizing the Executive Director/CEO or his Designee to issue a Request for Proposals for Contract No. 583-2, Complete Rehabilitation of Muni Streetcar Car No.1, evaluate proposals, and negotiate a contract with the most qualified proposer.

**SUMMARY:**

- The F-Line ridership has grown from 10,000 to 20,000 trips per weekday from 2000 to present day. This growth in ridership and planned future expansion service requires Muni to add vehicles to its historic fleet.
- Car No. 1, Muni's first streetcar, began service in 1912. This car will be rehabilitated to its original condition in time to commemorate Muni's 100-Year Anniversary in 2012 and be returned to regular historic streetcar service as part of the fleet expansion.
- The work is to be completed within 730 calendar days from Notice To Proceed.
- This project will be funded through existing local and federal sources.
- The Contract Compliance Office has established a five percent SBE participation goal for this contract.
- The City Attorney's Office has reviewed this calendar item.

**ENCLOSURES:**

4. Explanation
5. MTAB Resolution
6. Program Budget and Funding Plan

**APPROVALS:**

**DATE**

DIRECTOR OF DIVISION

PREPARING ITEM \_\_\_\_\_

FINANCE \_\_\_\_\_

EXECUTIVE DIRECTOR/CEO \_\_\_\_\_

SECRETARY \_\_\_\_\_

ADOPTED RESOLUTION

Trinh Nguyen

BE RETURNED TO:

**ASSIGNED MTAB CALENDAR DATE:** \_\_\_\_\_

## **EXPLANATION:**

The active historic streetcar fleet is a collection of electric rail vehicles on the F-Market & Wharves line, carrying nearly 20,000 trips per weekday. These include 15 Presidents' Conference Committee Cars (PCCs), nine cars designed by Peter Witt that were bought from Milan, Italy, and other historic streetcars from the U.S. and around the world. Muni currently runs 24 historic streetcars in regular revenue service.

The F-Line ridership has grown from 10,000 to 20,000 per weekday from 2000 to present day. This growth in ridership and planned future expansion service requires Muni to add vehicles to the historic fleet. There are several procurements and rehabilitation projects moving forward to expand the size of the fleet.

This request is to authorize the Executive Director/CEO or his designee to issue a Request for Proposals for the complete rehabilitation of Car No. 1.

When proposals are received, a Selection Committee will evaluate the technical proposals, taking into consideration the experience and technical expertise of the proposers. Price will also be factored into the evaluation process. Staff will negotiate a contract with the most qualified, highest-rated proposer and bring the contract to the SFMTA Board for approval.

Car No. 1, Muni's first streetcar, began service in 1912. It needs a complete rehabilitation before it can be returned to revenue service. This car needs to be returned to its original appearance so that it can be presented at the Muni 100-Year Anniversary Celebration in 2012 as Muni's first Streetcar in operation.

The complete rehabilitation includes body, frame, interior and exterior work; lead paint removal; repainting of the interior and exterior; mechanical and electrical work; safety features; accessibility improvements; and other work to prepare the car for revenue service. The vehicles will be wired to allow for the installation of Translink and NextBus equipment. Vetag components will be added for the remote operation of track switches. In addition to remanufacturing this car, the contractor will be required to submit a series of documents to include schematics and drawings and manufacture repair procedures.

When completed, this car will be used to supplement and expand the existing historic streetcar fleet to operate on the F-Line and the future E-Line.

The engineer's estimate for this project is \$2,486,505. The work is to be completed within 730 calendar days from the notice to proceed.

The Contract Compliance Office has established a five percent Small Business Enterprise (SBE) participation goal for this contract.

The City Attorney's Office has reviewed this Calendar Item.

## **Funding**

This project will be funded through local and federal sources as shown in the attached Project Budget and Financial Plan.

**Strategic Plan Goals:**

This project will meet the following goals of the SFMTA Strategic Plan:

- Goal 1 – Customer Focus
  - 1.1 Improve safety and security across all modes of transportation
  - 1.2 Improve cleanliness of SFMTA stations and vehicles by providing a clean, comfortable experience
  - 1.3 Reduce emissions as required by the SFMTA Clean Air Plan
  - 1.4 Improve accessibility across transit services
  - 1.5 Increase percentage of trips using more sustainable modes (such as transit, walking, bicycling, and rideshare)
  
- Goal 2 – System Performance
  - 2.1 Transit reliability: Improve on-time performance to 85%
  - 2.2 Ensure efficient transit connectivity and span of service
  - 2.4 Reduce congestion through major corridors
  
- Goal 3 – External Affairs / Community Relations
  - 3.1 Improve economic vitality by growing relationships with businesses, community, and stakeholder groups
  - 3.2 Pursue internal and external customer satisfaction through proactive outreach and heightened communication conduits

**RECOMMENDATION**

Staff recommends that the SFMTA Board approve advertising the Request for Proposals for the complete rehabilitation of Car No. 1, evaluating the proposals, and negotiating a contract with the most qualified proposer.

The RFP is not included as an enclosure but it is available for review in office of the Board Secretary.

MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO  
RESOLUTION No. \_\_\_\_\_

WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA), which operates the Municipal Railway (Muni), has twenty four historic streetcars in revenue service; and,

WHEREAS, The F-line ridership has grown from 10,000 to 20,000 per weekday from 2000 to present day; and,

WHEREAS, This growth in ridership and planned future expansion service requires Muni to add vehicles to its historic streetcar fleet; and,

WHEREAS, There are several procurements and rehabilitation projects moving forward to expand the size of the fleet; and,

WHEREAS, Car No. 1, Muni's first streetcar, needs to be completely rehabilitated to its original condition in time to commemorate Muni's 100-Year Anniversary Celebration in 2012; and,

WHEREAS, It will be returned to regular historic streetcar service as part of the fleet expansion to operate on the F-Line and future E-Line; and,

WHEREAS, MTA has capital funding for this project from federal and local sources; and

WHEREAS, The Contract Compliance Office has established a five percent Small Business Enterprise (SBE) participation goal for this contract; and,

WHEREAS, Municipal Transportation Agency staff will seek the approval of this Board prior to the award of the Contract; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors authorizes the Executive Director/CEO to issue a Request for Proposals for Contract No. 583-2, Complete Rehabilitation of SFMTA Streetcar Car No.1, evaluate proposals, and negotiate a contract with the most qualified proposer.

I certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

\_\_\_\_\_  
Secretary, Municipal Transportation Agency Board

**PROJECT BUDGET AND FINANCIAL PLAN:  
For  
SFMTA HISTORIC STREETCARS REHABILITATION PROGRAM**

**PROGRAM BUDGET**

<b>No</b>	<b>Project List</b>	<b>Budget</b>	<b>Status</b>
1	<b>Safety Enhancements for 9 Milan Cars</b> 1807, 1811, 1814, 1815, 1818, 1856, 1859, 1893, 1895	\$1,183,431	In Planning
2	<b>Car # 1: Rehabilitation</b>	\$2,486,505	Request to issue RFP
3	<b>Rehabilitation and Overhaul Program for PCC Fleet</b> 4. 11 NJ PCC : (1070, 1071, 1072, 1073, 1074, 1075, 1076, 1077, 1078, 1079, 1080) 5. 4 DE (1006, 1008, 1009, 1011) 6. 1 SE (1040) PCC	\$24,771,112	Request to issue RFP
4	<b>Major Overhaul of 16 former SEPTA PCCs (MK PCC)</b> 1007 (DE), 1010 (DE), 1015 (DE), 1050, 1051, 1052, 1053, 1055, 1056, 1057, 1058, 1059, 1060, 1061, 1062, 1063	\$3,016,898 Partially Funded	In Planning
<b>TOTAL</b>	<b>PROGRAM COST ESTIMATE</b>	<b>\$31,457,946</b>	

#### **PROGRAM FUNDING PLAN**

<b>Funding Source</b>	<b>Grant Amount</b>
FTA Grant CA-03-0708	\$5,407,608
FTA Grant CA-90-Y533-00 (Section 5307)	\$5,499,496
FTA Grant CA-05-0215	\$2,294,104
FTA Grant CA 90-X957	\$1,668,473
FTA Grant CA 90-X957	\$1,378,051
FTA Grant CA 90-0040	\$2,068,000
FTA Grant CA 90-0124	\$1,106,000
FTA Grant CA 03-0673	\$4,791,550
FTA Grant CA 03-0708	\$893,423
FTA Grant CA 90-0424	\$276,000
Regional Measure 2	\$1,090,000
SFMRIC #58	\$849,189
Prop B Res. 02-74	\$605,499
Prop B Res. 03-51	\$4,499
Prop K - (in request)	\$3,526,054
<b>TOTAL FUNDING PLAN</b>	<b>\$31,457,946</b>

THIS PRINT COVERS CALENDAR ITEM NO. : 10.7

MUNICIPAL TRANSPORTATION AGENCY  
City and County of San Francisco

DIVISION: Human Resources/Workers' Compensation Division

BRIEF DESCRIPTION:

Authorizing the Executive Director/CEO or his designee to issue a Request for Proposals to solicit proposals from qualified firms to manage and provide the clinical supervision to the San Francisco Municipal Transportation Agency's ("SFMTA") Employee Assistance, Peer Assistance, and Trauma Response Programs for a contract amount not to exceed \$1,000,000 and for a term of three years, plus the option for one year at the Agency's sole discretion.

SUMMARY:

- Staff requests SFMTA Board approval to issue a Request for Proposals (RFP) to solicit proposals from qualified firms to manage and operate the SFMTA's Employee Assistance, Peer Assistance and Trauma Response Programs.
- These programs provide counseling, substance abuse support, and crisis intervention services to SFMTA employees and their families.
- The SFMTA is required to provide these services under the current Memorandum of Understanding with Local 250A.
- The estimated value of the proposed services is \$250,000 per year.
- The current contract for these services, provided by Claremont Behavioral Services, Inc., will expire on June 30, 2008.
- Staff proposes a new contract term of three years to mirror the term of the current Memorandum of Understanding ("MOU") with Local 250A.

ENCLOSURES:

1. SFMTAB Resolution
2. Request For Proposals

APPROVALS:

DATE

DIRECTOR OF DIVISION

PREPARING ITEM \_\_\_\_\_

\_\_\_\_\_

FINANCE \_\_\_\_\_

\_\_\_\_\_

EXECUTIVE DIRECTOR/CEO \_\_\_\_\_

\_\_\_\_\_

SECRETARY \_\_\_\_\_

\_\_\_\_\_



ADOPTED RESOLUTION BE RETURNED TO Jeffery L. Gary

ASSIGNED SFMTAB CALENDAR DATE: \_\_\_\_\_

EXPLANATION:

Background:

The 1996 Memorandum of Understanding between the Transport Workers' Union, Local 250-A, and the Public Transportation Department, required that the Agency provide counseling and crisis intervention services to transit operators. That requirement continues under the current MOU. The SFMTA satisfies those requirements through the Employee Assistance Program, the Peer Assistance Program, and the Trauma Response Program. Starting in 1998, the Public Transportation Department made these programs available to all of its employees, regardless of labor affiliation.

Claremont Behavioral Services, Inc. is currently under contract to provide clinical professionals for counseling services associated with the Employee Assistance Program and Trauma Response Programs, as well as clinical oversight of the Peer Assistance Program, in coordination with SFMTA's Workers' Compensation Program Manager. This contract has been in place since July 1, 2005 and expires on June 30, 2008. The value of the current contract is \$225,000 per year.

The current programs are described below, but the staff will consider proposals to provide the same services under different management structures that satisfy the requirements of the Agency and the MOU.

The Employee Assistance Program ("EAP") assists employees in assessing and dealing with problems arising from a variety of personal areas, including family, financial, legal, and medical issues. The EAP provides referrals to licensed social workers, clinical psychologists and psychiatrists who provide the actual counseling services.

The Peer Assistance Program ("PAP") provides non-clinical counseling, support and advice to fellow employees regarding access to EAP services, voluntary substance abuse counseling programs and education on the resources available to employees to address work-related or personal issues. The PAP provides initial contact with employees, who then meet with a peer assistant or are referred to professional counseling through the EAP.

The Trauma Response Program provides support and counseling to employees involved in "critical incidents," which are assaults, threats, and serious accidents occurring on duty. The services are provided twenty-four hours/seven days per week. Counselors contact involved employees within two hours of a critical incident to offer services. Counselors also make follow-up calls within the first twenty-four to forty-eight hours following a critical incident. The Trauma Response Program provides counseling sessions with a licensed psychologist following a critical incident. The program also provides fitness for duty assessments to qualify employees involved in critical incidents to return to work.

To insure uninterrupted service to SFMTA employees during the RFP process, staff has arranged for employees to received EAP/PAP services through the city-wide EAP program, the SFMTA Peer Assistance Program and the employee's personal health care provider on an interim basis.

Proposal:

Staff proposes that the term of the new contract be three years, plus an option for a fourth year to be exercised at the Agency's sole discretion. This term will allow the EAP/PAP contract and the MOU for Transport Workers' Union Local 250-A to run concurrently.

The estimated annual value of the proposed services is approximately \$250,000.

Recommendation:

Staff recommends adoption of the attached resolution authorizing the Executive Director/CEO or his designee to issue a Request for Proposals to solicit proposals from qualified service providers for the management of the Employee Assistance, the Peer Assistance, and the Trauma Response Programs.

The City Attorney's Office has reviewed this report, the SFMTA Board Resolution, and the RFP. The contract for the proposed services will be based on the City's current Professional Services P-500 form contract.

SFMTA's Contract Compliance Office has established a three percent (3%) Local Business Enterprise (LBE) sub-consulting participation goal for this contract.

This requested action aligns with Goal 5 of the SFMTA Strategic Plan – "Provide a working environment that fosters a high level of performance and improve work/life balance of employees."

MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, Article 32 of the current Memorandum of Understanding between the Transport Worker's Union, Local 250-A and the San Francisco Municipal Transportation Agency ("SFMTA") requires the Agency to provide Employee Assistance and Peer Assistance Programs; and,

WHEREAS, Through its Trauma Response Program, the SFMTA provides trauma counseling services to SFMTA employees involved in serious accidents, as well as employees subjected to assaults and threats, which has reduced absenteeism and workers' compensation costs; and,

WHEREAS, The contract with Claremont Behavioral Services, Inc., the current provider for these professional services, expires on June 30, 2008; now therefore be it,

RESOLVED, That the Municipal Transportation Agency Board authorizes the Executive Director/CEO to issue a Request For Proposals to solicit proposals from qualified firms to manage and provide clinical supervision for the San Francisco Municipal Transportation Agency's Employee Assistance, Peer Assistance, and Trauma Response Programs for a contract amount not to exceed \$1,000,000 and for a term of three years with a one year extension at the SFMTA's sole discretion.

I hereby certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board at its meeting of \_\_\_\_\_.

---

Secretary, Municipal Transportation Agency Board

SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY

CITY AND COUNTY OF SAN FRANCISCO

REQUEST FOR PROPOSALS FOR ADMINISTRATION AND

MANAGEMENT OF EMPLOYEE ASSISTANCE, PEER ASSISTANCE,

AND TRAUMA RESPONSE PROGRAMS

CCO NO. (08-1012)

June 18, 2008

SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY  
REQUEST FOR PROPOSALS FOR WORKERS' COMPENSATION  
EMPLOYEE ASSISTANCE PROGRAM

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- I. INTRODUCTION AND BACKGROUND
- II. SCOPE OF WORK
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- IV. PROPOSAL SUBMISSION REQUIREMENTS
- V. FORMAT AND CONTENT
- VI. FEE PROPOSAL
- VII. EVALUATION AND SELECTION CRITERIA
- VIII. SELECTION PROCESS AND SCHEDULE
- IX. PROPOSER'S OBLIGATIONS UNDER THE SAN FRANCISCO ADMINISTRATIVE CODE
- X. CONTRACT REQUIREMENTS

Appendices:

- A. Standard Forms: Listing and Internet address of Forms related to Declaration of Compliance with Chapter 14.B of the Administrative Code; Business Tax Declaration, Chapters 12B; Request for Taxpayer Identification Number and Certification; HRC's Local Business Enterprise Application.
- B. HRC Attachment 2 – Requirements Architecture, Engineering, & Professional Services Contracts. Proposers must submit the following forms:

- Form 2A HRC Contract Participation form
- Form 2B HRC "Good Faith" Outreach Requirements form
- Form 3 HRC Non-discrimination Affidavit
- Form 5 HRC Employment form

The following form may be required, depending on the circumstances:

- Form 4 Joint Venture Participation Schedule

## ASSISTANCE, AND TRAUMA RESPONSE PROGRAMS

### I. INTRODUCTION AND BACKGROUND

The San Francisco Municipal Transportation Agency ("SFMTA"), an Agency of the City and County of San Francisco ("City") and the Muni Improvement Fund ("MIF"), a joint labor-management organization, seek Proposals from qualified firms for the operation and management of the San Francisco Municipal Railway's Employee Assistance, Peer Assistance, and Trauma Response Programs, which are described below. The SFMTA only seeks Proposals from vendors qualified to manage all three programs; the SFMTA will not consider Proposals or offers to manage fewer than all three programs. The EAP, the PAP, and the Trauma Response Programs are intended to assist employees in staying at work or returning to work quickly during or after periods of stress and personal difficulty. The EAP, PAP and Trauma Response programs are intended to provide crisis intervention, stress management, and substance abuse assistance; they are not long-term clinical care programs.

The Employee Assistance Program ("EAP") is a counseling and referral program required under the labor contract ("Memorandum of Understanding" or "MOU") between the SFMTA and the Transit Workers Union, Local 250A. (A copy of Article 32 of the MOU, in which the requirements of the EAP are set out, is included as Appendix E to this RFP.) Through the EAP, Municipal Railway ("Muni") employees receive referrals to licensed social workers, clinical psychologists and psychiatrists who provide the counseling services.

The SFMTA seeks Proposals from qualified firms to manage the EAP under the terms of the MOU, and to also administer the Peer Assistance Program ("PAP"), which is also described in Article 32 of the MOU. The Peer Assistants are Muni employees assigned to act as counselors to assist employees in obtaining help with issues of stress, substance abuse, family problems or other issues that may impair the employees' ability to work. The selected Proposer will provide clinical supervision of the staff of three full-time paid Peer Assistants and up to 8 volunteer Peer Assistants. The full-time Peer Assistants are employees of the SFMTA and are paid by the SFMTA.

The selected Proposer will also manage the SFMTA's Trauma Response Program. As further described below, the Trauma Response Program provides to Municipal Railway employees who have been involved in "critical incidents" crisis support and counseling. Critical incidents include assaults and threats to the employee and vehicle accidents or other incidents involving serious injury or death.

- A. Although the EAP, PAP and Trauma Response Programs are open to all SFMTA employees, the programs primarily serve the 3,022 Muni employees who are considered "safety sensitive," as defined by U.S. Department of Transportation alcohol and drug testing regulations. The majority of these employees are bus, light rail and cable car operators, but certain electricians, mechanics, service workers and supervisory staff are also considered safety sensitive. In addition to the above, the program will also serve the approximately 800 Department of Parking and Traffic employees, who are responsible for such diverse duties as parking enforcement, traffic engineering, and traffic operations.

- B. Within the confines of the requirements of the MOU, the SFMTA will consider Proposals that either maintain the current structure of the EAP, PAP and Trauma Response Program or that propose a different management or service model.

## II. SCOPE OF WORK

### A. Employee Assistance Program

As set out below and in Article 32 of the MOU, the selected Proposer ("Contractor") is to provide a work-site based employee assistance program designed to assist in the identification and resolution of productivity problems associated with work-related and non-work-related issues such as health, family, financial, alcohol, drug, legal, emotional, stress or other personal concerns which may adversely affect employee job performance.

The Contractor must provide the following EAP services:

1. Direct one-to-one counseling utilizing licensed mental health professionals for purposes of identifying, evaluating and recommending assistance for employees and their families on matters, including but not limited to, health, marital, family, financial, alcohol, drug, legal, emotional, stress, and other personal concerns. Licensed mental health professionals must be Licensed Clinical Social Workers (LCSW), licensed clinical psychologists or psychiatrists. Each employee is entitled to up to three (3) sessions per year. Additional sessions must be provided at the employee's expense, unless otherwise arranged for by the employer. The Contractor must provide counseling within twenty-four hours of an employee's urgent request. All other counseling sessions must be held within seventy-two hours of the employee's request. A counseling session must not be shorter than one hour.
2. A twenty-four-hour/seven day a week toll free number for purposes of employee access to live counselors with a guaranteed response time of no more than sixty seconds. Phone consultations shall not count as a counseling session for purposes of paragraph A above.
3. Consultations with labor and management representatives for purposes of developing organizational policies and procedures necessary for effective program implementation.
4. Training and orientation of SFMTA employees regarding the purpose, scope, nature and use of the program.
5. Training of labor and management staff to develop the knowledge and skills necessary to effectively utilize the program and increase employee access to the program.
6. Referral services to professional community resources for treatment and/or assistance, as may be required. Professional Community

Resources are defined as other Licensed Professionals as referenced in paragraph II.A.1 above, plus other organizations or associations specializing in counseling services referenced in Paragraph II.A.1.

7. Act as liaison between employees, the treating Licensed Professional, and the SFMTA.
8. Prepare reports, including monthly statistical evaluation of program activity, and other reports as needed.
9. Attendance of the Contractor's principal or its delegated representative to monthly meetings of the Municipal Railway Improvement Fund Board of Trustees and to such meetings required by the SFMTA for the administration of the contract.
10. Other EAP-related duties as may be assigned from time to time.
11. The Contractor must commit in writing to conformance with the Employee Assistance Program Association ("EAPA") Code of Ethics and to fulfill its obligations under the contract with "Certified Employee Assistance Professionals" as defined therein.

B. Trauma Response Program

As set out below, Contractor will provide counseling to SFMTA's employees involved in "critical incidents," which are defined as assaults, threats of bodily harm, or serious accidents that occur on duty.

The Contractor must provide the following Trauma Response Program services:

1. A twenty-four hour/seven day per week counseling hot-line service on-call for critical incident response. The number for the hotline should be the same as hotline used for the EAP.
2. Contact (or attempt to contact) any employee involved in a critical incident (within no more than two hours after notice that a critical incident has occurred) to inform the employee of the Trauma Response Program and offer program services.
3. Follow up within the first twenty-four and forty-eight hours following a critical incident regardless of whether the employee has elected to use the program after the initial call.
4. Provide up to three one-on-one counseling sessions for the employee with a fully qualified and licensed psychologist following any critical incident, and assist employees in securing additional counseling visits, if necessary.
5. Assess of the ability to return to work of any employee involved in a

critical incident and consultation with the SFMTA regarding the employee's fitness for duty and ability to return to work.

6. Recommend changes in current critical incident procedures to the SFMTA.
7. Perform other critical incident related duties as the SFMTA may assign from time-to-time.

C. Peer Assistance Program

Muni and its unions created the Peer Assistance Program to work in conjunction with and support of the EAP and Trauma Response Program. The program is based on the expectation that employees experiencing problems at home or work are more likely to make use of the EAP if their initial contact is with a peer rather than an outside counselor, and that the Peer Assistants' familiarity with the workforce and the work place enhance the prospect for early intervention. There are currently three full-time Peer Assistants drawn from the ranks of Muni employees to whom the Contractor will provide supervision, plus supervision of three Peer Assistant Volunteers. The Contractor must provide the following services relating to the Peer Assistance Program.

The Contractor must provide the following PAP services:

1. Establish guidelines for program compliance including oversight of client contact and training. **b**
2. Clinical supervision of the Peer Assistants, including the presence of a qualified program director on-site for no less than twenty hours each week, and supplemented by twenty-four hour telephone access when not on site.
3. Ongoing training of Peer Assistants for the purpose of obtaining certification as Employee Assistance Professionals;
4. Coordinate Union and SFMTA joint outreach programs;
5. Provide twenty-four hour program access by telephone to a licensed fully qualified clinician.
6. Develop and adhere to documented internal quality management standards that are subject to audit by the SFMTA.
7. Coordinate the selection and training of Peer Assistants.
8. Attend SFMTA and Municipal Railway Improvement Fund meetings as may be required.



9. Create and maintain a statistical database by which the SFMTA may evaluate the effectiveness of the program and may generate reports on and audit program service statistics.

### III. MINIMUM QUALIFICATIONS

Each proposer must meet the minimum requirements for the contract for which it submits a proposal. Any proposal that does not demonstrate that the proposer meets the applicable minimum requirements by the deadline for submittal of proposals will be considered non-responsive and will not be eligible for award of the contract. Proposers must meet the following minimum qualifications:

1. Proposer must be licensed to conduct business in the State of California.
2. Proposer must have three (3) years experience in providing EAP, PAP, and Trauma Response Trauma Response/Critical Incident Debriefing services or services similar in type and scope in California.
3. Proposers must have the ability to monitor and report on utilization rates through an electronic database compatible with standard electronic file formats, such as Microsoft Excel, Word or Access.

### IV. PROPOSAL SUBMISSION REQUIREMENTS

- A. Proposals must be received at the SFMTA offices by 5:00 p.m. on July 11, 2008. Proposals may be delivered in person and left with Martha Johnson or mailed to:

Jeffery L. Gary, Manager  
San Francisco Transportation Agency  
Absence Management  
401 Van Ness Ave, 3<sup>rd</sup> Floor, Room 308  
San Francisco, CA 94102

- B. Proposals must be clearly marked "Proposal for Employee Assistance Program and Peer Assistance Program" for the San Francisco Municipal Transportation Agency. Faxed documents will NOT be accepted.
- C. No Proposal received after 5:00 p.m. on July 11, 2008 will be accepted. Each Proposer accepts all risks associated with missed-delivery or with failure to deliver before such date and time by any courier, mail or other delivery service.

Proposers must submit one original of the Proposal clearly marked as such and nine complete and legible copies. The original must be signed in ink by a principal who is capable of legally binding the Proposer.

- D. Each Proposer must complete and submit as attachments to its Proposal all required HRC forms as described in Appendix B, Interim HRC Attachment 3, i.e., HRC Form 1-DBE Rating Bonus Application, HRC Form 2A-DBE Sub-consultant

Participation, HRC Form 2B-DBE Subcontractor and Supplier Participation – Good Faith Efforts, HRC Form 3-DBE Ordinance Compliance Declaration, HRC Form 4-Joint Venture Participation Schedule, if applicable, and HRC Form 5-Employment Information (prime only) in a sealed envelope clearly marked RFP Workers’ Compensation EPA/PAP/Trauma Response Program to the above location.

V. FORMAT AND CONTENT

Proposers must follow the requirements set forth below. Any material deviation from these requirements may be cause for rejection of the Proposal, as determined by the SFMTA in its sole discretion. The content and sequence of each Proposal must be as follows:

A. Cover Letter

Proposals must include a cover letter describing the Proposer and including all of the following:

1. The official name of the Proposer, as well as any fictitious business names. The Proposer’s organizational structure (e.g., corporation, partnership, a limited liability company, etc.)
2. The jurisdiction in which the Proposer is organized and the date of such organization.
3. The address of the Proposer’s headquarters and of any local office of the Proposer involved in the Proposal.
4. The Proposer’s Federal Tax Identification Number;<sup>5</sup> whether Proposer is certified by the San Francisco Human Rights Commission as a local DBE.<sup>6</sup> The name, address, e-mail address, telephone and fax numbers of the person(s) who will serve as the contact(s) with the SFMTA, with authorization to make representations on behalf of and to bind the Proposer.
5. A representation that the Proposer is in good standing in the State of California and has all necessary licenses, permits, approvals and authorizations necessary in order to perform all of the Proposer’s obligations in connection with this RFP.
6. An acceptance of all conditions and requirements contained in this RFP. Any rejection of or objection to the conditions and requirements must be expressly set forth in the cover letter and may be grounds for the SFMTA’s rejection of the Proposal as non- responsive.

B. Table of Contents

Proposals must contain a table of contents listing the individual sections of the Proposal and their corresponding page numbers. Tabs should separate each of the

individual sections.

C. Executive Summary

Proposers must submit a brief synopsis of the highlights of the Proposal and the overall benefits of the Proposal to the SFMTA. The synopsis should not exceed five (5) pages in length and should be easily understandable.

D. Minimum Qualifications

Proposers must carefully read the Minimum Standards section of this RFP at section III, and respond to any sections where their described practice differs significantly from Respondent's practice, or where the parameters set forth therein would create a barrier to Respondent's ability to perform should a contract be awarded.

E. Standard Operating Procedures

Respondents must submit Standard Operating Procedures for all areas described in the Scope of Work and Performance Standards sections of this RFP (See § IX B, *infra*).

F. Questionnaire

Proposers must address the following questions in the order presented here:

1. Personnel

a. Provide an organizational chart of the unit structure and all key personnel with your Proposal:

- i. Project Manager
- ii. Technical and Telephone Support
- iii. Management and Administrative Support
- iv. Clinician and Licensed Counselor Qualifications

b. Describe in detail the experience of the above Key Personnel in the following:

- i. Management and performance of employee assistance programs and trauma response program administration, including crisis intervention.
- ii. Management and performance in the development and maintenance of a mental health provider network.
- iii. Size of employer for which Proposer has provided full range

EAP and trauma response services, type of employer(s) and scope of EAP/trauma response programs administered over the past three (3) years.

- iv. Management and performance of EAP/PAP service providers and billing procedures.
  - v. Project manager's and telephone support staff's work activities/assignments over the past year, as well as Proposer's plans for those individuals' workloads for the next six (6) months.
  - vi. Submit resumes of Key Personnel with a chronological summary of experience, including dates of performance, over the past five (5) years. Include academic achievements and licensure as applicable.
- c. The Proposer must provide information regarding the mental health providers or provider network to be used as referral resources for EAP/trauma response counseling, as well as the various types of direct service providers to whom SFMTA employees will be referred. State the licensure, area of expertise and/or specialty, business or office street address and telephone number for each member of the mental health provider network, which it proposes to use.
- d. Describe the proposed location for your operation under this Proposal. If the Proposer's offices will not be located in San Francisco, the Proposer must describe how it will accommodate regular meetings with the SFMTA and the Muni Improvement Fund and/or client divisions and meet other obligations outlined in this RFP.
- e. Describe what you consider to be a reasonable caseload for counselors and clinicians.
- f. Describe the minimum level of experience required for your counselors and clinicians.
- g. Describe the minimum requirements for continuing education and training of your professional staff.
- h. Describe any annual training requirements for your non-professional staff. (i.e., clerical and other support staff)
- i. State whether on-going training of your professional staff is mandatory or non-mandatory. Describe monitoring how training

attendance is monitored.

- j. Is training mandatory for non-professional staff? If so, describe the training provided.
- k. Describe any incentives, financial or otherwise, that accrue directly to your employees.
- l. Describe how your professional staff is evaluated and how often evaluation occurs. Describe average professional staff turnover for the last five (5) years and any plans or incentives to attract and maintain high quality staff.
- m. If your organization uses non-staff medical professionals, or has contracts with HMO's or PPO's, describe how your firm interacts with these organizations.
- n. If your organization uses outsourced information systems personnel, describe their qualifications including education and experience.

## 2. Referral Processing

- a. Describe in detail how a new referral is processed in your organization from case initiation to resolution.
- b. Describe the number of phone and fax lines currently available to your clients and whether these will be sufficient to handle the volume generated by the SFMTA.
- c. Describe how the receipt of a referral is acknowledged (e.g., electronic handshake, email, etc.), the amount of time necessary to complete acknowledgement, and the employer representative(s) typically notified when a referral is received

## 3. Implementation Process

Detail your organization's implementation plan including timelines, number and type of staff assigned, method for assuming responsibility for existing cases, etc.

## 4. Quality Assurance

Describe quality assurance protocols used to ensure compliance with confidentiality of employee demographic and medical information.

Describe your quality control measurements and the type and frequency of quality control reports you would provide to the SFMTA.

## VI. FEE PROPOSAL

The SFMTA intends to award this contract to the firm that will provide the best overall program services in a cost-effective manner. The SFMTA reserves the right to accept other than the lowest priced offer and to reject any Proposals that are not responsive to this request.

Proposers should base their Proposals on the following data:

- \* Three (3) year contract duration, plus one year option at the Agency's sole Discretion
  - \* Two Hundred Fifty (250) EAP referrals per year
  - \* Fifty (50) Trauma Responses per year
- A. Each Proposer must include in its Proposal the following information concerning fees charged and other compensation:
1. A flat monthly fee Proposal
  2. A cost per unit (per patient visit) Proposal for all services requested in this RFP. State the per-unit cost for EAP referrals, Peer Assistance Oversight and Trauma Response.
  3. Blended pricing that incorporates a monthly service fee and per unit cost.

## VII. EVALUATION AND SELECTION CRITERIA

### A. Technical Review

A selection committee comprised of parties with expertise in Employee Assistance, Substance Abuse, Workers' Compensation, and Disability Management will evaluate the Proposals. The SFMTA intends to evaluate the Proposals generally in accordance with the criteria itemized below. Firms with the highest scoring Proposals will be interviewed by the committee to make a final selection.

### B. Selection Criteria

The weighted selection criteria for this RFP are as follows:

<u>Criteria</u>	<u>Points</u>
Qualifications (experience, reputation, references)	25
Experienced and Expertise of the oversight clinician	25
Geographic dispersion of Physician/Provider Network	15

Trauma Response Program management proposal	15
Quality of Data Collection/Utilization Reporting	10
Service Fee	10

VIII. SELECTION PROCESS AND SCHEDULE

A. Pre-Proposal Conference

Proposers are encouraged to attend a pre-Proposal conference on June 27th at 9:30 a.m. to be held at the 1 South Van Ness Ave., 3rd Floor, North Beach Conference Room.

Parking is limited; Proposers are encouraged to take public transportation. All questions will be addressed at this conference and any available new information will be provided at that time. Proposers should contact Jeffery L. Gary at jeff.gary@sfmta.com or Martha Johnson at martha.johnson@sfmta.com with any non-DBE questions regarding this RFP.

Proposers must contact Naomi Steinway, Contract Compliance Officer, San Francisco Municipal Transportation Agency, at 415/701-4363 to discuss HRC's local Interim DBE/Non-discrimination Requirements.

The SFMTA will keep a record of all parties who request and receive copies of the RFP. Any requests for information concerning the RFP, whether submitted before or after the pre-Proposal conference, must be in writing, and any substantive replies will be issued as written addenda to all parties who have requested and received a copy of the RFP from SFMTA. Questions raised at the pre-Proposal conference may be answered orally. If any substantive new information is provided in response to questions raised at the pre-Proposal conference, it will also be memorialized in a written addendum to this RFP and will be distributed to all parties that received a copy of the RFP. No questions or requests for interpretation will be accepted after July 7, 2008.

B. Selection Schedule

<u>Task</u>	<u>Date</u>
Issue RFP	June 18, 2008
Bidder's Conference & City's Response to Written Questions	June 27, 2008
Written Questions Regarding RFP Due From Responders	July 7, 2008
Proposals Due	July 11, 2008
Technical Review	July 18, 2008
Finalists contacted for Oral Interviews (If necessary)	July 25, 2008

Contract Awarded	August 5, 2008
Protest Period Ends	15 days after Award
Case Referrals Begin	August 19, 2008

The SFMTA will conduct site visits of vendors who are selected as “finalists.” Those selected will be notified of the dates for this visit.

C. Contract Award

The SFMTA/Division of Workers’ Compensation will select a Proposer with whom SFMTA Human Resources and legal staff shall commence contract negotiations. The selection of any Proposal shall not imply acceptance by the SFMTA of all terms of the Proposal, which may be subject to further negotiation and approvals before the SFMTA may be legally bound thereby. If a satisfactory contract cannot be negotiated in a reasonable time the San Francisco Municipal Transportation Agency, in its sole discretion, may terminate negotiations with the highest ranked Proposer and begin contract negotiations with the next highest ranked Proposer.

D. Inquiries Regarding RFP

Inquiries regarding the RFP other than inquiries at the pre-Proposal conference, and all oral notifications of an intent to request written modification or clarification of the RFP, must be directed to:

Jeffery L. Gary, Manager  
San Francisco Municipal Transportation Agency  
Absence Management  
401 Van Ness, 3rd Floor, Room 308  
San Francisco, CA 94102  
415-554-4974  
E-mail: [jeff.gary@sfmta.com](mailto:jeff.gary@sfmta.com)

Or

Martha Johnson, Project Manager  
San Francisco Municipal Transportation Agency  
Absence Management  
401 Van Ness, 3rd Floor, Room 308  
San Francisco, CA 94102  
415-554-4979  
E-mail: [martha.johnson@sfmta.com](mailto:martha.johnson@sfmta.com)

E. Addenda to RFP

The SFMTA may modify the RFP, prior to the Proposal due date, by issuing written addenda. Addenda will be sent via regular, first class U.S mail to the last known business address of each firm listed with the SFMTA as having received a copy of



the RFP for Proposal purposes. The SFMTA will make reasonable efforts to notify Proposers in a timely manner of modifications to the RFP. Notwithstanding this provision, the Proposer shall be responsible for ensuring that its Proposal reflects any and all addenda issued by the SFMTA prior to the Proposal due date regardless of when the Proposal is submitted. Therefore, the SFMTA recommends that the Proposer call or e-mail the Agency before submitting its Proposal to determine if the Proposer has received all addenda.

F. Term of Proposal

Submission of a Proposal signifies that the proposed services and prices are valid from submission through contract negotiation, and that the quoted prices are genuine and not the result of collusion or any other anti-competitive activity.

G. Revision of Proposal

A Proposer may revise a Proposal on the Proposer's own initiative at any time before the deadline for submission of Proposals. The Proposer must submit the revised Proposal in the same manner as the original. A revised Proposal must be received on or before the Proposal due date.

In no case will a statement of intent to submit a revised Proposal, or commencement of a revision process, extend the Proposal due date for any Proposer.

At any time during the Proposal evaluation process, the SFMTA may require a Proposer to provide oral or written clarification of its Proposal. The SFMTA reserves the right to make an award without further clarifications of Proposals received.

H. Errors and Omissions in Proposal

Failure by the SFMTA to object to an error, omission, or deviation in the Proposal will in no way modify the RFP or excuse the vendor from full compliance with the specifications of the RFP or any contract awarded pursuant to the RFP. Proposers are responsible for reviewing all portions of this RFP. Proposers are to promptly notify the department, in writing, if the proposer discovers any ambiguity, discrepancy, omission, or other error in the RFP. Any such notification should be directed to the Department promptly after discovery, but in no event later than five working days prior to the date for receipt of proposals. Modifications and clarifications will be made by addenda as provided below.

I. Financial Responsibility

The SFMTA accepts no liability or financial responsibility for any costs incurred by a firm in responding to this RFP. Submissions of the RFP will become the property of the SFMTA and may be used by the SFMTA in any way deemed appropriate.

J. Proposer's Objections

1. Should a Proposer object on any ground to any provision or requirement set forth in this RFP, the Proposer must, not more than five (5) business days after the RFP is issued, provide written notice to the SFMTA setting forth with specificity the grounds for the objection. The failure of a proposer to object in the manner set forth in this paragraph shall constitute a complete and irrevocable waiver of any such objection.
2. Should a Proposer object on any ground to any action taken by the SFMTA or its employees and officers in connection with this RFP, the Proposer must, not more than five (5) business days after the SFMTA has taken the action to which the objection is raised, provide written notice to the SFMTA setting forth with specificity the grounds for the objection. The failure of a Proposer to object in the manner set forth in this paragraph shall constitute a complete and irrevocable waiver of any such objection.

IX. PROPOSER'S OBLIGATIONS UNDER THE SAN FRANCISCO ADMINISTRATIVE CODE

A. Proposer's Obligations under the Campaign Reform Ordinance

Proposers must comply with Section 16.510-2 of the S.F. Administrative Code, which states: "No person who contracts with the City and County of San Francisco, for the rendition of personal services, for the furnishing of any material, supplies or equipment to the City, or for selling any land or building to the City, whenever such transaction would require approval by a City elective officer, or the board on which that City elective officer serves, shall make any contribution to such an officer, or candidates for such an office, or committee controlled by such officer or candidate at any time between commencement of negotiations and either the completion of, or the termination of, negotiations for such contract."

If a Proposer is negotiating for a contract that must be approved by an elected local officer or the board on which that officer serves, during the negotiation period the Proposer is prohibited from making contributions to:

- \* the officer's re-election campaign
- \* a candidate for that officer's office
- \* a committee controlled by the officer or candidate

The negotiation period begins with the first point of contact, either by telephone, in person, or in writing, when a Contractor approaches any city officer or employee about a particular contract, or a city officer or employee initiates communication with a potential Contractor about a contract. The negotiation period ends when a contract is awarded or not awarded to the Contractor. Examples of initial contacts

include: (i) a vendor contacts a city officer or employee to promote himself or herself as a candidate for a contract; and (ii) a city officer or employee contacts a Contractor to propose that the Contractor apply for a contract. Inquiries for information about a particular contract, requests for documents relating to a Request for Proposal, and requests to be placed on a mailing list do not constitute negotiations.

Persons who knowingly or willfully violate section 16.510-2 are subject to a fine of up to \$500 and a jail term of six (6) months, or both. (S.F. Administrative Code Section 16.515(a)).

Persons who negligently violate section 16.510-2 are subject to a civil penalty of up to \$500. (S.F. Administrative Code Section 16.515(b)).

For further information, Proposers should contact the San Francisco Ethics Commission at (415) 554-9510.

#### B. Sunshine Ordinance

In accordance with S.F. Administrative Code Section 67.24(e), Contractors' bids, responses to RFP's and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

City shall make information available to the public in accordance with Chapter 67 of the San Francisco Administrative Code (the "Sunshine Ordinance"). City shall keep confidential and not disclose any information received from Contractor [bidder or Proposer] or its agents or representatives that is specifically identified and marked as a trade secret, proprietary financial data or other information protected by federal or state law ("confidential information") to any individual or entity other than to the officers, employees, counsel, consultants, representative and agents of City with a need to know such information; provided however, that upon award of the contract, proprietary financial information for the successful bidder shall be made public unless state or federal law prohibits such disclosure. Upon receiving a public records request for inspection or copying of a record that Contractor [bidder or Proposer] has designated as confidential information, City shall make a good faith effort to immediately notify Contractor [bidder or Proposer] of such request and the deadline by which City is required to reply. If the requested records include or reference any Confidential Information, City shall not disclose the Confidential Information except as required by law.

#### C. Public Access to Meetings and Records

If a Proposer is a non-profit entity that receives a cumulative total per year of at least

\$250,000 in City-funds or City-administered funds and is a non-profit organization as defined in Chapter 12L of the San Francisco Administrative Code, the Proposer must comply with the reporting requirements of that Chapter. The Proposer must include in its Proposal (1) a statement describing its efforts to comply with the Chapter 12L provisions regarding public access to Proposer's meetings and records, and (2) a summary of all complaints concerning the Proposer's compliance with Chapter 12L that were filed with the City in the last two (2) years and deemed by the City to be substantiated. The summary shall also describe the disposition of each complaint. If no such complaints were filed, the Proposer shall include a statement to that effect. Failure to comply with the reporting requirements of Chapter 12L or material misrepresentation in Proposer's Chapter 12L submissions shall be grounds for rejection of the Proposal and/or termination of any subsequent Agreement reached on the basis of the Proposal.

D. Reservations of Rights by the City

The issuance of this RFP does not constitute an agreement by the City that any contract will actually be entered into by the City. The City expressly reserves the right at any time to:

1. Waive or correct any defect or informality in any response, Proposal, or Proposal procedure;
2. Reject any or all Proposals;
3. Reissue a Request for Proposals;
4. Prior to submission deadline for Proposals, modify all or any portion of the selection procedures, including deadlines for accepting responses, the specifications or requirements for any materials, equipment or services to be provided under this RFP, or the requirements for contents or format of the Proposals;
5. Procure any materials, equipment or services specified in this RFP by any other means; or
6. Determine that no project will be pursued.

E. Waiver

No waiver by the City of any provision of this RFP shall be implied from any failure by the City to recognize or take action on account of any failure by a Proposer to observe any provision of this RFP.

X. CONTRACT REQUIREMENTS

A. Chapter 12B and 12C: Nondiscrimination in Employment and Benefits

Chapter 12B and 12C of the S.F. Administrative Code are incorporated by reference as though fully set forth herein. Chapters 12B and 12C prohibit discrimination by City Contractors in employment, the use of property, the provision of public accommodations and in the provision of benefits to employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees.

Please refer to Appendix A (see <http://www.sfhrc.org>).

The successful Proposer must agree to abide by the following standard contract provisions regarding Chapters 12B and 12C:

1. Nondiscrimination; Penalties

Contractor Shall Not Discriminate. In the performance of this contract, Contractor agrees not to discriminate on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status) against any employee of, any City employee working with, or applicant for employment with Contractor, in any of Contractor's operations within the United States, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Contractor.

2. Subcontracts

Contractor shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-12B.2(k) and 12C.3 of the San Francisco Administrative Code, and shall require all subcontractors to comply with such provisions. Contractor's failure to comply with the obligations in this subsection shall constitute a material breach of this Agreement.

3. Nondiscrimination in Benefits

Contractor does not as of the date of this Agreement and will not during the term of this Agreement, in any of its operations in San Francisco, on real property owned by San Francisco, or where work is being performed for the City elsewhere in the United States, discriminate in the provision of benefits between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

4. Condition to Contract

As a condition to this Agreement, Contractor shall execute the “Nondiscrimination in Contracts and Benefits” form and secure the approval of the form by the San Francisco Human Rights Commission.

5. Incorporation of Administrative Code Provisions by Reference

The provisions of Chapters 12B and 12C of the San Francisco Administrative Code are incorporated by reference and made a part of this Agreement as though fully set forth herein. Contractor shall comply fully with and be bound by all of the provisions that apply to this Agreement under Chapters 12B and 12C of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Contractor understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Agreement may be assessed against Contractor and/or deducted from any payments due Contractor.

B. Local Business Enterprise/Nondiscrimination Requirements

The requirements of the Local Business Enterprise and Non-Discrimination in Contracting Ordinance set forth in Chapter 14B of the San Francisco Administrative Code as it now exists or as it may be amended in the future (collectively the “LBE Ordinance”) shall apply to this RFP.

1. LBE Sub -consultant Participation Goals

The LBE sub-consulting goal for this project (CCO No. 08-1012) is three percent (3%) of the total value of the goods and/or services to be procured.

Each firm responding to this solicitation shall demonstrate in its response that it has used good-faith outreach to select LBE subcontractors as set forth in S.F. Administrative Code §§14B.8 and 14B.9, and shall identify the particular LBE subcontractors solicited and selected to be used in performing the contract. For each LBE identified as a subcontractor, the response must specify the value of the participation as a percentage of the total value of the goods and/or services to be procured, the type of work to be performed, and such information as may reasonably be required to determine the responsiveness of the proposal. LBEs identified as sub-consultants must be certified with the San Francisco Human Rights Commission at the time the proposal is submitted, and must be contacted by the proposer (prime contractor) prior to listing them as sub-consultants in the proposal. Any proposal that does not meet the requirements of this

paragraph will be non-responsive.

In addition to demonstrating that it will achieve the level of sub-consulting participation required by the contract, a proposer shall also undertake and document in its submittal the good faith efforts required by Chapter 14B.8(C) & (D) and HRC Attachment 2, Requirements for Architecture, Engineering and Professional Services Contracts.

Proposals which fail to comply with the material requirements of S.F. Administrative Code §§14B.8 and 14B.9, HRC Attachment 2 and this RFP will be deemed non-responsive and will be rejected. During the term of the contract, any failure to comply with the level of LBE sub-consultant participation specified in the contract shall be deemed a material breach of contract. Sub-consulting goals can only be met with HRC-certified LBEs located in San Francisco.

## 2. LBE Prime Participation

The City strongly encourages proposals from qualified LBEs. Certified local business enterprises (LBEs) and certified LBE non-profit organizations are eligible for LBE rating bonus on Architecture, Engineering, or Professional Service contracts that have an estimated cost that exceeds \$10,000. (Note: Non-profit LBEs shall have the status of LBEs for all purposes of this Ordinance, including but not limited to bid/ratings discounts and sub-consulting participation credit.) The following rating bonus will apply at each stage of the selection process, i.e., qualifications, proposals, and interviews. After Proposers have been scored at each of the stages, the rating bonus will be applied to the scores as follows:

- a. A ten percent (10%) discount to a prime LBE; or a joint venture composed only of LBEs; or
- b. A five percent (5%) discount to a joint venture with LBE participation that equals or exceeds thirty-five percent (35%), but is under forty percent (40%); or
- c. A seven and one-half percent (7.5%) discount to a joint venture with LBE participation that equals or exceeds forty percent (40%); or

If applying for a rating discount as a joint venture: The LBE must be an active partner in the joint venture and perform work, manage the job and take financial risks in proportion to the required level of participation stated in the proposal, and must be responsible for a clearly defined portion of the work to be performed and share in the ownership, control, management responsibilities, risks, and profits of the joint venture. The portion of the LBE joint venture's work shall be set forth in detail separately from the work

to be performed by the non-LBE joint venture partner. The LBE joint venture's portion of the contract must be assigned a commercially useful function.

Certification applications may be obtained by calling HRC at (415) 252-2500.

3. HRC Forms to be submitted with Proposal
  - a. All proposals submitted must include the following Human Rights Commission (HRC) Forms contained in the HRC Attachment 2: 1) HRC Contract Participation Form 2A, 2) HRC "Good Faith Outreach" Requirements Form 2B, 3) HRC Non-Discrimination Affidavit Form 3, 4) HRC Joint Venture Form 4 (if applicable), and 5) HRC Employment Form 5. If these forms are not returned with the proposal, the proposal may be determined to be non-responsive and may be rejected.
  - b. Please submit only two copies of the above forms with your proposal. The forms should be placed in a separate, sealed envelope labeled HRC Forms for RFP (CCO No. 08-1012) SFMTA EPA/PAP/Trauma Response Program.

All proposers must contact Ms. Naomi Steinway, assigned SFMTA Contract Compliance Officer, regarding LBE/Nondiscrimination Requirements and HRC Forms at 415/701-4363.

#### C. Standard Contract Provisions

The successful Proposer will be required to enter into a contract substantially in the form of the Agreement for Professional Services, attached hereto as Appendix H. Failure to timely execute the contract, or to furnish any and all certificates, bonds or other materials required in the contract, shall be deemed an abandonment of a contract offer. The SFMTA, in its sole discretion, may select another firm and may proceed against the original selectee for damages.

In addition, the successful Proposer will be required to execute the following City and County of San Francisco forms:

1. San Francisco Business Tax Requirements. The successful Proposer must have a San Francisco Businesses Tax Certificate. Businesses not already having this certificate must apply for a certificate and pay the registration fee in order to be awarded this contract (See Appendix E.)
2. Chapter 12B Declaration. The successful Proposer must submit the "Chapter 12B: Nondiscrimination in Contracts and Benefits" form (form HRC-12B-101) contained in Appendix D and have the form approved by HRC prior to being awarded the contract. Two other forms are included in



Appendix D: “Reasonable Measures Affidavit” (form HRC-12B-102); and “Substantial Compliance Authorization Form” (form HRC-12B-103). Proposers should execute and submit these forms if, in accordance with the forms’ instructions, it is appropriate to do so.

3. Tropical Hardwoods/Virgin Redwood Ban. Any Proposal submitted in response to this Request for Proposals which calls for the use of any tropical hardwood or tropical hardwood product, virgin redwood or virgin redwood product, as defined in San Francisco Administrative Code Chapter 12I, shall be deemed non-responsive.

## XI. COMMUNICATIONS PRIOR TO CONTRACT AWARD

It is the policy of the SFMTA that only employees identified in the RFP as contacts for this competitive solicitation are authorized to respond to comments or inquiries from Proposers or potential Proposers seeking to influence the contractor selection process or the award of the contract. This prohibition extends from the date the RFP is issued until the date when the contractor selection is finally approved by the SFMTA Board of Directors and, if required, by the San Francisco Board of Supervisors.

All firms and subcontractor(s) responding to this RFP are hereby notified that they may not contact any SFMTA staff member, other than a person with whom contact is expressly authorized by this RFP (Jeff Gary), for the purpose of influencing the contractor selection process or the award of the contract from the date the RFP is issued to the date when the contract award is approved by the Board of Directors of SFMTA and, if required, by the San Francisco Board of Supervisors. This prohibition does not apply to communications with SFMTA staff members regarding normal City business not regarding or related to this RFP.

All firms and subcontractor(s) responding to this RFP are hereby notified that any written communications sent to one or more members of the SFMTA Board of Directors concerning a pending contract solicitation shall be distributed by the SFMTA to all members of the SFMTA Board of Directors and the designated staff contact person(s) identified in the RFP.

Except as expressly authorized in the RFP, where any person representing a Proposer or potential Proposer contacts any SFMTA staff for the purpose of influencing the content of the competitive solicitation or the award of the contract between the date when the RFP is issued and the date when the final selection is approved by the SFMTA Board of Directors, and, if required, by the San Francisco Board of Supervisors, the Proposer or potential Proposer shall be disqualified from the selection process. However, a person who represents a Proposer or potential Proposer may contact City elected officials and may contact the Executive Director/CEO of the SFMTA if s/he is unable to reach the designated staff contact person(s) identified in the RFP or wishes to raise concerns about the competitive solicitation.

Additionally, the firms and subcontractor(s) responding to this RFP will not provide any gifts, meals, transportation, materials or supplies or any items of value or donations to or on behalf of any SFMTA staff member from the date the RFP is issued to the date when the

contract award is approved by the Board of Directors of SFMTA and if required, by the San Francisco Board of Supervisors.

All lobbyists or any agents representing the interests of proposing prime contractors and subcontractor(s) shall also be subject to the same prohibitions.

An executed Attestation of Compliance (Attachment 6) certifying compliance with this section of the RFP will be required to be submitted signed by all firms and named subcontractor(s) as part of the response to the this RFP. Any proposal that does not include the executed Attestation of Compliance as required by this section will be deemed non-responsive and will not be evaluated. Any Proposer who violates the representations made in such Attestation of Compliance, directly or through an agent, lobbyist or subcontractor will be disqualified from the selection process.

ATTACHMENT 6

ATTESTATION OF COMPLIANCE

**To be completed by all Proposing Firms and All Individual Subcontractors**

(Please check each box, sign this form and submit it with your response.)

Name of Individual Completing this Form: \_\_\_\_\_

The Form is submitted on Behalf of Firm: \_\_\_\_\_

Name of RFP:

1. I attest that I and all members of the firm listed above will and have complied to date with Section XXVII of the above RFP.

Yes

2. I understand that if my firm or any members of the firm listed above are found to be in violation of the Section XXVII of the above RFP, this will disqualify my firm and any Proposal in which my firm is named from further consideration.

Yes

I have entered required responses to the above questions to the best of my knowledge and belief.

Signature: \_\_\_\_\_

Date \_\_\_\_\_

ATTACHMENT 7

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER  
RESPONSIBILITY MATTERS

- (1) By signing and submitting its Proposal, the Proposer or proposed subcontractor certifies as follows:

---

(Proposer or Proposed Subcontractor Business Name)

certifies to the best of its knowledge and belief that it and its principals:

- a. Are not presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from contracting with any federal, state or local governmental department or agency;
  - b. Have not within a three-year period preceding the date of this Proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) contract; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
  - c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (1) b. of this certification; and
  - d. Have not within a three-year period preceding the date of this Proposal had one or more public contracts (federal, state, or local) terminated for cause or default.
- (2) Where the firm executing this RFP Attachment 6 is unable to certify to any of the statements in this certification, such firm shall attach a detailed explanation of facts that prevent such certification.
- (3) The certification in this clause is a material representation on fact relied upon by the San Francisco Municipal Transportation Agency (SFMTA).

As the authorized certifying official, I hereby certify that the above-specified certifications are true.

Business Name: \_\_\_\_\_

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Authorized Representative Name (print)                      Authorized Representative Title (print)

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Authorized Representative Signature                      Date

ATTACHMENT 8

CERTIFICATION REGARDING LOBBYING

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(Proposer or Proposed Subcontractor Business Name)

certifies that it will not and has not paid any person or organization for influencing or attempting to influence a member of the San Francisco Board of Supervisors or the San Francisco Municipal Transportation Agency Board of Directors, or an officer or employee of the City and County of San Francisco in connection with the contract to be awarded pursuant to this Request for Proposals, except as expressly authorized in this Request for Proposals. The Proposer or proposed subcontractor submitting this certification shall also disclose the name of any lobbyist registered under Article II of the San Francisco Campaign and Governmental Conduct Code who has made lobbying contacts on its behalf with respect to the contract to be awarded pursuant to this Request for Proposals.

This certification is a material representation of fact upon which reliance was placed for the purposes of the City's evaluation of Proposals and award of a contract pursuant to the Request for Proposals.

Submission of this certification is a prerequisite for submitting a Proposal responsive to the Request for Proposals.

Following submission of Proposals with this signed certification, any firm who 1) pays any person or organization for influencing or attempting to influence a member of the San Francisco Board of Supervisors or the San Francisco Municipal Transportation Agency Board of Directors, or an officer or employee of the City and County of San Francisco in connection with the contract to be awarded pursuant to this Request for Proposals, except as expressly authorized in the RFP, 2) fails to disclose the name of any lobbyist registered under Article II of the San Francisco Campaign and Governmental Conduct Code who has made lobbying contacts on its behalf with respect to the contract to be awarded pursuant to this Request for Proposals, or 3) pays or agrees to pay to any City employee or official or to any member of the selection panel or other person involved in the making of the contract on behalf of the SFMTA any fee or commission, or any other thing of value contingent on the award of a contract, will disqualify any Proposal in which that firm is named as a prime contractor, joint venture partner or subcontractor from the selection process.

By signing and submitting its proposal, the Proposer or proposed subcontractor also certifies to the SFMTA that the Proposer or proposed subcontractor has not paid, nor agreed to pay, and will not pay or agree to pay, any fee or commission, or any other thing of value contingent on the award of a contract to any City employee or official or to any member of the selection panel or other person involved in the making of the contract on behalf of the SFMTA.

As the authorized certifying official, I hereby certify that the above-specified certifications are true.

Business Name: \_\_\_\_\_

Authorized Representative Name (print)

Authorized Representative Title (print)

\_\_\_\_\_  
Authorized Representative Signature

\_\_\_\_\_  
Date

APPENDIX A:

## STANDARD FORMS

The requirements described in this Appendix are separate from those described in other Appendices.

Before the City can award any contract to a contractor, that contractor must file four standard City forms (Items 1-4 on the chart). Because many contractors have already completed these forms, and because some informational forms are rarely revised, the City has not included them in the RFP package. Instead, this Appendix describes the forms, where to find them on the Internet (see bottom of page 2), and where to file them. If a contractor cannot get the documents off the Internet, the contractor should call (415) 554-6212 or e-mail Purchasing ([purchasing@sfgov.org](mailto:purchasing@sfgov.org)) and the City can fax, mail or e-mail them to the contractor.

If a contractor has already filled out Items 1-4 on the chart, the contractor should not do so again unless the contractor’s answers have changed. To find out which of those forms have been submitted, the contractor should call Office of Contract Administration, Purchasing at (415) 554-6743. Likewise, if a contractor would like to apply to be certified as a local business, it must submit item 5 only once. To find out about form 5 and certification, the contractor should call Human Rights Commission at (415) 252-2500.

In the Forms Center on the Internet, Forms 1-4 are listed under “Forms you need to fill out once,” Form 5 is on HRC’s website.

Item	Form Name and Internet Location	Form Number	Description	Return the Form to; For more information
1.	HRC Nondiscrimination Affidavit for Chapter 14.B of the Administrative Code  <a href="http://www.sfgov.org/sfhumanrights">www.sfgov.org/sfhumanrights</a>	HRC Form 3	The contractor ensures its full compliance with the City’s Local Business Enterprise and Nondiscrimination in Contracting codified as Administrative Code Chapter 14B and it’s implementing Rules and Regulations. .	SFMTA’s Contract Compliance Office, One South Van Ness Ave., 3 <sup>rd</sup> Flr. San Francisco, CA 94103 415/701-4363

Item	Form Name and Internet Location	Form Number	Description	Return the Form to; For more information
2.	Business Tax Declaration <a href="http://www.sfgov.org/oca/purchasing/forms.htm">http://www.sfgov.org/oca/purchasing/forms.htm</a>	P-25	The City uses this form to determine if contractors must register with the Tax Collector, and if so, whether they have. All contractors must sign this form, even if not located in San Francisco. All businesses that qualify as “conducting business in San Francisco” must register with the Tax Collector.	Office of Contract Admin. Purchasing Division City Hall, Room 430 San Francisco, CA 94102-4685 (415) 554-6718
3.	Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits  <a href="http://www.sfgov.org/sfhumanrights">www.sfgov.org/sfhumanrights</a>	HRC-12B-101	Contractors tell the City if their personnel policies meet the City’s requirements for nondiscrimination against protected classes of people, and in the provision of benefits between employees with spouses and employees with domestic partners. Form submission is not complete if it does not include the additional documentation asked for on the form. Other forms may be required, depending on the contractor’s answers on this form.	Human Rights Comm. 25 Van Ness, Suite 800 San Francisco, CA 94102-6059 (415) 252-2500

Item	Form Name and Internet Location	Form Number	Description	Return the Form to; For more information
4.	Request for Taxpayer Identification Number and Certification  <a href="http://www.sfgov.org/oca/purchasing/forms.htm">http://www.sfgov.org/oca/purchasing/forms.htm</a>  <a href="http://www.irs.gov/pub/irs-fill/fw9.pdf">http://www.irs.gov/pub/irs-fill/fw9.pdf</a>	W-9	The City needs the contractor's taxpayer ID number, and needs it on this form. If a contractor has already done business with the City, this form is not necessary because the City already has the number.	Office of Contract Admin. Purchasing Division City Hall, Room 430 San Francisco, CA 94102-4685 (415) 554-6702
5.	Local Business Enterprise Application  <a href="http://www.sfgov.org/sfhumanrights">www.sfgov.org/sfhumanrights</a>	Schedule D	Local businesses complete this form to be certified by HRC as an LBE. Certified LBE's can receive a 5%, 7.5%, or 10% bid discount, when bidding on City business. To receive the bid discount, you must be certified by HRC by the proposal due date.	Human Rights Comm. 25 Van Ness, Suite 800 San Francisco, CA 94102-6059 (415) 252-2500

Where the forms are on the Internet:

Office of Contract Administration

Homepage: <http://www.sfgov.org/oca/>

Purchasing forms: <http://www.sfgov.org/oca/purchasing/forms.htm>

Human Rights Commission forms

Homepage: [www.sfgov.org/sfhumanrights](http://www.sfgov.org/sfhumanrights)

**THIS PRINT COVERS CALENDAR ITEM NO. : 10.8**

**MUNICIPAL TRANSPORTATION AGENCY  
City and County of San Francisco**

**DIVISION:** Finance and Administration

**BRIEF DESCRIPTION:**

Authorizing the Executive Director/CEO to execute the Memorandum of Understanding (MOU) between the SFMTA and the Port of San Francisco for meter installation, coin counting and collections services for a term of two years, from July 1, 2008 to June 30, 2010.

**SUMMARY:**

- On April 15, 2008 the SFMTA Board of Directors approved Resolution 08-067, authorizing the Executive Director/CEO to enter into a two-year agreement with Serco, Inc. (“Contractor” or “Serco”), for parking meter related services.
- As part of the new agreement, SFMTA will also assist the Port of San Francisco (“Port”) to purchase and install multi-space meters on Port property, maintain the multi-space meters, and collect and count the coins from the Port's multi-space meters.
- The Port Commission approved the MOU on May 13, 2008 (Port Commission Resolution No. 08-33)
- Under the MOU, the Port will reimburse the SFMTA \$1,316,818.00 for meter procurement, \$284,049 for coin counting and collections, \$477,335 for maintenance, and \$35 per month per meter for wireless meter management charges.
- The MOU expires on June 30, 2010 concurrently with the Serco Amendment.
- The City Attorney's Office has reviewed this item.

**ENCLOSURES:**

1. MTAB Resolution
2. Memorandum of Understanding between the SFMTA and the Port of San Francisco

**APPROVALS:**

**DATE**

DIRECTOR OF DIVISION

PREPARING ITEM \_\_\_\_\_

\_\_\_\_\_

FINANCE \_\_\_\_\_

\_\_\_\_\_

EXECUTIVE DIRECTOR/CEO \_\_\_\_\_

\_\_\_\_\_

SECRETARY \_\_\_\_\_

\_\_\_\_\_

ADOPTED RESOLUTION Steve Bell 1 South Van Ness Ave. 7<sup>th</sup> Floor  
BE RETURNED TO \_\_\_\_\_



**ASSIGNED MTAB CALENDAR DATE:** \_\_\_\_\_

**EXPLANATION:**

On April 15, 2008 the SFMTA Board of Directors approved Resolution 08-067, authorizing the Executive Director/ CEO to enter into a two-year agreement with Serco, Inc. (“Contractor” or “Serco”) for parking meter related services. As part of the new agreement, SFMTA will also assist the Port of San Francisco (“Port”) to purchase and install multi-space meters on Port property, maintain the multi-space meters, and collect and count the coins from the Port's multi-space meters. Funds for the Port Meter project are available in the FY09 and FY10 Operating Budgets.

In order to begin these services on July 1, the attached Memorandum of Understanding (MOU) must be approved by both the SFMTA Board and the Port Commission, so that a mechanism can be set up to enable the Port to reimburse the SFMTA for costs associated with the project. The Port Commission approved the MOU on May 13, 2008 (Port Commission Resolution No. 08-33).

Projected Port costs under the MOU are as follows:

- The Port will pay for the costs to purchase and install up to 150 multi-space meters on Port property of \$1,316,818.00 (which includes purchase, installation and 5% contractor procurement/handling fee).
- The Port will pay Serco’s costs to collect and count the coins from the Port’s meters for FYs 2008-09 and 2009-10 up to the following amounts:
  - FY 2008-09: \$138,795.00
  - FY 2009-10 \$145,254.00
- The Port will pay the SFMTA’s costs to maintain the Port’s multi-space meters for FYs 2008-09 and 2009-10 up to the following amounts:
  - FY 2008-09 \$228,414.00
  - FY 2009-10 \$248,921.00
- The Port will pay the wireless meter management fee of \$35 per month, per meter.

**Consistency with the SFMTA 2008-2012 Strategic Plan**

Goal 3 – To improve the customer experience.

Objective 3.1 Improve economic vitality by growing relationships with business, community and stakeholder groups.

Goal 4 – To ensure financial stability and effective resource utilization.

Objective 4.2 Ensure efficient and effective use of resources

The accompanying resolution authorizes the SFMTA Executive Director/CEO to execute the proposed MOU with the Port.

MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, On April 15, 2008 the SFMTA Board of Directors approved Resolution 08-067, authorizing the Executive Director/CEO to enter into a two-year agreement with Serco, Inc. ("Contractor" or "Serco"), for parking meter related services; and,

WHEREAS, As part of the new agreement, SFMTA will also assist the Port of San Francisco ("Port") to purchase and install multi-space meters on Port property, maintain the multi-space meters, and collect and count the coins from the Port's multi-space meters; and,

WHEREAS, The SFMTA and the Port have negotiated a Memorandum of Understanding (MOU) to enable the Port to reimburse the SFMTA for costs associated with the Port Meter MOU; and,

WHEREAS, The Port Commission approved the MOU on May 13, 2008 (Port Commission Resolution No. 08-33); and,

WHEREAS, Costs for the Port meter project have been estimated at \$1,316,818.00 for meter procurement, \$284,049 for coin counting and collections, \$477,335 for maintenance, and \$35 per meter per month for wireless meter management; now, therefore, be it

RESOLVED, That the Municipal Transportation Agency Board of Directors authorizes the Executive Director/CEO to execute a Memorandum of Understanding between the SFMTA and the Port of San Francisco for the installation, coin collection and counting and maintenance of up to 150 Port multi-space meters for a term of two years, from July 1, 2008 to June 30, 2010.

I hereby certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

\_\_\_\_\_  
Secretary, Municipal Transportation Agency Board

**MEMORANDUM OF UNDERSTANDING**

THIS MEMORANDUM OF UNDERSTANDING ("MOU") is made and entered into as of the 1st day of July, 2008 by and between the San Francisco Municipal Transportation Agency ("SFMTA"), an agency of the City and County of San Francisco ("City"), and the San Francisco Port Commission ("Port"), an agency of the City and County of San Francisco.

**RECITALS**

**A.** The Port currently has approximately 1,000 electronic single space parking meters that only accept coin payments.

**B.** The Port wishes to replace these single space parking meters with multi-space paystations that accept coins, credit cards, and the City's Smart Cards as well as possibly adding multi-space paystations to streets within the Port's jurisdiction that are not currently metered.

**C.** The SFMTA has a contract with Serco Management Systems, Inc. (Serco) from which it can procure multi-space paystations through June 30, 2010. The SFMTA included up to 150 multi-space paystations for the Port to purchase in its contract with Serco.

**D.** Serco provides coin collection and coin counting services to the SFMTA.

**E.** The Port wishes to use the SFMTA's contract with Serco to provide the Port with coin collection and counting services for the Port's multi-space paystations.

**F.** The Port also wishes to use SFMTA's meter repair services to maintain the Port's new multi-space paystations.

**G.** The Port will re-classify 1.0 FTE 9385 General Services Officer position to a 7444 Parking Meter Repairer position and transfer it to the SFMTA in the fiscal year ("FY") 2008-09 budget subject to budget approval of the Board of Supervisors.

**H.** The parties wish to enter into this MOU to set forth their obligations with respect to the multi-space paystations that the Port wishes to purchase through the SFMTA's contract with Serco.

**NOW, THEREFORE, IT IS AGREED AS FOLLOWS:**

**I. Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference.

**II. Effective Date.** The effective date of this agreement is June 4, 2008 for the purpose of ordering equipment and installation details. Billing for procurement of equipment and for meter repair services as well as coin counting and collection services will not occur until Fiscal Year 2008-2009 which begins on July 1, 2008.

**III. TERM.** The Term of this MOU shall commence on the Effective Date and shall terminate on June 30, 2010.

**IV. Multi-space Paystation Acquisition, Installment, Collections, and Maintenance.** Through its contract with Serco, upon prior written approval from the Port, the SFMTA will purchase and arrange to install up to 150 multi-space paystations on Port property, procure meter coin collection and counting services for the up to 150 multi-space paystations on Port property, and remove the existing 1,000 single space parking meters from Port property. SFMTA staff will maintain all of the Port's multi-space paystations acquired pursuant to this MOU. The Port shall reimburse the SFMTA for all of its costs to purchase, install, provide collection and coin counting services, and maintain the Port's multi-space paystations hereunder.

**A.** Article VI of the Burton Act Transfer Agreement between the State of California and the City of San Francisco states that "revenues received from parking meters installed on transferred lands (Port property) shall continue to accrue to the Port so long as the Port installs, operates, and maintains the meters." The SFMTA and the Port agree that, notwithstanding the arrangement described in this Section of the MOU, the multi-space paystations shall be deemed to be installed, operated, and maintained by the Port for purposes of the Burton Act Transfer Agreement, and that all revenues from the multi-space paystations shall accrue to the Port.

Payments and budgeting.

**1. Payment Amounts**

following

- a.** The Port shall pay for the costs to purchase and install up to 150 multi-space paystations on Port property in an amount not to exceed \$1,316,818.00 (which includes purchase, installation and a 5% administrative fee).
- b.** The Port shall pay Serco's costs to collect and count the coins from the Port's meters for FYs 2008-09 and 2009-10 up to the following amounts:
  - FY 2008-09: \$138,795.00
  - FY 2009-10 \$145,254.00
- c.** The Port shall pay the SFMTA's costs to maintain the Port's multi-space paystations for FYs 2008-09 and 2009-10 up to the amounts:
  - FY 2008-09 \$191,164.00
  - FY 2009-10 \$200,722.00
- d.** The Port shall pay the monthly wireless meter management fee of \$35 per paystation.
- e.** Should any other unforeseen costs arise as a result of the provisions of this MOU, the Port and SFMTA will jointly share in such costs.

**(b)** Payments – Multi-space Paystations.

- (i)** The SFMTA will provide the Port with its invoice(s) received from Serco of the costs to purchase and install the Port's multi-space paystations.
- (ii)** Within 30 days of receipt of the invoice, the Port shall pay to the SFMTA the invoiced amount, subject to Subsection 5.a.i..

**(c)** Payments – Serco Coin Collection and Counting Services.

- (i)** The SFMTA will provide the Port with an invoice from Serco of its costs to collect and count coins from the Port's multi-space paystations.
- (ii)** Within 30 days of receipt of the invoice, the Port shall pay to the SFMTA the invoiced amount, subject to Subsection 5.a.i..

**(d)** Payments – SFMTA Multi-space Paystation Maintenance Services.

- (i)** On a quarterly basis, the SFMTA shall provide the Port with an invoice of its costs to maintain the Port's multi-space paystations.
- (ii)** Within 30 days of receipt of the invoice, the Port shall pay to the SFMTA the invoiced amount, subject to Subsection 5.a.i..

**(e)** Payments – Monthly Wireless Meter Management Fee

- (i) The SFMTA will provide the Port with a monthly invoice from Serco for the monthly wireless fee for the prior month.
  - (ii) Within 30 days of receipt of the invoice, the Port shall pay to the SFMTA the invoiced amount, subject to Subsection 5.a.i...
- (g) Monies Collected from the Port's Multi-space Paystations
- (i) The Port will receive all monies collected from the multi-space paystations installed on Port property including coins, credit card payments, and City Smart Card payments. The SFMTA and its contractors will work with the Port's Fiscal Officer to develop procedures to deposit the monies collected from the multi-space paystations into the Port's accounts.

## V. Miscellaneous Provisions.

1. Time is of the Essence. Time is of the essence as to each and every provision of this MOU.
2. Governing Law. This MOU will be construed and interpreted in accordance with the laws of the State of California and the City's Charter.
3. Amendments and Modifications. No amendment of this MOU or any part thereof will be valid unless it is in writing and signed by the parties hereto.
4. Early Termination. Should the Port wish to terminate the coin collection and or counting service prior to June 30, 2010 then the Port agrees to pay Serco the following early termination fees:
  - i) Coin collection: If Port collection services are terminated prior to 24 months, the termination fee would be \$1,765.00 times the number of operational months between the termination date and June 30, 2010.
  - ii) Counting services: If Port coin counting services are terminated prior to 24 months from the date hereof, the termination fee would be \$1,088.00 times the number of operational months between the termination date and June 30, 2010.
5. Waiver. The failure by any party to insist upon the strict performance of any obligation of the other under this MOU or to exercise any right, power or remedy arising out of a breach thereof, shall not constitute a waiver of such breach or of the party's rights to strict compliance with the party's obligations under this MOU.
6. Successors and Assigns. This MOU shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns.
7. Entire Agreement. This MOU contains the entire understanding between the parties with respect to the subject matter hereof.

**IN WITNESS WHEREOF**, the parties have caused this agreement to be executed as of the date first written above.

CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation operating by and through THE SAN FRANCISCO PORT COMMISSION

By: \_\_\_\_\_  
MONIQUE MOYER  
Executive Director  
Port of San Francisco

CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation operating by and through THE MUNICIPAL TRANSPORTATION AGENCY

By: \_\_\_\_\_  
NATHANIEL P. FORD SR.  
Executive Director/CEO

REVIEWED:  
**DENNIS J. HERRERA, City Attorney**

By: \_\_\_\_\_  
Deputy City Attorney

**THIS PRINT COVERS CALENDAR ITEM NO.: 10.9**

**MUNICIPAL TRANSPORTATION AGENCY  
City and County of San Francisco**

**DIVISION:** Safety and Training/Substance Abuse Program

**BRIEF DESCRIPTION:** Authorizing the Executive Director/CEO to execute the First Amendment to the Agreement with Concentra Health Services Inc., d/b/a Concentra Medical Centers, for urine and breath collection services, to extend the agreement through December 31, 2008, and to increase the contract to an amount not to exceed \$71,000.

**SUMMARY:**

- Urine and breath alcohol collection services are one of the program components required to support the implementation of the drug and alcohol testing program mandated by the U.S. Department of Transportation and its operating administration, the Federal Transit Administration.
- The off-site collection urine and breath collections service provided by Concentra Medical Centers assists the San Francisco Municipal Transportation Agency (SFMTA) to be in compliance with federal regulations.
- The current agreement with Concentra Health Services in the amount of \$29,000 began on July 1, 2007, for a term of one year.
- The SFMTA requests that the SFMTA Board approve the First Amendment to the Agreement with Concentra Health Services, to extend the Agreement through December 31, 2008, and increase the contract to an amount not to exceed \$71,000.
- The contract extension and increase in the contract amount will allow the SFMTA to conduct a procurement for off-site and on-site collections contracts.

**ENCLOSURES:**

1. MTAB Resolution
2. First Amendment

**APPROVALS:**

**DATE**

DIRECTOR OF DIVISION

PREPARING ITEM \_\_\_\_\_

FINANCE \_\_\_\_\_

EXECUTIVE DIRECTOR/CEO \_\_\_\_\_

SECRETARY \_\_\_\_\_

ADOPTED RESOLUTION Reggie Smith

BE RETURNED TO

**ASSIGNED MTAB CALENDAR DATE:** \_\_\_\_\_

**EXPLANATION:**

Urine and breath alcohol collection services are one of the program components required to support the implementation of the drug and alcohol-testing program mandated by the U.S. Department of Transportation and its operating administration, the Federal Transit Administration.

Since 1994, the San Francisco Municipal Transportation Agency (SFMTA) has employed the services of a firm that comes on site to perform urine and breath alcohol collection services. The SFMTA has also retained an off-site firm to conduct collections for pre-employment, post-accident and reasonable suspicion testing during normal working hours (8:30 a.m. to 5:00 p.m.). After regular business hours, the off-site firm conducts post-accident and reasonable suspicion testing. Federal regulations require that urine sample collectors and breath alcohol technicians be trained and certified in the collection of specimens.

Concentra Medical Center has been providing these services for the SFMTA since 1994, having won successive contracts after competitive solicitations. The current agreement with Concentra Health Services in the amount of \$29,000 began on July 1, 2007, and is due to expire on June 30, 2008.

Over the past two years, the SFMTA has experienced an increase in the number of post-accident tests, which has led to an increase in cost. The contract extension and increase in the contract amount will allow the SFMTA to continue to provide collection services and solicit bids for another off-site collections contract that will meet the requirements of the Federal Regulations. Due to the retirement of the Substance Abuse Program Manager and the transfer of the office to another division, the Substance Abuse Program office was unable to complete the Request for Proposals for a new off-site collections contractor. However, staff is preparing an RFP for off-site and on-site collection services to be presented for approval by the MTA Board of Directors at a later date.

Operating funds required for the services are budgeted in the SFMTA's current year budget

The City Attorney's Office and the Contract Compliance Office have reviewed this resolution and calendar item.

Benefit to the SFMTA:

The SFMTA will further the following goals of the Strategic Plan through continuation of the off-site collection contract:

Goal 1-Customer Focus

1.1-Improve safety and security across all modes of transportation.

Goal 3 –External Affairs-Community Relations

3.3-Provide a working environment that fosters a high standard of performance, recognition for contributions, innovations, mutual respect and a healthy quality of life

Goal 5-MTA Workforce

..... 5.5-Improve SFMTA's ability to grow and retain strong leadership.

.....5.8-Improve work/life balance of employees

The SFMTA requests that the SFMTA Board authorize the Executive Director/CEO to execute



the First Amendment to the Agreement with Concentra Health Services Inc., d/b/a Concentra Medical Center, for urine and breath alcohol collection services, to extend the Agreement through December 31, 2008, and to increase the contract to an amount not to exceed \$71,000.

MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, Since February 15, 1994, the U.S. Department of Transportation has required recipients of federal assistance to have a drug and alcohol testing and employee training program in place for employees performing safety-sensitive functions; and

WHEREAS, Failure by the San Francisco Municipal Transportation Agency (SFMTA) to comply with this ruling will jeopardize continued receipt of federal funds; and

WHEREAS, Federal testing regulations require urine specimen collection for prohibited drugs and breath analysis tests for alcohol; and

WHEREAS, Effective July 1, 2007, the City entered into a one-year agreement with Concentra Health Services, Inc., d/b/a Concentra Medical Center, 720 7<sup>th</sup> Street, San Francisco, for urine and breath sample collection services, in an amount not to exceed \$29,000; and

WHEREAS, The SFMTA wishes to extend the Agreement through December 31, 2008, and increase the Agreement by \$42,000, for a total amount not to exceed \$71,000; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors authorizes the Executive Director/CEO to execute the First Amendment to the Agreement with Concentra Health Services, Inc., dba Concentra Medical Center, to extend the Agreement through December 31, 2008, and increase the contract to an amount not to exceed \$71,000.

I certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

\_\_\_\_\_  
Secretary, Municipal Transportation Agency Board

**Municipal Transportation Agency  
One South Van Ness Ave. 7<sup>th</sup> floor  
San Francisco, CA 94013**

## First Amendment

THIS AMENDMENT (this "Amendment") is made as of July 1, 2008, in San Francisco, California, by and between **Concentra Medical Centers, Inc. d/b/a Concentra Medical Centers** "Contractor"), and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its Municipal Transportation Agency ("SFMTA").

### Recitals

- A. City and Contractor have entered into the Agreement (as defined below); and
- B. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to extend the term of the agreement to December 31, 2008, and increase the contract amount not to exceed Seventy One Thousand Dollars (\$71,000).

NOW, THEREFORE, Contractor and the City agree as follows:

1. **Definitions.** The following definitions shall apply to this Amendment:
  - a. **Agreement.** The term "Agreement" shall mean the Agreement dated July 1, 2007 between Contractor and City
  - b. **Other Terms.** Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.
2. **Modifications to the Agreement.** The Agreement is modified as follows:
  - a. Section 2 (**Term of the Agreement**) of the Agreement **is amended in its entirety to read as follows:**

Subject to Section 1, the term of the Agreement shall be from July 1, 2007 to December 31, 2008.
  - b. Section 5 (**Compensation**) of the Agreement **is amended in its entirety to read as follows**

Compensation shall be made in monthly payments on or before the thirtieth (30<sup>th</sup>) day of each month for work, as set forth in Section 4 of this Agreement, that the Executive Director/CEO of the MTA, in his or her sole discretion, concludes has been performed as of the thirtieth day (30<sup>th</sup>) of the immediately preceding month. In no event shall the amount of this Agreement exceed Seventy One Thousand Dollars (\$71,000). The breakdown of costs associated with this Agreement appears in Appendix B, "Calculation of Charges," attached hereto and incorporated by reference as though fully set forth herein.

No charges shall be incurred under this Agreement nor shall any payments become due to Contractor until reports, services, or both, required under this Agreement are received from Contractor and approved by the MTA as being in accordance with this Agreement. City may withhold payment to Contractor in any instance in which Contractor has failed or refused to satisfy any material obligation provided for under this Agreement.

In no event shall City be liable for interest or late charges for any late payments.

- c. **Requiring Minimum Compensation for Covered Employees.** Section 43 is replaced in its entirety to read as follows:

**43. Requiring Minimum Compensation for Covered Employees**

- a. Contractor agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco). A partial listing of some of Contractor's obligations under the MCO is set forth in this Section. Contractor is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.
- b. The MCO requires Contractor to pay Contractor's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Contractor is obligated to keep informed of the then-current requirements. Any subcontract entered into by Contractor shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Contractor's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Contractor.
- c. Contractor shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.
- d. Contractor shall maintain employee and payroll records as required by the MCO. If Contractor fails to do so, it shall be presumed that the Contractor paid no more than the minimum wage required under State law.

- e. The City is authorized to inspect Contractor's job sites and conduct interviews with employees and conduct audits of Contractor
- f. Contractor's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Contractor fails to comply with these requirements. Contractor agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Contractor's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.
- g. Contractor understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Contractor fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Contractor fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.
- h. Contractor represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.
- i. If Contractor is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Contractor later enters into an agreement or agreements that cause contractor to exceed that amount in a fiscal year, Contractor shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Contractor and this department to exceed \$25,000 in the fiscal year.
- d. **First Source Hiring Program.** Section 45 is replaced in its entirety to read as follows:
  - 45. **First Source Hiring Program**
    - a. **Incorporation of Administrative Code Provisions by Reference**

The provisions of Chapter 83 of the San Francisco Administrative Code are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Contractor shall comply fully with, and be bound by, all of the provisions that apply to this Agreement under such Chapter, including but not limited to the remedies provided therein. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 83.

**b. First Source Hiring Agreement**

As an essential term of, and consideration for, any contract or property contract with the City, not exempted by the FSHA, the Contractor shall enter into a first source hiring agreement ("agreement") with the City, on or before the effective date of the contract or property contract. Contractors shall also enter into an agreement with the City for any other work that it performs in the City. Such agreement shall:

(1) Set appropriate hiring and retention goals for entry level positions. The employer shall agree to achieve these hiring and retention goals, or, if unable to achieve these goals, to establish good faith efforts as to its attempts to do so, as set forth in the agreement. The agreement shall take into consideration the employer's participation in existing job training, referral and/or brokerage programs. Within the discretion of the FSHA, subject to appropriate modifications, participation in such programs maybe certified as meeting the requirements of this Chapter. Failure either to achieve the specified goal, or to establish good faith efforts will constitute noncompliance and will subject the employer to the provisions of Section 83.10 of this Chapter.

(2) Set first source interviewing, recruitment and hiring requirements, which will provide the San Francisco Workforce Development System with the first opportunity to provide qualified economically disadvantaged individuals for consideration for employment for entry level positions. Employers shall consider all applications of qualified economically disadvantaged individuals referred by the System for employment; provided however, if the employer utilizes nondiscriminatory screening criteria, the employer shall have the sole discretion to interview and/or hire individuals referred or certified by the San Francisco Workforce Development System as being qualified economically disadvantaged individuals. The duration of the first source interviewing requirement shall be determined by the FSHA and shall be set forth in each agreement, but shall not exceed 10 days. During that period, the employer may publicize the entry level positions in accordance with the agreement. A need for urgent or temporary hires must be evaluated, and appropriate provisions for such a situation must be made in the agreement.

(3) Set appropriate requirements for providing notification of available entry level positions to the San Francisco Workforce Development System so that the System may train and refer an adequate pool of qualified economically disadvantaged individuals to participating employers. Notification should include such information as employment needs by occupational title, skills, and/or experience required, the hours required, wage scale and duration of employment, identification of entry level and training positions, identification of English language proficiency requirements, or absence thereof, and the

projected schedule and procedures for hiring for each occupation. Employers should provide both long-term job need projections and notice before initiating the interviewing and hiring process. These notification requirements will take into consideration any need to protect the employer's proprietary information.

(4) Set appropriate record keeping and monitoring requirements. The First Source Hiring Administration shall develop easy-to-use forms and record keeping requirements for documenting compliance with the agreement. To the greatest extent possible, these requirements shall utilize the employer's existing record keeping systems, be nonduplicative, and facilitate a coordinated flow of information and referrals.

(5) Establish guidelines for employer good faith efforts to comply with the first source hiring requirements of this Chapter. The FSHA will work with City departments to develop employer good faith effort requirements appropriate to the types of contracts and property contracts handled by each department. Employers shall appoint a liaison for dealing with the development and implementation of the employer's agreement. In the event that the FSHA finds that the employer under a City contract or property contract has taken actions primarily for the purpose of circumventing the requirements of this Chapter, that employer shall be subject to the sanctions set forth in Section 83.10 of this Chapter.

(6) Set the term of the requirements.

(7) Set appropriate enforcement and sanctioning standards consistent with this Chapter.

(8) Set forth the City's obligations to develop training programs, job applicant referrals, technical assistance, and information systems that assist the employer in complying with this Chapter.

(9) Require the developer to include notice of the requirements of this Chapter in leases, subleases, and other occupancy contracts.

**c. Hiring Decisions**

Contractor shall make the final determination of whether an Economically Disadvantaged Individual referred by the System is "qualified" for the position.

**d. Exceptions**

Upon application by Employer, the First Source Hiring Administration may grant an exception to any or all of the requirements of Chapter 83 in any situation where it concludes that compliance with this Chapter would cause economic hardship.

**e. Liquidated Damages**

Contractor agrees:

- (1) To be liable to the City for liquidated damages as provided in this section;
- (2) To be subject to the procedures governing enforcement of breaches of contracts based on violations of contract provisions required by this Chapter as set forth in this section;

(3) That the contractor's commitment to comply with this Chapter is a material element of the City's consideration for this contract; that the failure of the contractor to comply with the contract provisions required by this Chapter will cause harm to the City and the public which is significant and substantial but extremely difficult to quantify; that the harm to the City includes not only the financial cost of funding public assistance programs but also the insidious but impossible to quantify harm that this community and its families suffer as a result of unemployment; and that the assessment of liquidated damages of up to \$5,000 for every notice of a new hire for an entry level position improperly withheld by the contractor from the first source hiring process, as determined by the FSHA during its first investigation of a contractor, does not exceed a fair estimate of the financial and other damages that the City suffers as a result of the contractor's failure to comply with its first source referral contractual obligations.

(4) That the continued failure by a contractor to comply with its first source referral contractual obligations will cause further significant and substantial harm to the City and the public, and that a second assessment of liquidated damages of up to \$10,000 for each entry level position improperly withheld from the FSHA, from the time of the conclusion of the first investigation forward, does not exceed the financial and other damages that the City suffers as a result of the contractor's continued failure to comply with its first source referral contractual obligations;

(5) That in addition to the cost of investigating alleged violations under this Section, the computation of liquidated damages for purposes of this section is based on the following data:

A. The average length of stay on public assistance in San Francisco's County Adult Assistance Program is approximately 41 months at an average monthly grant of \$348 per month, totaling approximately \$14,379; and

B. In 2004, the retention rate of adults placed in employment programs funded under the Workforce Investment Act for at least the first six months of employment was 84.4%. Since qualified individuals under the First Source program face far fewer barriers to employment than their counterparts in programs funded by the Workforce Investment Act, it is reasonable to conclude that the average length of employment for an individual whom the First Source Program refers to an employer and who is hired in an entry level position is at least one year; therefore, liquidated damages that total \$5,000 for first violations and \$10,000 for subsequent violations as determined by FSHA constitute a fair, reasonable, and conservative attempt to quantify the harm caused

to the City by the failure of a contractor to comply with its first source referral contractual obligations.

(6) That the failure of contractors to comply with this Chapter, except property contractors, may be subject to the debarment and monetary penalties set forth in Sections 6.80 et seq. of the San Francisco Administrative Code, as well as any other remedies available under the contract or at law; and

(7) That in the event the City is the prevailing party in a civil action to recover liquidated damages for breach of a contract provision required by this Chapter, the contractor will be liable for the City's costs and reasonable attorneys fees.

Violation of the requirements of Chapter 83 is subject to an assessment of liquidated damages in the amount of \$5,000 for every new hire for an Entry Level Position improperly withheld from the first source hiring process. The assessment of liquidated damages and the evaluation of any defenses or mitigating factors shall be made by the FSHA.

**f. Subcontracts**

Any subcontract entered into by Contractor shall require the subcontractor to comply with the requirements of Chapter 83 and shall contain contractual obligations substantially the same as those set forth in this Section.

**3. Effective Date.** Each of the modifications set forth in Section 2 shall be effective on and after July 1, 2008.

**4. Legal Effect.** Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

**CITY**

**CONTRACTOR**

**MUNICIPAL TRANSPORTATION  
AGENCY**

**Concentra Medical Centers**

Recommended by:

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Kelly Klug  
Center Administrator  
Concentra Medical Centers  
728-20<sup>th</sup> Street  
San Francisco, California 94107  
Telephone No. (415) 648-9501

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Nathaniel P. Ford, Sr.  
Executive Director/CEO

Approved as to Form:

City vendor number: 52951

Dennis J. Herrera



City Attorney

By: \_\_\_\_\_  
Deputy City Attorney

Municipal Transportation Agency  
Board of Directors  
Resolution No. \_\_\_\_\_  
Dated: \_\_\_\_\_

Attest:

\_\_\_\_\_  
Secretary, MTAB

THIS PRINT COVERS CALENDAR ITEM NO: 10.10

**MUNICIPAL TRANSPORTATION AGENCY**  
**City and County of San Francisco**

**DIVISION:** Finance & Administration

**BRIEF DESCRIPTION:**

Authorizing the Executive Director/CEO to execute the Amendment to the Real Property Ownership Agreement between the Peninsula Corridor Joint Powers Board (“JPB”), San Mateo County Transit District (“Sam Trans”), the City and County of San Francisco (“CCSF”) and the Santa Clara Valley Transportation Authority (“VTA”).

**SUMMARY:**

- Sam Trans, CCSF and VTA are member agencies of the JPB, which is governed by an amended and restated joint exercise of powers agreement (“JPA”) dated October 3, 1996. The JPB is responsible for the planning, administration, operation and expansion of the Caltrain commuter rail system and the maintenance, improvement and management of the rail corridor on which the Caltrain system is operated, together with other real estate assets necessary for the operation of Caltrain.
- Sam Trans, CCSF, VTA and JPB also are parties to a Real Property Ownership Agreement (“RPOA”) dated December 24, 1991. The RPOA sets forth the understandings associated with financing the acquisition by the JPB of the former Southern Pacific Transportation Company (“SP”) right-of-way extending from 4th and Townsend Streets in San Francisco 51.4 miles to Lick Junction (the “ROW”) as memorialized in a Purchase, Sale and Option Agreement dated November 22, 1991 between SP, JPB and Sam Trans.
- In the RPOA Sam Trans agreed to fund the acquisition of the ROW and CCSF and VTA agreed to use their best efforts to identify grants from non-local sources to reimburse Sam Trans for the acquisition.
- In this Amendment, the JPB, Sam Trans CCSF and VTA desire to fully resolve all outstanding financial issues related to the acquisition of the ROW. SFMTA will pay \$10.3 million to Sam Trans through future gasoline sales tax “spillover” money: \$8.3 million in regional population-based “spillover” money and \$2 million in revenue-based “spillover” money.
- The parties have also agreed that Sam Trans is designated as the managing agency of the JPB and will serve in that capacity unless and until it no longer chooses to do so.
- The SFMTA Board is asked to approve the Amendment to the Real Property Ownership Agreement between the Peninsula Corridor Joint Powers Board, San Mateo County Transit District, the City and County of San Francisco and the Santa Clara Valley Transportation Authority which includes payment of the \$10.3 million to Sam Trans from future gasoline sales tax “spillover” money and designates Sam Trans as the managing agency of the JPB unless and until it no longer chooses to do so with the understanding that a formal amendment to the JPA incorporating this commitment will be implemented at a future date

**ENCLOSURES:**

1. SFMTA Board Resolution

2. Amendment to the Real Property Ownership Agreement between the Peninsula Corridor Joint Powers Board, San Mateo County Transit District, the City and County of San Francisco and the Santa Clara Valley Transportation Authority

<b>APPROVALS:</b>	<b>DATE</b>
DEPUTY OF DIVISION	
PREPARING ITEM _____	_____
FINANCE _____	_____
EXECUTIVE DIRECTOR/CEO _____	_____
SECRETARY _____	_____

ADOPTED RESOLUTION SHOULD BE RETURNED TO: Sonali Bose, Finance & Administration

**ASSIGNED MTAB CALENDAR DATE:** \_\_\_\_\_

**EXPLANATION:**

Sam Trans, CCSF and VTA are member agencies of the JPB, which is governed by an amended and restated joint exercise of powers agreement (“JPA”) dated October 3, 1996. Among the enumerated purposes of the JPB are the planning, administration, operation and expansion of the commuter rail system commonly known as Caltrain, and the maintenance, improvement and management of the rail corridor on which the Caltrain system is operated, together with other real estate assets necessary for the operation of Caltrain.

Sam Trans, CCSF, VTA and JPB also are parties to a Real Property Ownership Agreement (“RPOA”) dated December 24, 1991. The RPOA sets forth the understandings of Sam Trans, CCSF and VTA associated with financing the acquisition by the JPB of the former Southern Pacific Transportation Company (“SP”) right-of-way extending from 4th and Townsend Streets in San Francisco 51.4 miles to Lick Junction (the “ROW”), together with various other property rights all as memorialized in a Purchase, Sale and Option Agreement dated November 22, 1991 between SP, JPB and Sam Trans. More specifically, pursuant to the RPOA, Sam Trans agreed to facilitate acquisition of the ROW by advancing certain of its funds, and arranging for the contribution of certain funds of the San Mateo County Transportation Authority, which were necessary to complete the purchase of the ROW (the “Additional Contribution”).

In consideration of Sam Trans’ willingness to facilitate acquisition of the ROW, CCSF and VTA agreed to use their best efforts individually and collectively to advocate for and obtain grants from non-local sources to reimburse Sam Trans for the Additional Contribution. MTC has identified “spillover” state transit funds projected to flow to the San Francisco Bay Area region over a period of several years as a viable repayment source for the Sam Trans Additional Contribution. More specifically, \$43 million in population-based spillover funds that fall under MTC’s control and jurisdiction and \$10 million in revenue-based spillover funds (\$8 million from VTA and \$2 million from CCSF), have been identified as proposed sources of funds to be allocated to Sam Trans in full reimbursement of the Additional Contribution.

Under the JPA, Sam Trans serves as the Managing Agency responsible for the management and operation of the Caltrain rail service and all of the assets of the JPB.

The SFMTA Board is asked to approve the Amendment to the Real Property Ownership Agreement between the Peninsula Corridor Joint Powers Board, San Mateo County Transit District, the City and County of San Francisco and the Santa Clara Valley Transportation Authority which includes payment of the \$10.3 million to Sam Trans from future gasoline sales tax “spillover” money and designates Sam Trans as the managing agency of the JPB unless and until it no longer chooses to do so with the understanding that a formal amendment to the JPA incorporating this commitment will be implemented at a future date

The City Attorney has reviewed this item.

This item directly supports Strategic Goal 4, Improved Financial Stability.

MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, San Mateo County Transit District (“Sam Trans”), the City and County of San Francisco (“CCSF”) and the Santa Clara Valley Transportation Authority (“VTA”) are member agencies of the Peninsula Corridor Joint Powers Board (“JPB”), which is governed by an amended and restated joint exercise of powers agreement (“JPA”) dated October 3, 1996, to oversee the planning, administration, operation and expansion of the commuter rail system commonly known as Caltrain; and

WHEREAS, Sam Trans, CCSF, VTA and JPB also are parties to a Real Property Ownership Agreement (“RPOA”) dated December 24, 1991 which sets forth the understandings of Sam Trans, CCSF and VTA associated with financing the acquisition by the JPB of the former Southern Pacific Transportation Company (“SP”) right-of-way extending from 4th and Townsend Streets in San Francisco 51.4 miles to Lick Junction (the “ROW”), together with various other property rights all as memorialized in a Purchase, Sale and Option Agreement dated November 22, 1991; and

WHEREAS, Pursuant to the RPOA, Sam Trans agreed to facilitate acquisition of the ROW by advancing certain of its funds, and arranging for the contribution of certain funds of the San Mateo County Transportation Authority, which were necessary to complete the purchase of the ROW (the “Additional Contribution”); and

WHEREAS, CCSF and VTA agreed to use their best efforts individually and collectively to advocate for and obtain grants from non-local sources to reimburse Sam Trans for the Additional Contribution; and

WHEREAS, By an Amendment to the RPOA, the JPB, Sam Trans, CCSF and VTA desire to memorialize their understandings pertaining to the proposed reimbursement of the Sam Trans for the Additional Contribution; and

WHEREAS, Under the JPA, Sam Trans serves as the Managing Agency responsible for

the management and operation of the Caltrain rail service and all of the assets of the JPB; and

WHEREAS, In conjunction with the Amendment of the RPOA, the parties have agreed that Sam Trans will be designated as the managing agency of the JPB unless and until it no longer chooses to do so and a formal amendment to the JPA incorporating this commitment will be implemented at a future date, now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors authorizes the Executive Director/CEO to execute the Amendment to the Real Property Ownership Agreement between the Peninsula Corridor Joint Powers Board, San Mateo County Transit District, the City and County of San Francisco and the Santa Clara Valley Transportation Authority which includes payment of the \$10.3 million to Sam Trans from future gasoline sales tax "spillover" money and designates Sam Trans as the managing agency of the JPB unless and until it no longer chooses to do so with the understanding that a formal amendment to the JPA incorporating this commitment will be implemented at a future date.

I certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

\_\_\_\_\_  
Secretary, Municipal Transportation Agency Board

## ATTACHMENT

### **AMENDMENT TO REAL PROPERTY OWNERSHIP AGREEMENT**

This \_\_\_\_\_ Amendment to Real Property Ownership Agreement (the "Agreement") is entered into by and among the Peninsula Corridor Joint Powers Board ("JPB"), San Mateo County Transit District ("Sam Trans"), the City and County of San Francisco ("CCSF"), and the Santa Clara Valley Transportation Authority ("VTA"), formerly known as the Santa Clara County Transit District, this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

### **RECITALS**

A. Sam Trans, CCSF and VTA are member agencies of the JPB, which is governed by an amended and restated joint exercise of powers agreement ("JPA") dated October 3, 1996. Among the enumerated purposes of the JPB are the planning, administration, operation and expansion of the commuter rail system commonly known as Caltrain, and the maintenance, improvement and management of the rail corridor on which the Caltrain system is operated, together with other real estate assets necessary for the operation of Caltrain.

B. Under the JPA, Sam Trans serves as the Managing Agency responsible for the management and operation of the Caltrain rail service and all of the assets of the JPB.

C. Sam Trans, CCSF, VTA and JPB also are parties to a Real Property Ownership Agreement (“RPOA”) dated December 24, 1991.

D. Among other things, the RPOA sets forth the understandings of Sam Trans, CCSF and VTA associated with financing the acquisition by the JPB of the former Southern Pacific Transportation Company (“SP”) right-of-way extending from 4th and Townsend Streets in San Francisco 51.4 miles to Lick Junction (the “ROW”), together with various other property rights all as memorialized in a Purchase, Sale and Option Agreement dated November 22, 1991 between SP, JPB and Sam Trans. More specifically, pursuant to the RPOA, Sam Trans agreed to facilitate acquisition of the ROW by advancing certain of its funds, and arranging for the contribution of certain funds of the San Mateo County Transportation Authority, which were necessary to complete the purchase of the ROW (the “Additional Contribution”). In consideration of Sam Trans’ willingness to facilitate acquisition of the ROW in said fashion, CCSF and VTA agreed to enter into the RPOA to acknowledge, safeguard and protect the Additional Contribution, made by Sam Trans as defined in Section 1.2 of the RPOA. Among the provisions contained in the RPOA to protect Sam Trans’ advance of funds were the following:

(1) Title to the ROW located in San Mateo County was vested in both the JPB and Sam Trans, as tenants in common;

(2) Sam Trans was granted an equity conversion option pursuant to which Sam Trans was granted the right to take sole title to part or all of the ROW at any time prior to reimbursement of the Additional Contribution; and

(3) CCSF and VTA agreed to use their best efforts individually and collectively to advocate for and obtain grants from non-local sources to reimburse Sam Trans for the Additional Contribution.

E. In recognition of the voluntary advance of funds to acquire the ROW made by Sam Trans and the commitment of the parties to the RPOA to use best efforts to effect reimbursement of that advance, the Metropolitan Transportation Commission (“MTC”) has

assumed a leadership role in identifying grant funds from non-local sources to be used to reimburse Sam Trans for its Additional Contribution. Specifically, as stated in a report to the MTC dated June 25, 2007, MTC's Executive Director has identified "spillover" state transit funds projected to flow to the San Francisco Bay Area region over a period of several years as a viable repayment source for the Sam Trans Additional Contribution. More specifically, \$43 million in population-based spillover funds that fall under MTC's control and jurisdiction and \$10 million in revenue-based spillover funds (\$8 million from VTA and \$2 million from CCSF), have been identified as proposed sources of funds to be allocated to Sam Trans in full reimbursement of the Additional Contribution.

F. By this Amendment to the RPOA, the JPB, Sam Trans, CCSF and VTA desire to memorialize their understandings pertaining to the proposed reimbursement of the Sam Trans Additional Contribution and to fully resolve all outstanding financial issues related to the acquisition of the ROW.

G. In conjunction with the Amendment of the RPOA, the parties have agreed that Sam Trans will be designated as the managing agency of the JPB unless and until it no longer chooses to do so, it being agreed and understood that a formal amendment to the JPA incorporating this commitment will be implemented at a future date.

### **AGREEMENT**

**NOW, THEREFORE, in consideration of the foregoing, the parties agree as follows:**

I. Section 3.3 of the Agreement (Reimbursement Of Additional Contribution) is amended in its entirety to read as follows:

**3.3 Reimbursement of Additional Contribution.** The parties agree that the Metropolitan Transportation Commission ("MTC") will facilitate reimbursement of the Additional Contribution provided by Sam Trans for the purchase of the ROW in the following manner:

A. **VTA Contribution.** The amount of the Additional Contribution attributable to VTA, \$43 million, will be paid to Sam Trans through future gasoline sales tax "spillover" money: \$35 million in regional population-based

“spillover” money to be allocated directly by MTC to Sam Trans; and \$8 million in revenue-based “spillover” money from VTA to Sam Trans.

**B. CCSF Contribution.** The amount of the Additional Contribution attributable to CCSF, \$10.3 million, will be paid to Sam Trans through future gasoline sales tax “spillover” money: \$8.3 million in regional population-based “spillover” money to be allocated directly by MTC; and \$2 million in revenue-based “spillover” money from CCSF, through the San Francisco Municipal Transportation Agency.

**C. Timing and Method of Allocation of Funds.** The parties recognize that the precise time frame for allocation of the funds described in subsections A and B above is uncertain. The parties agree that they will use best efforts to effect allocation in full within a period of two (2) to four (4) years and in no event later than ten (10) years from the date of execution of this Amendment to the Agreement; provided that if and when MTC determines that the schedule of payments can be accelerated based upon greater availability of spillover funds made available from time to time by the State of California, incremental revenue-based spillover funds otherwise allocable to VTA and CCSF will be paid to Sam Trans in a ratio that equals or exceeds the incremental MTC allocation of regional population-based spillover funds.

If circumstances arise that would preclude allocation of the funds in full within ten (10) years, the parties acknowledge and agree that MTC will be authorized to identify alternative sources of non-local funds to effect full reimbursement of the Additional Contribution to Sam Trans at the earliest practicable date.

MTC will allocate the regional population-based spillover funds directly to Sam Trans. For Fiscal Year 2008-09, VTA and CCSF will pay the revenue-based spillover funds referred to in subparagraphs A and B to Sam Trans. In subsequent years, if required, and until VTA’s and CCSF’s commitments are fully discharged, MTC will allocate and pay to Sam Trans the respective shares of VTA and CCSF revenue-based spillover funds.



Upon receipt by Sam Trans of all funds in satisfaction of the Additional Contribution, the commitments of CCSF and VTA under Sections 3.3 and 3.4 of the Agreement will be deemed fulfilled.

**II.** Section 4.1 of the Agreement (ROW) is amended in its entirety to read as follows:

Title to the ROW shall vest initially in the JPB; provided, however, that title shall vest in the JPB and Sam Trans as tenants in common (not as partners) as to all ROW property located in San Mateo County. Upon full participation in the Additional Contribution by all Member Agencies, or full reimbursement of the Additional Contribution to Sam Trans as provided in Section 3.3 above, Sam Trans shall reconvey to the JPB all of its interests in title to the ROW. At such time, Section 7 of the RPOA granting Sam Trans an option to convert its Additional Contribution to an equity interest in the ROW shall no longer be in effect and Section 6.5 of the RPOA shall be repealed. Title to State Transferred Properties shall vest in the JPB.

**III. AGREEMENT TO AMEND JOINT POWERS AGREEMENT.**

In consideration of the understandings reached pursuant to this Amendment to the RPOA, and in keeping with the shared commitment of the parties to continue their collaborative support of Caltrain, the parties have agreed that Sam Trans is designated as the managing agency of the JPB and will serve in that capacity unless and until it no longer chooses to do so. The parties also agree to incorporate this agreement in a formal amendment of the JPA at a future date.

IN WITNESS WHEREOF, the parties have entered into this Agreement on the date first written above, with the intent to be legally bound.

SAN MATEO COUNTY TRANSIT DISTRICT

By: \_\_\_\_\_  
Michael J. Scanlon  
General Manager/CEO

Approval as to form:

\_\_\_\_\_  
David J. Miller  
Attorney

CITY AND COUNTY OF SAN FRANCISCO

By: \_\_\_\_\_

Nathaniel P. Ford, Sr.  
Executive Director/CEO  
Municipal Transportation Agency

Approved as to form:

Dennis J. Herrera, City Attorney

\_\_\_\_\_

Robin M. Reitzes  
Deputy City Attorney

Municipal Transportation Agency  
Board of Directors  
Resolution No. \_\_\_\_\_  
Dated: \_\_\_\_\_

Board of Supervisors  
Resolution No. \_\_\_\_\_  
Dated: \_\_\_\_\_

Attest:  
\_\_\_\_\_

Secretary

Attest:  
\_\_\_\_\_

Clerk of the Board

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY

By: \_\_\_\_\_

Michael T. Burns, General Manager

Approved as to form:

\_\_\_\_\_

Kevin D. Allmand  
Acting General Counsel

PENINSULA CORRIDOR JOINT POWERS BOARD

By: \_\_\_\_\_

Michael J. Scanlon  
Executive Director

Approved as to form:

\_\_\_\_\_

David J. Miller  
Attorney

**THIS PRINT COVERS CALENDAR ITEM NO.: 11**

**MUNICIPAL TRANSPORTATION AGENCY  
City and County of San Francisco**

**DIVISION:** Parking and Traffic Division

**BRIEF DESCRIPTION:** Approving traffic and parking modifications itemized below

**SUMMARY:**

- Under Proposition A, the SFMTA Board of Directors has authority to adopt parking and traffic regulations changes

**Benefit to the SFMTA 2008 – 2012 Strategic Plan:**

- Goal 1 – Customer Focus
  - 1.1 – Improve safety and security across all modes of transportation
- Goal 2 – System Performance
  - 2.4 – Reduce congestion through major corridors
  - 2.5 – Manage parking supply to align with SFMTA and community goals

**ENCLOSURES:**

1. MTAB Resolution

**APPROVALS:**

**DATE**

DIRECTOR OF DIVISION  
PREPARING ITEM \_\_\_\_\_

\_\_\_\_\_

EXECUTIVE DIRECTOR/CEO \_\_\_\_\_

\_\_\_\_\_

SECRETARY \_\_\_\_\_

\_\_\_\_\_

ASSIGNED MTAB CALENDAR DATE: \_\_\_\_\_

**ITEMS: (All items were heard at 5/2/08 Public Hearing.)**

- A. RESCIND - RED ZONE - 17th Street, south side, from 30 feet to 20 feet west of Arkansas Street (reduces the existing 30-foot red zone to 20 feet).
- B. ESTABLISH -RED ZONE - 17th Street, south side, from Arkansas Street to 20 feet easterly (20-foot zone).
- C. EXTENSIONS-RED ZONE –17th Street, north side, from 8 feet to 20 feet west of Arkansas Street (extends the existing 8-foot red zone an additional 12 feet, resulting in a 20-foot red zone) AND 17th Street, north side, from 10 feet to 20 feet east of Arkansas Street (extends existing 10-foot red zone an additional 10 feet, resulting in a 20-foot red zone)

**EXPLANATION:**

These red zone changes are being recommended to improve visibility for crossing 17th Street at Arkansas Street. With these changes, each of the four corners would have a 20-foot (one car space) red zone on their 17th Street side. Prohibiting parking in this fashion is consistent with professional Traffic Engineering practices; however, it is done with discretion in San Francisco because of the scarcity and value of our on-street parking spaces. For this reason, we typically only recommend this type of treatment where it is deemed necessary to address a demonstrated safety issue.

This particular intersection is located at one of the corners of the Franklin Square playground at the north base of Potrero Hill. Live Oak School is one block away. The intersection is currently Two-Way STOP sign-controlled, with STOP signs on the Arkansas Street approaches. In the past five years, four collisions have been reported to the Police Department. Neighbors have been asking for the installation of an All-Way STOP.

The #22 bus line operates along 17th Street in this area. With the agency's on-time performance goal challenges, we are reluctant to recommend the installation of STOP signs when other potential solutions to improve an intersection's safety have yet to be tried. Although the installation of STOP signs at one intersection may only have a small effect on a bus' operating times, it is cumulative effect of additional STOP signs over an entire bus route that is the primary concern.

The Transit Effectiveness Project does propose relocating the #22 line from 17th Street to 16th Street. If that happens, we would have no objection to making this intersection an All-Way STOP at that time. For the time being, however, we believe that red zones will improve the safety of this intersection in lieu of additional STOP signs. Along with the red zones, we also intend to mark this intersection with yellow zebra school crosswalks. We will also install school crossing signs and warnings.

This matter is being placed on the regular calendar because there is some opposition to the parking prohibition and a continuing desire by some neighbors for an All-Way STOP installation. Staff does not believe that the additional red zones, along with the school crosswalks and signage, will be a significant safety improvement to this intersection. We will monitor the safety of this intersection and are prepared to recommend STOP signs if the proposed measures prove to be unsatisfactory.

MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, The San Francisco Municipal Transportation Agency has received a request, or identified a need for traffic modifications as follows:

- A. RESCIND - RED ZONE - 17th Street, south side, from 30 feet to 20 feet west of

- Arkansas Street (reduces the existing 30-foot red zone to 20 feet).
- B. ESTABLISH -RED ZONE - 17th Street, south side, from Arkansas Street to 20 feet easterly (20-foot zone).
  - C. EXTENSIONS-RED ZONE –17th Street, north side, from 8 feet to 20 feet west of Arkansas Street (extends the existing 8-foot red zone an additional 12 feet, resulting in a 20-foot red zone) AND 17th Street, north side, from 10 feet to 20 feet east of Arkansas Street (extends existing 10-foot red zone an additional 10 feet, resulting in a 20-foot red zone)

WHEREAS, The public has been notified about the proposed modifications and has been given the opportunity to comment on those modifications through the public hearing process; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors, upon recommendation of the Executive Director/CEO and the Director of Parking and Traffic, does hereby approve the changes as attached.

I hereby certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of

\_\_\_\_\_

\_\_\_\_\_  
Secretary, Municipal Transportation Agency Board

**THIS PRINT COVERS CALENDAR ITEM NO. : 12**

**SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY  
City and County of San Francisco**

**DIVISION:** Transportation Planning and Development Division

**BRIEF DESCRIPTION:**

Approval of the “**Proposed**” FY 2009-2013 Capital Investment Plan (CIP) and the annual appropriations of the “**Proposed**” FY 09 and FY 10 Capital Improvement Budgets (CIB).

**SUMMARY:**

- The FY 2009-2013 CIP is a strategic plan of investing dollars into capital projects to potentially increase the Agency’s financial capacity and to improve the delivery of service. This plan includes a summary of all current and proposed capital projects, the annual Capital Improvement Budget, and a brief overview of the capital project prioritization process.
- The Proposed FY 2009-2013 CIP includes a five-year forecast and projection of planned expenditures of \$4.5B and anticipated revenues of \$2.8B which represents a projected shortfall of \$1.7B. In addressing the projected shortfall, the Agency will develop long-term funding solutions such as seeking additional Federal, State, and Local funding opportunities, performing cash flow analysis, and the issuance of bonds in the near future.
- The FY 09 and FY 10 Proposed Capital Improvement Budgets (CIB) include annual appropriations of expenditures and revenues of \$762M and \$353M, respectively.

**ENCLOSURES:**

1. Attachment A – FY 2009-2013 Proposed Capital Investment Plan (CIP) and the FY 09 and FY 10 Proposed Capital Improvement Budgets (CIB).

**APPROVALS:**

**DATE**

DIRECTOR OF DIVISION

PREPARING ITEM \_\_\_\_\_

FINANCE \_\_\_\_\_

EXECUTIVE DIRECTOR/CEO \_\_\_\_\_

SECRETARY \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

ADOPTED RESOLUTION \_\_\_\_\_

BE RETURNED TO

**ASSIGNED MTAB CALENDAR DATE:** \_\_\_\_\_

**EXPLANATION:**

**CAPITAL INVESTMENT PLAN (CIP)**

The Capital Investment Plan (CIP) is a strategic approach to capital planning and budgeting that includes a summary of all the current and proposed capital projects for Muni and Parking and Traffic. Attachment A includes a brief description of the projects by capital program, the annual Capital Improvement Budget (CIB), and the prioritization score for each project.

The Proposed FY 2009-2013 CIP includes a five-year forecast and projection of planned expenditures of \$4.5B and anticipated revenues of \$2.8B which represents a projected shortfall of \$1.7B. In addressing the projected shortfall, the Agency will explore long-term financing solutions such as seeking additional Federal, State, and Local funding opportunities, performing cash flow analysis, and the issuance of bonds in the near future.

While the CIP reflects a five-year projection of the capital expenditures and revenues, it is a planning document to be used as a basis for the development of the annual Capital Improvement Budgets (CIB).

**CAPITAL IMPROVEMET BUDGET (CIB)**

The FY 09 and FY 10 Proposed Capital Improvement Budgets (CIB) will fund a variety of construction activities within the four major capital improvement programs. For FY 09 and FY 10, the Proposed Capital Improvement Budgets (CIB) includes annual appropriations of expenditures and revenues in the amount of \$762M and \$353M, respectively, as outlined below:

Item Description	FY 08-09	FY 09-10
<b><u>Equipment Program</u></b> - includes the acquisition and replacement of equipment to support all aspects of Muni operations and maintenance functions and other miscellaneous support equipment.	\$12.5M	\$11.3M
<b><u>Facility Program</u></b> – includes the rehabilitation, renovation, improvements, replacement, and maintenance, operations, and administrative facilities.	\$84.3M	\$29.7M
<b><u>Fleet Program</u></b> - includes the replacement, mid-life rehab, and overhaul, of revenue and non-revenue vehicles.	\$146.1M	\$55.8M
<b><u>Infrastructure Program</u></b> – includes the rehabilitation, renovation, improvements, and replacement of overhead lines, track/rail, bus rapid transit (BRT) projects, various parking and traffic projects and Info Technology projects.	\$519.0M	\$256.1M
<b>TOTAL</b>	<b>\$762M</b>	<b>\$353M</b>

MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, The FY 2009 and FY 2010 Capital Budgets request for the SFMTA is being prepared in accordance with the City Charter Section 8A.106; and

WHEREAS, Charter Section 8A.106 (b) requires the SFMTA to certify that the Capital Budget is adequate in all respects to make substantial progress towards meeting the goals, objectives, and performance standards established pursuant to Section 8A.103 for the fiscal year covered by the budget; and

WHEREAS, The FY 2009-2013 Capital Investment Plan represents a five-year projection of the planned expenditures and anticipated revenues for the SFMTA; now, therefore be it

RESOLVED, That the SFMTA Board of Directors approves the SFMTA's FY 2009 and FY 2010 Capital Budgets in the amount of \$762M and \$353M, respectively, as itemized in Attachment A to the calendar item; and be it further

RESOLVED, That in accordance with the requirements of Charter Section 8A.106 (b), the SFMTA certifies that the FY 2009 and FY 2010 SFMTA Capital Budgets are adequate in all respects to make substantial progress towards meeting the goals, objectives, and performance standards established pursuant to Section 8A.103 for FY 2009 and FY 2010; and be it further

RESOLVED, That the SFMTA Board of Directors approves the SFMTA's FY 2009 - 2013 Capital Investment Plan, which represents a five-year projection of the capital needs of the SFMTA in the amount of \$4.5B, as itemized in Attachment A to the calendar item; and be it further

RESOLVED, That the Executive Director/CEO is authorized to make any necessary technical and clerical corrections to the approved capital budget of the SFMTA and to allocate additional revenues and/or City and County discretionary revenues in order to fund additional adjustments to the capital budget, provided that the Executive Director/CEO shall return to the SFMTA Board of Directors for approval of technical or clerical corrections that, in aggregate, exceed a five percent increase of the total SFMTA FY 2009 and FY 2010 Capital Budgets.

I certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

\_\_\_\_\_  
Secretary, Municipal Transportation Agency Board



**THIS PRINT COVERS CALENDAR ITEM NO. : 13**

**MUNICIPAL TRANSPORTATION AGENCY  
City and County of San Francisco**

**DIVISION:** Parking and Traffic

**BRIEF DESCRIPTION:**

Requesting that the San Francisco Municipal Transportation Agency (SFMTA) Board of Directors approve the Accessible Pedestrian Signals (APS) Request and Installation Policy.

**SUMMARY:**

- An Accessible Pedestrian Signal (APS) is a pedestrian pushbutton that communicates when to cross the street in a non-visual manner, such as audible tones, speech messages and vibrating surfaces.
- The SFMTA is committed to installing APS at 103 locations citywide by December 31, 2009
- The APS Request and Installation Policy, which will guide our efforts to expand the APS program, includes:
  - How to request the installation of APS at an intersection & prioritization;
  - The design and installation of APS; and
  - How troubleshooting and vandalism are handled.
- Attachments to the APS Request and Installation Policy include:
  - Attachment 1 – Intersection List: locations where APS have already been installed and those that are scheduled for installation by December 31, 2009.
  - Attachment 2 – Prioritization Tool: a mechanism for scoring and prioritizing requested intersections.
  - Attachment 3 – Technical Specifications: define the various aspects of APS and specifies the installation and operational requirements.
- This item advances Goals 1 and 2 of the SFMTA Strategic Plan.
- This item is related to the Revised APS Claimants’ Priority List also calendared for the SFMTA Board of Directors’ Meeting, June 17, 2008.

**ENCLOSURES:**

1. MTAB Resolution
2. APS Request and Installation Policy
3. Intersection List
4. Prioritization Tool
5. Technical Specifications

**APPROVALS:**

**DATE**

DIRECTOR OF DIVISION

PREPARING ITEM \_\_\_\_\_

\_\_\_\_\_

FINANCE \_\_\_\_\_

\_\_\_\_\_

EXECUTIVE DIRECTOR/CEO \_\_\_\_\_

\_\_\_\_\_

SECRETARY \_\_\_\_\_

ADOPTED RESOLUTION CRISTINA C. OLEA  
BE RETURNED TO

**ASSIGNED MTAB CALENDAR DATE:** \_\_\_\_\_

**EXPLANATION:**

On April 6, 2004, the SFMTA and the California Council of the Blind, San Francisco Light House for the Blind and Visually Impaired, Independent Living Resource Center San Francisco, and Damien Pickering, an individual, (hereafter collectively “Claimants”) entered into structured negotiations to allow a period of APS equipment testing, review of emerging, commercially-available APS technology, and establish a comprehensive APS installation and maintenance program for San Francisco. On June 19, 2007, the SFMTA Board of Directors approved an APS Settlement Agreement effective through June 30, 2010 (Resolution No. 07-100) between the City and the Claimants. As part of the Agreement, the SFMTA agreed to develop an APS Request and Installation Policy for consideration by the SFMTA Board.

The APS Request and Installation Policy includes the following components:

- I. Introduction
- II. Requests
- III. Prioritizing Requests
- IV. Design and Installation of APS
- V. Troubleshooting and Vandalism
- VI. Attachments

The Intersection List (Attachment 1) includes the 54 intersections where APS have been installed throughout the City and 49 additional locations scheduled for APS installation by December 31, 2009. It is important to note that all intersections with boarding platforms along the Third Street Light Rail corridor now have APS. The Prioritization Tool (Attachment 2) is a mechanism for scoring and prioritizing requested intersections. The Technical Specifications (Attachment 3) define the various aspects of APS and specifies the installation and operational requirements.

In order to support the APS Program, the Parking and Traffic Division will allocate a minimum of 15 percent of its approved traffic signal infrastructure funding for applicable Americans with Disabilities Act improvements (ADA), such as curb ramps and APS. Also, when the Municipal Railway implements large capital projects for new transit services that include traffic signal improvements, such as the Third Street Light Rail Project, such transit projects will include APS installation.

SFMTA will work with Lighthouse for the Blind and Visually Impaired and the California Council for the Blind annually to prioritize intersections from the Request List (published by SFMTA once a year in the spring) and other intersections with construction opportunities. This final list will be used to request funding for design and construction of APS.

This calendar item advances the SFMTA Strategic Plan Goal 1 – To provide safe, accessible,

clean, environmentally sustainable service and encourage the use of auto-alternative modes through the Transit First Policy, and Goal 2 – To get customers where they want to go, when they want to be there. This item is related to the Revised Claimants’ Priority List also calendared for the SFTMA Board of Directors’ Meeting, June 17, 2008.

The City Attorney has reviewed this report.

MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, An Accessible Pedestrian Signal (APS) is a pedestrian pushbutton that communicates when to cross the street in a non-visual manner, such as audible tones, speech messages and vibrating surfaces.

WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA) is committed to installing APS at 103 locations citywide by December 31, 2009; and,

WHEREAS, SFMTA developed an APS Request and Installation Policy that will guide SFMTA’s efforts to expand the APS program; and,

WHEREAS, The APS Request and Installation Policy includes information on how to request the installation of APS at an intersection, how requests will be prioritized, the design and installation of APS, and how troubleshooting and vandalism are handled; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors hereby adopts and authorizes the Executive Director/CEO to implement the Accessible Pedestrian Signal (APS) Request and Installation Policy.

I hereby certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

\_\_\_\_\_  
Secretary, Municipal Transportation Agency Board

**ACCESSIBLE PEDESTRIAN SIGNALS  
REQUEST & INSTALLATION POLICY  
JUNE 17, 2008**

I. Introduction

An Accessible Pedestrian Signal (APS) is a pedestrian pushbutton that communicates when to cross the street in a non-visual manner, such as audible tones, speech messages and vibrating surfaces. The San Francisco Municipal Transportation Agency (SFMTA) is

committed to installing APS at 103 locations citywide by December 31, 2009 (see Attachment 1).

## II. Requests

To request that the SFMTA install APS at an intersection, a requestor may submit the intersection, their name and contact information, and the format in which the requestor wishes to receive a response to the SFMTA by phone, email or mail as follows:

By phone:

311 or 415.701.4500

or by email:

[livable.streets@sfgov.org](mailto:livable.streets@sfgov.org)

or by mail:

SFMTA

Attn: Pedestrian Program Manager

1 South Van Ness Avenue, 7<sup>th</sup> Floor

San Francisco, CA 94103-5417

The SFMTA will document receipt of the request. The requestor will receive notification that the request was received within 10 business days of SFMTA's receipt of the request. Notification to the requestor will include the tracking number for the request and a description of the process for assessing the intersection for APS installation. SFMTA will accommodate reasonable requests to schedule Intersection Assessments to allow requestors' participation.

Requests will be tracked using the SFMTA's Correspondence and Request Tracking software, which creates a unique identification number and logs the date of request, intersection, and requestor name and contact information.

## III. Prioritizing Requests

Intersections will be scored using the SFMTA Prioritization Tool in Attachment 4 of this policy. Within 90 calendar days of the request, SFMTA will provide the following in the requested format: i) preliminary score, ii) the relative priority of the requested intersection as compared to all other intersections then scheduled for APS installation, iii) any work being planned at that intersection, iv) whether APS is likely to be installed within the next three years and v) the name and phone number of a contact person at SFMTA to answer questions about the request. The Requestor may request reconsideration of the preliminary score within 10 business days by communicating with the SFMTA contact person provided in the response.

Once a year, in the spring, the SFMTA will publish the Request List in order of priority. SFMTA will work with the California Council of the Blind and Lighthouse for the Blind and Visually Impaired annually to prioritize intersections from the Request List and other intersections with construction opportunities. This final list will be used to request funding for design and construction of APS.

## IV. Design and Installation of APS

The City will design and install APS at intersections in accordance with the Technical Specifications found in Attachment 3 of this policy. Installation may be completed by the DPT Traffic Signal Shop or through a construction contract. If an intersection is located along a State highway, installation requires prior approval from the California Department of Transportation (Caltrans). For most intersections already equipped with pedestrian signals, SFMTA will complete installation of APS at funded locations as soon as reasonably possible and no more than 1.5 years after receiving the request. However, for new signals, intersections without pedestrian signals and other intersections that are part of a construction contract, APS will be installed within 3 years of obtaining funding.

**V. Troubleshooting and Vandalism**

APS will be operational during the time that the associated traffic signal is in normal operation, except during periods of maintenance or repair. If the APS malfunctions, the City will work to correct the problem as soon as possible. APS units that have been vandalized will be repaired or replaced as necessary. To report a malfunction or vandalism, contact the SFMTA Traffic Signal Shop at 415.550.2736 or 311.

**VI. Attachments**

1. Intersection List
2. Prioritization Tool
3. Technical Specifications

**ATTACHMENT 1  
APS INTERSECTION LIST  
JUNE 17, 2008**

Intersections with APS

1.	2nd St/King
2.	3rd St/20th
3.	3rd St/23rd
4.	3rd St/Bancroft
5.	3rd St/Carroll
6.	3rd St/Davidson
7.	3rd St/Donner
8.	3rd St/Evans
9.	3rd St/Fairfax
10.	3rd St/Fitzgerald
11.	3rd St/Gilman/Paul
12.	3rd St/Hollister
13.	3rd St/Hudson
14.	3rd St/Innes
15.	3rd St/Jamestown
16.	3rd St/Jerrold
17.	3rd St/Kirkwood

18.	3rd St/La Salle
19.	3rd St/LeConte
20.	3rd St/Marin
21.	3rd St/Mariposa
22.	3rd St/Mission Rock
23.	3rd St/Newcomb
24.	3rd St/Oakdale
25.	3rd St/Palou
26.	3rd St/Revere
27.	3rd St/Shafter
28.	3rd St/South
29.	3rd St/Thomas/Thornton

30.	3rd St/Underwood
31.	3rd St/Lane/Van Dyke/Williams
32.	3rd St/Wallace
33.	4th St/Berry
34.	4th St/King St
35.	8th St/Grove/Hyde/Market
36.	16th St/Mission
37.	24th St/Mission
38.	Arleta/Bayshore/San Bruno
39.	Bayshore/Blanken
40.	Bayshore/Sunnydale
41.	Embarcadero/Ferry Bldg.
42.	Evans/Phelps
43.	Fremont/Mission
44.	Fulton/Larkin
45.	Geneva/San Jose
46.	Grove/Van Ness
47.	Kirkwood/Newhall
48.	Market/Powell
49.	Market/Van Ness
50.	Ocean/San Jose
51.	Pacific/Stockton
52.	Phelan Ave. Mid-block at City College
53.	Polk/Grove
54.	Potrero mid-block b/t 22nd & 23rd

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Intersections under Design in FY07/08 – To be completed by December 31, 2009

1.	01st St/Mission
2.	04th St/Ellis/Market/Stockton
3.	04th St/Mission
4.	06th Ave/Geary
5.	07th St/Townsend
6.	09th Ave/Irving
7.	09th Ave/Judah
8.	09th Ave/Lincoln
9.	14th St/Church/Market
10.	17th St/Market/Castro
11.	20th Ave/Winston
12.	24th St/Potrero
13.	25th Ave/Geary
14.	Alemany/Silver
15.	Arguello/Geary

16.	Beale/Howard
17.	Bosworth/Diamond
18.	Brannan/Embarcadero
19.	Bryant/Embarcadero
20.	Cole/Fell
21.	Cole/Oak
22.	Dorado/Jules/Ocean
23.	Embarcadero/Washington
24.	Fell/Van Ness
25.	Fremont/Front/Market
26.	Fulton/Hyde
27.	Geary/Divisadero
28.	Geneva/Mission
29.	Geneva/Ocean/Phelan
30.	Great Highway/Judah
31.	Grove/Larkin
32.	Hayes/Van Ness
33.	Hyde/McAllister
34.	Jones/Turk
35.	Laguna Honda Blvd/Forest Hill MUNI Station
36.	Larkin/McAllister
37.	Leavenworth/McAllister
38.	Market/Montgomery/New Montgomery/Post
39.	Market/United Nations Plaza mid-block crossing
40.	McAllister Street/Van Ness
41.	Mission/New Montgomery
42.	O'Shaughnessy Blvd/Portola Dr/Woodside Ave
43.	Parnassus midblock b/t Hillway and 3rd Avenue
44.	Phelan at Phelan Loop Exit
45.	Polk/Sutter

Intersections under Design in FY07/08 – To be completed as part of the Caltrans Traffic Signal Upgrade

46.	19th Ave/Holloway
47.	19th Ave/Sloat
48.	19th Ave/Taraval
49.	19th Ave/Winston

**ATTACHMENT 2  
APS PRIORITIZATION TOOL**

**Cover Sheet**

Location of Intersection or crosswalk:
Evaluator Name:
Date Evaluation completed:



--

<u>Total score</u> ≡ <u>crosswalk worksheet score</u> ± <u>intersection worksheet score</u>
---

Directions to Evaluator:

- Score all crosswalks and select the highest scoring crosswalk. The following variables typically affect the crosswalk score most:
  - crosswalk width - max 5 points
  - skewed crosswalk -- max 7 points
  - leading pedestrian interval -- max 8 points
  - timed for crossing to median island -- max 8 points
  - off-peak traffic presence (max 6 points )
- Please check off the answers that best describe the circumstances at the crosswalk being studied and total up the scores as directed on the following pages.

Please refer to National Cooperative Highway Research Program (NCHRP) Project 3-62: **Guidelines for Accessible Pedestrian Signals**

**2006.** This set of guidelines explains in detail the meaning of each variable being evaluated. The San Francisco Safety & Access Tool was developed based on the original tool created for the NCHRP.

**APS PRIORITIZATION TOOL**  
Revised April 27, 2007

<b>Intersection Worksheet</b>
<b>Location:</b>

	<b>Points (circle all that apply)</b>	<b>Comments</b>
<b>Configuration: (circle one)</b>		
4-leg	0	
4-leg offset	3	
3-leg (T or Y)	3	
5-leg	8	

Midblock location	14	
<b>Signalization (circle one)</b>		
Pre-timed	0	
Actuated (semi or fully)	2	
Split Phasing	6	
Exclusive pedestrian phase	8	
<b>Transit Facilities within a block (1/8 mile) of the intersection - all legs (circle one)</b>		
No transit facilities	0	
Single bus route	1	
Multiple bus routes	3	
Transit mall/rail station	5	
<b>Distance to Program for Visually Impaired (circle one)</b>		
>1300 ft	0	
<1300 ft	6	approx. 4 blocks
<650 ft	8	approx. 2 blocks
<300 ft	10	approx. 1 block
<b>Distance to City Public Programs (circle one)</b>		
>1300 ft	0	
<1300 ft	6	approx. 4 blocks
<650 ft	8	approx. 2 blocks
<300 ft	10	approx. 1 block
<b>Distance to Other Major Pedestrian Attraction (circle one)</b>		
>1300 ft	0	
<1300 ft	3	approx. 4 blocks
<650 ft	4	approx. 2 blocks
<300 ft	5	approx. 1 block
<b>Intersection Worksheet Score:</b>		

### Crosswalk Worksheet

**Location of Crosswalk:**

<b>Crosswalk Length (circle one)</b>		
<40 ft	0	
40-59 ft	1	
60-79 ft	2	
80-99 ft	3	
100-119 ft	4	
>=120 ft	5	
<b>Speed Limit (circle one)</b>		
<20 mph	0	

25 mph	1	
30 mph	2	
35 mph	3	
40 mph	4	
>=45 mph	5	
<b>Approach/Crosswalk Geometrics (circle all that apply)</b>		
Skewed crosswalk	7	
Curb radius>25 ft (either corner)	1	
Apex (Diagonal) curb ramp (either ramp)	2	
Channelized right turn island	2	
Islands or medians (Painted, raised or cut-through)	1	
Transverse (cross) slope on crosswalk	1	
<b>Pedestrian Signal Control (circle all that apply)</b>		
Timed for crossing to median island	8	
Push button actuation required for WALK signal	8	
Leading Pedestrian Interval (LPI) with parallel street green	8	
Non-concurrent WALK interval	4	
<b>Vehicle Signal Control (circle all that apply)</b>		
Protected right turn phase/right turn overlap (on parallel street)	7	
Leading protected left-turn phase (on parallel street)	3	
Right-turn-on-red permitted (on parallel street)	2	
Channelized right turn lane under signal control	8	
<b>Off-Peak Traffic Presence - at least 2 vehicles present on parallel street (circle one)</b>		
Constant (>90% of cycles)	1	
Heavy (70-80% of cycles)	2	
Moderate (50-60% of cycles)	3	
Light (30-40% of cycles)	4	
Occasional (<30% of cycles)	5	
None (i.e., no through lanes present to create surge noise - e.g., stem of T-intersection)	6	



### 1. Facilities that Serve the Blind:

The following are facilities or programs in San Francisco that serve the blind and visually impaired. This list should be referred to when scoring intersections for APS.

Blind San Franciscans, Inc. 1591 Jackson Street, Suite 8, San Francisco, CA 94109 (415) 563-4896	Lighthouse for the Blind 214 Van Ness Avenue San Francisco, CA 94102 (425) 431-1381
Department of Rehabilitation 301 Howard Street, Suite 700 San Francisco, CA 94105-6604 (415) 904-7100 (VOICE & TTY)	Independent Living Resource Center 649 Mission Street, 3rd Floor, San Francisco, CA 94105-4128 (415) 543-6222
National Association for the Visually Handicapped 3201 Balboa Street San Francisco, CA 94121 (415) 221-3201	San Francisco Public Library: Library for the Blind and Print Disabled 100 Larkin Street, Civic Center San Francisco, CA 94102 (415) 557-4253
Bay Area Association of Disabled Sailors South Beach Harbor - Berths B61, B63 Embarcadero at Townsend	

### 2. Distance to City public programs:

The City is committed to providing an accessible path of travel to facilities where the City operates services, programs or activities open to the public. The closer the intersection is to a City service, program or activity open to the public, the more points it will receive.

Examples City public programs include but are not limited to:

- City hospitals or clinics
- City parks and recreational centers
- Branch libraries
- Civic buildings (such as City Hall)

The Mayor's Office of Disability is responsible for providing the list of sites that meet this definition.

### 3. Distance to Other Major Pedestrian Attractions:

The intent of this variable in the San Francisco Safety & Access tool is to serve as a surrogate measure for pedestrian usage at the intersection without having to make pedestrian counts, which are time and resource intensive activities. The closer the intersection is to one of these types of pedestrian attractions the higher points it will receive on this variable.

Examples of major pedestrian attractions include but are not limited to:

- Major shopping areas
- Major cultural venues

- Educational campuses
- State or Federal recreational areas
- Medical facilities
- Senior Centers

#### 4. Phase:

A term used to describe a group of intersection movements that are controlled by a particular signal light. For example, the northbound through lanes could be a single phase or be grouped with north to west left turn lanes. If the northbound through lanes and the north to west left turn lanes are grouped together, they are considered a single phase because they are commanded by the same signal lights. If they are not grouped together, the north to west turn lane is one phase and the northbound through lanes is another phase, and commanded by two different sets of signal lights.

#### 5. Split Phase:

Split phase is a term used to define the two separate phases for the side streets at an intersection. For a split phase, the left turn and through movements for each direction go through at the same time for the cross streets. Each approach is considered a phase and the through and left turn movements will have green at the same time. This is normally used for side streets where the side streets intersect a main street.

#### 6. Pre-timed or Fixed Timed

Fixed time is referred to the signal timing which has a fixed sequence of red, yellow and green time for each movement within a given cycle length. This is different from actuated timing where there is vehicle detection involved in deciding green timing for each cycle. In fixed timing, the amount of red, yellow and green time for each movement does not change and is fixed irrespective of the change in traffic.

#### 7. Traffic Actuated Timing:

Actuated Traffic Responsive Timing is a term used to describe how the intersection is timed to serve traffic. The intersection must contain vehicle detection devices for the computer at this intersection to “sense” the presence of cars. The amount of the green time allotted to each phase is variable depending upon the number of vehicles present at each of the phases. Each phase is given a minimum and maximum amount of green time and determines the green time by the number of vehicles that pass through the detection zones.

#### 8. Push button actuation required

Pedestrian actuation required means that the pedestrian must press the push button to bring up the pedestrian signal indications and to

provide sufficient time for the pedestrian to cross the street.

### **ATTACHMENT 3 APS TECHNICAL SPECIFICATIONS**

#### **1. Definitions.**

1.1. Accessible Pedestrian Signal, or APS means, for the purpose of this Agreement, a Pushbutton-Integrated device that communicates information about Pedestrian Timing in a non-visual manner, such as audible tones, speech messages, and vibrating surfaces, and has the following features to the extent that they are available from an APS vendor: (1) a Pushbutton Locator Tone; (2) a pushbutton actuation tone and light in response to the button push to indicate that the button has been pressed; (3) an Audible Walk Indication; (4) a Vibrotactile Walk Indication; (5) automatic volume adjustment in response to ambient sound; (6) a tactile arrow; (7) a Pushbutton Information Message; (8) street name in Braille and Large Print; and (9) a Pushbutton with a 2” minimum diameter.

1.2. Audible Beaconing means the use of a permanently fixed sound source to provide directional orientation and crossing alignment information to pedestrians with visual impairments or blindness.

1.3. Audible Walk Indication means an audible method of indicating the Walk Interval, either through a Rapid Tick or Speech Message. When a Speech Message is the Audible Walk Indication, it shall follow the following model: “[Street name]. Walk sign is on to cross [Street Name].”

1.4. Control Surface means the vertical surface on which the pushbutton is located.

1.5. Intersection means a location with one or more pedestrian crosswalks, including mid-block crossings, and with one or more Visual Pedestrian Signals associated with the crosswalks.

1.6. Pedestrian Change Interval means the portion of the Pedestrian Timing during which the flashing upraised hand, symbolizing “Don’t Walk,” is displayed, signaling that pedestrians should finish crossing the street.

1.7. Pedestrian Timing means the cycle of the time allotted in the signal cycle to allow a pedestrian to cross the street. Pedestrian Timing consists of: (i) the Walk Interval and (ii) the Pedestrian Change Interval.

1.8. Pushbutton Information Message means the information delivered audibly when the pushbutton is pressed and

held for one second or more during the flashing or steady “Don’t Walk” indicator. The Pushbutton Information Message shall follow the model “Wait to cross [Street name] at [cross street name].” Information on unusual intersection signalization or geometry may be provided following the crosswalk identification message. No other types of information may be provided.

1.9. Pushbutton-Integrated Accessible Pedestrian Signal means an Accessible Pedestrian Signal in which all audible and vibrotactile information is provided from the pushbutton housing. The Pushbutton-Integrated APS may also activate an overhead speaker where Audible Beaconing is provided, as set forth in section 2.6 below.

1.10. Pushbutton Locator Tone means a repeating sound that informs approaching pedestrians of the APS. Pushbutton Locator Tones shall be easily locatable, shall have duration of 0.15 seconds or less, and shall repeat at one-second intervals while the visual flashing and steady “Don’t Walk” message appears on the Visual Pedestrian Signal.

1.11. Rapid Tick means a ticking sound that repeats at the rate of ten ticks per second.

1.12. Speech Message means a spoken instruction that provides information to the pedestrian with visual impairments or blindness about the street crossing location and Walk Interval. When a Speech Message is the Audible Walk Indication, it shall follow the following model: “[Street Name]. Walk sign is on to cross [Street Name].”

1.13. Vibrotactile Walk Indication means a tactile arrow that contrasts with the background, is oriented in the direction of travel on the associated crosswalk, and vibrates throughout the Walk Interval, indicating that the Walk Interval is on.

1.14. Visual Pedestrian Signal means a signal that provides information about Pedestrian Timing in a visual manner.

1.15. Walk Indication means a method of informing the pedestrian that the Walk Interval has begun.

1.16. Walk Interval means the portion of the Pedestrian Timing during which the walking person, symbolizing “Walk,” is displayed, signaling that pedestrians are permitted to start to cross the street.

## 2. **Installation and Operational Requirements.**

2.1. Walk Indication and Pushbutton Information Message.



2.1.1. When Pushbutton-Integrated APS serving separate crosswalks are installed on two separate poles on a single street corner or other locations with pedestrian crosswalks separated by at least 10 feet at the same crossing, the Audible Walk Indication shall be a Rapid Tick.

2.1.2. When Pushbutton-Integrated APS serving separate crosswalks are installed on the same pole, the Audible Walk Indication shall be a Speech Message.

2.1.3. Where the Visual Pedestrian Signal is a fixed time signal (i.e., does not require pedestrian activation), the Accessible Pedestrian Signal shall also be a fixed timed signal.

2.1.4. Except as provided in sections 2.1.5 and 2.1.6 herein, the Audible and Vibrotactile Walk Indications shall be repeated for the entire duration of the Walk Interval.

2.1.5. This paragraph applies only to a situation in which a pedestrian signal (i) is used to assist pedestrians crossing a minor street that intersects a major street; (ii) stays in a rest-in-walk status; and (iii) only changes to “Don’t Walk” when a pedestrian pushes the button to cross the major street, or a vehicle activates the signal to cross the major street. In such situations, and where technology provided by the City’s APS vendors provide the option, when the duration of the rest-in-walk status is longer than 7 seconds, the Audible Walk Indication will terminate after 7 seconds but the Vibrotactile Walk Indication will stay on throughout the rest-in-walk status.

2.1.6. Alternatively, if technology provided by the City’s APS vendors permits, when the duration of the rest-in-walk status is longer than 7 seconds, the Audible and Vibrotactile Walk Indications will terminate after 7 seconds. These non-visual Walk Indications will be re-activated during the rest-in-walk status whenever a pedestrian pushes the button to cross the minor street and there is sufficient time remaining in the pedestrian phase for the Pedestrian Change Interval.

## 2.2. Volume Settings.

2.2.1. The Pushbutton Locator Tone and Walk Indication emitting from the Pushbutton Housing shall be audible, under varying conditions of ambient sound, 6 feet to 12 feet from the pushbutton, or to the building line of the nearest building, whichever is less. When the pushbutton is pressed and held for one second or more during the flashing or steady “Don’t Walk” phase, the volume of the Walk Indicator and Locator Tone will be increased for a maximum of two cycles. Under such circumstances, the volume of the Locator Tone shall be increased during the Pedestrian Change Interval only.

2.2.2. Volume shall be increased for one, or if available from the vendor, two Pedestrian Timing cycles following a button press of one second or more.

2.3. APS Control Surface and Pole Placement.

2.3.1. Where two or more APS serving two or more crosswalks are installed on a single street corner or other pedestrian crossing location, they shall be installed such that the APS Control Surfaces and associated speakers are separated by a horizontal distance of at least 10 feet unless it is structurally impracticable or technically infeasible to do so. If the City believes that the APS Control Surfaces and associated speakers cannot be placed ten feet apart because of structural impracticability or technical infeasibility, it shall provide Claimants with the factual basis for the City's position in writing, including the identity of the intersection where the poles are located. The City shall also inform Claimants whether the APS will be installed on a single pole or on two poles separated by less than 10 feet (and, if the latter, the distance between the two APS Control Surfaces and the distance between the associated speakers). The City shall also inform Claimants of the means by which it will ensure that these APS provide unambiguous information regarding which crosswalk is in the Walk Interval, including the Speech Message(s) to be used, if any. The APS pushbutton shall be located approximately 42 inches above the adjacent walking surface.

2.3.2. All APS Control Surfaces shall be placed so that the Control Surface is within five feet of the extended crosswalk lines, and not more than 10 feet from the edge of the curb unless the curb ramp is longer than 10 feet. The Control Surface of the Accessible Pedestrian Signals shall be oriented to be parallel to the crosswalk to be used. In addition, the poles on which Accessible Pedestrian Signals are placed in new or altered Intersections where new poles are installed, where feasible shall be located 10 inches or less to a level, firm, stable, slip-resistant, all-weather surface no less than 36 inches by 48 inches and on an accessible route to the curb ramp. (All dimensions are horizontally measured.)

2.4. Number of Accessible Pedestrian Signals Per Intersection.

If one crosswalk at an Intersection is to be equipped with an Accessible Pedestrian Signal, each crosswalk in that intersection that has a Visual Pedestrian Signal shall be equipped with Accessible Pedestrian Signals for each Visual Pedestrian Signal associated with the crosswalk.

2.4.1. Where transit stops are located along a median or traffic island, Pushbutton Integrated APS shall be

installed in the median or traffic island where an existing pedestrian pushbutton is installed.

2.5. Hours of Operation of Accessible Pedestrian Signals.

2.5.1. If the City receives complaints from the community regarding noise levels emitting from an Accessible Pedestrian Signal at night, the City shall evaluate the APS and make any required adjustments to ensure the APS' volume setting complies with Section 2.2, above. If complaints continue after such adjustments are made, and the signal is a fixed-time signal, the City may elect to change the signal to a pedestrian actuated signal. On reasonable request from Claimants, the City shall inform Claimants of any Intersections that have been the subject of noise complaints.

2.5.2. The APS shall be deactivated when the associated vehicular signal is in flashing mode.

2.6. Audible Beacons.

The parties recognize that some, but not all Intersections may be appropriate for Audible Beacons. The City will consider the use of Audible Beacons when the function is included in commercially available APS equipment.

2.7. Text Requirements.

Raised characters, text, symbols, pictorial symbol signs and Braille where provided shall conform to the requirements of the California Building Code, Section 1117B.5.2, 1117B.5.3, 1117B.5.4, 1117B.5.5, 1117B.5.6,. Color coded textured horizontal bands shall be provided in accordance with 1117B.5.9.

**MUNICIPAL TRANSPORTATION AGENCY  
City and County of San Francisco**

**DIVISION:** Parking and Traffic

**BRIEF DESCRIPTION:**

Requesting that the San Francisco Municipal Transportation Agency (SFMTA) Board of Directors approve the Revised Accessible Pedestrian Signal (APS) Claimants' Priority List.

**SUMMARY:**

- An Accessible Pedestrian Signal (APS) is a pedestrian pushbutton that communicates when to cross the street in a non-visual manner, such as audible tones, speech messages and vibrating surfaces.
- The SFMTA is committed to installing APS at 103 locations citywide by December 31, 2009.
- The Revised APS Claimants' Priority List substitutes two new high priority locations for intersections that are not eligible candidates for APS installation.
- The two intersections that were deleted are Mission Street/Onondaga Street and Geneva Street/Interstate-280.
- The two new intersections are Geneva Street/Mission Street and O'Shaughnessy/Portola/ Woodside.
- The Revised Claimants' Priority List is attached.
- The California Council of the Blind and the LightHouse for the Blind and Visually Impaired have agreed to these changes.
- This item advances Goals 1 and 2 of the SFMTA Strategic Plan.
- This item is related to the APS Request and Installation Policy also calendared for this SFMTA Board meeting.

**ENCLOSURES:**

1. MTAB Resolution
2. Revised Claimants' Priority List

**APPROVALS:**

**DATE**

DIRECTOR OF DIVISION PREPARING ITEM _____	_____
FINANCE _____	_____
EXECUTIVE DIRECTOR/CEO _____	_____
SECRETARY _____	_____

ADOPTED RESOLUTION CRISTINA C. OLEA  
BE RETURNED TO

**ASSIGNED MTAB CALENDAR DATE:**

---

**EXPLANATION:**

On April 6, 2004, the SFMTA and the California Council of the Blind, San Francisco LightHouse for the Blind and Visually Impaired, Independent Living Resource Center San Francisco, and Damien Pickering, an individual, (hereafter collectively "Claimants") entered into structured negotiations to allow a period of APS equipment testing, review of emerging, commercially-available APS technology, and establish a comprehensive APS installation and maintenance program for San Francisco. On June 19, 2007, the SFMTA Board of Directors approved an APS Settlement Agreement effective through June 30, 2010 (Resolution No. 07-100) between the City and the Claimants. Exhibit B of the Settlement Agreement is the Claimant's Priority List.

It has been agreed between the City and the Claimants that two of the intersections from the Claimants' Priority List, Mission Street/Onondaga Street and Geneva Street/Interstate-280, will be deleted. Mission Street/Onondaga Street does not have pedestrian signals and, as such, is not a candidate for APS. Geneva Street/Interstate-280 is owned, operated and maintained by Caltrans. Therefore, the City cannot install APS at this intersection.

There are two new intersections, both requested by persons that are blind, that are being recommended for installation as substitutes for Mission Street/Onondaga Street and Geneva Street/Interstate-280. The proposed intersections are Geneva Street/Mission Street and O'Shaughnessy/Portola/Woodside.

The Revised Claimants' Priority List (attached) includes 28 intersections scheduled for APS installation by December 31, 2009.

This calendar item advances the SFMTA Strategic Plan Goal 1 – To provide safe, accessible, clean, environmentally sustainable service and encourage the use of auto-alternative modes through the Transit First Policy, and Goal 2 – To get customers where they want to go, when they want to be there. This item is related to the APS Request and Installation Policy also calendared for this SFMTA Board meeting.

The City Attorney has reviewed this report.

BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, An Accessible Pedestrian Signal (APS) is a pedestrian pushbutton that communicates when to cross the street in a non-visual manner, such as audible tones, speech messages and vibrating surfaces; and,

WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA) is committed to installing APS at all intersections listed in the Claimants' Priority List by December 31, 2009; and,

WHEREAS, It has been agreed between the City and the Claimants that two of the intersections from the Claimants' Priority List, Mission Street/Onondaga Street and Geneva Street/Interstate-280, will be deleted; and,

WHEREAS, There are two new intersections, Geneva Street/Mission Street and O'Shaughnessy/Portola/Woodside, that are being recommended for installation; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors approves the Revised Accessible Pedestrian Signal (APS) Claimants' Priority List deleting Mission Street/Onondaga Street and Geneva Street/Interstate-280 and adding Geneva Street/Mission Street and O'Shaughnessy/Portola/Woodside.

I hereby certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

\_\_\_\_\_  
Secretary, Municipal Transportation Agency Board

**CLAIMANTS' PRIORITY LIST  
JUNE 17, 2008**

1. 19<sup>th</sup> Avenue and Holloway Avenue (San Francisco State University)
2. 4th and King Streets (Caltrain Station)
3. 19<sup>th</sup> Avenue and Taraval Street (MUNI transfer point)
4. 19<sup>th</sup> Avenue and Sloat Blvd. (Stern Grove)
5. Laguna Honda Blvd/ Forest Hill MUNI Station (Laguna Honda Hospital)
6. Van Ness Avenue and Hayes Street (LightHouse for the Blind)
7. **Geneva Street and Mission Street**
8. 19<sup>th</sup> Avenue and Winston Drive (Stonestown Shopping Mall)

9. Geary Blvd. and Divisadero Street (Kaiser Hospital San Francisco)
10. Beale and Howard Streets (Department of Rehabilitation)
11. Mission and New Montgomery Streets (San Francisco Independent Living Resource Center)
12. 1st and Mission Streets (Trans Bay Terminal)
13. 9th Avenue and Lincoln Way (Golden Gate Park)
14. The Great Highway and Judah Street (Ocean Beach, MUNI N Streetcar turnaround)
15. Geneva Street and San Jose Avenue (Balboa Park BART Station)
16. 4<sup>th</sup> /Market /Stockton Streets (Powell Street BART Station)
17. Market Street/United Nations Plaza mid-block crossing (Civic Center BART Station)
18. Bosworth and Diamond Streets (Glen Park BART Station)
19. **O'Shaughnessy Blvd./Portola Dr./Woodside Dr.**
20. 17<sup>th</sup> /Market /Castro Streets (Castro Street MUNI Station)
21. Montgomery /Post /New Montgomery Streets (Montgomery BART Station)
22. Market & Church Streets (Church Street MUNI Station)
23. Fremont and Market Streets (Embarcadero BART Station)
24. Leavenworth and McAllister Streets (United Nations Plaza)
25. Jones and Turk Streets (Tenderloin neighborhood)
26. Phelan Avenue at Phelan Loop Exit (City College)
27. Van Ness Avenue and McAllister Street (San Francisco Superior Court)
28. 4<sup>th</sup> and Mission Streets (Sony Metreon, Yerba Buena Center, Westfield Shopping Centre)

MUNICIPAL TRANSPORTATION AGENCY  
City and County of San Francisco

**DIVISION:** Finance and Administration

**BRIEF DESCRIPTION:**

Authorizing the SFMTA Executive Director/CEO, or his designee, to approve the Civic Center Plaza Garage Fiscal Years 2008-2009 and 2009-2010 Operating Budget.

**SUMMARY:**

- On July 20, 2004, the City entered into a six-year agreement with Imperial Parking (U.S.), Inc. (“Manager”) for the management of the Civic Center Plaza Garage that commenced on October 1, 2004.
- The Recreation and Park Department receives 100 percent of net income from the Garage.
- Pursuant to the agreement, Imperial Parking (U.S.), Inc. is required to submit an annual Operating Budget for review and approval.
- SFMTA Finance staff formulated a uniform, two-year budget submittal package for use by all garages to establish a new benchmark in the quality of garage budget submittals and to improve the budget review process that includes line item analysis, historical trend review and ongoing discussions with the Manager to ensure that reasonable assumptions and methodologies are used.
- The budget package also incorporates recommendations outlined in the Chance Management Report recommendations for historical trend data, multi-year budgeting and consistent budget formats throughout SFMTA administered garages.
- The two-year Operating Budget submitted by the Manager is consistent with the requirements of Proposition A for this even-numbered year and the Manager will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year.

**ENCLOSURES:**

1. MTAB Resolution
2. Fiscal Years 2008-2009 and 2009-2010 Operating Budget for the Civic Center Plaza Garage

**APPROVALS:**

DEPUTY OF DIVISION  
PREPARING ITEM

DATE

FINANCE

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



EXECUTIVE DIRECTOR/CEO \_\_\_\_\_

SECRETARY \_\_\_\_\_

ADOPTED RESOLUTION

SHOULD BE RETURNED TO: Sonali Bose, Finance & Administration

ASSIGNED MTAB CALENDAR DATE: \_\_\_\_\_

**EXPLANATION:**

**Background:**

On July 20, 2004, the City entered into a six-year agreement with Imperial Parking (U.S.), Inc. (“Manager”) for the management of the Civic Center Plaza Garage (“Garage”) that commenced on October 1, 2004. Pursuant to the agreement, the Manager is required to submit an annual Operating Budget for review and approval.

SFMTA Finance staff formulated a uniform, two-year budget submittal package for use by all garages to establish a new benchmark in the quality of garage budget submittals and to improve the budget review process. The budget package also incorporates recommendations outlined in the Chance Management Report recommendations for historical trend data, multi-year budgeting and consistent budget formats throughout SFMTA administered garages. Capital improvement requests are deferred until an overall assessment of the capital improvement needs by the SFMTA is completed.

The two-year Operating Budget submitted by the Manager is consistent with the requirements of Proposition A for this even-numbered year and the Manager will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year.

The Manager receives zero dollars per month in management fees and five percent of the annual net parking income in excess of each of the three stepped-target incomes. The base target incomes (gross revenue less parking taxes less operating expenses) for each of the six contract years was established based on historical Garage performance. The base target income figures increase annually and may be further increased as a result of parking rate adjustments.

The Recreation and Park Department receives 100% of net income from garage revenues.

**Budget Evaluation Process:**

Upon receipt of the Manager's budget submittal, staff's initial review begins with a year-to-date verification of each revenue and expense line item category with the most recent garage monthly report. These line items are projected out through the end of the fiscal year taking into account the variations in seasonality, possible implementation of rate adjustments, known upcoming events, scheduled salary increases and associated payroll expenses, and normalizing for non-regular services or supply purchases. This initial review enables staff to identify possible erroneous assumptions made by the Manager.

The next step in the process is to communicate to the Manager any items of concern, point out obvious mathematical or formatting errors, if any, and to provide the opportunity for clarification and/or revision. Upon mutually accepted projections of revenues and expense for the current and proposed years, the Managers are requested to re-submit the budget in its final form providing the basis for this staff report. The operating budget submitted by Manager for the Civic Center Garage contained minor formatting errors, however staff agreed with their initial projections of revenues and expenses.

---

## **FISCAL YEAR 2007-2008**

A comparison between the approved FY 2007-2008 Operating Budget and the anticipated FY 2007-2008 performance is shown in the chart below.

### **FY 2007-2008 Performance**

	<b>2007-2008 Approved Budget</b>	<b>2007-2008 Actual / Anticipated</b>	<b>Difference Between Approved and Anticipated</b>
Revenues	\$4,015,000	\$3,910,254	-\$104,746
less Parking Taxes	\$656,000	\$635,051	-\$20,949
less Expenses	\$1,311,560	\$1,302,915	-\$8,645
Net Income	\$2,047,440	\$1,972,288	-\$75,152

For the current fiscal year, the Manager anticipates generating \$3,910,254 in total revenues. That amount is \$104,746 or 2.6 percent less than the amount budgeted mainly due to a five percent decline in overall transient volume and over projection of budgeted revenues. The anticipated actual revenues are however \$76,104 or two percent more than FY 2006-2007.

On the expenses side, the Manager anticipates keeping expenditures \$8,645 or less than one percent below budgeted amount for FY 2007-2008 by not implementing valet operations as

a result of less transient patronage.

Thus, the Manager anticipates generating \$1,972,288 (\$75,152 or 3.7 percent less than the amount budgeted) to the Recreation and Park Department. However, this amount is \$153,305 or eight percent more than the actual amount of the previous year.

---

**FISCAL YEARS 2008-2009 and 2009-2010**

A comparison between the approved FY 2007-2008 Operating Budget, the proposed FY 2008-2009 and 2009-2010 Operating Budget, is shown in the chart below.

**Fiscal Years 2008-2009 and 2009-2010 Proposed Operating Budget:**

	<b>2007-2008 Approved Budget</b>	<b>2008-2009 Proposed Budget</b>	<b>2009-2010 Proposed Budget</b>	<b>2008-2009 Compared To 2007- 2008</b>	<b>2009-2010 Compared To 2008- 2009</b>
Revenues	\$4,015,000	\$4,004,331	\$4,070,420	-\$10,669	\$66,089
less Parking Taxes	\$656,000	\$650,567	\$663,039	-\$5,433	\$12,472
less Expenses	\$1,311,560	\$1,341,984	\$1,364,045	\$30,424	\$22,061
Net Income	\$2,047,440	\$2,011,780	\$2,043,336	-\$35,660	\$31,556

For FY 2008-2009, the Manager projects generating \$4,007,331 in revenues. This amount is \$10,669 or 0.3 percent less than FY 2007-2008 budgeted revenues and \$94,077 or 2.4 percent greater than FY 2007-2008 anticipated revenues. The projected revenues reflect current transient usage with a slight 2.4 percent increase in overall transient and monthly parker demand.

The Manager proposes expenditures of \$1,341,984. This amount is \$35,424 more than the amount budgeted for FY 2007-2008 primarily due to adjustments for incentive fees, security costs and associate fees related to increased credit card usage. Capital improvements are deferred pending the agency's overall capital improvement assessment.

Thus, the Manager projects generating \$2,011,780 (\$35,660 or 1.7 percent less than the amount budgeted for FY 2007-2008) to the Recreation and Parks Department. This amount is conservatively higher than the current year anticipated income by \$39,492 or two percent.

For FY 2009-2010, the Manager anticipates a modest growth in net income of \$31,556 or 1.6 percent over the FY 2008-2009 proposed budget. This amount reflects a slight increase in revenues which are offset by an increase in projected operating costs.

This item directly supports Goal 4, Financial Capacity: To ensure financial stability and effective resource utilization and supports all other SFMTA 2008-2012 Strategic Plan Goals indirectly.

The City Attorney has reviewed this item.

**Recommendation:**

Staff recommends that the San Francisco Municipal Transportation Agency Board of Directors adopt the attached resolution, authorizing the SFMTA Executive Director/CEO, or his designee, to approve the Civic Center Plaza Garage Fiscal Years 2008-2009 and 2009-2010 Operating Budget.

MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, Imperial Parking (U.S.), Inc. ("Manager") operates the Civic Center Plaza Garage ("Garage") on behalf of the City and County of San Francisco under an agreement with the City; and,

WHEREAS, Under the terms of the agreement, the Manager is required to submit an annual Operating Budget for review and approval; and,

WHEREAS, The Manager has submitted the Fiscal Years 2008-2009 and 2009-2010 Operating Budget for the Civic Center Plaza Garage to the Municipal Transportation Agency Board of Directors for review; and,

WHEREAS, The two-year Operating Budget submitted by the Manager is consistent with the requirements of Proposition A for this even-numbered year and is in a format provided by the SFMTA; and,

WHEREAS, The Manager will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year; and,

WHEREAS, The Municipal Transportation Agency Board of Directors has reviewed the Garage Fiscal Years 2008-2009 and 2009-2010 Operating Budget; now, therefore, be it

RESOLVED, That the Municipal Transportation Agency Board of Directors authorizes the SFMTA Executive Director/CEO, or his designee, to approve the Civic Center Plaza Garage Fiscal Years 2008-2009 and 2009-2010 Operating Budget.

I hereby certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

---

Secretary, Municipal Transportation Agency Board

**CITY AND COUNTY OF SAN FRANCISCO**

**CIVIC CENTER PLAZA GARAGE  
355 McALLISTER STREET  
SANFRANCISCO, CA. 94102**

**\*PROPOSED BUDGET**

**FY 2008 – 2009 (FY09)**

**FY 2009 – 2010 (FY10)**

**Prepared by:**

**Imperial Parking  
Felton Hopkins  
415-863-1537  
fhopkins@impark.com]**

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**CIVIC CENTER PLAZAGARAGE  
Three-Year Historical Trend  
Summary of Revenue and Expenditure  
(TABLE I)**

	<b>Budget July 1, 2004 - June 30, 2005</b>	<b>Actual July 1, 2004 - June 30, 2005</b>	<b>Budget July 1, 2005 - June 30, 2006</b>	<b>Actual July 1, 2005 - June 30, 2006</b>	<b>Budget July 1, 2006 - June 30, 2007</b>	<b>Actual July 1, 2006 - June 30, 2007</b>
<b>REVENUE</b>						
1a Transient Parking	2,790,247	2,624,984	2,800,000	2,581,447	2,742,000	2,713,592
1b Monthly Parking	284,400	273,800	333,000	375,541	387,000	368,072
1g Government / Other Tax Exempt Parking	456,480	531,582	500,000	562,217	583,000	747,272
1i Credit Cards	0	0	0	43,009	0	0
<b>Total Parking Revenue</b>	<b>\$3,53,127</b>	<b>\$3,430,366</b>	<b>\$3,633,000</b>	<b>\$3,476,196</b>	<b>\$3,712,000</b>	<b>\$3,828,935</b>
2a Miscellaneous Revenues	11,860	14,187	20,000	4,934	15,000	5,215
<b>Gross Revenue</b>	<b>\$3,542,987</b>	<b>\$3,444,553</b>	<b>\$3,653,000</b>	<b>\$3,481,130</b>	<b>\$3,727,000</b>	<b>\$3,834,150</b>
3a Parking Tax (less)	614,929	575,413	626,600	592,082	625,800	616,333
<b>Net Revenue</b>	<b>\$2,928,058</b>	<b>\$2,869,139</b>	<b>\$3,026,400</b>	<b>\$2,889,048</b>	<b>\$3,101,200</b>	<b>\$3,217,217</b>
<b>EXPENDITURE</b>						
<b>Personnel Cost</b>						
A1 Administrative Salaries	99,000	65,585	64,000	61,518	67,000	67,793
A2 Parking Operations Salaries	285,000	305,701	321,000	289,364	330,000	292,599
A3 Janitorial Salaries	92,000	92,454	78,000	96,794	82,000	89,583
<b>Payroll Expenses</b>						
B1 Payroll Taxes (non-SF)	41,000	43,121	39,355	34,942	40,715	35,693
B2 SF Payroll Taxes	7,140	1,121	6,945	6,663	7,185	6,695
B3 Welfare & Pension	140,000	142,557	156,000	138,540	150,000	135,567
B4 Worker's Compensation	64,000	64,023	65,000	58,500	65,000	54,602
<b>Utilities</b>						
C1 Gas & Electric	240,000	187,796	195,000	187,138	180,000	199,262
C2 Water	3,400	2,555	2,700	3,407	2,940	3,349
C3 Telephone	5,800	5,351	5,400	6,646	7,000	6,498

	<b>Budget July 1, 2004 - June 30, 2005</b>	<b>Actual July 1, 2004 - June 30, 2005</b>	<b>Budget July 1, 2005 - June 30, 2006</b>	<b>Actual July 1, 2005 - June 30, 2006</b>	<b>Budget July 1, 2006 - June 30, 2007</b>	<b>Actual July 1, 2006 - June 30, 2007</b>
C4 Scavenger	6,200	6,376	6,400	6,425	6,600	8,764
<b>Supplies &amp; Services</b>						
D1 Insurance	37,000	43,922	43,000	49,864	55,150	53,562
D2 Repairs & Maintenance (Facility)	60,000	69,536	65,000	59,670	70,000	93,802
D3 Office Supplies	4,000	3,619	4,500	3,169	4,700	1,845
D4 Garage Supplies	11,000	13,706	9,000	11,313	9,500	10,335
D5 Parking Supplies	5,000	3,078	8,000	6,343	8,500	7,119
<b>Management Costs</b>						
E1 Management Fee	10,000	2,500	0	0	0	-\$200
E2 Incentive Fee	0	0	30,000	0	25,000	63,570
E3 Supervisor Fee	9,000	2,250	0	0	0	0
<b>Professional/Pers onal Services</b>						
F1 Accounting /Bookkeeping	0	6,613	6,000	6,000	6,600	6,000
F2 Garage Audit	8,400	11,200	11,200	11,645	11,500	14,000
F4 Security (Contractual)	98,000	93,825	100,000	100,315	105,000	101,562
F7 Personnel Training	0	0	1,500	0	1,500	479
F8 Bank Charges (Non-trustee)	0	0	5,000	0	5,000	4,936
F9 Uniform Cleaning	5,000	4,738	5,500	4,837	5,200	5,714
<b>Other Costs</b>						
G1 Taxes & Licenses	2,500	1,067	2,000	540	2,000	2,660
G2 Marketing	10,000	6,585	15,000	2,750	15,000	6,400
G5 Miscellaneous	2,000	1,102	1,500	21,790	1,500	1,287
<b>Total Garage Expense</b>	<b>\$1,245,440</b>	<b>\$1,180,381</b>	<b>\$1,247,000</b>	<b>\$1,168,173</b>	<b>\$1,264,590</b>	<b>\$1,273,477</b>
<b>Garage Operating</b>	<b>\$1,682,618</b>	<b>\$1,688,758</b>	<b>\$1,779,400</b>	<b>\$1,720,875</b>	<b>\$1,836,610</b>	<b>\$1,943,740</b>



	Budget July 1, 2004 - June 30, 2005	Actual July 1, 2004 - June 30, 2005	Budget July 1, 2005 - June 30, 2006	Actual July 1, 2005 - June 30, 2006	Budget July 1, 2006 - June 30, 2007	Actual July 1, 2006 - June 30, 2007
<b>Income/Loss</b>						
G6 Capital Expenditure (less)	337,000	38,017	310,000	0	285,000	124,757
<b>Garage Net Income</b>	<b>\$1,345,618</b>	<b>\$1,650,741</b>	<b>\$1,469,400</b>	<b>\$1,720,875</b>	<b>\$1,551,610</b>	<b>\$1,818,983</b>

**CIVIC CENTER PLAZA GARAGE**  
**FY 2008 Approved Budget vs. FY 2008 Projection**  
**Summary of Revenue and Expenditure**  
**(TABLE II)**

REVENUE & EXPENSE CATEGORIES	Approved Budget July 1, 2007 - June 30, 2008	Projected July 1, 2007 - June 30, 2008	Difference Between FY08 Approved and FY08 Projected	
<b>REVENUE</b>				
1a Transient Parking	2,910,000	2,811,605	-98,395	-3%
1b Monthly Parking	370,000	363,649	-6,351	-2%
1g Government / Other Tax Exempt Parking	730,000	730,000	0	0%
<b>Total Parking Revenue</b>	<b>\$4,010,000</b>	<b>\$3,905,254</b>	<b>-\$104,746</b>	<b>-3%</b>
2a Miscellaneous Revenues	5,000	5,000	0	0%
<b>Gross Revenue</b>	<b>\$4,015,000</b>	<b>\$3,910,254</b>	<b>-\$104,746</b>	<b>-3%</b>
3a Parking Tax (less)	656,000	635,051	-20,949	-3%
<b>Net Revenue</b>	<b>\$3,359,000</b>	<b>\$3,275,203</b>	<b>-\$83,797</b>	<b>-2%</b>
<b>EXPENDITURE</b>				
<b>Personnel Cost</b>				
A1 Administrative Salaries	71,000	69,850	-1,150	-2%
A2 Parking Operations Salaries	335,000	320,000	-15,000	-4%
A3 Janitorial Salaries	89,000	88,355	-645	-1%
<b>Payroll Expenses</b>				
B1 Payroll Taxes (non-SF)	42,075	40,647	-1,428	-3%

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget July 1, 2007 - June 30, 2008</b>	<b>Projected July 1, 2007 - June 30, 2008</b>	<b>Difference Between FY08 Approved and FY08 Projected</b>	
B2 SF Payroll Taxes	7,425	7,173	-252	-3%
B3 Welfare & Pension	148,000	145,631	-2,369	-2%
B4 Worker's Compensation	62,000	58,440	-3,560	-6%
<b>Utilities</b>				
C1 Gas & Electric	200,000	198,677	-1,323	-1%
C2 Water	3,600	3,476	-124	-3%
C3 Telephone	6,500	6,456	-44	-1%
C4 Scavenger	9,300	9,200	-100	-1%
<b>Supplies &amp; Services</b>				
D1 Insurance	30,000	30,000	0	0%
D2 Repairs & Maintenance (Facility)	80,000	78,400	-1,600	-2%
D3 Office Supplies	4,000	3,830	-170	-4%
D4 Garage Supplies	9,500	9,000	-500	-5%
D5 Parking Supplies	8,500	8,000	-500	-6%
<b>Management Costs</b>				
E1 Management Fee	0	0	0	0%
E2 Incentive Fee	40,000	60,000	20,000	50%
<b>Professional/Personal Services</b>				
F1 Accounting/Bookkeeping	6,000	6,000	0	0%
F2 Garage Audit	14,000	14,000	0	0%
F4 Security (Contractual)	105,000	103,441	-1,559	-1%
F7 Personnel Training	1,500	1,500	0	0%
F8 Bank Charges (Non-trustee)	16,000	18,372	2,372	15%
F9 Uniform Cleaning	6,000	5,307	-693	-12%
<b>Other Costs</b>				
G1 Taxes & Licenses	660	660	0	0%
G2 Marketing	15,000	15,000	0	0%
G5 Miscellaneous	1,500	1,500	0	0%

REVENUE & EXPENSE CATEGORIES	Approved Budget July 1, 2007 - June 30, 2008	Projected July 1, 2007 - June 30, 2008	Difference Between FY08 Approved and FY08 Projected	
<b>Total Garage Expense</b>	<b>\$1,311,560</b>	<b>\$1,302,915</b>	<b>-\$8,645</b>	<b>-0.7%</b>
<b>Garage Operating Income/Loss</b>	<b>\$2,047,440</b>	<b>\$1,972,288</b>	<b>-\$75,152</b>	<b>-3.7%</b>
G6 Capital Expenditure (less)	0	0	0	0%
<b>Garage Net Income</b>	<b>\$2,047,440</b>	<b>\$1,972,288</b>	<b>-\$75,152</b>	<b>3.7%</b>

**CIVIC CENTER PLAZA GARAGE  
FY 2009 and FY 2010 Proposed Budget  
Summary of Revenue and Expenditure  
(TABLE III)**

REVENUE & EXPENSE CATEGORIES	Approved Budget July 1, 2007 – June 30, 2008	Proposed Budget July 1, 2008 – June 30, 2009	Proposed Budget July 1, 2009 – June 30, 2010	Difference Between FY08 Approved and FY09 Proposed	
<b>REVENUE</b>					
1a Transient Parking	2,910,000	2,867,837	2,925,194	-42,163	-1%
1b Monthly Parking	370,000	385,000	390,000	15,000	4%
1g Government / Other Tax Exempt Parking	730,000	746,494	750,226	16,494	2%
<b>Total Parking Revenue</b>	<b>\$4,010,000</b>	<b>\$3,999,331</b>	<b>\$4,065,420</b>	<b>-\$10,669</b>	<b>0%</b>
2a Miscellaneous Revenues	5,000	5,000	5,000	0	0%
<b>Gross Revenue</b>	<b>\$4,015,000</b>	<b>\$4,004,331</b>	<b>\$4,070,420</b>	<b>-\$10,669</b>	<b>0%</b>
3a Parking Tax (less)	656,000	650,567	663,039	-5,433	-1%
<b>Net Revenue</b>	<b>\$3,359,000</b>	<b>\$3,353,764</b>	<b>\$3,407,381</b>	<b>-\$5,236</b>	<b>0%</b>
<b>EXPENDITURE</b>					
<b>Personnel Cost</b>					
A1 Administrative Salaries	71,000	71,975	73,415	975	1%
A2 Parking Operations Salaries	335,000	323,962	333,681	-11,038	-3%
A3 Janitorial Salaries	89,000	90,122	91,023	1,122	1%
<b>Payroll Expenses</b>					

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget July 1, 2007 – June 30, 2008</b>	<b>Proposed Budget July 1, 2008 – June 30, 2009</b>	<b>Proposed Budget July 1, 2009 – June 30, 2010</b>	<b>Difference Between FY08 Approved and FY09 Proposed</b>	
B1 Payroll Taxes (non-SF)	42,075	41,353	42,340	-722	-2%
B2 SF Payroll Taxes	7,425	7,298	7,472	-127	-2%
B3 Welfare & Pension	148,000	148,345	149,000	345	0%
B4 Worker's Compensation	62,000	63,188	64,755	1,188	2%
<b>Utilities</b>					
C1 Gas & Electric	200,000	203,504	207,574	3,504	2%
C2 Water	3,600	3,375	3,476	-225	-6%
C3 Telephone	6,500	6,650	6,783	150	2%
C4 Scavenger	9,300	9,568	9,855	268	3%
<b>Supplies &amp; Services</b>					
D1 Insurance	30,000	30,600	31,518	600	2%
D2 Repairs & Maintenance (Facility)	80,000	81,600	83,232	1,600	2%
D3 Office Supplies	4,000	4,000	4,000	0	0%
D4 Garage Supplies	9,500	9,500	9,500	0	0%
D5 Parking Supplies	8,500	8,500	8,500	0	0%
<b>Management Costs</b>					
E1 Management Fee	0	0	0	0	0%
E2 Incentive Fee	40,000	60,000	60,000	20,000	50%
<b>Professional/Personal Services</b>					
F1 Accounting/Bookkeeping	6,000	6,300	6,300	300	5%
F2 Garage Audit	14,000	14,560	15,000	560	4%
F4 Security (Contractual)	105,000	108,613	111,871	3,613	3%
F7 Personnel Training	1,500	1,500	1,500	0	0%
F8 Bank Charges (Non-trustee)	16,000	19,291	19,870	3,291	21%
F9 Uniform Cleaning	6,000	6,000	6,180	0	0%
<b>Other Costs</b>					
G1 Taxes & Licenses	660	680	700	20	3%
G2 Marketing	15,000	20,000	15,000	5,000	33%

REVENUE & EXPENSE CATEGORIES	Approved Budget July 1, 2007 – June 30, 2008	Proposed Budget July 1, 2008 – June 30, 2009	Proposed Budget July 1, 2009 – June 30, 2010	Difference Between FY08 Approved and FY09 Proposed	
G5 Miscellaneous	1,500	1,500	1,500	0	0%
<b>Total Garage Expense</b>	<b>\$1,311,560</b>	<b>\$1,341,984</b>	<b>\$1,364,045</b>	<b>\$30,424</b>	<b>2%</b>
<b>Garage Operating Income/Loss</b>	<b>\$2,047,440</b>	<b>\$2,011,780</b>	<b>\$2,043,336</b>	<b>-\$35,660</b>	<b>-2%</b>
G6 Capital Expenditure (less)	0	0	0	0	0%
<b>Garage Net Income</b>	<b>\$2,047,440</b>	<b>\$2,011,780</b>	<b>\$2,043,336</b>	<b>-\$35,660</b>	<b>-2%</b>

**CIVIC CENTER PLAZA GARAGE**  
**FY 2008-2009 and FY 2009-FY2010 Proposed Revenues by Month**  
**(TABLE IV)**

FY 2008 - 2009	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
<b>REVENUES</b>													
<b>Parking Revenues</b>													
1a Transient Parking	175,5 19	218,2 45	234,1 28	270,87 5	237,6 22	251,0 15	210,3 07	245,0 00	255,0 00	265,0 00	255,0 00	250,1 26	2,867, 837
1b Monthly Parking	32, 083	32, 083	32, 083	32, 083	32, 083	32, 083	32, 083	32, 083	32, 083	32, 083	32, 083	32, 083	385,00 0
1g Government (Tax Exempt)	62,20 8	62,208	62,20 8	62,208	62,20 8	62,20 8	62,20 8	62,20 8	62,20 8	62,20 8	62,20 8	62,20 8	746,49 4
<b>Total Parking Revenue</b>	<b>237,7 27</b>	<b>280,4 53</b>	<b>296,3 36</b>	<b>333,08 3</b>	<b>299,8 30</b>	<b>313,2 23</b>	<b>272,5 15</b>	<b>307,2 08</b>	<b>317,2 08</b>	<b>327,2 08</b>	<b>317,2 08</b>	<b>312,3 34</b>	<b>3,999, 331</b>
2a Miscellaneous	417	417	417	417	417	417	417	417	417	417	417	417	5,000
<b>Gross Revenue</b>	<b>238,1 44</b>	<b>280,8 70</b>	<b>296,7 53</b>	<b>333,50 0</b>	<b>300,2 47</b>	<b>313,6 40</b>	<b>272,9 32</b>	<b>307,6 25</b>	<b>317,6 25</b>	<b>327,6 25</b>	<b>317,6 25</b>	<b>312,7 51</b>	<b>4,004, 331</b>
3a Parking Tax (less)	35,10 4	43,64 9	46,82 6	54,175	47,52 4	50,20 3	42,06 1	49,00 0	51,00 0	53,00 0	51,00 0	50,02 5	650,56 7
<b>Net Revenue</b>	<b>203,0 40</b>	<b>237,2 21</b>	<b>249,9 27</b>	<b>279,32 5</b>	<b>252,7 23</b>	<b>263,4 37</b>	<b>230,8 71</b>	<b>258,6 25</b>	<b>266,6 25</b>	<b>274,6 25</b>	<b>266,6 25</b>	<b>262,7 26</b>	<b>3,353, 764</b>

<b>FY 2009 - 2010</b>	<b>Jul</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Total</b>
<b>REVENUES</b>													
<b>Parking Revenues</b>													
1a Transient Parking	179,029	222,610	238,811	276,293	242,374	256,035	214,513	249,900	260,100	270,300	260,100	255,129	2,925,194
1b Monthly Parking	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500	390,000
1g Government (Tax Exempt)	62,519	62,519	62,519	62,519	62,519	62,519	62,519	62,519	62,519	62,519	62,519	62,519	750,226
<b>Total Parking Revenue</b>	<b>274,048</b>	<b>317,629</b>	<b>333,830</b>	<b>371,312</b>	<b>337,393</b>	<b>351,054</b>	<b>309,532</b>	<b>344,919</b>	<b>355,119</b>	<b>365,319</b>	<b>355,119</b>	<b>350,148</b>	<b>4,065,420</b>
2a Miscellaneous	417	417	417	417	417	417	417	417	417	417	417	417	5,000
<b>Gross Revenue</b>	<b>274,465</b>	<b>318,046</b>	<b>334,247</b>	<b>371,729</b>	<b>337,810</b>	<b>351,471</b>	<b>309,949</b>	<b>345,336</b>	<b>355,536</b>	<b>365,736</b>	<b>355,536</b>	<b>350,565</b>	<b>4,070,420</b>
3a Parking Tax (less)	42,306	51,022	54,262	61,759	54,975	57,707	49,403	56,480	58,520	60,560	58,520	57,526	663,039
<b>Net Revenue</b>	<b>232,159</b>	<b>267,024</b>	<b>279,985</b>	<b>309,970</b>	<b>282,835</b>	<b>293,764</b>	<b>260,546</b>	<b>288,856</b>	<b>297,016</b>	<b>305,176</b>	<b>297,016</b>	<b>293,039</b>	<b>3,407,381</b>

**NARRATIVE I**

**FY 2007-2008 Approved Budget  
To  
FY 2007-2008 Projection**

**1a. Transient Parking** **-3%**

Transient parking is less than the budgeted amount due to a reduction in the number of transient parkers. The reduction can be directly related to the rate increase that was implemented in April 2007.

**1b. Monthly Parking** **-2%**

Monthly parking is less than the budgeted amount due to the monthly parking rate increase. Several patrons cancelled their account after the April 2007 rate increase.

**1g. Government Monthly Parking** **0%**

This item met budgeted levels due to the April 2007 rate increase.

**2a. Miscellaneous** **0%**

This item met budgeted levels due to special event parking during the holidays.

**3a. Parking Tax** **-3%**

Parking taxes were under the budgeted amount due to the lower than expected taxable revenues. The parking tax is 25% which is included in the posted rates.

**A1. Administrative Salaries** **-2%**

Administrative Salaries are under the budgeted amount due to the Manager working less hours for special events and on weekends.

**A2. Parking Operations Salaries** **-4%**

Parking Operations Salaries are under the budgeted amount as a result of rescheduling personnel and less special event parking than we had in prior years.

**A3. Janitorial Salaries** **-1%**

Janitorial Salaries are under the budgeted amount due to a decrease in special event patronage which meant there was less after hour cleaning.

**B1. Payroll Taxes (non-SF)** **-3%**

Payroll taxes are directly related to employee payroll. Payroll taxes are approximately 8.5 % of the entire payroll.

**B2. SF Payroll Taxes** **-3%**

This item is lower than the budgeted amount and reflects 1.5% of total salaries.

**B3. Welfare & Pension** **-2%**

Welfare and Pension was under the budgeted amount due to rescheduling of personnel and a

reduction in payroll hours attributable to pension contributions. The health benefit rate is currently \$815.00 per month for 10 employees and the pension rate is approximately \$2.34 per straight time hour worked per employee.

**B4. Worker's Compensation** **-3%**

Worker's compensation costs were less than the budgeted amount due to a reduction in personnel hours.

**C1. Gas & Electric** **-1%**

Gas & Electric was less than the budgeted amount due to fewer requests for early opening and late closings than in prior years.

**C2. Water & Sewer** **-3%**

Water & Sewer was less than the budgeted amount due to less water demand this year than in prior years.

**C3. Telephone** **-1%**

This item is under the budgeted amount. This category consists of the manager and supervisors cell phones, phone service related to elevator monitoring, local charges and DSL services.

**C4. Scavenger** **-1%**

This item is under the budgeted.

**D1. Insurance** **0%**

This item maintained budgeted levels.

**D2. Repair & Maintenance (Facility)** **-2%**

Repair & Maintenance is under the budgeted amount because we had fewer unexpected emergency repairs. This category includes maintenance agreements for exhaust fans, elevators, parking equipment, cleaning equipment, roll up gates etc.

**D3. Office Supplies** **-4%**

This item is under the budgeted amount because we used all supplies in stock before we replenished them. This category consists of all office supplies, paper, pens, toner etc.

**D4. Garage Supplies** **-5%**

This item is under the budgeted amount because we didn't have to buy as much cleaning supplies as we did in prior years. This category consists of replacement light bulbs, cleaning supplies, cones, paint etc.

**D5. Parking Supplies** **-6%**

Parking supplies is under the budgeted amount because we purchased fewer supplies than we have in the past. This category consists of parking tickets, register tape, register ribbons, parking signs etc.

**E2. Incentive Fee** **0%**



This item met budgeted levels. This category is based on revenue generated by the garage.

**F1. Accounting/Bookkeeping** **0%**

This item met budgeted levels.

**F2. Garage Audit** **0%**

This item met budgeted levels. The audit is done by an outside independent company not affiliated with Imperial parking.

**F4. Security (Contractual)** **-1%**

Security is under the budgeted amount because there were fewer late night events that required us to stay open later than in previous years.

**F7. Personnel Training** **0%**

This item met budgeted levels. We offer mandatory customer service training classes to our employees annually.

**F8. Bank Service Charge** **+15%**

Bank Service Charges are over the budgeted amount due to the high volume of credit card users. Now that patrons are aware that we accept credit cards more of them are using them.

**F9. Uniform Cleaning** **-12%**

Uniform Cleaning is under the budgeted amount because there were fewer repairs and upgrades to uniforms than in prior years. We didn't have to purchase as many new uniforms for our employees.

**G1. Tax & License Fees** **0%**

Tax & License Fees met the budgeted levels.

**G2. Marketing** **+33%**

An increase is projected for the new fiscal year. We plan to have a website created for the Civic center plaza garage. This category consists of marketing through a website, radio ads, zip code marketing, etc.

**G5. Miscellaneous** **0%**

Miscellaneous met the budgeted levels. This category includes the refunding of card key deposits and customer refunds.

**G6. Capital Expenditure** **-100%**

Capital Expenditure is under the budgeted amount because all major maintenance projects were put on hold until all parking garages had a Facility Assessment done by the City.

## NARRATIVE II

### FY 2007-2008 Approved Budget To FY 2008-2009 Proposed Budget

- 1a. Transient Parking** **-1%**  
Transient parking is less than the budgeted amount due to a reduction in the number of transient parkers. We anticipated that the rate increase would boost revenues instead our patronage decreased as well as our revenues.
- 1b. Monthly Parking** **+4%**  
Monthly revenues are projected to increase by \$15,000 or 4% due to the addition of new monthly parkers. We currently have a waitlist which we plan to call
- 1g. Government Monthly Parking** **+2%**  
Monthly government revenues are projected to increase by \$14,000 or 2 % due to the addition of new monthly parkers.
- 2a. Miscellaneous** **0%**  
No increase anticipated for card deposits, late fees and card replacement fees.
- 3a. Parking Tax** **-1%**  
Parking taxes were -1% under the budgeted amount due to the lower than expected taxable revenues. The parking tax is 25% which is included in the posted rates.
- A1. Administrative Salaries** **+1%**  
Administrative Salaries consist of the garage manager's salary with approximately \$3,000 (4 hours/month) in anticipated overtime. This also represents the scheduled yearly increase.
- A2. Parking Operations Salaries** **-3%**  
Parking Operations Salaries consists of all cashiers, day time supervisor and valet attendant hours. Savings in prior years were because of a reduction in our valet service but are re-budgeted in the event the demand requires the implementation of our valet service. This represents vacation pay, holiday pay and sick pay.
- A3. Janitorial Salaries** **+1%**  
Janitorial Salaries represents maintenance personnel and one night supervisor who oversees and performs all maintenance aspects of the facility. The budget amount reflects the scheduled annual union increase.
- B1. Payroll Taxes (non-SF)** **-2%**  
Payroll taxes reflect a decrease in salaries and are directly related to employee payroll. Payroll taxes are approximately 8.5 % of the entire payroll.
- B2. SF Payroll Taxes** **-2%**

SF Payroll Taxes reflect a decrease in salaries. The business tax is 1.5% of total salaries.

**B3. Welfare & Pension** **0%**

There was no increase in Welfare and Pension. The health benefit rate is currently \$815.00 per month for 10 employees and the pension rate is approximately \$2.34 per straight time hour worked per employee.

**B4. Worker's Compensation** **+2%**

Worker's compensation reflects an increase in benefit payments due to the increase in salaries. Worker's Compensation is approximately 13% of the total proposed salaries.

**C1. Gas & Electric** **+2%**

Gas & Electric reflects and increase due to demand increase charges and projected late closure and early openings for special events. .

**C2. Water & Sewer** **-6%**

Water & Sewer reflects a decrease due to less water demand this year than in prior years.

**C3. Telephone** **+2%**

This item reflects an increase. This category consists of the manager and supervisors cell phones, phone service related to elevator monitoring, local charges and DSL services.

**C4. Scavenger** **+3%**

This item reflects an increase due to annual service charge increase. The price of this service has risen each of the last 3 years. We are factoring in the increase for this service.

**D1. Insurance** **+2%**

This item reflects an increase. This category consists of Property and General Liability Insurance which is under the City's blanket policy.

**D2. Repair & Maintenance (Facility)** **+2%**

Repair & Maintenance reflects increase cost for various repair services. This category consists of all maintenance aspects of the garage from the elevators, lighting, plumbing, industrial fans, etc. We also have monthly maintenance agreements with companies that maintain each category.

**D3. Office Supplies****0%**

There was no increase projected this fiscal year. This category consists of all office related supplies. Paper, pens, toner receipt rolls, etc.

**D4. Garage Supplies****0%**

There is no increase projected this fiscal year. This category consists of all cleaning supplies, light bulbs, paint, cones, etc.

**D5. Parking Supplies****0%**

There is no increase projected this fiscal year. This category consists of all parking related supplies parking tickets, register tape and register ribbon.

**E2. Incentive Fee****0%**

There is no increase projected this fiscal year. This category is based on revenue generated by the garage.

**F1. Accounting/Bookkeeping****+5%**

Accounting & bookkeeping is projected to increase this fiscal year. Imperial parking creates monthly accounting packages that are submitted to the City and County each month.

**F2. Garage Audit****+4%**

A slight increase is projected this fiscal year. The audit is conducted by an independent Certified Public Accounting firm in accordance with generally accepted accounting principals. We are audited annually as required under the agreement to manage the garage.

**F4. Security (Contractual)****+3%**

A slight increase is projected this fiscal year. We are accounting for late closings and early openings depending on the special events that take place in the area and the requests for additional security for those events.

**F7. Personnel Training****0%**

There is no increase projected this fiscal year. We offer mandatory customer service training classes to our employees annually. Our objective is to improve our customer service and provide better conflict resolution strategies.

**F8. Bank Service Charge****+21%**

Bank Service Charges are projected to increase due to a higher volume of our patrons using credit cards. Our contract is through Union Bank which charges a fee based on the number of credit card users.

**F9. Uniform Cleaning****0%**

There is no increase projected this fiscal year. This category includes a weekly service cost and monies to replace worn or damaged uniforms.

**G1. Tax & License Fees** **+2%**  
Tax & License Fees are projected to increase. This category consists of business tax and license fees.

**G2. Marketing** **0%**  
A slight increase is projected for this fiscal year. This category consists of all marketing related campaigns for the garage including mailers, radio station ads, flyers, etc.

**G5. Miscellaneous** **0%**  
There is no increase projected this fiscal year. This category includes card key refunds, card key deposits and card key replacement fees.

**G6. Capital Expenditure** **-100%**  
There are no Capital Expenditures scheduled this fiscal year. Capital Expenditures were put on hold until all parking garages have a Facility Assessment done requested by the City and County of San Francisco.

**GARAGE**  
**\*FY 2008-2009 and FY 2009-2010 MARKETING PLAN**

Following is Imperial Parking's Marketing Plan for the Civic Center Plaza Garage. Imperial Parking would like to institute some or all of the following new programs at the Civic Center Plaza Garage for the upcoming budget years.

We plan to establish a website specifically for the Civic Center Plaza Garage which is an important step for marketing the garage. The website will be designed for the efficient dissemination of information regarding parking programs, rates, maps, hours of operation and available services.

- b. We will continue to promote our weekend and night time rates that have allowed us to remain competitive with nearby garages. Our night time rates are very beneficial to those patrons that live in the neighborhood. It provides them with a safe place for their vehicle at a discounted rate.
- c. We will continue to run public transportation/carpooling ads with University Communications Radio Station. The ads spotlight the importance of public transportation and carpooling to reduce traffic congestion and to preserve the environment.
- d. We plan to continue sending out zip code mailers. The zip code mailers will highlight our nighttime and weekend rates. We hope this will help increase our patronage.



THIS PRINT COVERS CALENDAR ITEM NO: 16

MUNICIPAL TRANSPORTATION AGENCY  
City and County of San Francisco

**DIVISION:** Finance and Administration

**BRIEF DESCRIPTION:**

Authorizing the SFMTA Executive Director/CEO, or his designee, to approve the Golden Gateway Garage Fiscal Years 2008-2009 and 2009-2010 Operating Budget.

**SUMMARY:**

- On August 9, 2001, the City entered into a six-year agreement with Five Star Parking/Elite Parking (a joint venture) (“Manager”) for the management of the Golden Gateway Garage that commenced on March 1, 2002. The agreement was amended and the term extended on July 19, 2007.
- The SFMTA receives 100 percent of the net income from the Garage.
- Pursuant to the agreement, Five Star Parking/Elite Parking is required to submit an annual Operating Budget for review and approval.
- SFMTA Finance staff formulated a uniform, two-year budget submittal package for use by all garages to establish a new benchmark in the quality of garage budget submittals and to improve the budget review process that includes line item analysis, historical trend review and ongoing discussions with the Manager to ensure that reasonable assumptions and methodologies are used.
- The budget package also incorporates recommendations outlined in the Chance Management Report recommendations for historical trend data, multi-year budgeting and consistent budget formats throughout SFMTA administered garages.
- The two-year Operating Budget submitted by the Manager is consistent with the requirements of Proposition A for this even-numbered year and the Manager will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year.

**ENCLOSURES:**

1. MTAB Resolution
2. Fiscal Years 2008-2009 and 2009-2010 Operating Budget for the Golden Gateway Garage

**APPROVALS:**

**DATE**

DEPUTY OF DIVISION  
PREPARING ITEM

\_\_\_\_\_

\_\_\_\_\_

FINANCE

\_\_\_\_\_

\_\_\_\_\_

EXECUTIVE DIRECTOR/CEO \_\_\_\_\_

SECRETARY \_\_\_\_\_

ADOPTED RESOLUTION

SHOULD BE RETURNED TO: Sonali Bose, Finance and Administration

ASSIGNED MTAB CALENDAR DATE: \_\_\_\_\_

**EXPLANATION:**

**Background:**

On August 9, 2001, the City entered into a six-year agreement with the joint venture of Five Star Parking/Elite Parking (“Manager”) for the management of the Golden Gateway Garage (“Garage”) that commenced on March 1, 2002. The agreement was amended on July 19, 2007 to extend the term by one year, include additional requirements and adjust the management and incentive fees. Pursuant to the agreement, the Manager is required to submit an annual Operating Budget for review and approval.

SFMTA Finance staff formulated a uniform, two-year budget submittal package for use by all garages to establish a new benchmark in the quality of garage budget submittals and to improve the budget review process. The budget package also incorporates recommendations outlined in the Chance Management Report recommendations for historical trend data, multi-year budgeting and consistent budget formats throughout SFMTA administered garages. Capital improvement requests are deferred until an overall assessment of the capital improvement needs by the SFMTA is completed.

The two-year operating budget submitted by the Manager is consistent with the requirements of Proposition A for this even-numbered year and the Manager will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year.

The Manager receives \$3,000 per month in management fees and \$6,000 in annual incentive fees for meeting annual net revenue budget goals.

The SFMTA receives 100 percent of net income from garage revenues.

**Budget Evaluation Process:**

Upon receipt of the Manager’s budget submittal, staff’s initial review begins with a year-to-date verification of each revenue and expense line item category with the most recent garage monthly report. These line items are projected out through the end of the fiscal year taking into account the variations in seasonality, possible implementation of rate adjustments, known upcoming events, scheduled salary increases and associated payroll expenses, and normalizing for non-regular services or supply purchases. This initial review enables staff



to identify possible erroneous assumptions made by the Manager.

The next step in the process is to communicate to the Manager any items of concern, point out obvious mathematical or formatting errors, if any, and to provide the opportunity for clarification and/or revision. Upon mutually accepted projections of revenues and expense for the current and proposed years, the Manager is requested to re-submit the budget in its final form providing the basis for this staff report. The operating budget submitted by Manager for the Golden Gateway Garage contained several formatting and inputting errors. Staff made several adjustments to their initial projections of revenues and expenses.

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### **FISCAL YEAR 2007-2008**

A comparison between the approved FY 2007-2008 Operating Budget and the anticipated FY 2007-2008 performance is shown in the chart below.

#### **FY 2007-2008 Performance:**

	<b>2007-2008 Approved Budget</b>	<b>2007-2008 Actual/ Anticipated</b>	<b>Difference between Approved and Anticipated</b>
Revenues	\$7,616,435	\$7,693,475	\$77,040
less Parking Taxes	\$1,439,487	\$1,452,487	\$13,000
less Expenses	\$1,960,657	\$1,913,175	-\$47,482
Net Income	\$4,216,291	\$4,327,813	\$111,522

For the current fiscal year, the Manager anticipates generating \$7,693,475 in revenues. That amount is \$77,040 or one percent more than the amount budgeted. The overall transient and monthly parking demand has not declined and the Manager has made improvements to the operating procedures allowing the facility to accommodate additional vehicles during peak demand. The anticipated revenue for FY 2007-2008 is \$374,785 or five percent over the actual amount of the prior year.

On the expense side, the Manager anticipates keeping expenditures at \$1,913,175. This amount is \$47,482 or 2.4 percent below the budgeted amount for FY 2007-2008. The Manager has been diligent in monitoring and keeping overall expenditures below the budgeted amount.

The combination of higher revenues and less expenditures has resulted in an anticipated Net Income of \$4,327,813 to the SFMTA for FY 2007-2008. This amount is \$111,522 or 2.6 percent more than the amount budgeted.

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### **FISCAL YEARS 2008-2009 and 2009-2010**

A comparison between the approved FY 2007-2008 Operating Budget, the proposed FY 2008-2009 and 2009-2010 Operating Budget, is shown in the chart below.

#### **Fiscal Years 2008-2009 and 2009-2010 Proposed Operating Budget:**

	<b>2007-2008 Approved Budget</b>	<b>2008-2009 Proposed Budget</b>	<b>2009-2010 Proposed Budget</b>	<b>2008-2009 Compared To 2007- 2008</b>	<b>2009-2010 Compared To 2008- 2009</b>
Revenues	\$7,616,435	\$7,853,940	\$8,018,516	\$237,505	\$164,576
less Parking Taxes	\$1,439,487	\$1,483,585	\$1,515,491	\$44,098	\$31,906
less Expenses	\$1,960,657	\$2,058,990	\$2,116,047	\$98,333	\$57,057
Net Income	\$4,216,291	\$4,311,365	\$4,386,978	\$95,074	\$75,613

For FY 2008-2009, the Manager projects generating \$7,853,940 in revenues. This amount is \$237,505 or three percent over FY 2007-2008 budgeted revenues and \$160,465 or two percent over FY 2007-2008 anticipated revenues. The demand for the garage remains high and the Manager has been implementing operational improvements that allow for the accommodation of additional transient and monthly patronage.

The Manager proposes operating expenditures of \$2,058,990. This amount is \$95,074 or 2.3 percent more than the amount budgeted for FY 2007-2008 mainly to account for an increase in schedule staff salaries and associated benefits. Capital improvements are deferred at this time until the completion of an overall capital assessment by the SFMTA. The Manager was able to make repairs to the non-functioning exhaust system under the regular repair and maintenance budget allowing for the temporary deferment of this capital expense.

Thus, the Manager projects generating \$4,311,365 to the SFMTA for FY 2008-2009 which is \$95,074 or 2.3 percent more than the amount budgeted for FY 2007-2008.

For FY 2009-2010, the Manager projects Net Income to the SFMTA in the amount of \$4,386,978 which is \$75,613 more than the amount budgeted for FY 2008-2009. This is the result of a conservative increase in revenue of \$164,576 or 2.1 percent and expenditures or \$57,057 or 2.8 percent over the amounts budgeted for FY 2008-2009.

This item directly supports Goal 4, Financial Capacity: To ensure financial stability and effective resource utilization and supports all other SFMTA 2008-2010 Strategic Plan Goals indirectly.

The City Attorney's Office has reviewed this item.

**Recommendation:**

Staff recommends that the San Francisco Municipal Transportation Agency Board of Directors adopt the attached resolution, authorizing the SFMTA Executive Director/CEO, or his designee, to approve the Golden Gateway Garage Fiscal Years 2008-2009 and 2009-2010 Operating Budget.

MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, Five Star Parking/Elite Parking (“Manager”), a joint venture, operates the Golden Gateway Garage (“Garage”) on behalf of the City and County of San Francisco under an agreement with the City; and,

WHEREAS, Under the terms of the agreement, the Manager is required to submit an annual Operating Budget for review and approval; and,

WHEREAS, The Manager has submitted the Fiscal Years 2008-2009 and 2009-2010 Operating Budget for the Golden Gateway Garage to the Municipal Transportation Agency Board of Directors for review; and,

WHEREAS, The two-year Operating Budget submitted by the Manager is consistent with the requirements of Proposition A for this even-numbered year and is in a format provided by the SFMTA; and,

WHEREAS, The Manager will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year; and,

WHEREAS, The Municipal Transportation Agency Board of Directors has reviewed the Garage Fiscal Years 2008-2009 and 2009-2010 Operating Budget; now, therefore, be it

RESOLVED, That the Municipal Transportation Agency Board of Directors authorizes the SFMTA Executive Director/CEO, or his designee, to approve the Golden Gateway Garage Fiscal Years 2008-2009 and 2009-2010 Operating Budget.

I hereby certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

\_\_\_\_\_  
Secretary, Municipal Transportation Agency Board

**CITY AND COUNTY OF SAN FRANCISCO**

**GOLDEN GATEWAY  
250 CLAY ST.  
SAN FRANCISCO 94111**

**\*PROPOSED BUDGET**

**FY 2008 – 2009 (FY09)**

**FY 2009 – 2010 (FY10)**

**Prepared by:**

**FIVE STAR PARKING  
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**GOLDEN GATEWAY GARAGE**  
**Three-Year Historical Trend**  
**Summary of Revenue and Expenditure**  
**(TABLE I)**

REVENUE & EXPENSE CATEGORIES	Budget July 1, 2004- June 30, 2005	Actual July 1, 2004 - June-30, 2005	Budget July 1, 2005 - June 30, 2006	Actual July 1, 2005 - June 30, 2006	Budget July1, 2006 - June 30, 2007	Actual July 1, 2006 - June 30, 2007

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Budget July 1, 2004- June 30, 2005</b>	<b>Actual July 1, 2004 - June-30, 2005</b>	<b>Budget July 1, 2005 - June 30, 2006</b>	<b>Actual July 1, 2005 - June 30, 2006</b>	<b>Budget July1, 2006 - June 30, 2007</b>	<b>Actual July 1, 2006 - June 30, 2007</b>
<b>REVENUE</b>						
1a Transient Parking	2,998,364	3,045,925	3,200,000	3,085,188	3,450,000	3,888,876
1b Monthly Parking	2,938,950	2,848,182	3,036,000	2,432,915	3,114,000	3,017,890
1c Business Validation	0	84,130	90,000	81,973	100,000	75,094
1g Government / Other Tax Exempt Parking	0	430,360	432,000	342,392	339,720	317,928
<b>Total Parking Revenue</b>	<b>\$ 5,937,314</b>	<b>\$ 6,408,597</b>	<b>\$ 6,758,000</b>	<b>\$ 5,942,468</b>	<b>\$ 7,003,720</b>	<b>\$7,299,788</b>
2a Miscellaneous Revenues	27,000	17,714	17,000	20,059	21,000	18,902
<b>Gross Revenue</b>	<b>\$ 5,964,314</b>	<b>\$ 6,426,311</b>	<b>\$ 6,775,000</b>	<b>\$ 5,962,526</b>	<b>\$ 7,024,720</b>	<b>\$7,318,690</b>
3a Parking Tax (less)	1,212,463	1,195,650	1,265,200	1,120,015	1,332,800	1,396,372
<b>Net Revenue</b>	<b>\$4,751,851</b>	<b>\$5,230,661</b>	<b>\$5,509,800</b>	<b>4,842,512</b>	<b>\$5,691,920</b>	<b>\$5,922,318</b>
<b>EXPENDITURE</b>						
<b>Personnel Cost</b>						
A1 Administrative Salaries	191,000	212,260	211,150	198,500	205,555	168,318
A2 Parking Operations Salaries	568,000	603,256	619,030	479,928	608,522	634,485
A3 Janitorial Salaries	28,000	6,992	15,000	24,587	30,000	27,902
<b>Payroll Expenses</b>						
B1 Payroll Taxes (non-SF)	66,895	73,278	71,840	62,917	73,000	75,480
B2 SF Payroll Taxes	11,805	12,338	12,678	10,545	13,200	12,461
B3 Welfare & Pension	238,918	235,061	245,000	216,368	250,000	260,653
B4 Worker's Compensation	95,000	96,224	102,000	79,695	102,000	100,322
<b>Utilities</b>						
C1 Gas & Electric	100,000	73,883	90,000	56,369	80,000	62,795
C2 Water	12,000	6,114	12,000	5,106	12,000	5,079
C3 Telephone	2,850	3,518	3,360	2,315	3,000	3,330
C4 Scavenger	4,440	4,526	4,500	4,189	4,500	5,537
<b>Supplies &amp; Services</b>						
D1 Insurance	39,000	37,675	39,000	44,461	39,000	38,442
D2 Repairs & Maintenance (Facility)	25,000	33,212	35,000	23,061	37,000	35,524
D3 Office Supplies	4,500	5,804	5,000	5,551	5,000	5,611
D4 Garage Supplies	8,000	21,435	15,000	16,964	17,000	15,842
D5 Parking Supplies	4,500	8,293	8,000	4,347	8,000	7,295
<b>Management Costs</b>						
E1 Management Fee	12	12	12	11	12	12
E2 Incentive Fee	9,974	0	25,000	18,307	25,000	0

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Budget July 1, 2004- June 30, 2005</b>	<b>Actual July 1, 2004 - June-30, 2005</b>	<b>Budget July 1, 2005 - June 30, 2006</b>	<b>Actual July 1, 2005 - June 30, 2006</b>	<b>Budget July1, 2006 - June 30, 2007</b>	<b>Actual July 1, 2006 - June 30, 2007</b>
<b>Professional/Personal Services</b>						
F1 Accounting/Bookkeeping	1,500	1,500	1,700	1,559	1,700	1,703
F2 Garage Audit	6,500	5,438	6,500	0	6,000	8,845
F4 Security (Contractual)	125,000	125,135	125,000	114,096	132,000	132,788
F7 Personnel Training	2,100	2,100	2,500	2,291	2,500	2,498
F8 Bank Charges (Non-trustee)	0	0	0	0	0	7,025
F9 Uniform Cleaning	6,500	6,740	7,800	6,971	7,800	9,242
F10 Payroll Processing	2,500	2,498	2,800	2,566	2,800	2,798
<b>Other Costs</b>						
G1 Taxes & Licenses	500	490	500	0	500	0
G2 Marketing	1,200	0	1,200	0	5,000	784
G3 Garage Claims	8,000	4,826	6,000	1,000	6,000	4,476
G4 Park & Ride Shuttle	165,000	168,293	180,000	159,655	180,000	176,311
G5 Miscellaneous	4,500	4,418	4,500	12,445	7,000	5,355
<b>Total Garage Expense</b>	<b>\$1,733,194</b>	<b>\$1,755,319</b>	<b>\$1,852,070</b>	<b>\$1,553,805</b>	<b>\$1,864,089</b>	<b>\$1,805,839</b>
<b>Garage Operating Income/Loss</b>	<b>\$3,018,657</b>	<b>\$3,475,342</b>	<b>\$3,657,730</b>	<b>\$3,288,706</b>	<b>3,827,831</b>	<b>4,116,479</b>
G6 Capital Expenditure (less)	35,000	33,810	0	0	75,000	0
<b>Garage Net Income</b>	<b>\$2,983,657</b>	<b>\$3,441,532</b>	<b>\$3,657,730</b>	<b>\$3,288,706</b>	<b>\$3,752,831</b>	<b>\$4,116,479</b>

**GOLDEN GATEWAY GARAGE**  
**FY 2008 Approved Budget vs. FY 2008 Projection**  
**Summary of Revenue and Expenditure**  
**(TABLE II)**

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget July 1, 2007 - June 30, 2008</b>	<b>Projected July 1, 2007 - June 30, 2008</b>	<b>Difference Between FY08 Approved and FY08 Projected</b>	
<b>REVENUE</b>				
1a Transient Parking	4,020,035	4,062,696	42,661	1%

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget July 1, 2007 - June 30, 2008</b>	<b>Projected July 1, 2007 - June 30, 2008</b>	<b>Difference Between FY08 Approved and FY08 Projected</b>	
1b Monthly Parking	3,100,000	3,119,109	19,109	0.62%
1c Business Validation	77,400	80,628	3,228	4%
1g Government / Other Tax Exempt Parking	400,000	397,848	-2,152	-0.5%
<b>Total Parking Revenue</b>	<b>\$7,597,435</b>	<b>7,660,281</b>	<b>\$60,846</b>	<b>1%</b>
2a Miscellaneous Revenues	19,000	33,194	14,194	75%
<b>Gross Revenue</b>	<b>\$7,616,435</b>	<b>\$7,693,475</b>	<b>\$77,040</b>	<b>1%</b>
3a Parking Tax (less)	1,439,487	1,452,487	13,000	1%
<b>Net Revenue</b>	<b>\$6,176,948</b>	<b>\$6,240,988</b>	<b>\$64,040</b>	<b>1%</b>
<b>EXPENDITURE</b>				
<b>Personnel Cost</b>				
A1 Administrative Salaries	234,484	226,484	-8,000	-3%
A2 Parking Operations Salaries	575,035	601,773	26,738	4%
A3 Janitorial Salaries	45,576	28,760	-16,816	-37%
<b>Payroll Expenses</b>				
B1 Payroll Taxes (non-SF)	72,683	73,633	950	5%
B2 SF Payroll Taxes	12,826	12,858	32	0%
B3 Welfare & Pension	301,068	276,872	-24,196	-8%
B4 Worker's Compensation	107,485	99,960	-7,525	-7%
<b>Utilities</b>				
C1 Gas & Electric	75,000	64,831	-10,169	-14%
C2 Water	6,000	6,111	111	2%
C3 Telephone	3,600	3,554	-46	-1%
C4 Scavenger	5,500	6,819	1,319	24%
<b>Supplies &amp; Services</b>				
D1 Insurance	39,000	34,593	-4,407	-11%
D2 Repairs & Maintenance (Facility)	45,000	45,000	0	0%
D3 Office Supplies	7,500	7,500	0	0%
D4 Garage Supplies	17,000	17,509	509	3%
D5 Parking Supplies	8,000	8,344	344	4%
<b>Management Costs</b>				
E1 Management Fee	36,000	36,000	0	0%
E2 Incentive Fee	6,000	6,000	0	0%
<b>Professional/Personal</b>				



REVENUE & EXPENSE CATEGORIES	Approved Budget July 1, 2007 - June 30, 2008	Projected July 1, 2007 - June 30, 2008	Difference Between FY08 Approved and FY08 Projected	
<b>Services</b>				
F1 Accounting/Bookkeeping	1,700	1,751	51	0%
F2 Garage Audit	8,900	600	-8,300	-93%
F4 Security (Contractual)	133,000	132,870	-130	-0.10%
F7 Personnel Training	2,500	2,574	74	3%
F9 Uniform Cleaning	9,500	12,830	3,330	35%
F10 Payroll Processing	2,800	2,800	0	0%
F12 Armored Services	8,400	4,822	-3,578	-43%
<b>Other Costs</b>				
G1 Taxes & Licenses	500	1,298	798	160%
G2 Marketing	3,000	3,000	0	0%
G3 Garage Claims	5,600	3,500	-2,100	-38%
G4 Park & Ride Shuttle	180,000	179,200	-800	-0.44%
G5 Miscellaneous	7,000	11,329	4,329	62%
<b>Total Garage Expense</b>	<b>\$1,960,657</b>	<b>\$1,913,175</b>	<b>-\$47,482</b>	<b>-2%</b>
<b>Garage Operating Income/Loss</b>	<b>\$4,216,291</b>	<b>\$4,327,813</b>	<b>\$111,522</b>	<b>3%</b>
G6 Capital Expenditure (less)	0	0	0	0
<b>Garage Net Income</b>	<b>\$4,216,291</b>	<b>\$4,327,819</b>	<b>\$111,522</b>	<b>3%</b>

**GOLDEN GATEWAY GARAGE**  
**FY 2009 and FY 2010 Proposed Budget**  
**Summary of Revenue and Expenditure**  
**(TABLE III)**

REVENUE & EXPENSE CATEGORIES	Approved Budget July 1, 2007 – June 30, 2008	Proposed Budget July 1, 2008 – June 30, 2009	Proposed Budget July 1, 2009 – June 30, 2010	Difference Between FY08 Approved and FY09 Proposed	
<b>REVENUE</b>					

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget July 1, 2007 – June 30, 2008</b>	<b>Proposed Budget July 1, 2008 – June 30, 2009</b>	<b>Proposed Budget July 1, 2009 – June 30, 2010</b>	<b>Difference Between FY08 Approved and FY09 Proposed</b>	
1a Transient Parking	4,020,035	4,184,577	4,310,114	164,542	4%
1b Monthly Parking	3,100,000	3,150,300	3,181,803	50,300	2%
1c Business Validation	77,400	83,047	85,539	5,647	7%
1g Government / Other Tax Exempt Parking	400,000	401,826	405,845	1,826	0%
<b>Total Parking Revenue</b>	<b>\$7,597,435</b>	<b>\$7,819,750</b>	<b>\$7,983,301</b>	<b>\$222,315</b>	<b>3%</b>
2a Miscellaneous Revenues	19,000	34,190	35,215	15,190	80%
<b>Gross Revenue</b>	<b>\$7,616,435</b>	<b>\$7,853,940</b>	<b>\$8,018,516</b>	<b>\$237,505</b>	<b>3%</b>
3a Parking Tax (less)	1,439,487	1,483,585	1,515,491	44,098	3%
<b>Net Revenue</b>	<b>\$6,176,948</b>	<b>\$6,370,355</b>	<b>\$6,503,025</b>	<b>\$193,407</b>	<b>3%</b>
<b>EXPENDITURE</b>					
<b>Personnel Cost</b>					
A1 Administrative Salaries	234,484	245,783	253,157	11,299	5%
A2 Parking Operations Salaries	575,035	636,970	656,080	61,935	11%
A3 Janitorial Salaries	45,576	32,112	33,075	-13,464	-30%
<b>Payroll Expenses</b>					
B1 Payroll Taxes (non-SF)	72,683	75,856	78,132	3,173	4%
B2 SF Payroll Taxes	12,826	14,010	14,430	1,184	9%
B3 Welfare & Pension	301,068	298,299	307,248	-2,769	-1%
B4 Worker's Compensation	107,485	109,250	112,527	1,765	2%
<b>Utilities</b>					
C1 Gas & Electric	75,000	78,940	81,308	3,940	5%
C2 Water	6,000	6,180	6,365	180	3%
C3 Telephone	3,600	4,350	4,481	750	21%
C4 Scavenger	5,500	6,278	6,466	778	14%
<b>Supplies &amp; Services</b>					
D1 Insurance	39,000	40,170	41,375	1,170	3%
D2 Repairs & Maintenance (Facility)	45,000	46,350	47,741	1,350	3%
D3 Office Supplies	7,500	10,500	7,957	3,000	40%
D4 Garage Supplies	17,000	18,034	18,575	1,034	6%
D5 Parking Supplies	8,000	8,240	8,487	240	3%
<b>Management Costs</b>					
E1 Management Fee	36,000	36,000	36,000	0	0%
E2 Incentive Fee	6,000	6,000	6,000	0	0%
<b>Professional/Personal Services</b>					

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget July 1, 2007 – June 30, 2008</b>	<b>Proposed Budget July 1, 2008 – June 30, 2009</b>	<b>Proposed Budget July 1, 2009 – June 30, 2010</b>	<b>Difference Between FY08 Approved and FY09 Proposed</b>	
F1 Accounting/Bookkeeping	1,700	1,803	1,858	103	6%
F2 Garage Audit	8,900	9,167	9,442	267	3%
F4 Security (Contractual)	133,000	136,990	141,100	3,990	3%
F7 Personnel Training	2,500	2,500	2,500	0	0%
F9 Uniform Cleaning	9,500	12,000	12,360	2,500	26%
F10 Payroll Processing	2,800	2,884	2,971	84	3%
F12 Other Contractual Services	8,400	17,400	17,400	9,000	107%
<b>Other Costs</b>					
G1 Taxes & Licenses	500	1337	1377	837	167%
G2 Marketing	3,000	3,090	3,183	90	3%
G3 Garage Claims	5,600	3,605	3,713	-1,995	-36%
G4 Parking & Ride Shuttle	180,000	185,400	190,962	5,400	3%
G5 Miscellaneous	7,000	9,492	9,777	2,492	36%
<b>Total Garage Expense</b>	<b>\$1,960,657</b>	<b>\$2,058,990</b>	<b>\$2,116,047</b>	<b>\$98,333</b>	<b>5%</b>
<b>Garage Operating Income/Loss</b>	<b>\$4,216,291</b>	<b>\$4,311,365</b>	<b>\$4,386,978</b>	<b>\$95,074</b>	<b>2%</b>
G6 Capital Expenditure (less)	0	0	0	0	0
<b>Garage Net Income</b>	<b>\$4,216,291</b>	<b>\$4,311,365</b>	<b>\$4,386,978</b>	<b>\$95,074</b>	<b>2%</b>



**GOLDEN GATEWAY GARAGE**  
**FY 2008-2009 and FY 2009-FY2010 Proposed Revenues by Month**  
**(TABLE IV)**

<b>FY 2008 - 2009</b>	<b>Jul</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Total</b>
<b>REVENUES</b>													
<b>Parking Revenues</b>													
1a Transient Parking	311,000	333,600	340,000	350,000	350,000	355,000	385,000	342,977	345,000	350,000	356,000	366,000	4,184,577
1b Monthly Parking	240,000	260,000	270,000	270,000	260,000	255,000	255,000	260,300	270,000	270,000	270,000	270,000	3,150,300
1c Business Validations	6,000	7,000	7,000	7,000	7,000	7,047	7,000	7,000	7,000	7,000	7,000	7,000	83,047
1g Government Parking (Tax Exempt)	33,480	33,486	33,486	33,486	33,486	33,486	33,486	33,486	33,486	33,486	33,486	33,486	401,826
<b>Total Parking Revenue</b>	<b>\$590,480</b>	<b>\$634,086</b>	<b>\$650,486</b>	<b>\$660,486</b>	<b>\$650,486</b>	<b>\$650,533</b>	<b>\$680,486</b>	<b>\$643,763</b>	<b>\$655,486</b>	<b>\$660,486</b>	<b>\$666,486</b>	<b>\$676,486</b>	<b>\$7,819,750</b>
2a Miscellaneous	2,851	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	2,849	34,190
<b>Gross Revenue</b>	<b>\$593,331</b>	<b>\$636,935</b>	<b>\$653,335</b>	<b>\$663,335</b>	<b>\$653,335</b>	<b>\$653,382</b>	<b>\$683,335</b>	<b>\$646,612</b>	<b>\$658,335</b>	<b>\$663,335</b>	<b>\$669,335</b>	<b>\$679,335</b>	<b>\$7,853,940</b>
3a Parking Tax (less)	111,400	120,120	123,400	125,400	123,400	123,409	129,400	122,055	124,400	125,400	126,600	128,600	1,483,585
<b>Net Revenue</b>	<b>\$481,931</b>	<b>\$516,815</b>	<b>\$529,935</b>	<b>\$537,935</b>	<b>\$529,937</b>	<b>\$529,973</b>	<b>\$553,935</b>	<b>\$524,557</b>	<b>\$533,935</b>	<b>\$537,935</b>	<b>\$542,735</b>	<b>\$550,735</b>	<b>\$6,370,355</b>

<b>FY 2009 - 2010</b>	<b>Jul</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Total</b>
<b>REVENUES</b>													
<b>Parking Revenues</b>													
1a Transient Parking	320,330	343,608	350,200	360,500	360,500	365,650	398,550	353,266	355,350	360,500	366,680	376,980	4,310,114
1b Monthly Parking	242,400	262,600	272,700	272,700	262,600	257,550	257,550	262,903	272,700	272,700	272,700	272,700	3,181,803
1c Business Validations	6,180	7,210	7,210	7,210	7,210	7,210	7,210	7,210	7,210	7,210	7,210	7,211	85,539
1g Government Parking (Tax Exempt)	33,815	33,821	33,821	33,821	33,821	33,821	33,821	33,821	33,821	33,821	33,821	33,821	405,845
<b>Total Parking Revenue</b>	<b>\$602,725</b>	<b>\$647,239</b>	<b>\$663,931</b>	<b>\$674,231</b>	<b>\$664,131</b>	<b>\$664,279</b>	<b>\$695,131</b>	<b>\$657,200</b>	<b>\$669,081</b>	<b>\$674,231</b>	<b>\$680,411</b>	<b>\$690,712</b>	<b>\$7,983,301</b>
2a Miscellaneous	2,937	2,934	2,934	2,934	2,934	2,934	2,934	2,934	2,934	2,934	2,934	2,934	35,215
<b>Gross Revenue</b>	<b>\$605,661</b>	<b>\$650,173</b>	<b>\$666,865</b>	<b>\$677,165</b>	<b>\$667,065</b>	<b>\$667,214</b>	<b>\$698,065</b>	<b>\$660,135</b>	<b>\$660,135</b>	<b>\$672,015</b>	<b>\$683,345</b>	<b>\$693,646</b>	<b>\$8,018,516</b>
3a Parking Tax (less)	113,782	122,684	126,022	128,082	126,062	126,092	132,262	124,676	127,052	128,082	129,318	131,378	1,515,491
<b>Net Revenue</b>	<b>\$491,879</b>	<b>\$527,490</b>	<b>\$540,843</b>	<b>\$549,083</b>	<b>\$541,003</b>	<b>\$514,122</b>	<b>\$565,803</b>	<b>\$535,459</b>	<b>\$544,963</b>	<b>\$549,083</b>	<b>\$554,027</b>	<b>\$562,268</b>	<b>\$6,503,025</b>

**NARRATIVE I**

**FY 2007-2008 Approved Budget  
To  
FY 2007-2008 Projection**

**1a. Transient Parking** **+ 1.06%**  
The increase in transient parker revenue is a direct reflection of changes made late in the 2008 fiscal year to the valet stack program. The garage is now able to accommodate more vehicles while using fewer labor hours and use the garage full sign for shorter periods.

**1b. Monthly Parking** **+ 0.62%**  
Monthly parking revenue shall remain favorable due to the overwhelming demand for monthly parking. We have an extensive waiting list for daytime monthly parking and cancellations can be replaced immediately if necessary. Therefore, we do not foresee any decrease in monthly parking revenue for the remaining fiscal year.

**1c. Business Validation** **+ 4.17%**  
Business Validations have exceeded expectations due to increase demand in the financial district

**1g. Government Monthly Parking** **- 0.54%**  
Year to date totals indicate that monthly parking will be slightly unfavorable to budget.

**2a. Miscellaneous** **+74.71 %**  
This category represents monthly card deposit and card replacement fees. We are not anticipating any additional monthly parkers above the current level.

**3a. Parking Tax** **+0.90%**  
Parking Tax is equal to .20% of total revenue, excluding tax exempt revenue received for government parking.

**A1. Administrative Salaries** **-3.41%**  
The variance of (\$8,000) is due to some of the supervisor and office salaries being incorrectly coded to Parking Operator Salaries. This error explains both the Administration Salaries as well as the Parking Operator Salaries.

**A2. Parking Operations Salaries** **+4.65%**  
Both Administrative Salaries and Janitorial Salaries were miscoded to Parking Operator Salaries. Collectively the three salary categories are expected to exceed budget by only \$1,922.00 (less than a 1% variance).

**A3. Janitorial Salaries** **- 36.90%**  
A portion of the Janitorial Salaries was miscoded to Parking Operator Salaries.

<b>B1. Payroll Taxes (non-SF)</b>	<b>+5.43%</b>
Reflects increase in payroll expense	
<b>B2. SF Payroll Taxes</b>	<b>+0.25%</b>
Reflects increase in payroll expense	
<b>B3. Welfare &amp; Pension</b>	<b>- 8.04%</b>
The negative Welfare and Pension variance is due to a budgeted increase that took effect in the beginning of January 2008. As the fiscal year comes to a conclusion, the variance will slowly decrease closer to zero. This variance will not reach zero, however, because the budget was formulated based on the union journeyman contribution but the garage was staffed with 6 (of 24 total employees) non journeyman rate employees.	
<b>B4. Worker's Compensation</b>	<b>-7.29%</b>
This variance was caused by a lower than anticipated increase in workman's compensation insurance.	
<b>C1. Gas &amp; Electric</b>	<b>-13.56%</b>
Gas and electric is expected to fall short of budget by \$10,000.00 due to lower than anticipated rate increases.	
<b>C2. Water &amp; Sewer</b>	<b>+1.85%</b>
Water and sewer is expected to exceed budget by \$111.00	
<b>C3. Telephone</b>	<b>-1.28%</b>
Telephone expense is expected to fall short of expectation by \$46.00	
<b>C4. Scavenger</b>	<b>+23.98%</b>
Disposal is expected to exceed budget by approximately \$1,300 due to both unforeseen rate increases as well as upgrading the facility to a larger dumpster late in the fiscal year to keep up with the facilities disposal needs.	
<b>D1. Insurance</b>	<b>-11.30%</b>
Insurance expense is expected to fall short of budget by \$4,400.00 due to lower than anticipated rate increases.	
<b>D2. Repair &amp; Maintenance (Facility)</b>	<b>+/-0.00%</b>
Repairs and maintenance is expected to meet budget	
<b>D3. Office Supplies</b>	<b>+/-0.00%</b>
Office supplies is expected to meet budget	
<b>D4. Garage Supplies</b>	<b>+/-0.00%</b>
Garage supplies is expected to meet budget	
<b>D5. Parking Supplies</b>	<b>+4.30%</b>
Parking supplies exceeded budget due to purchases that should have been coded to Garage	



Supplies. These categories will balance to zero at the end of the year.

**E1 Management Fee** **+/-0.00%**

As per revision in management contract.

**E2 Incentive Fee** **+/-0.00%**

As per revision in management contract

**F2. Garage Audit** **-93.26%**

As per the addendum to the contract 10-11, page 16, garage auditing is to be done by an auditor selected by the city of SF. No expense was recorded to the budget to date in our contract term. Five Star Parking spent approximately \$1,500 on a mystery shop program geared to check garage collection processes and revenue control efficiency but this amount was mistakenly coded to Garage Supplies instead of audit.

**F4. Security (Contractual)** **-0.10%**

Reflects a reduction in the security costs that took effect on March 1 2008

**F9. Uniform Cleaning** **+35.00%**

Drastic increase in uniform costs are due to replacement of damaged products as well as increases in cleaning and delivery costs that increase with cost of fuel. The Golden Gateway garage contract with Cintas expired and was renewed on December 1 2007.

**F12 Amored Services** **-42.60%**

The scope of work for the armored car service was temporarily reduced. Features scheduled to be added in January have been delayed until July 1 2008.

**G3. Garage Claims** **-37.50%**

Anticipate decrease due to improved training and operational procedures

**G6 Miscellaneous** **+61.84%**

Increase reflects increase in monthly card replacement fees and monthly card deposits due to favorable monthly parking activity. Each cancelled monthly has been replaced with a new monthly parker off the waiting list causing the misc. income to increase respectively.

## **NARRATIVE II**

**FY 2007-2008 Approved Budget  
To  
FY 2008-2009 Proposed Budget**

<b>1a. Transient Parking</b>	<b>+3.00%</b>
Increase reflects expected increase in demand.	
<b>1b. Monthly Parking</b>	<b>+1%</b>
Increase reflects expected increase in demand.	
<b>1g. Government Monthly Parking</b>	<b>+3%</b>
Increase reflects expected increase in demand.	
<b>A1. Administrative Salaries</b>	<b>+3%</b>
Union contract expires 2008. As a result, anticipate that salaries will increase by 3%.	
<b>A2. Parking Operations Salaries</b>	<b>+3%</b>
Union contract expires 2008. As a result, anticipate that salaries will increase by 3%.	
<b>A3. Janitorial Salaries</b>	<b>+3%</b>
Union contract expires 2008. As a result, anticipate that salaries will increase by 3%.	
<b>B1. Payroll Taxes (non-SF)</b>	<b>+3%</b>
Payroll taxes will increase in accordance with increase in payroll.	
<b>B2. SF Payroll Taxes</b>	<b>+3%</b>
Payroll taxes will increase in accordance with increase in payroll.	
<b>B3. Welfare &amp; Pension</b>	<b>-2%</b>
Welfare and pensions will increase in accordance with payroll.	
<b>B4. Worker's Compensation</b>	<b>+3%</b>
Reflects increase as a result of increase in salaries.	
<b>D1. Insurance</b>	<b>+3%</b>
Increase includes increase for yearly insurance premiums for insurance coverage.	
<b>D2. Repair &amp; Maintenance (Facility)</b>	<b>+3%</b>
Reflect increase in repair & maintenance repairs due to aging building and revenue system.	
<b>D3. Office Supplies</b>	<b>-24%</b>
Decrease reflects additional monies in the 2009 budget for minor renovations to the garage office.	
<b>G2. Marketing</b>	<b>+3%</b>
Increase includes additional marketing cost for brochures, letters and various correspondences that will be used to increase Night Monthly parking, residential usage after hours and discount merchant parking during non-peak hours.	
<b>G3. Garage Claims</b>	<b>+3%</b>

Anticipate increase due to inflation

**G6. Other Contractual Services**

**+3%**

Cost includes full year of armored car services.

**GARAGE**  
**\*FY 2008-2009 and FY 2009-2010 MARKETING PLAN**

Following is Five Star Parking's Marketing Plan for the Golden Gateway Garage. Five Star Parking would like to institute some or all of the following new programs at the Golden Gateway Garage for the upcoming budget years.

**1) Garage Advertising:**

Five Star Parking also recommends the use of both Ad Wall and Gate Arm Advertising in the Golden Gateway Garage. Through companies such as ad wall, DPT can receive revenue for unused wall space in the Golden Gateway. AD Wall will pay to place advertisements approved by DPT and Five Star Parking on prominent walls in the garage. At the same time the Golden Gateway receives revenue for the unused wall space, the wall advertisement also brightens and modernizes the garage interior. Some of these forms of advertising also serve as signage. For instance, the Golden Gateway can also collect revenue from gate arm advertisements. However, on the back of these gate arm advertisements is printed "DO Not Enter" or "Exit Only" informing the garage patrons that they are entering in the wrong direction.

**2) Garage Laundry Service:**

Five Star Parking proposes the addition of the Laundry Locker service to the Golden Gateway Garage. Laundry Locker is a Dry Cleaning company that installs lockers in local garages that they then allow the garage's customers to drop laundry off at. The Laundry is picked up daily and returned the following business day. While the garage patrons are receiving superb quality dry cleaning and the convenience of drive-up service, the Golden Gateway Garage is actually receiving \$1.00 per transaction. While the revenue generated for the garage through this added service will most likely only reach \$1,200.00 per year, the service itself adds value and convenience to the facility for the garage patrons. The Laundry Locker Service is already in use at locations such as the BofA center, One California Street, and the Russ Building.

**3) Night Time Monthly Parking:**

After analyzing the garage use and occupancy over the past year it has become apparent that the largest opportunity for revenue increase is in the nighttime monthly parker program. The current night time monthly program allows a parker to enter the garage any time after 2:00 PM and exit the garage any time before 8:00AM Monday – Friday during normal business hours. In addition, the nighttime monthly parker is given unrestricted weekend access to the garage during normal hours of operations. By January 1, 2008 the facility has dropped down to only four nighttime monthly

parkers even though the rate of \$210.00 per month is comparable many of the surrounding garages. In order to increase this number the attached flyer will be distributed to local businesses such as Le Meridian Hotel, the Park Grille, L'Oliver Restaurant, The Golden Gateway Apartments, and the Embarcadero Cinema. At first, the target market of this flyer will be the night and weekend employees of these locations but later the program may have the opportunity to expand to include patrons. By increasing the number of nighttime monthly parkers the garage will experience a boost in revenues without any of the occupancy constraints experienced during the normal business hours of 5:00am – 6:00pm.

**4) Hotel Discounted Weekend Parking:**

Currently the Golden Gateway Garage does not cater to Le Meridian Hotel located just a block up Clay Street. By establishing a discounted overnight rate, the garage will attract some of the hotels overnight and weekend patrons. Every weekend thousands of tourists pour into the city of San Francisco and are shocked to find hotel valet rates ranging all the way up to \$50.00 per night. While the Golden Gateway can not offer the hotel guests in and out privileges, it can offer a more economic alternative to the high priced hotel valets. Five Star Parking recommends the implementation of a \$12.00 per night rate for hotel guests using the garage on Friday and Saturday nights. This discounted rate would be advertised only through the local hotels and would not be advertised in the garage. The discounted rate would be comparable to the \$15.00 overnight rate offered by the Embarcadero Center Garages with the major difference being that the Golden Gateway is not open 24 hours for retrieval.

**5) Night/Weekend Golden Gateway Apartments Discount Stamp**

Five Star Parking proposes that the Golden Gateway Garage offer the Golden Gateway Apartments discount validation books at printing cost. These discount stamps would then be distributed to the tenants of the Golden Gateway Apartments for use by after hour and weekend visitors. While the validation would not provide any discount Monday through Friday during the garage peak hours of 4:00AM – 5:00 PM, the validation would offer a flat rate of \$6.00 for parking after 5PM Monday through Friday and \$12 all day on weekends. This would provide Golden Gateway Apartment visitors with a \$1.00 discount weeknights Monday through Friday and would offer them weekend parking \$3.00 per day cheaper than the Embarcadero Centers. The Golden Gateway Apartments would be able to re-order these validation books from the garage at printing cost from Digital Printing Systems. The goal behind this proposal is to bring in additional after hour parkers when the garage is typically slow.

**6) Car Detail Service:**

Currently Absolute Car Care is the detail facility located in the basement level of the Golden Gateway Garage. Absolute is paying the garage \$500.00 per month for utilities as well as paying \$390.00 per parking space on the nine parking spaces they use. The total monthly payment from Absolute Car Care to the Golden Gateway Garage is \$4,010.00. Five Star Parking recommends that Golden Gateway Garage bill Absolute for 9 reserved stalls at \$500.00 per stall opposed to the suggested regular monthly rate of \$415.00. If accepted this will increase Absolute Car Care's rent to \$5,000.00 per month, an additional \$990.00 per month or \$11,880.00 per year.

7) **Incremental Rate Change:**

Five Star Parking recommends that the rate of \$3.00 per thirty minutes be changed to \$2.00 per 15 minutes at the Golden Gateway Garage. This change in the incremental rate will substantially increase garage revenues for short term parkers while at the same time shorten the amount of time it takes to reach the daily maximum charge of \$36.00. Currently the Golden Gateway Garage is the last garage in a several block radius to maintain a thirty minute incremental rate. All of the garages major competitors including the embarcadero centers have moved to a 15 minute incremental rate. In comparison to the local market, the suggested rate of \$2.00 per 15 minutes will still remain the lowest incremental price in the vicinity. Please note that no adjustments have been made to the budget for this recommended increase.

THIS PRINT COVERS CALENDAR ITEM NO: 17

**MUNICIPAL TRANSPORTATION AGENCY**  
City and County of San Francisco

**DIVISION:** Finance and Administration

**BRIEF DESCRIPTION:**

Approving the City of San Francisco Japan Center Garage Corporation's Fiscal Years 2008-2009 and 2009-2010 Operating Budget and authorizing the SFMTA Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

**SUMMARY:**

- On July 1, 2002, the City and County of San Francisco leased the Japan Center Garages to the City of San Francisco Japan Center Garage Corporation ("Corporation") for the oversight of the Main Japan Center Garage and the Fillmore Street Annex Garage (collectively "Garage").
- Pursuant to the lease, the Corporation is required to submit an annual operating budget to the Municipal Transportation Agency Board of Directors and the Office of the Controller.
- The Japan Center Garage Corporation remits monthly net income to the City.
- The SFMTA receives 75 percent of the net income and the Corporation retains 25 percent in the Corporation's capital improvement fund.
- SFMTA Finance staff formulated a uniform, two-year budget submittal package for use by all garages to establish a new benchmark in the quality of garage budget submittals and to improve the budget review process that includes line item analysis, historical trend review and ongoing discussions with the Corporation to ensure that reasonable assumptions and methodologies are used.
- The budget package also incorporates recommendations outlined in the Chance Management Report recommendations for historical trend data, multi-year budgeting and consistent budget formats throughout SFMTA administered garages.
- The two-year operating budget submitted by the Corporation is consistent with the requirements of Proposition A for this even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year.

**ENCLOSURES:**

1. MTAB Resolution
2. Fiscal Years 2008-2009 and 2009-2010 Operating Budget for the Japan Center Garages

**APPROVALS:**

**DATE**

DEPUTY OF DIVISION  
PREPARING ITEM

\_\_\_\_\_

FINANCE

\_\_\_\_\_

EXECUTIVE DIRECTOR/CEO

\_\_\_\_\_

SECRETARY

\_\_\_\_\_

ADOPTED RESOLUTION

SHOULD BE RETURNED TO: Sonali Bose, Finance and Administration

**ASSIGNED MTAB CALENDAR DATE:** \_\_\_\_\_

**EXPLANATION:**

**Background:**

On April 16, 2002, the Parking and Traffic Commission approved Resolution 122-02-PTC, urging the Board of Supervisors to approve the lease between the City of San Francisco Japan Center Garage Corporation (“Corporation”) and the City and County of San Francisco for the administration of the Japan Center Garages (“Garage”). On June 10, 2002, the Board of Supervisors adopted Resolution Number 0396-02, File Number 020634, approving the 15-year lease. The Corporation hires a management company to operate the Garage. The management company receives \$3,000 per month in management fees and ten percent of annual net revenues in excess of target revenues.

Pursuant to the lease, the Corporation is required to submit an annual Operating Budget for review and approval by the Municipal Transportation Agency Board and the Office of the Controller.

Under the lease, the Department of Parking and Traffic (“DPT”) receives 75 percent of the Garage’s net income and the Corporation retains 25 percent of net income (up to a maximum of \$2 million) in a capital improvement fund. Once the fund reaches \$2 million, all of the Garage’s net income goes to DPT.

SFMTA Finance staff formulated a uniform, two-year budget submittal package for use by all garages to establish a new benchmark in the quality of garage budget submittals and to improve the budget review process. The budget package also incorporates recommendations outlined in the Chance Management Report recommendations for historical trend data, multi-year budgeting and consistent budget formats throughout SFMTA administered garages. Capital improvement requests are deferred until an overall assessment of the capital improvement needs by the SFMTA is completed.

The two-year operating budget submitted by the Corporation is consistent with the requirements of Proposition A for this even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year.

**Budget Evaluation Process:**

Upon receipt of the Corporation’s budget submittal, staff’s initial review begins with a year-to-date verification of each revenue and expense line item category with the most recent garage monthly report. These line items are projected out through the end of the fiscal year taking into account the variations in seasonality, possible implementation of rate adjustments, known upcoming events, scheduled salary increases and associated payroll expenses, and normalizing for non-regular services or supply purchases. This initial review enables staff to identify possible erroneous assumptions made by the Corporation.

The next step in the process is to communicate to the Corporation any items of concern, point out obvious mathematical or formatting errors, if any, and to provide the opportunity for clarification and/or revision. Upon mutually accepted projections of revenues and expense for the current and proposed years, the Corporation is requested to re-submit the budget in its final form providing the basis for this staff report. The operating budget submitted by Corporation for the Japan Center Garages contained no significant errors and staff agreed with their initial projections of revenues and expenses.

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**FISCAL YEAR 2007-2008**

A comparison between the approved FY 2007-2008 Operating Budget and the anticipated FY 2007-2008 performance is shown in the chart below.

**FY 2007-2008 Performance:**

	<b>July 2007- June 2008 Approved Budget</b>	<b>July 2007 – June 2008 Actual/ Anticipated</b>	<b>Difference Between Approved and Anticipated</b>
Revenue	\$3,622,100	\$3,670,577	\$48,477
less Parking Taxes	\$719,000	\$728,208	\$9,208
less Expenses	\$1,674,135	\$1,697,523	\$23,388
Net Income	\$1,228,965	\$1,244,846	\$15,881
SFMTA Income (75 percent of Net Income)	\$921,724	\$933,635	\$11,911

The anticipated revenue of \$3,670,577 for FY 2007-2008 reflects an anticipated growth of \$48,477 (or 1.3 percent) in revenues over the approved FY 2007-2008 budget. The increase in revenue over the prior year actual is the result in part from the rate increase implemented April 1, 2007 and the recent re-opening of the renovated Sundance Kabuki Cinemas (formally the AMC Kabuki 8 Theatres).



As to expenses, the Corporation anticipates spending \$1,697,523, which \$23,388 more than budgeted (or 1.4 percent), largely due to unforeseen sidewalk repairs and additional security personnel needed to direct traffic during the garage's waterproofing capital improvement.

The Corporation anticipates generating \$1,244,846 in Net Income, which is \$15,881 (or 1.3 percent) greater than the Net Income budgeted for FY 2007-2008. The SFMTA will receive \$933,635 in Net Income for FY 2008-2009 after the Corporation retains 25 percent for their future capital improvement needs.

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### **FISCAL YEARS 2008-2009 and 2009-2010**

A comparison of the approved FY 2007-2008 Operating Budget, the proposed FY 2008-2009 and 2009-2010 Operating Budget, is shown in the chart below.

#### **FY 2008-2009 and 2009-2010 Proposed Operating Budget:**

	<b>2007-2008 Approved Budget</b>	<b>2008-2009 Proposed Budget</b>	<b>2009-2010 Proposed Budget</b>	<b>2008-2009 Compared to 2007- 2008</b>	<b>2009-2010 Compared to 2008- 2009</b>
Revenue	\$3,622,100	\$3,844,970	\$3,997,610	\$222,870	\$152,640
less Parking Taxes	\$719,000	\$762,194	\$792,422	\$43,194	\$30,228
less Expenses	\$1,674,135	\$1,735,995	\$1,784,283	\$61,860	\$48,288
Net Income	\$1,228,965	\$1,346,781	\$1,420,905	\$117,816	\$74,124
DPT Income (75 percent of Net Income)	\$921,724	\$1,010,086	\$1,065,679	\$88,362	\$55,593

For FY 2008-2009, the Corporation projects generating \$3,844,970 in revenue, a \$222,870 (or 6.2 percent) increase over the budgeted amount for FY 2007-2008 due to an anticipated increase in patronage from the recently renovated/re-opened Sundance Kabuki Cinemas above the Annex Garage and the anticipated opening of the Japanese Pop Culture Center located directly across from the Main Garage on Post Street. The Corporation is planning an aggressive marketing effort to maintain the existing customer base and capture new patronage that could be attracted to the new venues and festivals in Japantown.

The Corporation proposes expenditures for FY 2008-2009 of \$1,735,995 which is \$61,860 (or 3.7 percent) over the amount budgeted for FY 2007-2008. The amount is \$38,472 (or 2.3 percent) more than anticipated for FY 2007-2008. The increase in expenditure is largely due scheduled salary increases and associated benefits. The Corporation has requested the addition of a Marketing and Community Relations Director to focus on increasing patronage to the garage and to represent the Corporation in connection with upcoming developments in the surrounding community. The expense for this position will be offset by the reduction of the marketing expense categories related to discontinuing efforts provided by the Japantown Task Force.

Consequently, the Corporation projects generating \$1,346,781 in Net Income for FY 2008-

2009 which is \$117,816 more than budgeted for FY 2007-2008. FY 2008-2009 Net Income to the SFMTA is proposed to be budgeted at \$1,010,086 representing an increase of \$88.362 or nine percent over FY 2007-2008. Capital improvement requests are being deferred until the SFMTA has conduct an overall assessment of the capital improvement needs of all SFMTA administered parking facilities.

For FY 2009-2010, the Corporation is projecting \$1,065,679 Net Income to the SFMTA which is \$55,593 over the amount budgeted for FY 2008-2009. Expenditures are modestly budgeted to reflect scheduled salaries and associated payroll expenses. The Corporation will be provided an opportunity to make proposed amendments to the FY 2009-2010 Operating Budget.

This item directly supports Goal 4, Financial Capacity: To ensure financial stability and effective resource utilization and supports all other SFMTA 2008-2012 Strategic Plan Goals indirectly.

The City Attorney's Office has reviewed this item.

**Recommendation:**

Staff recommends that the San Francisco Municipal Transportation Agency Board of Directors adopt the attached resolution, approving the City of San Francisco Japan Center Garage Corporation's Fiscal Years 2008-2009 and 2009-2010 Operating Budget and authorizing the SFMTA Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, The Japan Center Garage Corporation (the "Corporation") operates the Japan Center Garages ("Garage") on behalf of the City and County of San Francisco under a lease agreement with the City; and,

WHEREAS, Under the conditions of the lease, the Corporation is required to submit an annual Operating Budget to the Municipal Transportation Agency Board of Directors and the Office of the Controller for review and approval; and,

WHEREAS, Each year the Municipal Transportation Agency Board of Directors reviews the non-profit garage budget and makes recommendations to the Office of the Controller; and,

WHEREAS, The Corporation has submitted the Fiscal Years 2008-2009 and 2009-2010 Garage Operating Budget to the Municipal Transportation Agency Board of Directors for review; and,

WHEREAS, The two-year Operating Budget submitted by the Corporation is consistent with the requirements of Proposition A for this even-numbered year and is in a format provided by the SFMTA; and,

WHEREAS, The Corporation will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year; and,

WHEREAS, The Municipal Transportation Agency Board of Directors has reviewed the Corporation's Operating Budget for the Japan Center Garages; now, therefore, be it

RESOLVED, That the Municipal Transportation Agency Board of Directors approves the Japan Center Garage Corporation's Fiscal Years 2008-2009 and 2009-2010 Operating Budget for the Japan Center Garages; and, be it further

RESOLVED, That the Municipal Transportation Agency Board of Directors authorizes the SFMTA Executive Director/CEO, or his designee, to forward the Japan Center Garage Corporation's Fiscal Years 2008-2009 and 2009-2010 Operating Budget for the Japan Center Garages to the Office of the Controller for final approval.

I hereby certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

Board

\_\_\_\_\_  
Secretary, Municipal Transportation Agency

**CITY AND COUNTY OF SAN FRANCISCO**

**JAPAN CENTER GARAGES  
1610 GEARY BOULEVARD  
SAN FRANCISCO, CA 94115**

**PROPOSED BUDGET**

**FY 2008 – 2009 (FY09)**

**FY 2009 – 2010 (FY10)**

**Prepared by:**

**City of San Francisco Japan Center Garage Corporation**

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**JAPAN CENTER GARAGE  
Three-Year Historical Trend  
Summary of Revenue and Expenditure  
(TABLE I)**

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Budget Jun. 1, 2004 - Jul. 31, 2005</b>	<b>Actual Jun. 1, 2004 - Jul. 31, 2005</b>	<b>Budget Jun. 1, 2005 - Jul. 31, 2006</b>	<b>Actual Jun. 1, 2005 - Jul. 31, 2006</b>	<b>Budget Jun. 1, 2006 - Jul. 31, 2007</b>	<b>Actual Jun. 1, 2006 - Jul. 31, 2007</b>
<b>REVENUE</b>						
1a Transient Parking	1,534,302	1,481,426	1,535,000	1,580,253	1,630,000	1,658,504
1b Monthly Parking	1,062,350	1,103,743	1,100,000	1,215,588	1,270,000	1,242,564
1c Business Validation	461,106	457,419	480,000	432,676	440,000	291,853
<b>Total Parking Revenue</b>	<b>\$3,057,758</b>	<b>\$3,042,588</b>	<b>\$3,115,000</b>	<b>\$3,228,517</b>	<b>\$3,340,000</b>	<b>\$3,192,921</b>
2a Miscellaneous Revenues	39,777	24,212	25,400	27,148	25,200	32,735
<b>Gross Revenue</b>	<b>\$3,097,535</b>	<b>\$3,066,800</b>	<b>\$3,140,400</b>	<b>\$3,255,666</b>	<b>\$3,365,200</b>	<b>\$3,225,656</b>
3a Parking Tax (less)	611,552	608,518	623,000	645,703	668,000	658,713
<b>Net Parking Revenue</b>	<b>\$2,485,983</b>	<b>\$2,458,282</b>	<b>\$2,517,400</b>	<b>\$2,609,963</b>	<b>\$2,697,200</b>	<b>\$2,566,943</b>
4a Bank Interest	8,000	1,470	2,100	2,350	2,000	4,241
<b>Net Revenue</b>	<b>\$2,493,983</b>	<b>\$2,459,751</b>	<b>\$2,519,500</b>	<b>\$2,612,312</b>	<b>\$2,699,200</b>	<b>\$2,571,184</b>
<b>EXPENDITURE</b>						
<b>Personnel Cost</b>						
A1 Administrative Salaries	214,617	210,400	230,000	218,384	237,000	226,906
A2 Parking Operations Salaries	407,645	389,076	430,000	391,794	455,000	390,804
<b>Payroll Expenses</b>						

B1 Payroll Taxes (non-SF)	52,892	52,555	56,000	53,677	63,500	53,863
B2 SF Payroll Taxes	9,334	8,992	11,000	9,153	11,000	9,266
B3 Welfare & Pension	174,570	163,617	172,000	178,692	205,000	162,947
B4 Worker's Compensation	55,852	53,819	60,000	51,494	60,000	50,173
<b>Utilities</b>						
C1 Gas & Electric	58,793	76,587	60,000	68,746	68,000	81,945
C2 Water	5,100	5,376	6,000	5,877	6,000	5,193
C3 Telephone	2,500	2,828	3,000	2,475	2,500	3,281
C4 Scavenger	7,100	7,173	7,400	7,246	7,500	8,370
<b>Supplies &amp; Services</b>						
D1 Insurance	52,592	62,456	61,000	59,350	60,000	61,004
D2 Repairs & Maintenance (Facility)	25,000	50,061	30,000	46,754	36,000	42,263

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Budget Jun. 1, 2004 - Jul. 31, 2005</b>	<b>Actual Jun. 1, 2004 - Jul. 31, 2005</b>	<b>Budget Jun. 1, 2005 - Jul. 31, 2006</b>	<b>Actual Jun. 1, 2005 - Jul. 31, 2006</b>	<b>Budget Jun. 1, 2006 - Jul. 31, 2007</b>	<b>Actual Jun. 1, 2006 - Jul. 31, 2007</b>
D3 Office Supplies	5,000	6,077	5,000	4,162	7,500	7,074
D4 Garage Supplies	10,000	12,042	10,000	7,704	12,000	13,648
D5 Parking Supplies	6,500	6,727	6,500	6,166	8,500	8,465
<b>Management Costs</b>						
E1 Management Fee	36,000	36,000	36,000	36,000	36,000	36,000
E2 Incentive Fee	0	0	0	0	0	0
<b>Professional/Personal Services</b>						
F1 Accounting/Bookkeeping	7,500	7,338	7,500	8,315	8,600	7,279
F2 Garage Audit	17,650	16,411	15,500	19,460	18,000	25,718
F3 Garage Legal	10,000	8,558	10,000	9,100	10,000	23,135
F4 Security (Contractual)	90,000	88,193	84,000	91,408	95,000	95,911
F5 Janitorial Contract	65,500	65,420	48,000	53,375	48,000	51,280
F8 Bank Charges (Non-trustee)	500	-	6,600	6,590	7,500	9,095
F9 Uniform Cleaning	2,040	2,654	2,500	2,700	3,700	2,260
F10 Payroll Processing	1,300	388	500	376	500	368
F12 Other Contractual Services	85,000	52,739	80,000	103,687	150,000	140,339
<b>Other Costs</b>						
G1 Taxes & Licenses	1,800	1,383	1,800	1,839	2,700	1,845
G2 Marketing	22,000	20,847	90,000	33,565	30,000	96,579
G5 Miscellaneous	1,000	1,602	1,000	-	1,000	837

<b>Total Garage Expense</b>	<b>\$1,427,785</b>	<b>\$1,409,320</b>	<b>\$1,531,300</b>	<b>\$1,478,091</b>	<b>\$1,650,500</b>	<b>\$1,615,847</b>
<b>Garage Operating Income/Loss</b>	<b>\$1,066,198</b>	<b>\$1,050,431</b>	<b>\$988,200</b>	<b>\$1,134,221</b>	<b>\$1,048,700</b>	<b>\$955,336</b>
<b>Corporate Expenses</b>						
H2 Corporate Legal	10,000	2,065	10,000	8,932	10,000	8,278
H3 Corporate Insurance	4,326	0	5,000	3,204	6,000	0
<b>Garage Net Income</b>	<b>\$ 1,051,872</b>	<b>\$ 1,048,366</b>	<b>\$ 973,200</b>	<b>\$ 1,122,086</b>	<b>\$ 1,032,700</b>	<b>\$ 947,059</b>
75% City Income	788,904	786,274	729,900	841,564	774,525	710,294
25% Corporation Capital Fund	262,968	262,091	243,300	280,521	258,175	236,765



**JAPAN CENTER GARAGE**  
**FY 2008 Approved Budget vs. FY 2008 Projection**  
**Summary of Revenue and Expenditure**  
**(TABLE II)**

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget Jun. 1, 2007 - Jul. 31, 2008</b>	<b>Projected Jun. 1, 2007 - Jul. 31, 2008</b>	<b>Difference Between FY08 Approved and FY08 Projected</b>	
<b>REVENUE</b>				
1a Transient Parking	1,750,000	1,833,537	83,537	4.8%
1b Monthly Parking	1,400,000	1,367,411	(32,589)	-2.3%
1c Business Validation	445,000	440,093	(4,907)	-1%
<b>Total Parking Revenue</b>	<b>\$3,595,000</b>	<b>\$3,641,041</b>	<b>\$46,041</b>	<b>1%</b>
2a Miscellaneous Revenues	23,100	26,536	3,436	15%
<b>Sub-total Revenue</b>	<b>\$3,618,100</b>	<b>\$3,667,577</b>	<b>\$49,477</b>	<b>1%</b>
3a Parking Tax (less)	719,000	728,208	9,208	1%
<b>Net Parking Revenue</b>	<b>\$2,899,100</b>	<b>\$2,939,369</b>	<b>\$40,269</b>	<b>1%</b>
4a Bank Interest	4,000	3,000	(1,000)	-25%
<b>Net Revenue</b>	<b>\$2,903,100</b>	<b>\$2,942,369</b>	<b>\$39,269</b>	<b>1%</b>
<b>EXPENDITURE</b>				
<b>Personnel Cost</b>				
A1 Administrative Salaries	240,000	240,000	0	0%
A2 Parking Operations Salaries	441,000	424,088	(16,912)	-4%
<b>Payroll Expenses</b>				
B1 Payroll Taxes (non-SF)	61,290	57,337	(3,953)	-6%
B2 SF Payroll Taxes	10,215	9,863	(352)	-3%
B3 Welfare & Pension	175,000	185,612	10,612	6%
B4 Worker's Compensation	55,000	53,845	(1,155)	-2%

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget Jun. 1, 2007 - Jul. 31, 2008</b>	<b>Projected Jun. 1, 2007 - Jul. 31, 2008</b>	<b>Difference Between FY08 Approved and FY08 Projected</b>	
<b>Utilities</b>				
C1 Gas & Electric	85,000	79,075	(5,925)	-7%
C2 Water	6,100	4,139	(1,961)	-32%
C3 Telephone	3,200	3,566	366	11%
C4 Scavenger	8,500	8,845	345	4%
<b>Supplies &amp; Services</b>				
D1 Insurance	34,600	31,928	(2,672)	-8%

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget Jun. 1, 2007 - Jul. 31, 2008</b>	<b>Projected Jun. 1, 2007 - Jul. 31, 2008</b>	<b>Difference Between FY08 Approved and FY08 Projected</b>	
D2 Repairs & Maintenance (Facility)	70,000	112,936	42,936	61%
D3 Office Supplies	12,500	12,500	0	0%
D4 Garage Supplies	12,000	12,666	666	6%
D5 Parking Supplies	8,500	9,396	896	11%
<b>Management Costs</b>				
E1 Management Fee	36,000	36,000	0	0%
E2 Incentive Fee	0	0	0	0%
<b>Professional/Personal Services</b>				
F1 Accounting/Bookkeeping	8,600	8,600	0	0%
F2 Garage Audit	25,000	24,410	(590)	-2%
F3 Garage Legal	10,000	10,138	138	1%
F4 Security (Contractual)	98,000	115,000	17,000	17%
F5 Janitorial Contract	52,000	53,767	1,767	3%
F8 Bank Charges (Non-trustee)	12,000	22,843	10,843	90%
F9 Uniform Cleaning	4,000	2,607	(1,393)	-35%
F10 Payroll Processing	600	409	(191)	-32%
F12 Other Contractual Services	50,000	50,000	0	0%
<b>Other Costs</b>				

REVENUE & EXPENSE CATEGORIES	Approved Budget Jun. 1, 2007 - Jul. 31, 2008	Projected Jun. 1, 2007 - Jul. 31, 2008	Difference Between FY08 Approved and FY08 Projected	
G1 Taxes & Licenses	3,000	5,590	2,590	86%
G2 Marketing	130,000	100,833	(29,167)	-22%
G5 Miscellaneous	1,030	1,030	0	0%
<b>Total Garage Expense</b>	<b>\$1,653,135</b>	<b>\$1,677,023</b>	<b>\$23,888</b>	<b>1%</b>
<b>Garage Operating Income/Loss</b>	<b>\$1,249,965</b>	<b>\$1,265,346</b>	<b>\$15,381</b>	<b>1%</b>
<b>Corporate Expenses</b>				
H2 Corporate Legal	15,000	15,000	0	0%
H3 Corporate Insurance	6,000	5,500	-500	-8%
<b>Garage Net Income</b>	<b>\$1,228,965</b>	<b>\$1,244,846</b>	<b>\$15,881</b>	<b>1%</b>
75% City Income	921,724	933,635	11,911	1%
25% Corporation Capital Fund	307,241	311,212	3,970	1%

**JAPAN CENTER GARAGE**  
**FY 2009 and FY 2010 Proposed Budget**  
**Summary of Revenue and Expenditure**  
**(TABLE III)**

REVENUE & EXPENSE CATEGORIES	Approved Budget Jun. 1, 2007 – Jul. 31, 2008	Proposed Budget Jun. 1, 2008 – Jul. 31, 2009	Proposed Budget Jun. 1, 2009 – Jul. 31, 2010	Difference Between FY08 Approved and FY09 Proposed	
<b>REVENUE</b>					
1a Transient Parking	1,750,000	1,878,853	1,961,824	128,853	7%
1b Monthly Parking	1,400,000	1,440,000	1,468,800	40,000	3%
1c Business Validation	445,000	492,117	531,486	47,117	11%
<b>Total Parking Revenue</b>	<b>\$3,595,000</b>	<b>\$3,810,970</b>	<b>\$3,962,110</b>	<b>\$215,970</b>	<b>6%</b>
2a Miscellaneous Revenues	23,100	30,000	31,500	6,900	30%
<b>Sub-total Revenue</b>	<b>\$3,618,100</b>	<b>\$3,840,970</b>	<b>\$3,993,610</b>	<b>\$222,870</b>	<b>6%</b>
3a Parking Tax (less)	719,000	762,194	792,422	43,194	6%
<b>Net Parking Revenue</b>	<b>\$2,899,100</b>	<b>\$3,078,776</b>	<b>\$3,201,188</b>	<b>\$179,676</b>	<b>6%</b>
4a Bank Interest	4,000	4,000	4,000	0	0%

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget Jun. 1, 2007 – Jul. 31, 2008</b>	<b>Proposed Budget Jun. 1, 2008 – Jul. 31, 2009</b>	<b>Proposed Budget Jun. 1, 2009 – Jul. 31, 2010</b>	<b>Difference Between FY08 Approved and FY09 Proposed</b>	
<b>Net Revenue</b>	<b>\$2,903,100</b>	<b>\$3,082,776</b>	<b>\$3,205,188</b>	<b>\$179,676</b>	<b>6%</b>
<b>EXPENDITURE</b>					
<b>Personnel Cost</b>					
A1 Administrative Salaries	240,000	339,900	350,097	99,900	42%
A2 Parking Operations Salaries	441,000	454,230	467,857	13,230	3%
<b>Payroll Expenses</b>					
B1 Payroll Taxes (non-SF)	61,290	71,472	73,616	10,182	17%
B2 SF Payroll Taxes	10,215	11,912	12,269	1,697	17%
B3 Welfare & Pension	175,000	200,461	206,474	25,461	15%
B4 Worker's Compensation	55,000	63,797	65,711	8,797	16%
<b>Utilities</b>					
C1 Gas & Electric	85,000	83,029	83,029	(1,971)	-2%
C2 Water	6,100	4,139	4,139	(1,961)	-32%
C3 Telephone	3,200	3,200	3,200	0	0%
C4 Scavenger	8,500	9,287	9,751	787	9%
<b>Supplies &amp; Services</b>					
D1 Insurance	34,600	41,928	41,928	7,328	21%

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget Jun. 1, 2007 – Jul. 31, 2008</b>	<b>Proposed Budget Jun. 1, 2008 – Jul. 31, 2009</b>	<b>Proposed Budget Jun. 1, 2009 – Jul. 31, 2010</b>	<b>Difference Between FY08 Approved and FY09 Proposed</b>	
D2 Repairs & Maintenance (Facility)	70,000	70,000	72,100	0	0%
D3 Office Supplies	12,500	17,500	7,500	5,000	40%
D4 Garage Supplies	12,000	13,046	13,437	1,046	9%
D5 Parking Supplies	8,500	9,678	9,969	1,178	14%
<b>Management Costs</b>					
E1 Management Fee	36,000	36,000	36,000	0	0%
E2 Incentive Fee	0	13,937	28,278	13,937	100%
<b>Professional/Personal Services</b>					
F1 Accounting/Bookkeeping	8,600	8,858	9,124	258	3%
F2 Garage Audit	25,000	25,000	25,000	0	0%

REVENUE & EXPENSE CATEGORIES	Approved Budget Jun. 1, 2007 – Jul. 31, 2008	Proposed Budget Jun. 1, 2008 – Jul. 31, 2009	Proposed Budget Jun. 1, 2009 – Jul. 31, 2010	Difference Between FY08 Approved and FY09 Proposed	
F3 Garage Legal	10,000	10,000	10,000	0	0%
F4 Security (Contractual)	98,000	100,950	103,979	2,950	3%
F5 Janitorial Contract	52,000	55,380	57,041	3,380	6%
F8 Bank Charges (Non-trustee)	12,000	23,985	25,184	11,985	100%
F9 Uniform Cleaning	4,000	2,685	2,766	(1,315)	-33%
F10 Payroll Processing	600	421	434	(179)	-30%
F12 Other Contractual Services	50,000	10,000	10,000	(40,000)	-80%
<b>Other Costs</b>					
G1 Taxes & Licenses	3,000	3,000	3,000	0	0%
G2 Marketing	130,000	30,000	30,000	(100,000)	-77%
G5 Miscellaneous	1,030	1,000	1,000	(30)	-3%
<b>Total Garage Expense</b>	<b>\$1,653,135</b>	<b>\$1,714,795</b>	<b>\$1,762,883</b>	<b>\$61,660</b>	<b>5%</b>
<b>Garage Operating Income/Loss</b>	<b>\$1,249,965</b>	<b>\$1,367,981</b>	<b>\$1,442,305</b>	<b>\$118,016</b>	<b>8%</b>
<b>Corporate Expenses</b>					
H2 Corporate Legal	15,000	15,000	15,000	0	0%
H3 Corporate Insurance	6,000	6,200	6,400	200	3%
<b>Garage Net Income</b>	<b>\$1,228,965</b>	<b>\$1,346,781</b>	<b>\$1,420,905</b>	<b>\$117,816</b>	<b>8%</b>
75% City	921,724	1,010,086	1,065,679	88,362	8%
25% Corporation	307,241	336,695	355,226	29,454	8%



**JAPAN CENTER GARAGE**  
**FY 2008-2009 and FY 2009-FY2010 Proposed Revenues by Month**  
**(TABLE IV)**

<b>FY 2008 - 2009</b>	<b>Jul</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Total</b>
<b>REVENUES</b>													
<b>Parking Revenues</b>													
1a Transient Parking	163,745	163,745	160,768	160,768	151,394	151,394	151,394	154,842	154,842	156,276	154,842	154,842	1,878,853
1b Monthly Parking	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	1,440,000
1c Business Validations	43,667	38,784	42,077	42,085	41,353	58,099	34,291	41,275	43,149	36,945	38,038	32,353	492,117
<b>Total Parking Revenue</b>	<b>\$327,412</b>	<b>\$322,529</b>	<b>\$322,845</b>	<b>\$322,852</b>	<b>\$312,748</b>	<b>\$329,493</b>	<b>\$305,685</b>	<b>\$316,117</b>	<b>\$317,991</b>	<b>\$313,221</b>	<b>\$312,881</b>	<b>\$307,195</b>	<b>\$3,810,970</b>
2a Miscellaneous	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
<b>Gross Revenue</b>	<b>\$329,912</b>	<b>\$325,029</b>	<b>\$325,345</b>	<b>\$325,352</b>	<b>\$315,248</b>	<b>\$331,993</b>	<b>\$308,185</b>	<b>\$318,617</b>	<b>\$320,491</b>	<b>\$315,721</b>	<b>\$315,381</b>	<b>\$309,695</b>	<b>\$3,840,970</b>
3a Parking Tax (less)	65,482	64,506	64,569	64,570	62,550	65,899	61,137	63,223	63,598	62,644	62,576	61,439	762,194
<b>Net Revenue</b>	<b>\$264,430</b>	<b>\$260,523</b>	<b>\$260,776</b>	<b>\$260,782</b>	<b>\$252,698</b>	<b>\$266,095</b>	<b>\$247,048</b>	<b>\$255,394</b>	<b>\$256,893</b>	<b>\$253,077</b>	<b>\$252,805</b>	<b>\$248,256</b>	<b>\$3,078,776</b>

<b>FY 2009 - 2010</b>	<b>Jul</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Total</b>
<b>REVENUES</b>													
<b>Parking Revenues</b>													
1a Transient Parking	171,932	171,932	167,198	167,198	158,964	158,964	158,964	161,036	161,036	162,527	161,036	161,036	1,961,824
1b Monthly Parking	122,400	122,400	122,400	122,400	122,400	122,400	122,400	122,400	122,400	122,400	122,400	122,400	1,468,800
1c Business Validations	47,160	41,887	45,443	45,451	44,662	62,747	37,034	44,577	46,601	39,901	41,082	34,941	531,486

<b>FY 2009 - 2010</b>	<b>Jul</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Total</b>
<b>Total Parking Revenue</b>	<b>\$341,493</b>	<b>\$336,219</b>	<b>\$335,042</b>	<b>\$335,050</b>	<b>\$326,026</b>	<b>\$344,111</b>	<b>\$318,398</b>	<b>\$328,013</b>	<b>\$330,037</b>	<b>\$324,828</b>	<b>\$324,518</b>	<b>\$318,377</b>	<b>\$3,962,110</b>
2a Miscellaneous	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	2,625	31,500
<b>Gross Revenue</b>	<b>\$344,118</b>	<b>\$338,844</b>	<b>\$337,667</b>	<b>\$337,675</b>	<b>\$328,651</b>	<b>\$346,736</b>	<b>\$321,023</b>	<b>\$330,638</b>	<b>\$332,662</b>	<b>\$327,453</b>	<b>\$327,143</b>	<b>\$321,002</b>	<b>\$3,993,610</b>
3a Parking Tax (less)	68,299	67,244	67,008	67,010	65,205	68,822	63,680	65,603	66,007	64,966	64,904	63,675	792,422
<b>Net Revenue</b>	<b>\$275,819</b>	<b>\$271,600</b>	<b>\$270,659</b>	<b>\$270,665</b>	<b>\$263,445</b>	<b>\$277,914</b>	<b>\$257,343</b>	<b>\$265,035</b>	<b>\$266,654</b>	<b>\$262,487</b>	<b>\$262,239</b>	<b>\$257,327</b>	<b>\$3,201,188</b>





## NARRATIVE I

### FY 2007-2008 Approved Budget To FY 2007-2008 Projection

<b>1a. Transient Parking</b>	<b>4.8%</b>
<p>Although the upper level waterproofing project required closing sections of the main garage, it did not adversely effect overall garage utilization as we anticipated. In fact, the garage's performance improved. The increase is attributed to a combination of things from the successful efforts of the Japantown Task Force, Inc. in promoting the community that has resulted in demand for transient parking; the Kabuki Theater under new ownership re-opening in December 2007; the remodeling of two community hotels that are experiencing higher levels of occupancy rates and, the San Francisco International Film Festival moved its festival dates not conflicting with the Cherry Blossom Festival, as it has in the past. The garage is expected to perform \$83,537 more than previously projected.</p>	
<b>1b. Monthly Parking</b>	<b>-2.3%</b>
<p>For the first five months of the FY, the garage operator experienced a shortage of parking spaces and implemented a wait list. During the waterproofing project, the garage operator was reluctant to issue new monthly spaces based on availability of parking spaces to sufficiently satisfy demand for transient parking. Since the completion of the waterproofing project in November 2007, the operator has removed the wait. The operator then maximized the number of monthlies and is once again on a wait list. Therefore, a decrease of (\$32,589) is expected for this FY.</p>	
<b>1c. Business Validation</b>	<b>-1%</b>
<p>It was anticipated that the Kabuki Theaters would open in September 2007. Due to construction delays, the theaters did not open until mid-December 2007. During this same period, the two community hotels underwent major renovations resulting in lower hotel occupancy, seminars and consequently leading to fewer merchant generated validation customers resulting in (\$4,907) under budget.</p>	
<b>2a. Miscellaneous</b>	<b>15%</b>
<p>An increase of \$3,436 is expected from the growing number of garage lock-outs, lost card and late monthly payment fees.</p>	
<b>3a. Parking Tax</b>	<b>1%</b>
<p>Since there has been an increase in transient parking revenues, it is expected that Parking Tax will also rise reflecting the increase by \$9,208.</p>	
<b>4a. Bank Interest</b>	<b>-25%</b>
<p>Due to approved FY 2008 Capital expenses, the balance in the Capital Account has</p>	

been reduced resulting in decreased earnings and falling interest rates will lower Bank Interest income by \$1,000.

**A1. Administrative Salaries** **0%**

The corporation's internal auditor was on maternity leave for three months. An outside temporary staff person was hired to fill the position. Because of the increase in transient parking and an added reporting obligation, that person has been retained for one day each week to assist in the parking ticket verification process. Due to surplus in this expense category, this position could be accommodated in our current approved budget amount therefore no increase is projected.

**A2. Parking Operations Salaries** **-4%**

During the waterproof renovation project, it was intended to increase garage personnel for traffic monitoring. However, the operator was cost conscience and increased the existing security guard service as much as possible while operator employees assisted during their assigned shifts. Therefore, this line item is expected to be (\$16,912) under budget and an increase will be reflected in F4 – Security (Page 14), of which, a portion of that cost is recoverable for contractor's delays.

**B1. Payroll Taxes (non-SF)** **-6%**

Since it is expected that there will be a decline in Parking Operation Salaries, Payroll Taxes is expected to be below the budgeted estimation by (\$3,953).

**B2. SF Payroll Taxes** **-3%**

As stated in B1 – SF Payroll Taxes is also expected to be below budget by (\$352).

**B3. Welfare & Pension** **6%**

An increase of \$10,612 is expected from the hefty health and welfare increase experienced in December. In addition, the corporate employees pension contributions were being reported under administrative salaries. The corporation instructed the operator to re-classify administrative pension contributions under this line category.

**B4. Worker's Compensation** **-2%**

Along with the unnecessary need to use operator employees for the waterproofing project it is expected that workers compensation shall be below budgeted forecast by (\$1,155).

**C1. Gas & Electric** **-7%**

The energy savings equipment that was installed to automatically monitor air quality is further eliminating unnecessary use of the garage ventilation fans. We anticipate a (\$5,925) reduction from projected budget.

**C2. Water & Sewer** **-32%**

Anticipated increase in PUC rates did not materialize during this FY budget and

project a (\$1,961) under the approved budget amount of \$6,100.

**C3. Telephone** **11%**

Due to additional long distant telephone calls connected to waterproofing project, an increase of \$366 is anticipated.

**C4. Scavenger** **4%**

Due to increase in refuse disposed within garage premises, an additional pick-up service was required and will increase this Scavenger expense by \$345.

**D1. Insurance** **-8%**

Garage operator's liability insurance experienced a modest increase and estimate that Insurance will be under budget by (\$2,672).

**D2. Repair & Maintenance (Facility)** **61%**

The garage suffered several unforeseen losses that were not anticipated in the current year budget. There was \$3,621 spent on plumbing exploration work for a large water leak coming from the main garage's ceiling; \$4,113 to replace an emergency exit door destroyed by a wind storm; \$5,195 to repair damage to a concrete island caused by a hit and run driver (SFPD Case #080237461); \$17,122 to remove and replace portion of the main garage's concrete drive exit on Geary Street triggered by a trip and fall and \$7,577 to repair the garage's floor cleaning machines beyond the preventative maintenance program.

**D3. Office Supplies** **0%**

Will be at budget level.

**D4. Garage Supplies** **6%**

A slight increase of \$666 is expected due to rising costs.

**D5. Parking Supplies** **11%**

Due to rising fuel charges, trucking companies has increased their delivery fees of parking related consumables such as, tickets, receipts and ink cartridges.

**E1. Management Fee** **0%**

Contractual cost.

**E2. Incentive Fee** **100%**

It is anticipated that the operator will meet and exceed the net target revenue of \$2,800,000 by \$139,370. The 2003 Management Agreement states that the operator shall receive an Incentive Fee of 10% for amounts exceeding the target revenue and will earn \$13,937 as long as Operating Expenses do not exceed 103% of the approved budget among other conditions that are currently being satisfactorily met. This expense item was not budgeted.

**F1. Accounting/Bookkeeping** **0%**

At budget level.

<b>F2. Garage Audit</b>	<b>-2%</b>
The corporation's independent accounting firm kept within the maximum threshold for this line item resulting in (\$590) under budget.	
<b>F3. Garage Legal</b>	<b>1%</b>
In October 2007, corporate counsel increased fees from \$175 to \$200 per hour. The increase is equal to what the other non-profit garages are paying for this professional service. In addition, the City Attorney's Office has reviewed the request and has approved corporate counsel's invoices with the increase. It is expected that this line item expense will be above budget level by \$138.	
<b>F4. Security (Contractual)</b>	<b>+17%</b>
Due to additional security services required during the waterproofing project, it is expected that Security will be in the excess of the budget estimate by \$22,000. However, for the reason that the contractor overextended the project completion date, the Corporation shall seek reimbursement estimated at \$5,000 and forecast a \$17,000 over run for this line item. Despite the over run, the Corporation was able to save \$22,372 in garage operation salaries and related expenses. Offset by this cost, total savings experienced is \$5,372.	
<b>F5. Janitorial Contract</b>	<b>3%</b>
The janitorial company has included reimbursement of parking charges that was not taken into consideration when current year's budget was approved and forecast a \$1,767 increase over budget.	
<b>F8. Bank Service Charge</b>	<b>90%</b>
There has been a drastic increase in patrons using credit cards as a convenient method for payment of parking charges. The number credit card transactions have doubled since last year resulting in a \$10,843 increase in bank processing fees for credit card transactions. The credit card clearing house (NOVA), is the same company employed at other City garages and is at a discounted rate.	
<b>F9. Uniform Cleaning</b>	<b>-35%</b>
Some operator has employees elected to launder their own uniforms reducing the cost of cleaning service from uniform provider by (\$1,393).	
<b>F10. Payroll Processing</b>	<b>-32%</b>
Anticipated increase in operator's payroll service provider did not materialize and expect a (\$191) decrease.	
<b>F12. Other Contractual Services</b>	<b>0%</b>
No change expected from prior year's approved budget.	
<b>G1. Tax &amp; License Fees</b>	<b>+86%</b>
Due to tax assessor's office mailing error, annual statements were sent to another address. This expense line item includes the 2005, 2006 and 2007 unsecured property taxes. Since the tax assessor's office acknowledged the error, no interest	

or penalties has been assessed. Therefore, an increase of \$2,590 is expected for this FY.

**G2. Marketing**

**-22%**

Since the Japantown Task Force, Inc. (JTF) did not receive formal approval of its marketing plan until October 2007, JTF could not engage in many of its planned goals and activities. Thus, these funds could not be applied to its plan. Since, the funds will not be used, a decrease of (\$29,167) is expected under the approved budget allocation of the \$100,000 to JTF.

**G5. Miscellaneous**

**0%**

This budget line item includes approved refund of parking charges and other miscellaneous item not covered above and is at budget.

**H2 Corporate Legal**

**0%**

The corporation has filed a lawsuit in December 2008, against iParking, Inc. for not completing their proposed parking management and security system as promised. The corporation is currently receiving depositions from three individuals linked to the proposal and installation of the project. A fourth defendant may be released of any legal liability because it was only involved in the energy conservation portion of the two phases project that was satisfactorily completed.

Also, because they are located in Japan, their attorney has insisted international legal process that includes all transcripts being translated into Japanese and would also require services of an international attorney, which are very costly. Since they have no connection to the parking management and security system phase of the overall project, the corporation will consider suspending its claim against them in a subsequent board meeting.

In addition, as stated in F3 – Garage Legal, counsel has increased charges from \$175 to \$200 per hour.

For these reasons, the corporation cannot determine how much this line item of expense will exceed the approved FY 2008 budget projection of \$15,000.

**H3 Corporate Insurance**

**-8%**

Due to smaller increase than anticipated, a reduction of (\$500) is expected.

**NARRATIVE II**

**FY 2007-2008 Approved Budget  
To  
FY 2008-2009 Proposed Budget**

**1a. Transient Parking**

**7%**

Combined with the Kabuki Theaters opening and remodeling projects of the two community hotels, the garage is experiencing an encouraging trend for transient demand.

Current efforts of JTF in promoting the community has been successful in recapturing many past patrons lost during parking rate increases and bringing back former residents that were displaced during urban renewal to visit and become actively involved in community efforts in preserving the historic community.

We are also projecting that the proposed Japanese Pop Culture Center scheduled to open in Spring 2009 will increase the demand for transient parking, as well. The corporation also plans that the new position, Director of Marketing and Community Relations (as described under A1 – Administrative Salaries, Page 17) shall further augment increased demand as explained under the corporation’s Marketing Plan on Page 20.

It is expected that these marketing efforts will increase Transient Parking revenues by \$128,853.

**1b. Monthly Parking**

**3%**

There has been interest from another neighboring hospital facility to add 50 monthlies during our off peak hours under the restricted monthly parking program. The corporation is negotiating this agreement with Kaiser Permanente, which is likely to occur later this FY and forecast a \$40,000 increase.

**1c. Business Validation**

**11%**

Since the Sundance Kabuki Cinemas and two major hotels have completed renovation, it is anticipated that visitors will begin returning to the theater and mall shops.

The past history of the theater from the former operator neglected the facility and began losing movie patrons as far back as 1997. Under Sundance Cinemas’ new ownership, the theaters have reopened screening independent films. Although the films are not considered box office hit attractions, it is expected that overall establishments offering parking validations will benefit by the increase in returning moviegoers.

The corporation is currently engaged with Sundance Cinemas to enter into a new parking validation agreement offering its moviegoers four hours validation, instead of the current three hour validation. Sundance Cinemas has included a restaurant, a Bistro and a full service bar in the remodeled Kabuki Theaters. It makes sense to offer an additional hour of parking validation so its patrons can comfortably enjoy a dinner, cocktails and movie without feeling rushed.

It is also expected that the Director of Marketing and Community Relations will continue to promote the current parking validation programs to new and existing businesses such as the proposed Japanese Pop Culture Center and proposed opening of DOSA Restaurant in September 2008.

**2a. Miscellaneous** **30%**

The corporation shall increase monthly rents on storage room facilities and projects the growing number of garage lockouts, lost card keys and late fees. An increase of \$6,100 is projected.

**3a. Parking Tax** **6%**

Increase in overall taxable parking revenue dictates increase in parking tax by \$43,194.

**4a. Bank Interest** **0%**

Although the capital account balance will increase, the current condition of the economy may affect interest earned. Accordingly, no change is forecasted from prior year income and will remain at \$4,000.

**A1. Administrative Salaries** **42%**

The Japan Center Garage Corporation is requesting approval to hire an additional corporate staff person as the Director of Marketing and Community Relations. The Corporation is committed to maintaining revenue growth to the City while ensuring that the Corporation is well informed and responds proactively to major business changes and planning developments that could adversely affect the garage operations and revenues. The Director will be measured largely on the ability to lead and manage the marketing of Japantown to increase parking revenues to JCGC as its main objective. Responsibilities and efforts of this new staff person are outline below in the Corporation's Marketing Plan.

In addition, on December 20, 2007, the corporation's board of directors approved performance increases for the corporate manger, administrative assistant and internal auditor.

Total amount is projected to be \$99,900 more than prior year's approved budget.

**A2. Parking Operations Salaries** **3%**

Pursuant to the bargaining agreement, a small increase is projected. However, the current bargaining agreement expires on November 30, 2008 therefore, this budget forecast does not take into consideration for any increases to be more than 3% of the current staffing level.

**B1. Payroll Taxes (non-SF)** **17%**

In relation to increases in wages, payroll taxes are expected to increase \$10,182 accordingly.

**B2. SF Payroll Taxes** **17%**

1.5% of total payroll and is expected to increase \$1,697, as well.



<b>B3. Welfare &amp; Pension</b>	<b>15%</b>
Reflects a 4.9% increase in health benefits and 6% increase in pension contributions based on current staffing resulting in a \$25,461 proposed increase.	
<b>B4. Worker's Compensation</b>	<b>16%</b>
Reflects current workers compensation percentages (.0145 for administrative and .1296 for operational employees) of payroll costs. Due to increase in wages, an increase of \$8,797 is expected.	
<b>C1. Gas &amp; Electric</b>	<b>-2%</b>
Based on current consumption, a decrease of (\$1,971) is projected.	
<b>C2. Water &amp; Sewer</b>	<b>-32%</b>
Based on current usage with no rate increase taken into consideration, this line item shall be reduced by (\$1,961).	
<b>C3. Telephone</b>	<b>0%</b>
Same as prior year's budget with no increase expected.	
<b>C4. Scavenger</b>	<b>9%</b>
Last year's actual plus historical annual increase of 5% plus added pick-up service will increase to \$787.	
<b>D1. Insurance</b>	<b>-8%</b>
Based on current expenditure, a decrease of (\$2,672) is forecasted.	
<b>D2. Repair &amp; Maintenance (Facility)</b>	<b>14%</b>
On May 2, 2008, the main garage's roll-up gate on Geary Boulevard was vandalized. The gate was destroyed beyond repair and currently must be operated manually. The garage operator is obtaining estimates for repairs from three gate companies. Upon receiving estimates and pending SFPD report, the corporation will file a claim with insurance company. The increase of \$10,000 is the insurance deductible.	
<b>D3. Office Supplies</b>	<b>40%</b>
The current garage management agreement expires on June 2008. The corporation intends to perform Bid/RFP process in FY 2009 and have allocated \$5,000 in producing material related to this process. The corporation also intends to replace two, possibly three obsolete and infected computers in the aggregate of \$5,000. In 2010, this line item shall be reduced by \$10,000 pending the Bid/RFP in FY 2009.	
<b>D4. Garage Supplies</b>	<b>9%</b>
Reflects a \$1,046 increase to meet rising costs.	
<b>D5. Parking Supplies</b>	<b>14%</b>
Substantial increase to satisfy shipping increases in printed parking related items	

such as tickets and receipt stock resulting in an increase of \$1,178.

<b>E1. Management Fee</b>	<b>0%</b>
This is a set contractual cost. However, the current management agreement expires on June 2008. Since Bid/RFP documents have not been approved yet, fees for the new management agreement has not been established.	
<b>E2. Incentive Fee</b>	<b>100%</b>
Should the current Management Agreement be extended, the operator's Net Target Revenue will remain at \$2,800,000 and reflects 10% of amount exceeding the Target Net Revenue. For FY 2009, the projected amount is \$28,278 and FY 2010 is \$40,519. The current Management Agreement has capped Incentive Fee at \$50,000 per year.	
<b>F1. Accounting/Bookkeeping</b>	<b>3%</b>
Cost of living increase projected at \$258 more than prior year.	
<b>F2. Garage Audit</b>	<b>0%</b>
No change expected.	
<b>F3. Garage Legal</b>	<b>0%</b>
No increase is anticipated. However, the corporation has just filed a complaint against iParking, Inc. and legal expenses associated with this litigation are not included in this budget (H2 – Corporate Legal, Page 14).	
<b>F4. Security (Contractual)</b>	<b>3%</b>
Contractual increase of \$2,950.	
<b>F5. Janitorial Contract</b>	<b>6%</b>
Includes 3% economic increase and reimbursement of parking charges.	
<b>F8. Bank Service Charge</b>	<b>100%</b>
Due to current trend in increased credit card transactions, an \$11,985 rise is projected.	
<b>F9. Uniform Cleaning</b>	<b>-33%</b>
Based on FY 2008 experience a reduction of (\$1,315) is proposed.	
<b>F10. Payroll Processing</b>	<b>-30%</b>
Based on FY 2008 experience a reduction of (\$179) is projected.	
<b>F12. Other Contractual Services</b>	<b>-80%</b>
The corporation successfully completed its bilingual Internet website into Japanese and is reducing this line item by \$40,000 but, needs to continue \$10,000 for maintenance and modifications.	
<b>G1. Tax &amp; License Fees</b>	<b>0%</b>
No change from prior year.	

**G2. Marketing****-77%**

The one-year \$100,000 marketing fund extension to the Japantown Task Force, Inc. will conclude and will be reduced (\$100,000) in FY 2009. However, \$30,000 remains for recurring marketing expenses such as advertisements, participation in annual festivals and events. The Director of Marketing and Community Relations person shall allocate funds for the garage to receive maximum exposure.

**G5. Miscellaneous****-3%**

A (\$30) reduction is anticipated.

**JAPAN CENTER GARAGE  
FY 2008-2009 and FY 2009-2010 MARKETING PLAN**

Following is Japan Center Garage Corporation's Marketing Plan for the Japan Center Main and Fillmore Street Annex Garages.

If funded, the Director of Marketing and Community Relations will be employed by the Japan Center Garage Corporation (JCGC) and will be accountable to the board of directors of JCGC. The Director will be measured largely on the ability to lead and manage the marketing of Japantown to increase parking revenues to JCGC as its main objective. The major activities will include partnering JCGC with public and private organizations to further the economic viability, promotion and cultural preservation of San Francisco's Japantown. The position will work closely with and, in coordination with the corporate manager and staff.

The corporation successfully completed its website in English and Japanese offering coupon incentives to businesses in the community with a steady number of guests visiting the site. In order to maintain visitors interest, the website also includes an events page and periodically change the views on our home page. The Director of Marketing and Community Relations will explore translation into other languages, as well.

To achieve maximum exposure benefiting two organizations, the corporation is proposing to combine the Japantown merchants website with the garage's. For the reason that the merchants association has a domain name that is more commonly recognized, it is not regularly maintained to sustain visitors' interest. The garage's website can be made more superior which the merchants will benefit by the increase in on-line visitors and, at the same time, provide opportunity to take advantage of the coupon incentive program.

The corporation, with assistance from Japantown Task Force, has started to promote the parking validation program to businesses in the new Fillmore Jazz Heritage Center and explore customizing validations to benefit merchant and garage such as the proposed parking validation proposal to Sundance Kabuki Cinemas from three to four hours.

Additional businesses are opening soon such as restaurants, Japanese Pop Culture Center and recent remodeling of the two community hotels. These new establishments will have a positive influence in local economy by attracting additional visitors to the community. However, in

order to continue promoting this culturally rich community, the Director of Marketing and Community Relations will be responsible to keep it in the public forefront by promoting but, not limited to, media coverage.

The hotel(s) operator has engaged with a media consultant that has produced a video promoting the hotel(s) and community attractions. Creating a new marketing video would be a duplication of same efforts. Therefore, the Director of Marketing and Community Relations will work with the hotel's media consultant into expanding the current video to include merchant and convenient parking benefiting everyone.

The Director of Marketing and Community Relations goals and objectives for the coming fiscal year will also include:

1. Continue marketing the JCGC parking validation programs to new and existing businesses.
2. Organizing a marketing mission to Japan for further development and solicitation of culturally relevant businesses and organizations to promote commerce in Japantown focusing on increasing patronage at the garage.
3. Develop marketing programs for Japantown merchants in preparation for the refurbishment of the Japan Center malls.
4. Develop a marketing strategy for garage patrons during the Japan Center renovation.
5. Work with corporate manager, City departments and the SFMTA's Director of Off-Street Parking to develop other potential parking in the community during renovation and explore the possibility that revenues generated from those temporary parking spaces can compensate the garage corporation for losses.
6. Work with current Internet site provider to enhance and effectively promote the use of the garage's website. Encourage other attractions to advertise on the website and provide direct links from their website to ours.
7. Follow up on a past request to NavTeq (source for on-line maps) to place Japantown on all Internet map searches.
8. Manage the garage Marketing budget including the garage advertising during community events and festivals to maximize exposure.
9. To research the production of one new cultural festival.
10. Explore the potential of becoming a member of the San Francisco Convention and Visitor's Bureau to partner with the Japantown Merchants Association creating a marketing plan for Japantown.
11. Provide monthly reports to the board of directors.
12. Attend bi-monthly board of directors meetings providing marketing and community updates.
13. Main objective is to re-establish Japantown as a major visitors' destination.

THIS PRINT COVERS CALENDAR ITEM NO: 18

MUNICIPAL TRANSPORTATION AGENCY  
City and County of San Francisco

**DIVISION:** Finance and Administration

**BRIEF DESCRIPTION:**

Authorizing the SFMTA Executive Director/CEO, or his designee, to approve the Mission Bartlett Garage Fiscal Years 2008-2009 and 2009-2010 Operating Budget.

**SUMMARY:**

- On February 7, 2006, the Municipal Transportation Agency Board of Directors authorized the SFMTA Executive Director/CEO to execute an agreement with Pacific Park Management, Inc. (“Manager”) for the management of the Mission Bartlett Garage for a term of six years that commenced on July 1, 2006.
- The SFMTA receives 100 percent of the net income from the Garage.
- Pursuant to the agreement, Pacific Park Management, Inc. is required to submit an annual Operating Budget for review and approval by the Municipal Transportation Agency.
- SFMTA Finance staff formulated a uniform, two-year budget submittal package for use by all garages to establish a new benchmark in the quality of garage budget submittals and to improve the budget review process that includes line item analysis, historical trend review and ongoing discussions with the Manager to ensure that reasonable assumptions and methodologies are used.
- The budget package also incorporates recommendations outlined in the Chance Management Report recommendations for historical trend data, multi-year budgeting and consistent budget formats throughout SFMTA administered garages.
- The two-year operating budget submitted by the Manager is consistent with the requirements of Proposition A for this even-numbered year and the Manager will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year.

**ENCLOSURES:**

1. MTAB Resolution
2. Fiscal Years 2008-2009 and 2009-2010 Operating Budget for the Mission Bartlett Garage

**APPROVALS:**

**DATE**

DEPUTY OF DIVISION  
PREPARING ITEM

\_\_\_\_\_

\_\_\_\_\_

FINANCE

\_\_\_\_\_

\_\_\_\_\_

EXECUTIVE DIRECTOR/CEO

\_\_\_\_\_

\_\_\_\_\_

SECRETARY \_\_\_\_\_

ADOPTED RESOLUTION  
BE RETURNED TO:

Sonali Bose, Finance and Administration

ASSIGNED MTAB CALENDAR DATE: \_\_\_\_\_

**EXPLANATION:**

**Background:**

On February 7, 2006, the Municipal Transportation Agency (“SFMTA”) Board of Directors authorized the Executive Director/CEO to execute an agreement with Pacific Park Management, Inc. (“Manager”) for the management of the Mission Bartlett Garage for a term of six years. This contract commenced on July 1, 2006. Pursuant to the Agreement, the Manager is required to submit an annual operating budget for SFMTA’s review and approval.

SFMTA Finance staff formulated a uniform, two-year budget submittal package for use by all garages to establish a new benchmark in the quality of garage budget submittals and to improve the budget review process. The budget package also incorporates recommendations outlined in the Chance Management Report recommendations for historical trend data, multi-year budgeting and consistent budget formats throughout SFMTA administered garages. Capital improvement requests are deferred until an overall assessment of the capital improvement needs by the SFMTA is completed.

The two-year operating budget submitted by the Manager is consistent with the requirements of Proposition A for this even-numbered year and the Manager will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year.

The Manager receives \$1,000.00 per month in management fees. In addition, the Manager may earn a five percent incentive fee of any net income achieved in excess of a pre-established target net income. Total incentives in a contract year shall not exceed \$25,000.

The SFMTA receives 100 percent of the garage net income.

**Budget Evaluation Process:**

Upon receipt of the Manager’s budget submittal, staff’s initial review begins with a year-to-date verification of each revenue and expense line item category with the most recent garage monthly report. These line items are projected out through the end of the fiscal year taking into account the variations in seasonality, possible implementation of rate adjustments, known upcoming events, scheduled salary increases and associated payroll expenses, and normalizing for non-regular services or supply purchases. This initial review enables staff to identify possible erroneous assumptions made by the Manager.

The next step in the process is to communicate to the Manager any items of concern, point out obvious mathematical or formatting errors, if any, and to provide the opportunity for clarification and/or revision. Upon mutually accepted projections of revenues and expenses for the current and proposed years, the Manager is requested to re-submit the budget in its final form providing the basis for this staff report. The operating budget submitted by Manager for the Mission Bartlett Garage contained minor formatting errors, however staff agreed with the Manager's initial projections of revenues and expenses.

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**FISCAL YEAR 2007-2008**

A comparison between the approved FY 2007-2008 Operating Budget and the anticipated FY 2007-2008 performance is shown in the chart below.

**FY 2007-2008 Performance:**

	<b>2007-2008 Approved Budget</b>	<b>2007-2008 Actual/ Anticipated</b>	<b>Difference Between Approved and Anticipated</b>
Revenues	\$1,598,480	\$1,564,508	-\$33,972
less Parking Taxes	\$316,356	\$310,293	-\$6,063
less Expenses	\$703,198	\$719,592	\$16,394
Net Income	\$578,926	\$534,623	-\$44,303

For the current fiscal year, the Manager anticipates generating \$1,564,508 in total revenues. That amount is \$33,972 or two percent less than the amount budgeted due to slightly over budgeted revenue and a 2.5 percent decline in transient usage offset by an increase in monthly revenues. The FY 2007-2008 anticipated revenue is \$108,980 or 7.5 percent more than that actual revenue realized in FY 2006-2007.

With respect to expenses, the Manager anticipates expenditures to be \$16,394 or 2.3 percent over the budgeted amount for FY 2007-2008 mainly due to overages in operating salaries, welfare and pension cost, increase in scavenger services and higher than budgeted repair and maintenance costs. Other operating expenses are as budgeted.

For FY 2007-2008, the Manager anticipates generating \$534,623 (\$44,303 or 7.7 percent less than the amount budgeted) to the SFMTA resulting from less than budgeted revenues and over budget expenditures. The FY 2007-2008 anticipated Net Income is \$43,729 or 8.9 percent more than the actual Net Income for FY 2006-2007.

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**FISCAL YEARS 2008-2009 and 2009-2010**

A comparison between the approved FY 2007-2008 Operating Budget, the proposed FY 2008-2009 and 2009-2010 operating budget, is shown in the chart below.

**Fiscal Years 2008-2009 and 2009-2010 Proposed Operating Budget:**

	<b>2007-2008 Approved Budget</b>	<b>2008-2009 Proposed Budget</b>	<b>2009-2010 Proposed Budget</b>	<b>2008-2009 Compared to 2007-2008</b>	<b>2009-2010 Compared to 2008-2009</b>
Revenues	\$1,598,480	\$1,609,220	\$1,657,496	\$10,740	\$48,276
less Parking Taxes	\$316,356	\$319,602	\$329,190	\$3,246	\$9,588
less Expenses	\$703,198	\$746,743	\$769,558	\$43,545	\$22,815
Net Income	\$578,926	\$542,875	\$558,748	-\$36,051	\$15,873

For FY 2008-2009, the Manager projects generating \$1,609,220 in revenues. This amount is \$10,740 or one percent greater than FY 2007-2008 budgeted revenues and \$44,712 or three percent greater than the \$1,564,508 anticipated revenues for FY 2007-2008. The Manager does not foresee any increases in transient patronage but anticipates increasing monthly parking to compensate for the loss in transient revenue.

The Manager proposes expenditures of \$746,743 for FY 2008-2009. This amount is \$43,545 more than the amount budgeted for FY 2007-2008 mainly to account for schedule increases in attendant salaries and associated benefits. It is anticipated that the Manager will achieve the maximum incentive amount of \$25,000.

The Manager projects generating \$542,875 (\$36,051 or 6.2 percent less than the amount budgeted for FY 2007-2008) in income to the SFMTA. This amount is however \$8,252 or 1.5 percent more than the amount anticipated for FY 2007-2008

For FY 2009-2010, the Manager project an increase in revenue of \$48,276 offset by an increase in expenses of \$22,815 resulting in a Net Income of \$558,748 which is \$15,873 or three percent more than budgeted for FY 2008-2009.

The Manager will be given an opportunity to propose amendments to their proposed budget in the odd-numbered year.

Capital improvement requests are deferred pending the overall capital improvement assessment to be conducted by the SFMTA.

This item directly supports Goal 4, Financial Capacity: To ensure financial stability and effective resource utilization and supports all other SFMTA 2008-2012 Strategic Plan Goals indirectly.

The City Attorney's Office has reviewed this item.

**Recommendation:**

Staff recommends that the San Francisco Municipal Transportation Agency Board of Directors adopt the attached resolution, authorizing the SFMTA Executive Director/CEO, or his designee, to approve the Mission Bartlett Fiscal Years 2008-2009 and 2009-2010 Operating Budget.



BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, On February 7, 2006, the Municipal Transportation Agency Board of Directors authorized the Executive Director to execute a contract with Pacific Park Management, Inc. ("Manager") for the management of the Mission Bartlett Garage for a term of six years, which commenced on July 1, 2006; and,

WHEREAS, Under the terms of the agreement, the Manager is required to submit an annual Operating Budget for review and approval; and,

WHEREAS, The Manager has submitted the Fiscal Years 2008-2009 and 2009-2010 Operating Budget for the Mission Bartlett Garage to the Municipal Transportation Agency Board of Directors for review; and,

WHEREAS, The two-year Operating Budget submitted by the Manager is consistent with the requirements of Proposition A for this even-numbered year and is in a format provided by the SFMTA; and,

WHEREAS, The Manager will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year; and,

WHEREAS, The Municipal Transportation Agency Board of Directors has reviewed the Garage Fiscal Years 2008-2009 and 2009-2010 Operating Budget; now, therefore, be it

RESOLVED, That the Municipal Transportation Agency Board of Directors authorizes the SFMTA Executive Director/CEO, or his designee, to approve the Mission Bartlett Garage Fiscal Years 2008-2009 and 2009-2010 Operating Budget.

I hereby certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

\_\_\_\_\_  
Secretary, Municipal Transportation Agency Board

**CITY AND COUNTY OF SAN FRANCISCO**

**Mission Bartlett Garage  
90 Bartlett Street  
San Francisco, CA 94110**

**\*PROPOSED BUDGET**

**FY 2008 – 2009 (FY09)**

**FY 2009 – 2010 (FY10)**

**Prepared by:**

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**MISSION BARTLETT GARAGE  
Three-Year Historical Trend  
Summary of Revenue and Expenditure  
(TABLE I)**

**Prior to July 1, 2006, the garage was under a lease arrangement and operating budget information is not available.**

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Budget July 1, 2004 - June 30, 2005</b>	<b>Actual July 1, 2004 - June 30, 2005</b>	<b>Budget July 1, 2005 - June 30, 2006</b>	<b>Actual July 1, 2005 - June 30, 2006</b>	<b>Budget July 1, 2006 - June 30, 2007</b>	<b>Actual July 1, 2006 - June 30, 2007</b>
<b>REVENUE</b>						
1a Transient Parking					600,000	790,099
1b Monthly Parking					560,000	630,425
1c Business Validation					16,000	8,500
1g Government / Other Tax Exempt Parking						5,400
<b>Total Parking Revenue</b>					<b>\$1,176,000</b>	<b>\$1,434,424</b>
2a Miscellaneous Revenues						21,104

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Budget July 1, 2004 - June 30, 2005</b>	<b>Actual July 1, 2004 - June 30, 2005</b>	<b>Budget July 1, 2005 - June 30, 2006</b>	<b>Actual July 1, 2005 - June 30, 2006</b>	<b>Budget July 1, 2006 - June 30, 2007</b>	<b>Actual July 1, 2006 - June 30, 2007</b>
<b>Gross Revenue</b>					<b>\$1,176,000</b>	<b>\$1,455,528</b>
3a Parking Tax (less)					\$235,200	\$285,805
<b>Net Revenue</b>					<b>\$940,800</b>	<b>\$1,169,723</b>
<b>EXPENDITURE</b>						
<b>Personnel Cost</b>						
A1 Administrative Salaries					50,000	47,920
A2 Parking Operations Salaries					135,736	211,144
<b>Payroll Expenses</b>						
B1 Payroll Taxes (non-SF)					15,788	25,069
B2 SF Payroll Taxes					2,786	3,886
B3 Welfare & Pension					51,138	74,461
B4 Worker's Compensation					23,217	30,428
<b>Utilities</b>						
C1 Gas & Electric					36,000	21,766
C2 Water					2,400	0
C3 Telephone					2,400	3,495
C4 Scavenger					3,600	3,123
<b>Supplies &amp; Services</b>						
D1 Insurance					36,000	21,197
D2 Repairs & Maintenance (Facility)					24,000	16,306
D3 Office Supplies					4,000	3,149
D4 Garage Supplies					6,000	12,862
D5 Parking Supplies					6,000	5,160
<b>Management Costs</b>						
E1 Management Fee					12,000	12,000
E2 Incentive Fee					0	0
<b>Professional/Personal Services</b>						
F1 Accounting/Bookkeeping					3,600	9,600
F2 Garage Audit					6,000	0
F4 Security (Contractual)					78,000	92,606
F5 Janitorial Contract					36,000	36,000
F6 Armored Car					0	0
F7 Personnel Training					5,000	4,975

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Budget July 1, 2004 - June 30, 2005</b>	<b>Actual July 1, 2004 - June 30, 2005</b>	<b>Budget July 1, 2005 - June 30, 2006</b>	<b>Actual July 1, 2005 - June 30, 2006</b>	<b>Budget July 1, 2006 - June 30, 2007</b>	<b>Actual July 1, 2006 - June 30, 2007</b>
F8 Bank Charges (Non-trustee)					4,200	0
F9 Uniform Cleaning					3,600	3,458
F10 Payroll Processing					1,200	739
<b>Other Costs</b>						
G1 Taxes & Licenses					5,000	782
G2 Marketing					10,000	9,993
G5 Miscellaneous					5,000	580
<b>Total Garage Expense</b>					<b>\$568,665</b>	<b>\$650,699</b>
<b>Garage Operating Income/Loss</b>					<b>\$372,135</b>	<b>\$519,024</b>
G6 Capital Expenditure (less)					75,000	28,130
<b>Garage Net Income</b>					<b>\$297,135</b>	<b>\$490,894</b>

**MISSION BARTLETT GARAGE**  
**FY 2008 Approved Budget vs. FY 2008 Projection**  
**Summary of Revenue and Expenditure**  
**(TABLE II)**

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget July 1, 2007 - June 30, 2008</b>	<b>Projected July 1, 2007 - June 30, 2008</b>	<b>Difference Between FY08 Approved and FY08 Projected</b>	
<b>REVENUE</b>				
1a Transient Parking	912,000	849,517	-62,483	-7%
1b Monthly Parking	651,780	694,550	42,770	7%
1c Business Validation	18,000	7,400	-10,600	-59%
1g Government / Other Tax Exempt Parking	7,200	2,160	-5,040	-70%
<b>Total Parking Revenue</b>	<b>\$1,588,980</b>	<b>1,553,627</b>	<b>-\$35,353</b>	<b>-2%</b>

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget July 1, 2007 - June 30, 2008</b>	<b>Projected July 1, 2007 - June 30, 2008</b>	<b>Difference Between FY08 Approved and FY08 Projected</b>	
2a Miscellaneous Revenues	9,500	10,881	1,381	15%
<b>Gross Revenue</b>	<b>\$1,598,480</b>	<b>1,564,508</b>	<b>-\$33,972</b>	<b>-2%</b>
3a Parking Tax (less)	316,356	310,293	-6,063	-2%
<b>Net Revenue</b>	<b>\$1,282,124</b>	<b>1,254,215</b>	<b>-\$27,909</b>	<b>-2%</b>
<b>EXPENDITURE</b>				
<b>Personnel Cost</b>				
A1 Administrative Salaries	51,500	51,539	39	0%
A2 Parking Operations Salaries	204,425	213,000	8,575	4%
<b>Payroll Expenses</b>				
B1 Payroll Taxes (non-SF)	25,794	25,728	-66	0%
B2 SF Payroll Taxes	3,839	3,968	129	3%
B3 Welfare & Pension	84,000	90,000	6,000	7%
B4 Worker's Compensation	29,355	28,535	-820	-3%
<b>Utilities</b>				
C1 Gas & Electric	36,000	36,000	0	0%
C2 Water	2,400	2,400	0	0%
C3 Telephone	3,315	3,877	562	17%
C4 Scavenger	2,782	5,287	2,505	90%
<b>Supplies &amp; Services</b>				
D1 Insurance	37,080	33,000	-4,080	-11%
D2 Repairs & Maintenance (Facility)	23,000	29,050	6,050	26%
D3 Office Supplies	4,000	4,000	0	0%
D4 Garage Supplies	8,000	8,000	0	0%
D5 Parking Supplies	7,000	7,000	0	0%
<b>Management Costs</b>				
E1 Management Fee	12,000	12,000	0	0%

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget July 1, 2007 - June 30, 2008</b>	<b>Projected July 1, 2007 - June 30, 2008</b>	<b>Difference Between FY08 Approved and FY08 Projected</b>	
E2 Incentive Fee	14,700	14,700	0	0%
<b>Professional/Personal Services</b>				
F1 Accounting/Bookkeeping	3,708	3,708	0	0%
F2 Garage Audit	10,000	10,000	0	0%
F4 Security (Contractual)	78,000	78,000	0	0%
F5 Janitorial Contract	36,000	36,000	0	0%
F7 Personnel Training	4,000	4,000	0	0%
F9 Uniform Cleaning	3,600	3,600	0	0%
F10 Payroll Processing	1,200	1,200	0	0%
<b>Other Costs</b>				
G1 Taxes & Licenses	1,000	1,000	0	0%
G2 Marketing	10,000	10,000	0	0%
G3 Garage Claims	5,000	2,500	-2,500	-50%
G5 Miscellaneous	1,500	1,500	0	0%
<b>Total Garage Expense</b>	<b>\$703,198</b>	<b>\$719,592</b>	<b>\$16,394</b>	<b>2%</b>
<b>Garage Operating Income/Loss</b>	<b>\$578,926</b>	<b>\$534,623</b>	<b>-\$44,303</b>	<b>-8%</b>
G6 Capital Expenditure (less)	0	0	0	0%
<b>Garage Net Income</b>	<b>\$578,926</b>	<b>\$534,623</b>	<b>-\$44,303</b>	<b>-8%</b>

**MISSION BARTLETT GARAGE  
FY 2009 and FY 2010 Proposed Budget  
Summary of Revenue and Expenditure  
(TABLE III)**

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget July 1, 2007 – June 30, 2008</b>	<b>Proposed Budget July 1, 2008 – June 30, 2009</b>	<b>Proposed Budget July 1, 2009 – June 30, 2010</b>	<b>Difference Between FY08 Approved and FY09 Proposed</b>	
<b>REVENUE</b>					
1a Transient Parking	912,000	875,003	901,253	-36,997	-4%
1b Monthly Parking	651,780	715,387	736,848	63,607	10%
1c Business Validation	18,000	7,622	7,851	-10,378	-58%
1g Government / Other Tax Exempt Parking	7,200	0	0	-7,200	-100%
<b>Total Parking Revenue</b>	<b>\$1,588,980</b>	<b>\$1,598,012</b>	<b>\$1,645,952</b>	<b>\$9,032</b>	<b>1%</b>
2a Miscellaneous Revenues	9,500	11,208	11,544	1,708	18%
<b>Gross Revenue</b>	<b>\$1,598,480</b>	<b>\$1,609,220</b>	<b>\$1,657,496</b>	<b>\$10,740</b>	<b>1%</b>
3a Parking Tax (less)	316,356	319,602	329,190	3,246	1%
<b>Net Revenue</b>	<b>\$1,282,124</b>	<b>\$1,289,618</b>	<b>\$1,328,306</b>	<b>\$7,494</b>	<b>1%</b>
<b>EXPENDITURE</b>					
<b>Personnel Cost</b>					
A1 Administrative Salaries	51,500	53,600	55,744	2,100	4%
A2 Parking Operations Salaries	204,425	219,390	225,972	14,965	7%
<b>Payroll Expenses</b>					
B1 Payroll Taxes (non-SF)	25,794	26,480	27,326	686	3%
B2 SF Payroll Taxes	3,839	4,095	4,226	256	7%
B3 Welfare & Pension	84,000	92,700	95,481	8,700	10%
B4 Worker's Compensation	29,355	26,652	27,718	-2,703	-9%
<b>Utilities</b>					
C1 Gas & Electric	36,000	37,080	38,192	1,080	3%
C2 Water	2,400	2,472	2,546	72	3%
C3 Telephone	3,315	4,000	4,120	685	21%
C4 Scavenger	2,782	5,446	5,609	2,664	96%
<b>Supplies &amp; Services</b>					
D1 Insurance	37,080	35,000	36,050	-2,080	-6%



<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget July 1, 2007 – June 30, 2008</b>	<b>Proposed Budget July 1, 2008 – June 30, 2009</b>	<b>Proposed Budget July 1, 2009 – June 30, 2010</b>	<b>Difference Between FY08 Approved and FY09 Proposed</b>	
D2 Repairs & Maintenance (Facility)	23,000	24,000	24,720	1,000	4%
D3 Office Supplies	4,000	4,120	4,244	120	3%
D4 Garage Supplies	8,000	8,240	8,487	240	3%
D5 Parking Supplies	7,000	7,210	7,426	210	3%
<b>Management Costs</b>					
E1 Management Fee	12,000	12,000	12,000	0	0%
E2 Incentive Fee	14,700	25,000	25,000	10,300	70%
<b>Professional/Personal Services</b>					
F1 Accounting/Bookkeeping	3,708	3,819	3,934	111	3%
F2 Garage Audit	10,000	10,300	10,609	300	3%
F4 Security (Contractual)	78,000	81,120	84,365	3,120	4%
F5 Janitorial Contract	36,000	37,080	38,192	1,080	3%
F7 Personnel Training	4,000	4,120	4,244	120	3%
F9 Uniform Cleaning	3,600	3,708	3,819	108	3%
F10 Payroll Processing	1,200	1,236	1,273	36	3%
<b>Other Costs</b>					
G1 Taxes & Licenses	1,000	1,030	1,061	30	3%
G2 Marketing	10,000	10,300	10,609	300	3%
G3 Garage Claims	5,000	5,000	5,000	0	0%
G5 Miscellaneous	1,500	1,545	1,591	45	3%
<b>Total Garage Expense</b>	<b>\$703,198</b>	<b>\$746,743</b>	<b>\$769,558</b>	<b>\$43,545</b>	<b>6%</b>
<b>Garage Operating Income/Loss</b>	<b>\$578,926</b>	<b>\$542,875</b>	<b>\$558,748</b>	<b>-\$36,051</b>	<b>-5%</b>
G6 Capital Expenditure (less)	0	0	0	0	0%
<b>Garage Net Income</b>	<b>\$578,926</b>	<b>\$542,875</b>	<b>\$558,748</b>	<b>-\$36,051</b>	<b>-6%</b>

**MISSION BARTLETT GARAGE**

**FY 2008-2009 and FY 2009-FY2010 Proposed Revenues by Month  
(TABLE IV)**

<b>FY 2008 - 2009</b>	<b>Jul</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Total</b>
<b>REVENUES</b>													
<b>Parking Revenues</b>													
1a Transient Parking	74,000	76,000	74,000	74,000	68,000	68,000	68,000	68,000	74,000	76,000	77,000	78,003	875,003
1b Monthly Parking	59,616	59,616	59,616	59,616	59,616	59,616	59,616	59,616	59,616	59,616	59,616	59,616	715,387
1c Business Validations	600	600	600	600	700	700	700	600	600	600	600	722	7,622
<b>Total Parking Revenue</b>	<b>\$134,216</b>	<b>\$136,216</b>	<b>\$134,216</b>	<b>\$134,216</b>	<b>\$128,316</b>	<b>\$128,316</b>	<b>\$128,316</b>	<b>\$128,216</b>	<b>\$134,216</b>	<b>\$136,216</b>	<b>\$137,216</b>	<b>\$138,341</b>	<b>\$1,598,012</b>
2a Miscellaneous	800	800	1,000	1,000	800	800	1,000	800	1,000	1,000	1,000	1,208	11,208
<b>Gross Revenue</b>	<b>\$135,016</b>	<b>\$137,016</b>	<b>\$135,216</b>	<b>\$135,216</b>	<b>\$129,116</b>	<b>\$129,116</b>	<b>\$129,316</b>	<b>\$129,016</b>	<b>\$135,216</b>	<b>\$137,216</b>	<b>\$138,216</b>	<b>\$139,549</b>	<b>\$1,609,220</b>
3a Parking Tax (less)	26,843	27,243	26,843	26,843	25,663	25,663	25,663	25,643	26,843	27,243	27,443	27,668	319,602
<b>Net Revenue</b>	<b>\$108,172</b>	<b>\$109,772</b>	<b>\$108,372</b>	<b>\$108,372</b>	<b>\$103,452</b>	<b>\$103,452</b>	<b>\$103,652</b>	<b>\$103,372</b>	<b>\$108,372</b>	<b>\$109,972</b>	<b>\$110,772</b>	<b>\$111,880</b>	<b>\$1,289,618</b>

<b>FY 2009 - 2010</b>	<b>Jul</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Total</b>
<b>REVENUES</b>													
<b>Parking Revenues</b>													
1a Transient	75,000	77,000	73,253	74,000	70,000	71,000	74,000	70,000	77,000	79,000	81,000	80,000	901,253

Parking													
1b Monthly Parking	61,404	61,404	61,404	61,404	61,404	61,404	61,404	61,404	61,404	61,404	61,404	61,404	736,848
1c Business Validations	650	650	650	650	650	650	650	650	650	650	650	701	7,851
<b>Total Parking Revenue</b>	<b>\$137,054</b>	<b>\$139,054</b>	<b>\$135,307</b>	<b>\$136,054</b>	<b>\$132,054</b>	<b>\$133,054</b>	<b>\$136,054</b>	<b>\$132,054</b>	<b>\$139,054</b>	<b>\$141,054</b>	<b>\$143,054</b>	<b>\$142,105</b>	<b>\$1,645,952</b>
2a Miscellaneous	962	962	962	962	962	962	962	962	962	962	962	962	11,544
<b>Gross Revenue</b>	<b>\$138,016</b>	<b>\$140,016</b>	<b>\$136,269</b>	<b>\$137,016</b>	<b>\$133,016</b>	<b>\$134,016</b>	<b>\$137,016</b>	<b>\$133,016</b>	<b>\$140,016</b>	<b>\$142,016</b>	<b>\$144,016</b>	<b>\$143,067</b>	<b>\$1,657,496</b>
3a Parking Tax (less)	27,411	27,811	27,061	27,211	26,411	26,611	27,211	26,411	27,811	28,211	28,611	28,421	329,190
<b>Net Revenue</b>	<b>\$110,605</b>	<b>\$112,205</b>	<b>\$109,208</b>	<b>\$109,805</b>	<b>\$106,605</b>	<b>\$107,405</b>	<b>\$109,805</b>	<b>\$106,605</b>	<b>\$112,205</b>	<b>\$113,805</b>	<b>\$115,405</b>	<b>\$114,646</b>	<b>\$1,328,306</b>

## NARRATIVE I

### FY 2007-2008 Approved Budget To FY 2007-2008 Projection

- 1a. Transient Parking** **-7%**  
During 2007 there was an average of \$8,000 of transient revenue due to construction work at the City College extension campus on Valencia. The expectation was that students would replace construction workers as a form of transient revenue. It appears that most students live locally or use public transportation and do not patronize the garage. PPM will market towards the student population in order to increase revenue.
- 1b. Monthly Parking** **+7 %**  
Through evaluation of our monthly capacity, we identified the evening segment as having opportunity to increase patronage. We then targeted this segment for promotion and attracted additional customers, increasing monthly revenue by 7%.
- 1c. Business Validation** **-59%**  
One of our largest validation customers, Universal Church, has opened additional congregations in the bay area which has resulted in a smaller congregation and a decreased need for validations. In aggregate dollars this represents about \$8,000.
- 1g. Government Monthly Parking** **-70%**  
We do not anticipate renewal of cancelled monthly contracts for government vehicles going forward.
- 2a. Miscellaneous** **+ 15%**  
This line item primarily includes assessments for late fees. As a result of a weakening economy, perhaps customers are stretching out payment terms more often.
- 3a. Parking Tax** **-2%**  
These taxes are a function of the gross revenues.
- A1. Administrative Salaries** **+0%**  
This line item reflects one full time manager salary. A new manager began in November 2007. Expenses are projected to be in alignment with the budget.
- A2. Parking Operations Salaries** **+4%**  
These costs reflect 5 full time and 2 part time employees, excluding the manager. The range of wages begins at \$11.81 for new employees to \$19.65 for an experienced journeymen. Foremen rates are journeymen rate + 15%. This facility is open 24 hours / 365 days per year.
- B1. Payroll Taxes (non-SF)** **+0%**  
These taxes consist of FUTA (.8%) SSI (6.20%), Medicare (1.45%), SUI (4.1%). The total

amount is a function of total payroll costs.

**B2. SF Payroll Taxes** **+3%**

This tax is 1.5% of total payroll costs, and is a function of total payroll.

**B3. Welfare & Pension** **+7%**

The Teamsters Western Conference increased the health benefit rate from \$815 per month to \$855. Pension costs increased from \$1.97 to \$2.09 per payroll hour. The primary driver of the cost increase for healthcare is that we have become aware of additional employees that are eligible for and will receive health benefits in the coming year.

**B4. Worker's Compensation** **-3%**

Worker's compensation rates have decreased. Our safety training programs have shown positive impact on these costs; in addition to favorable global trends in the worker's compensation markets.

**C1. Gas & Electric** **0%**

We anticipate being within the allotted budget amount on this line item.

**C2. Water & Sewer** **0%**

We anticipate being within the allotted budget amount on this line item

**C3. Telephone** **+17%**

While the percentage seems considerable, the aggregate dollar amount is \$562 annually, or \$47 per month. This is a reasonable increase for DSL service that will improve performance of the revenue control system, and is required to support the credit card processing terminal.

**C4. Scavenger** **+90%**

Upon commencement at Mission Bartlett we noticed the garbage bin was continually overflowing causing debris to constantly litter the garage. This caused health concerns for the general public. We immediately changed the service from a residential type service with a small container to a larger commercial container; had more frequent pickups and better monitored use of this resource. The aggregate cost increase for this service is \$2,505 annually or \$209 per month.

**D1. Insurance** **-11%**

Working with our broker we conducted competitive bidding to stay current in the marketplace; as a result our cost containment measures resulted in lowered costs.

**D2. Repair & Maintenance (Facility)** **+26%**

Maintenance on an as needed basis, as well as the maintenance contract for the revenue control system is part of this budget item. Per direction of MTA staff, the revenue control equipment has been upgraded to comply with recently enacted legislation regarding Article 22. The aggregate additional cost of these upgrades is a one time cost of \$6,050.

**D3. Office Supplies** **0%**

This line item is projected to be within the allotted budget.

**D4. Garage Supplies** **0%**

These items support general public wayfinding, rate information, emergency exit signage, parking contract signage, and similar consumable goods for the betterment and stability of the facility. We anticipate remaining within the allocated budget.

**D5. Parking Supplies** **0%**

These items include parking tickets, journal tape, ribbons and validation stamps that allow employees to efficiently serve patrons and process transactions. We anticipate remaining within the allocated budget.

**E1. Management Fee** **0%**

The management of fee of \$1,000 per month is fixed for the duration of the contract and will not change.

**E2. Incentive Fee** **0%**

We anticipate earning an incentive fee of \$25,000 during this fiscal year per the contract for surpassing established revenue targets. Compared to the approved budget for 2007-2008 the incentive fee amount was \$14,700. The 70% increase is a reflection of the difference of the \$10,300 increase. However, while this fee is earned during this budget year, it shall be paid during the next fiscal year.

**F1. Accounting/Bookkeeping** **0%**

These services support the general accounting, tracking and record keeping of the accounts payable and receivables of the facility. These services also reconcile the revenues reported to DPT with what has been deposited to the bank. We anticipate remaining within the allotted budget.

**F2. Garage Audit** **0%**

Under our contractual obligation with the City, Section 11.12 , these services provide for a CPA audit for each contract year of transactions and financial accounting/record keeping of the facility. We anticipate remaining within the allotted budget.

**F3. Garage Legal** **0%**

This line item is difficult to project; however we do not anticipate any legal costs at this time.

**F4. Security (Contractual)** **0%**

Per our contract, we engage a subcontractor to meet the requirements under the contract. We anticipate remaining within the allocated budget.

**F5. Janitorial Contract** **0%**

These services are provided as required under section 8.3 of our contract. Janitorial services are provided on a daily basis to provide a clean, safe and professional experience for customers, and a positive work environment for employees. Monthly costs are \$3,000 per month, or \$36,000 annually. We anticipate remaining within the allocated budget for this item.

**F7. Personnel Training** **0%**

Training of our employees leads to better customer satisfaction, safety in the workplace, a more efficient operation and better teamwork, among other considerations. These trainings are provided by an outside professional vendor. Expenses are anticipated to remain within the allotted budget.

**F9. Uniform Cleaning** **0%**

Presenting all employees (manager not included in cost) with a professional appearance to the public is important. Costs for these services are \$300 per month. We do not anticipate exceeding the budget allocation for this line item.

**F10. Payroll Processing** **0%**

This service provides accurate and timely payment of compensation to employees. Costs are \$100 per month or \$1,200 annually. We do anticipate being within budget on this line item.

**G1. Tax & License Fees** **0%**

These costs are approximately \$83 per month or \$1,000 annually and include permits and licenses such as fire permit and business permit. We anticipate remaining within budget.

**G2. Marketing** **0%**

These costs support promotion of our facility, activities to strengthen customer retention, and feedback through programs such as surveys and mystery shop programs. The budget is \$10,000 annually or \$833 per month, and is not expected to exceed the allotted amount.

**G3. Garage Claims** **-50%**

So far we have not experienced any claims in the current fiscal year. We have conducted several safety trainings and anticipate a positive impact on claims as a result.

**G5. Miscellaneous** **+ 0%**

The allocation is \$1,500 annually and will be utilized for unforeseen expenses not covered under other line items in the budget. We anticipate remaining within the allotted budget.

**G6. Capital Expenditure** **0%**

In 2007 SFMTA Board summarily rejected all capital expenditure budget requests. As a result of the Board actions, we are not allocating any amounts for this budget line item.

**NARRATIVE II**

**FY 2007-2008 Approved Budget**

**To**

**FY 2008-2009 Proposed Budget**

**1a. Transient Parking** **- 4%**

Due to a weakening economy, we anticipate fewer transient customers seeking alternatives on mass transit or carpooling.

**1b. Monthly Parking** + 10%

We anticipate that our marketing programs will continue to draw additional residential monthly customers, thus increasing revenues. This customer segment will enhance our revenues during under-utilized time periods.

**1c. Business Validation** - 58%

The loss of our largest validation client, Universal Church, has negatively impacted our expectations.

**1g. Government Monthly Parking** - 100%

We do not anticipate renewal of the contracts for government vehicles going forward.

**2a. Miscellaneous** +18%

This revenue stream is difficult to project, however we are allotting \$125 per month or \$1,500 additional annual revenues.

**3a. Parking Tax** +1%

These taxes are a function of total projected gross revenues.

**A1. Administrative Salaries** +4%

This line item reflects the salary of one full time manager. It is projected to increase in alignment with the local Consumer Price Index. This increase is approximately \$80 per pay period, or \$2,061 annually.

**A2. Parking Operations Salaries** +7%

These costs reflect 5 full time and 2 part time employees, excluding the manager. We anticipate an increase due to the new collective bargaining agreement with Teamsters Local 665, to be in place December 1, 2008.

**B1. Payroll Taxes (non-SF)** + 3%

These taxes are function of total gross revenues.

**B2. SF Payroll Taxes** +7%

These are anticipated to grow as a function of total payroll.

**B3. Welfare & Pension** +10%

We have already experienced rate increases earlier this year. Health benefits increased from \$815 to \$855 per employee as of January 2008; Pension rates increased from \$1.97 to \$2.09 per employee per worked hour as of December 1, 2007. We anticipate further increases as part of the new collective bargaining agreement.

**B4. Worker's Compensation** - 9%

We anticipate continued results from our safety training and favorable trends in the global marketplace.

**C1. Gas & Electric** +3%

We anticipate increases in alignment with the consumer price index for the Bay Area.



**C2. Water & Sewer** **+3%**

We anticipate increases in alignment with the consumer price index for the Bay Area.

**C3. Telephone** **+21%**

While the % is considerable, the aggregate annual dollar amount is \$685, or \$57 per month, a reasonable amount for the addition of DSL leading to better service and capabilities at the facility. For example, Datapark (Revenue Access & Control Equipment Vendor) and our credit card terminal operate more efficiently on DSL, providing better service to customers.

**C4. Scavenger** **+96 %**

Upon commencement at Mission Bartlett we noticed the garbage bin was continually overflowing causing debris to constantly litter the garage. This caused health concerns for the general public. We immediately changed the service from a residential type service with a small container to a larger commercial container; had more frequent pickups and better monitored use of this resource. The aggregate cost increase for this service is \$2,716 annually or \$226 per month.

**D1. Insurance** **-6%**

We anticipate our cost containment efforts to continue positive impact on these costs.

**D2. Repair & Maintenance (Facility)** **+4%**

This line item reflects the maintenance and upkeep for the ventilation system throughout the garage; the monthly maintenance for Datapark equipment (revenue control), as well as other repairs on an as needed basis. This line item also covers other unforeseen repair items. We project that these costs will grow in alignment with the local consumer price index amount for the Bay Area.

**D3. Office Supplies** **+3%**

The aggregate increase is \$120 per year, reflecting CPI.

**D4. Garage Supplies** **+ 3%**

These items support general public wayfinding, rate information, emergency exit signage, graffiti removal and similar consumable goods for the betterment and stability of the facility. The aggregate increase is \$240 per year, reflecting CPI.

**D5. Parking Supplies** **+3%**

These items include parking tickets, journal tape, ribbons and validation stamps that allow employees to efficiently serve patrons and process transactions. We anticipate costs to increase in alignment with CPI.

**E1. Management Fee** **+0%**

This fee is fixed for the life of the contract.

**E2. Incentive Fee** **+70%**

We anticipate earning an incentive fee of \$25,000 during this fiscal year per the contract for surpassing established revenue targets. Compared to the approved budget for 2007-2008 the incentive fee amount was \$14,700. The 70% increase is a reflection of the difference of the

\$10,300 increase. However, while this fee is earned during this budget year, it shall be paid during the next fiscal year.

**F1. Accounting/Bookkeeping** **+3%**

These services support the general accounting, tracking and record keeping of the accounts payable and receivables of the facility. These services also reconcile the revenues reported to DPT with what has been deposited to the bank. We anticipate costs to increase with CPI.

**F2. Garage Audit** **+3%**

Under our contractual obligation with the City, Section 11.12 , these services provide for a CPA audit for each contract year of transactions and financial accounting/record keeping of the facility. We anticipate costs to increase with CPI.

**F3. Garage Legal** **+0%**

This line item is difficult to project; however we do not anticipate any legal costs at this time.

**F4. Security (Contractual)** **+4%**

Under section 8.4 of our contract, we are required to have one security guard on duty during all hours of facility operation. In the previous budget year, per MTA staff direction, we reduced security coverage hours as a cost saving measure. Going forward, we anticipate modest cost increases for this budget item.

**F5. Janitorial Contract** **+3%**

These services are provided as required under section 8.3 of our contract. Janitorial services are provided on a daily basis to provide a clean, safe and professional experience for customers, and a positive work environment for employees. Monthly costs are \$3,183 per month, or \$38,192 annually. We anticipate costs to increase with CPI.

**F7. Personnel Training** **+3%**

Training of our employees leads to better customer satisfaction, safety in the workplace, a more efficient operation and better teamwork, among other considerations. These trainings are provided by an outside professional vendor. We anticipate costs to increase with CPI.

**F9. Uniform Cleaning** **+ 3%**

Presenting frontline employees (manager costs not included) with a professional appearance to the public is important. Costs for these services are \$300 per month or \$3,600 annually. We anticipate costs to increase with CPI.

**F10. Payroll Processing** **+3%**

This service provides accurate and timely payment of compensation to employees. Costs are \$106 per month or \$1,273 annually. We anticipate costs to increase with CPI.

**F11. Equipment Maintenance** **NA**

See D.2

**F12. Other Contractual Services** **+0%**

Currently, we do not have expenses in this line item of the budget.

**G1. Tax & License Fees** **+3%**  
These costs are \$88 per month or \$1,061 annually and include permits and licenses such as fire permit, and business permit. Cost increases are anticipated in alignment with CPI.

**G2. Marketing** **+3%**  
These costs support promotion of our facility, activities to strengthen customer retention, and feedback through programs such as surveys and mystery shop programs. The budget is \$10,609 annually or \$884 per month, and is expected to rise with CPI.

**G3. Garage Claims** **+0%**  
We are not anticipating any growth in these expenses.

**G5. Miscellaneous** **+3%**  
The allocation is \$1,591 annually and will be utilized for unforeseen expenses not covered under other line items in the budget. We anticipate growth in alignment with CPI.

**G6. Capital Expenditure** **+0%**  
We do not anticipate any expenses in this line item based on conversations with SFMTA Staff and previous budgetary resolution of the SFMTA Board on this line item.

## **GARAGE**

### **\*FY 2008-2009 and FY 2009-2010 MARKETING PLAN**

The following is Pacific Park Management's Marketing Plan for the Mission Bartlett Garage. Pacific Park Management would like to institute some or all of the following new programs at the Mission Bartlett Garage for the upcoming budget years.

- **Signage:** Professional signs are instrumental in increasing transient traffic into the garage and parking space utilization within the garage. Since commencing operations at MB, we proactively upgraded and added new signage which positioned us with customers to be a more inviting and safe environment. On the exterior we added signage that made the facility more visible to the public. For example, the addition of wobblers drove more business off the street into MB. In the interior, our signage alerted patrons about our additional valet service program. Overall, the signage was more consistent and part of a broader coherent approach. We will continue to re-evaluate our signage program and make proactive additions on an as needed basis going forward.
- **Enhancements & Repairs:** In order to ensure that the Mission Bartlett Garage remains a Class A facility, PPM will continue to identify, recommend, and make garage repairs and enhancements. As part of our long-term vision to improve the facility, we have identified several areas of capital improvement and made recommendations to the City. In the electrical control panel closet we identified structural leaks that are corroding circuit breaker and facility controls; these are important safety issues. Also, a structural connector between the garage and the

adjoining residential complex requires sealing according to the fire inspector. Both projects are currently in the RFP process to determine a vendor; each project is anticipated to be completed within the current fiscal year.

- **Mystery Shopping program:** PPM utilizes secret shoppers to assess our own effectiveness. Several mystery shop efforts have been conducted in the past year. Key learnings have been the need to interact with customers and the broader community to provide information on available programs such as monthly parking, validation and facility hours. For example on weekends many patrons are unaware of the closing times and can become frustrated. As a result, we have tailored our training programs to address these situations such as “conflict resolution” modules. Also, our employees are being provided with information on what businesses in the area validate parking with us.
- **Customer Surveys:** PPM partners with a marketing specialist to survey customers and then quantify the results. These surveys are important to improving our system. Customer surveys assist PPM in determining the needs and wants of our customer base. PPM then focuses efforts in accomplishing these goals. In the upcoming year it is our goal to attain an average of 4.4 or better on a scale of 1 to 5.
- **Customer Appreciation Days:** We have held several appreciation days in 2007. The purpose of the appreciation days is to build loyalty with our customers. We also take these opportunities to solicit meaningful and quantifiable feedback through customer surveys. Free coffee and pastries are served, and each has been very successful. Senior management are often times present at these events conveying our commitment to customers as well as directly receiving feedback. We will continue to hold these events on a quarterly basis in the coming year.
- **Community Partnerships:** In the past year we have broadened our relationships with the local community. We have joined the Mission Merchant Association and actively attend their meetings to foster stronger partnerships; for example promoting our validation program. In the coming year we will continue to work with City College of San Francisco to partner with them on solving challenges with their new campus. We also regularly “walk the neighborhood” to greet merchants and exchange ideas on developments in the community.
- **Business Validation:** We have an ongoing partnership with the merchants association and continue neighborhood walks to promote the business validation program in the local community. While local business’ do utilize this program, we intend to penetrate a much larger audience in the coming year.
- **City College of San Francisco:** The new extension center of City College is an untapped resource of additional revenue. PPM will work with City College’s building management to encourage professors and students to utilize the Mission Bartlett Garage. PPM will also begin a flyer campaign to attract students to the garage.

- **Flyers:** PPM will continue to flyer the neighborhood. We look outside the box to find new revenue streams. A great example of this is our flyer effort with vehicles parked illegally in the middle median on Valencia street during nights. We were able to raise awareness of available legal parking at affordable rates.
- **Mailers:** PPM will continue its mailing efforts to local neighbors regarding monthly parking options.

THIS PRINT COVERS CALENDAR ITEM NO: 19

MUNICIPAL TRANSPORTATION AGENCY  
City and County of San Francisco

**DIVISION:** Finance and Administration

**BRIEF DESCRIPTION:**

Authorizing the SFMTA Executive Director/CEO, or his designee, to approve the combined St. Mary's Square Garage and 16<sup>th</sup> & Hoff Street Garage Fiscal Years 2008-2009 and 2009-2010 Operating Budget.

**SUMMARY:**

- On December 2, 2003, the City entered into a six-year agreement with Pacific Park Management, Inc. ("Manager") for the combined management of the St. Mary's Square Garage and 16<sup>th</sup> & Hoff Garage that commenced on February 1, 2004. To capture economies of scale, the St. Mary's Garage and the 16<sup>th</sup> and Hoff Street Garage are jointly managed under the same contract.
- Pursuant to the agreement, Pacific Park Management, Inc. is required to submit an annual Operating Budget for review and approval.
- The SFMTA and the Recreation and Park Department each receive 50 percent of the net income from the St. Mary's Square Garage.
- The SFMTA absorbs 100 percent of the net income/loss from the 16<sup>th</sup> & Hoff Street Garage operation.
- SFMTA Finance staff formulated a uniform, two-year budget submittal package for use by all garages to establish a new benchmark in the quality of garage budget submittals and to improve the budget review process that includes line item analysis, historical trend review and ongoing discussions with the Manager to ensure that reasonable assumptions and methodologies are used.
- The budget package also incorporates recommendations outlined in the Chance Management Report recommendations for historical trend data, multi-year budgeting and consistent budget formats throughout SFMTA administered garages.
- The two-year operating budget submitted by the Manager is consistent with the requirements of Proposition A for this even-numbered year and the Manager will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year.

**ENCLOSURES:**

1. MTAB Resolution
2. Fiscal Years 2008-2009 and 2009-2010 Operating Budget for the combined management of the St. Mary's Square Garage and 16<sup>th</sup> & Hoff Garage

**APPROVALS:**

**DATE**

DEPUTY OF DIVISION  
PREPARING ITEM

\_\_\_\_\_

\_\_\_\_\_

FINANCE

\_\_\_\_\_

\_\_\_\_\_

EXECUTIVE DIRECTOR/CEO

\_\_\_\_\_

\_\_\_\_\_

SECRETARY

\_\_\_\_\_

\_\_\_\_\_

ADOPTED RESOLUTION

SHOULD BE RETURNED TO: Sonali Bose, Finance and Administration

ASSIGNED MTAB CALENDAR DATE: \_\_\_\_\_

**EXPLANATION:**

**Background:**

On December 2, 2003, the City entered into a six-year agreement with Pacific Park Management, Inc. (“Manager”) for the combined management of the St. Mary’s Square Garage and 16<sup>th</sup> & Hoff Garage (“Garages”) that commenced on February 1, 2004. Pursuant to the agreement, the Manager is required to submit an annual Operating Budget for review and approval.

SFMTA Finance staff formulated a uniform, two-year budget submittal package for use by all garages to establish a new benchmark in the quality of garage budget submittals and to improve the budget review process. The budget package also incorporates recommendations outlined in the Chance Management Report recommendations for historical trend data, multi-year budgeting and consistent budget formats throughout SFMTA administered garages. Capital improvement requests are deferred until an overall assessment of the capital improvement needs by the SFMTA is completed.

The two-year operating budget submitted by the Manager is consistent with the requirements of Proposition A for this even-numbered year and the Manager will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year.

The Manager receives \$3,500 per month in management fees and 15 percent of annual net revenues in excess of target revenue. The base target income figures may be further increased as a result of parking rate adjustments.

The SFMTA and the Recreation and Park Department each retain 50 percent of the net income from the St. Mary’s Square Garage. The St. Mary’s Square Garage is built partially under St. Mary’s Square Park, which is Recreation and Park Department property. The SFMTA therefore shares the revenues of the garage with the Recreation and Park Department. Historically, the DPT has received 42 percent of net garage revenues and the

Recreation & Park Department has received 58 percent. In 2000, the Recreation and Park Department expanded parts of the St. Mary's Square rooftop park, which resulted in a loss of parking spaces. The Recreation and Park Department subsequently agreed to an even split of the net income from the St. Mary's Square garage. The net loss from the 16<sup>th</sup> & Hoff Street Garage operation is approximately \$50,000 for the year or 1.6 percent of the total net income. 100 percent of this amount is absorbed by the SFMTA.

**Budget Evaluation Process:**

Upon receipt of the Manager's budget submittal, staff's initial review begins with a year-to-date verification of each revenue and expense line item category with the most recent garage monthly report. These line items are projected out through the end of the fiscal year taking into account the variations in seasonality, possible implementation of rate adjustments, known upcoming events, scheduled salary increases and associated payroll expenses, and normalizing for non-regular services or supply purchases. This initial review enables staff to identify possible erroneous assumptions made by the Manager.

The next step in the process is to communicate to the Manager any items of concern, point out obvious mathematical or formatting errors, if any, and to provide the opportunity for clarification and/or revision. Upon mutually accepted projections of revenues and expense for the current and proposed years, the Manager is requested to re-submit the budget in its final form providing the basis for this staff report. The combined operating budget submitted by Manager for the St. Mary's Square Garage and the 16<sup>th</sup> & Hoff Street Garage contained several formatting and inputting errors. Staff made several adjustments to their initial projections of revenues and expenses.

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**FISCAL YEAR 2007-2008**

A comparison between the approved FY 2007-2008 Operating Budget and the anticipated FY 2007-2008 performance is shown in chart below.

	<b>Approved Budget July 1, 2007 - June 30, 2008</b>	<b>Actual/Anticipated July 1, 2007 – June 30, 2008</b>	<b>Difference Between Approved and Anticipated</b>
Revenue	\$6,919,416	\$6,705,662	-\$213,754
less Parking Taxes	\$1,379,923	\$1,337,854	-\$42,069
less Expenses	\$2,481,060	\$2,568,217	\$87,157
Net Income	\$3,058,433	\$2,799,591	-\$258,842

For the current fiscal year, the Manager anticipates generating \$6,705,662 in total revenues. This amount is \$213,754 or 3 percent less than the amount budgeted. The variance in revenue is primarily due to over projections of transient income and business validations in the FY 2007-2008 budget. This amount is however \$324,325 or five percent more than the actual amount for FY 2006-2007. The Manager has focused their effort on attracting Early Bird patronage, which now accounts for 55 percent of all Monday through Friday day transient usage.



As for expenses, the Manager anticipates expenditures of \$2,568,217 which is \$87,156 or 3.5 percent more than the amount budgeted mainly due to increases in operating salaries and associated benefits. All other categories are at budgeted levels with the exception of Parking Supplies in which the Manager ordered new ticket stock to accommodate upgraded ticket dispensers.

The Manager anticipates generating a Net Income of \$2,799,591 for FY 2007-2008. This amount is \$258,842 or 8.5 percent less than the amount budgeted for the reasons stated above. The Recreation & Park Department and the SFMTA evenly split the garage net income. The net income to the SFMTA will be adjusted by approximately \$25,000 less and the Recreation and Park Department net income will be adjusted by approximately \$25,000 more after the split to reflect the net operating loss from the 16<sup>th</sup> & Hoff Street Garage operations.

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**FISCAL YEARS 2008-2009 and 2009-2010**

A comparison between the approved FY 2007-2008 Operating Budget, the proposed FY 2008-2009 and 2009-2010 Operating Budget, is shown in the chart.

	<b>2007-2008 Approved Budget</b>	<b>2008-2009 Proposed Budget</b>	<b>2009-2010 Proposed Budget</b>	<b>2008-2009 Compared To 2007- 2008</b>	<b>2009-2010 Compared To 2008- 2009</b>
Revenue	\$6,919,416	\$6,906,830	\$7,114,035	-\$12,586	\$207,205
less Parking Taxes	\$1,379,923	\$1,378,229	\$1,419,575	-\$1,694	\$41,346
less Expenses	\$2,481,060	\$2,608,537	\$2,681,200	\$150,477	\$72,663
Net Income	\$3,058,433	\$2,920,064	\$3,013,260	-\$138,369	\$93,196

For FY 2008-2009, the Manager projects generating \$6,906,830 in revenues. This amount is \$12,586 less than FY 2006-2007 budgeted revenues and \$201,168 or 3 percent greater than FY 2007-2008 anticipated revenues. The decrease from the FY 2007-2008 approved budget reflects current demand, adjusting for a slight increase in patronage for FY 2008-2009.

The Manager proposes expenditures of \$2,608,537. This amount is \$150,477 or 6.1 percent greater than the amount budgeted for FY 2007-2008 and reflects FY 2007-2008 anticipated operating cost and adjusted to include increases for scheduled salary increase, associated payroll expenses and normal operating cost.

The FY 2008-2009 Net Income is projected at \$2,920,064 which is \$138,369 or 4.5 percent less than the amount budgeted for FY 2007-2008 however is \$120,473 or 4.3 percent more than the anticipated Net Income for FY 2007-2008. After the split of net income, the income to the SFMTA is adjusted to reflect the net income/loss from the 16<sup>th</sup> & Hoff Street Garage operations.

For FY 2009-2010, a conservative three percent increase is reflected in both revenue and expense resulting in a Net Income of \$3,013,260. The Manager will be given an opportunity to propose amendments to the FY 2009-2010 Operating Budget in the odd-numbered year.

Capital improvement requests have been deferred pending an overall capital improvement assessment to be performed by the SFMTA.

This item directly supports Goal 4, Financial Capacity: To ensure financial stability and effective resource utilization and supports all other SFMTA 2008-2012 Strategic Plan Goals indirectly.

The City Attorney's Office has reviewed this item.

**Recommendation:**

Staff recommends that the San Francisco Municipal Transportation Agency Board of Directors adopt the attached resolution, authorizing the SFMTA Executive Director/CEO, or his designee, to approve the combined St. Mary's Square Garage and 16<sup>th</sup> & Hoff Garage Fiscal Years 2008-2009 and 2009-2010 Operating Budget.

MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, Pacific Park Management, Inc. ("Manager") operates both the St. Mary's Square Garage and the 16<sup>th</sup> & Hoff Garage ("Garages") on behalf of the City and County of San Francisco under a single agreement with the City; and,

WHEREAS, Under the terms of the agreement, the Manager is required to submit an annual Operating Budget for review and approval; and,

WHEREAS, The Manager has submitted the Fiscal Years 2008-2009 and 2009-2010 Operating Budget for the combined management of the St. Mary's Square Garage and 16<sup>th</sup> & Hoff Garage to the Municipal Transportation Agency Board of Directors for review; and,

WHEREAS, The two-year Operating Budget submitted by the Manager is consistent with the requirements of Proposition A for this even-numbered year and is in a format provided by the SFMTA; and,

WHEREAS, The Manager will be provided an opportunity to submit amendments to the two-year budget in each odd-numbered year; and,

WHEREAS, The Municipal Transportation Agency Board of Directors has reviewed

the Garage Fiscal Years 2008-2009 and 2009-2010 Operating Budget; now, therefore, be it

RESOLVED, That the Municipal Transportation Agency Board of Directors authorizes the SFMTA Executive Director/CEO, or his designee, to approve the combined St. Mary's Square Garage and 16<sup>th</sup> & Hoff Street Garage Fiscal Years 2008-2009 and 2009-2010 Operating Budget.

I hereby certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

---

Secretary, Municipal Transportation Agency Board

**CITY AND COUNTY OF SAN FRANCISCO**

**Saint Mary's Square Garage & 16<sup>th</sup> and Hoff Garage  
651 California Street and 42 Hoff Street**

**\*PROPOSED BUDGET**

**FY 2008 – 2009 (FY09)**

**FY 2009 – 2010 (FY10)**

**Prepared by:**

**Pacific Park Management  
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**ST. MARY'S SQUARE GARAGE AND 16<sup>TH</sup> & HOFF STREET GARAGE**  
**Three-Year Historical Trend**  
**Summary of Revenue and Expenditure**  
**(TABLE I)**

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Budget July 1, 2004 - June 30, 2005</b>	<b>Actual July 1, 2004 - June 30, 2005</b>	<b>Budget July 1, 2005 - June 30, 2006</b>	<b>Actual July 1, 2005 - June 30, 2006</b>	<b>Budget July 1, 2006 - June 30, 2007</b>	<b>Actual July 1, 2006 - June 30, 2007</b>
<b>REVENUE</b>						
1a Transient Parking	3,098,576	3,129,348	3,554,300	3,302,461	3,572,400	3,770,522
1b Monthly Parking	2,125,200	2,159,560	2,322,000	2,320,241	2,533,500	2,515,341
1c Business Validation	6,000	20,204	10,000	23,195	15,000	22,305
1g Government / Other Tax Exempt Parking	30,000	42,380	36,000	47,546	165,000	50,405
<b>Total Parking Revenue</b>	<b>\$ 5,259,776</b>	<b>\$ 5,351,492</b>	<b>\$ 5,922,300</b>	<b>\$ 5,693,443</b>	<b>\$ 6,285,900</b>	<b>\$6,366,797</b>
2a Miscellaneous Revenues	12,700	17,716	12,000	51,899	15,000	22,765
<b>Gross Revenue</b>	<b>\$ 5,272,476</b>	<b>\$ 5,369,208</b>	<b>\$ 5,934,300</b>	<b>\$ 5,745,342</b>	<b>\$ 6,300,900</b>	<b>\$6,381,337</b>
3a Parking Tax (less)	<b>1,051,955</b>	<b>1,070,298</b>	<b>1,184,460</b>	<b>1,138,689</b>	<b>1,224,180</b>	<b>1,273,359</b>
3c Bank Charges				<b>4,933</b>		<b>2,770</b>
<b>Net Revenue</b>	<b>\$4,220,521</b>	<b>\$4,298,910</b>	<b>\$4,749,840</b>	<b>\$4,601,720</b>	<b>\$5,076,720</b>	<b>\$5,105,208</b>
<b>EXPENDITURE</b>						
<b>Personnel Cost</b>						
A1 Administrative Salaries	165,000	165,655	169,000	166,420	174,000	126,794
A2 Parking Operations Salaries	795,952	862,292	874,176	915,421	928,000	968,669
<b>Payroll Expenses</b>						
B1 Payroll Taxes (non-SF)	81,681	97,776	93,000	99,148	102,000	99,308
B2 SF Payroll Taxes	14,414	15,419	15,648	16,227	16,500	16,432
B3 Welfare & Pension	115,329	228,043	198,000	249,237	220,000	274,530

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Budget July 1, 2004 - June 30, 2005</b>	<b>Actual July 1, 2004 - June 30, 2005</b>	<b>Budget July 1, 2005 - June 30, 2006</b>	<b>Actual July 1, 2005 - June 30, 2006</b>	<b>Budget July 1, 2006 - June 30, 2007</b>	<b>Actual July 1, 2006 - June 30, 2007</b>
B4 Worker's Compensation	120,119	123,970	130,397	130,469	134,000	128,847
<b>Utilities</b>						
C1 Gas & Electric	68,000	61,589	64,000	62,753	66,000	53,984
C2 Water	5,100	3,095	5,100	5,101	5,100	5,208
C3 Telephone	4,800	5,072	4,800	6,221	5,200	8,453
C4 Scavenger	7,200	6,853	7,200	7,499	7,300	8,067
<b>Supplies &amp; Services</b>						
D1 Insurance	40,800	21,014	40,800	55,360	40,800	67,926
D2 Repairs & Maintenance (Facility)	42,000	56,395	42,000	46,334	44,000	51,209
D3 Office Supplies	4,800	6,058	4,800	11,946	5,000	6,173
D4 Garage Supplies	4,800	7,381	8,000	5,778	8,500	17,324
D5 Parking Supplies	9,600	17,257	9,600	16,332	10,000	8,196
<b>Management Costs</b>						
E1 Management Fee	42,000	42,000	42,000	42,000	42,000	42,000
E2 Incentive Fee	84,104	23,500	100,000	54,970	100,000	86,370
<b>Professional/Personal Services</b>						
F1 Accounting/Bookkeeping	8,400	7,200	8,400	8,300	8,400	15,600
F2 Garage Audit	7,200	7,200	7,200	7,200	7,200	
F4 Security (Contractual)	147,600	175,305	148,000	208,488	210,000	208,488
F5 Janitorial Contract	110,016	110,064	113,300	111,864	115,000	115,464
F6 Armored Car	6,000					
F7 Personnel Training	3,000		3,000	1,945	6,000	6,000
F8 Bank Charges (Non-trustee)	36,000		36,000		36,000	
F9 Uniform Cleaning	7,800	7,049	7,800	8,660	8,000	7,415
F10 Payroll Processing	3,000	3,297	3,000	3,097	3,000	3,733

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Budget July 1, 2004 - June 30, 2005</b>	<b>Actual July 1, 2004 - June 30, 2005</b>	<b>Budget July 1, 2005 - June 30, 2006</b>	<b>Actual July 1, 2005 - June 30, 2006</b>	<b>Budget July 1, 2006 - June 30, 2007</b>	<b>Actual July 1, 2006 - June 30, 2007</b>
<b>Other Costs</b>						
G1 Taxes & Licenses	6,000	7,836	6,000	1,480	6,000	1,573
G2 Marketing	24,000	5,955	24,000	6,862	24,000	23,573
G5 Miscellaneous	10,000	3,500	5,000	4,380	3,000	3,287
<b>Total Garage Expense</b>	<b>\$1,974,715</b>	<b>\$2,070,775</b>	<b>\$2,170,221</b>	<b>\$2,253,492</b>	<b>\$2,335,000</b>	<b>\$2,354,623</b>
<b>Garage Operating Income/Loss</b>	<b>\$2,245,806</b>	<b>\$2,228,135</b>	<b>\$2,579,619</b>	<b>\$2,348,228</b>	<b>\$2,741,720</b>	<b>\$2,750,586</b>
G6 Capital Expenditure (less)	20,000	1,194	94,000	22,898	75,000	37,493
<b>Garage Net Income</b>	<b>\$2,225,806</b>	<b>\$2,226,941</b>	<b>\$2,485,619</b>	<b>\$2,325,330</b>	<b>\$2,666,720</b>	<b>\$2,713,093</b>

**ST. MARY'S SQUARE GARAGE AND 16<sup>TH</sup> & HOFF STREET GARAGE**  
**FY 2008 Approved Budget vs. FY 2008 Projection**  
**Summary of Revenue and Expenditure**  
**(TABLE II)**

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget July 1, 2007 - June 30, 2008</b>	<b>Projected July 1, 2007 - June 30, 2008</b>	<b>Difference Between FY08 Approved and FY08 Projected</b>	
<b>REVENUE</b>				
1a Transient Parking	4,243,347	3,979,997	-263,350	-6%
1b Monthly Parking	2,592,069	2,680,372	88,303	3%
1c Business Validation	25,000	18,705	-6,295	-25%
1g Tax Exempt Parking	47,000	11,357	-35,643	-76%
<b>Total Parking Revenue</b>	<b>\$ 6,907,416</b>	<b>6,690,431</b>	<b>-216,985</b>	<b>-3%</b>
2a Miscellaneous Revenues	12,000	15,231	3,231	27%
<b>Gross Revenue</b>	<b>\$ 6,919,416</b>	<b>6,705,662</b>	<b>-213,754</b>	<b>-3%</b>
3a Parking Tax (less)	1,379,923	1,337,854	-42,069	-3%
<b>Net Revenue</b>	<b>\$5,539,493</b>	<b>5,367,808</b>	<b>-171,685</b>	<b>-3%</b>



<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget July 1, 2007 - June 30, 2008</b>	<b>Projected July 1, 2007 - June 30, 2008</b>	<b>Difference Between FY08 Approved and FY08 Projected</b>	
<b>EXPENDITURE</b>				
<b>Personnel Cost</b>				
A1 Administrative Salaries	175,000	175,000	0	0%
A2 Parking Operations Salaries	987,000	1,030,000	43,000	4%
<b>Payroll Expenses</b>				
B1 Payroll Taxes (non-SF)	105,649	114,475	8,826	8%
B2 SF Payroll Taxes	17,430	18,075	645	4%
B3 Welfare & Pension	288,000	322,000	34,000	12%
B4 Worker's Compensation	133,281	127,730	-5,551	-4%
<b>Utilities</b>				
C1 Gas & Electric	55,000	55,000	0	0%
C2 Water	5,000	5,000	0	0%
C3 Telephone	7,800	7,800	0	0%
C4 Scavenger	8,100	8,100	0	0%
<b>Supplies &amp; Services</b>				
D1 Insurance	55,000	55,000	0	0%
D2 Repairs & Maintenance (Facility)	45,000	45,000	0	0%
D3 Office Supplies	5,500	5,500	0	0%
D4 Garage Supplies	16,000	16,000	0	0%
D5 Parking Supplies	10,000	15,513	5,513	55%
<b>Management Costs</b>				
E1 Management Fee	42,000	42,000	0	0%
E2 Incentive Fee	100,000	100,000	0	0%
<b>Professional/Personal Services</b>				
F1 Accounting/Bookkeeping	9,500	9,500	0	0%

REVENUE & EXPENSE CATEGORIES	Approved Budget July 1, 2007 - June 30, 2008	Projected July 1, 2007 - June 30, 2008	Difference Between FY08 Approved and FY08 Projected	
F2 Garage Audit	15,000	15,000	0	0%
F4 Security (Contractual)	214,000	214,000	0	0%
F5 Janitorial Contract	117,000	117,000	0	0%
F7 Personnel Training	6,000	6,000	0	0%
F9 Uniform Cleaning	7,800	7,800	0	0%
F10 Payroll Processing	3,000	3,000	0	0%
<b>Other Costs</b>				
G1 Taxes & Licenses	1,200	1,200	0	0%
G2 Marketing	25,500	25,500	0	0%
G5 Miscellaneous	3,300	3,300	0	0%
<b>Total Garage Expense</b>	<b>\$2,458,060</b>	<b>\$2,544,493</b>	<b>\$86,433</b>	<b>4%</b>
<b>Garage Operating Income/Loss</b>	<b>\$3,081,433</b>	<b>\$2,823,315</b>	<b>-258,118</b>	<b>-8%</b>
G6 Capital Expenditure (less)	23,000	23,724	724	3%
<b>Garage Net Income</b>	<b>\$3,058,433</b>	<b>\$2,799,591</b>	<b>-258,842</b>	<b>-9%</b>

**ST. MARY'S SQUARE GARAGE AND 16<sup>TH</sup> & HOFF STREET GARAGE**  
**FY 2009 and FY 2010 Proposed Budget**  
**Summary of Revenue and Expenditure**  
**(TABLE III)**

REVENUE & EXPENSE CATEGORIES	Approved Budget July 1, 2007 – June 30, 2008	Proposed Budget July 1, 2008 – June 30, 2009	Proposed Budget July 1, 2009 – June 30, 2010	Difference Between FY08 Approved and FY09 Proposed	
<b>REVENUE</b>					
1a Transient Parking	4,243,347	4,099,397	4,222,378	-143,950	-3%

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget July 1, 2007 – June 30, 2008</b>	<b>Proposed Budget July 1, 2008 – June 30, 2009</b>	<b>Proposed Budget July 1, 2009 – June 30, 2010</b>	<b>Difference Between FY08 Approved and FY09 Proposed</b>	
1b Monthly Parking	2,592,069	2,760,782	2,843,606	168,713	7%
1c Business Validation	25,000	19,266	19,844	-5,734	-23%
1g Tax Exempt Parking	47,000	11,698	12,049	-35,302	-75%
<b>Total Parking Revenue</b>	<b>\$ 6,907,416</b>	<b>6,891,143</b>	<b>7,097,877</b>	<b>-16,273</b>	<b>0%</b>
2a Miscellaneous Revenues	12,000	15,687	16,158	3,687	31%
<b>Gross Revenue</b>	<b>\$ 6,919,416</b>	<b>6,906,830</b>	<b>7,114,035</b>	<b>-12,586</b>	<b>0%</b>
3a Parking Tax (less)	1,379,923	1,378,229	1,419,575	-1,694	0%
<b>Net Revenue</b>	<b>\$5,539,493</b>	<b>5,528,601</b>	<b>5,694,460</b>	<b>-10,892</b>	<b>0%</b>
<b>EXPENDITURE</b>					
<b>Personnel Cost</b>					
A1 Administrative Salaries	175,000	180,250	185,658	5,250	3%
A2 Parking Operations Salaries	987,000	1,060,900	1,092,727	73,900	7%
<b>Payroll Expenses</b>					
B1 Payroll Taxes (non-SF)	105,649	117,909	121,447	12,260	12%
B2 SF Payroll Taxes	17,430	18,617	19,176	1,187	7%
B3 Welfare & Pension	288,000	331,660	341,610	43,660	15%
B4 Worker's Compensation	133,281	131,562	135,506	-1,719	-1%
<b>Utilities</b>					
C1 Gas & Electric	55,000	56,650	58,350	1,650	3%
C2 Water	5,000	5,150	5,305	150	3%
C3 Telephone	7,800	8,034	8,275	234	3%
C4 Scavenger	8,100	8,343	8,593	243	3%
<b>Supplies &amp; Services</b>					
D1 Insurance	55,000	56,650	58,350	1,650	3%
D2 Repairs & Maintenance	45,000	46,350	47,741	1,350	3%

<b>REVENUE &amp; EXPENSE CATEGORIES</b>	<b>Approved Budget July 1, 2007 – June 30, 2008</b>	<b>Proposed Budget July 1, 2008 – June 30, 2009</b>	<b>Proposed Budget July 1, 2009 – June 30, 2010</b>	<b>Difference Between FY08 Approved and FY09 Proposed</b>	
(Facility)					
D3 Office Supplies	5,500	5,665	5,835	165	3%
D4 Garage Supplies	16,000	16,480	16,974	480	3%
D5 Parking Supplies	10,000	15,978	16,458	5,978	60%
<b>Management Costs</b>					
E1 Management Fee	42,000	42,000	42,000	0	0%
E2 Incentive Fee	100,000	100,000	100,000	0	0%
<b>Professional/Personal Services</b>					
F1 Accounting/Bookkeeping	9,500	9,785	10,079	285	3%
F2 Garage Audit	15,000	15,000	15,000	0	0%
F4 Security (Contractual)	214,000	220,420	227,033	6,420	3%
F5 Janitorial Contract	117,000	120,510	124,125	3,510	3%
F7 Personnel Training	6,000	5,000	5,000	-1,000	-17%
F9 Uniform Cleaning	7,800	8,034	8,275	234	3%
F10 Payroll Processing	3,000	3,090	3,183	90	3%
<b>Other Costs</b>					
G1 Taxes & Licenses	1,200	1,200	1,200	0	0%
G2 Marketing	25,500	20,000	20,000	-5,500	-22%
G5 Miscellaneous	3,300	3,300	3,300	0	0%
<b>Total Garage Expense</b>	<b>\$2,458,060</b>	<b>\$2,608,537</b>	<b>\$2,681,200</b>	<b>\$150,477</b>	<b>6%</b>
<b>Garage Operating Income/Loss</b>	<b>\$3,081,433</b>	<b>\$2,920,064</b>	<b>\$3,013,260</b>	<b>-161,369</b>	<b>-5%</b>
G6 Capital Expenditure (less)	23,000	0	0	-23,000	-100%
<b>Garage Net Income</b>	<b>\$3,058,433</b>	<b>\$2,920,064</b>	<b>\$3,013,260</b>	<b>-138,369</b>	<b>-5%</b>

**ST. MARY'S SQUARE GARAGE AND 16<sup>TH</sup> & HOFF STREET GARAGE**  
**FY 2008-2009 and FY 2009-FY2010 Proposed Revenues by Month**  
**(TABLE IV)**

<b>FY 2008 - 2009</b>	<b>Jul</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Total</b>
<b>REVENUES</b>													
<b>Parking Revenues</b>													
1a Transient Parking	307,545	340,250	327,952	356,648	327,952	327,952	340,250	327,952	373,045	373,045	356,648	340,158	4,099,397
1b Monthly Parking	230,065	230,065	230,065	230,065	230,065	230,065	230,065	230,065	230,065	230,065	230,065	230,067	2,760,782
1c Business Validations	1,606	1,606	1,606	1,606	1,606	1,606	1,606	1,606	1,606	1,606	1,606	1,606	19,266
1g Parking (Tax Exempt)	975	975	975	975	975	975	975	975	975	975	975	973	11,698
<b>Total Parking Revenue</b>	<b>540,191</b>	<b>572,896</b>	<b>560,598</b>	<b>589,294</b>	<b>560,958</b>	<b>560,598</b>	<b>572,896</b>	<b>560,598</b>	<b>605,691</b>	<b>605,691</b>	<b>589,294</b>	<b>572,804</b>	<b>6,891,143</b>
2a Miscellaneous	1,307	1,307	1,307	1,307	1,307	1,307	1,307	1,307	1,307	1,307	1,307	1,310	15,687
<b>Gross Revenue</b>	<b>541,498</b>	<b>574,203</b>	<b>561,905</b>	<b>590,601</b>	<b>561,905</b>	<b>561,905</b>	<b>574,203</b>	<b>561,905</b>	<b>606,998</b>	<b>606,998</b>	<b>590,601</b>	<b>574,114</b>	<b>6,906,830</b>
3a Parking Tax (less)	108,038	114,579	112,120	117,859	112,120	112,120	114,579	112,120	121,138	121,138	117,859	114,561	1,378,229
<b>Net Revenue</b>	<b>433,459</b>	<b>459,623</b>	<b>449,785</b>	<b>472,742</b>	<b>449,785</b>	<b>449,785</b>	<b>459,623</b>	<b>449,785</b>	<b>485,859</b>	<b>485,859</b>	<b>472,742</b>	<b>459,553</b>	<b>5,528,601</b>

<b>FY 2009 - 2010</b>	<b>Jul</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Total</b>
<b>REVENUES</b>													
<b>Parking Revenues</b>													
1a Transient Parking	316,678	350,457	337,790	367,347	337,790	337,790	350,457	337,790	384,236	384,236	367,347	350,460	4,222,378
1b Monthly Parking	236,967	236,967	236,967	236,967	236,967	236,967	236,967	236,967	236,967	236,967	236,967	236,969	2,843,606
1c Business Validations	1,654	1,654	1,654	1,654	1,654	1,654	1,654	1,654	1,654	1,654	1,654	1,650	19,844
1g Parking (Tax Exempt)	1,004	1,004	1,004	1,004	1,004	1,004	1,004	1,004	1,004	1,004	1,004	1,005	12,049
<b>Total Parking Revenue</b>	<b>556,303</b>	<b>590,082</b>	<b>577,415</b>	<b>606,972</b>	<b>577,415</b>	<b>577,415</b>	<b>590,082</b>	<b>577,415</b>	<b>623,861</b>	<b>623,861</b>	<b>606,972</b>	<b>590,084</b>	<b>7,097,877</b>
2a Miscellaneous	1,347	1,347	1,347	1,347	1,347	1,347	1,347	1,347	1,347	1,347	1,347	1,341	16,158
<b>Gross Revenue</b>	<b>557,650</b>	<b>591,429</b>	<b>578,762</b>	<b>608,319</b>	<b>578,762</b>	<b>578,762</b>	<b>591,429</b>	<b>578,762</b>	<b>625,208</b>	<b>625,208</b>	<b>608,319</b>	<b>591,425</b>	<b>7,114,035</b>
3a Parking Tax (less)	111,261	118,016	115,483	121,394	115,483	115,483	118,016	115,483	124,772	124,772	121,394	118,017	1,419,575
<b>Net Revenue</b>	<b>446,389</b>	<b>473,413</b>	<b>463,279</b>	<b>486,925</b>	<b>463,279</b>	<b>463,279</b>	<b>473,413</b>	<b>463,279</b>	<b>500,436</b>	<b>500,436</b>	<b>486,925</b>	<b>473,408</b>	<b>5,694,460</b>

## **NARRATIVE I**

### **FY 2007-2008 Approved Budget To FY 2007-2008 Projection**

**1a. Transient Parking**

**3%**

The overall economy is stalling, many economists predict recession, and San Francisco feels the effects of the slowdown. Rising gas prices have led to less transient trips by large segments of the population. Our transient volume projected decrease is in alignment with these general economic trends.

**1b. Monthly Parking**

**3%**

Through evaluation of our monthly diversity percentage, we try to maximize the number of monthly that we sold every month. For the last year, we have been targeting the Early Bird parkers with some success.

**1c. Business Validation**

**-25%**

One of our largest validation customers, Teak has moved out of the area, and due to the stalling economy our other customers are buying less validations per month.

**1g. Tax Exempt Monthly Parking**

**-76%**

Revenues for the Ritz Carlton Hotel, previously reported in prior budgets under this line item, has been re-categorized, and is now reported under business validations. Revenues from the Brazilian consulate are counted in this budget line item.

**2a. Miscellaneous**

**+27%**

Perhaps as a function of the stalling economy, financially stretched customers are paying late, thus incurring late fees.

**3a. Parking Tax**

**-3%**

These taxes are a function of the gross revenues.

**A1. Administrative Salaries**

**0%**

Expenses are projected to be in alignment with the budget.

**A2. Parking Operations Salaries**

**+4%**

The range of wages begins at \$11.81 for new employees to \$19.65 for an experienced journeymen. Foremen rates are journeymen rate + 15%. This facility is open 24 hours / 365 days per year.

**B1. Payroll Taxes (non-SF)**

**+8%**

These taxes consist of FUTA (.8%) SSI (6.20%), Medicare (1.45%), SUI (4.1%). The total amount is a function of total payroll costs.

<b>B2. SF Payroll Taxes</b>	<b>+4%</b>
This tax is 1.5% of total payroll costs, and is a function of total payroll.	
<b>B3. Welfare &amp; Pension</b>	<b>+12%</b>
The Teamsters Western Conference increased the health benefit rate from \$815 per month to \$855. Pension costs increased from \$1.97 to \$2.09 per payroll hour. The primary driver of the cost increase for healthcare is that we have become aware of additional employees that are eligible for and will receive health benefits in the coming year.	
<b>B4. Worker's Compensation</b>	<b>-4%</b>
Worker's compensation rates have decreased. Our safety training programs have shown positive impact on these costs; in addition to favorable global trends in the worker's compensation markets.	
<b>C1. Gas &amp; Electric</b>	<b>0%</b>
We anticipate being within the allotted budget amount on this line item.	
<b>C2. Water &amp; Sewer</b>	<b>0%</b>
We anticipate being within the allotted budget amount on this line item	
<b>C3. Telephone</b>	<b>0%</b>
We anticipate being within the allotted budget amount on this line item	
<b>C4. Scavenger</b>	<b>0%</b>
We anticipate being within the allotted budget amount on this line item	
<b>D1. Insurance</b>	<b>0%</b>
We anticipate being within the allotted budget amount on this line item	
<b>D2. Repair &amp; Maintenance (Facility)</b>	<b>0%</b>
We anticipate being within the allotted budget amount on this line item	
<b>D3. Office Supplies</b>	<b>0%</b>
This line item is projected to be within the allotted budget.	
<b>D4. Garage Supplies</b>	<b>0%</b>
We anticipate being within the allotted budget amount on this line item	
<b>D5. Parking Supplies</b>	<b>+55%</b>
These items include parking tickets, journal tape, ribbons and validation stamps that allow employees to efficiently serve patrons and process transactions. Because we upgrade the ticket spitter machines, we were required to purchase a new supply of tickets for all our three ticket spitter machines. Each machine uses a different type of ticket.	
<b>E1. Management Fee</b>	<b>0%</b>



The management fee is fixed for the duration of the contract and will not change.

**E2. Incentive Fee**

**NA**

We anticipate earning an incentive fee during this fiscal year per the contract for surpassing established revenue targets. However, while this fee is earned during this budget year, it shall be paid during the next fiscal year.

**F1. Accounting/Bookkeeping**

**0%**

These services support the general accounting, tracking and record keeping of the accounts payable and receivables of the facility. These services also reconcile the revenues reported to DPT with what has been deposited to the bank. We anticipate remaining within the allotted budget.

**F2. Garage Audit**

**0%**

Under our contractual obligation with the City, Section 10.10 these services provide for a CPA audit for each contract year of transactions and financial accounting/record keeping of the facility. We anticipate remaining within the allotted budget.

**F4. Security (Contractual) Section 7.4**

**0%**

Per our contract, we engage a subcontractor to meet the requirements under the contract.

**F5. Janitorial Contract Section 7.3**

**0%**

These services are provided as required under section 7.3 of our contract. Janitorial services are provided on a daily basis to provide a clean, safe and professional experience for customers, and a positive work environment for employees. Monthly costs are \$9,750 per month, or \$117,000 annually. We anticipate remaining within the allocated budget for this item.

**F7. Personnel Training**

**0%**

Training of our employees leads to better customer satisfaction, safety in the workplace, a more efficient operation and better teamwork, among other considerations. These trainings are provided by an outside professional vendor. Expenses are anticipated to remain within the allotted budget.

**F9. Uniform Cleaning**

**0%**

Presenting employees with a professional appearance to the public is important. Costs for these services are \$650 per month. We do not anticipate exceeding the budget allocation for this line item.

**F10. Payroll Processing**

**0%**

This service provides accurate and timely payment of compensation to employees. Costs are \$250 per month or \$3,000 annually. We do anticipate being within budget on this line item.

**G1. Tax & License Fees**

**0%**

These costs are approximately \$100 per month or \$1,200 annually and include permits and licenses such as fire permit and business permit. We anticipate remaining within budget.

**G2. Marketing****0%**

These costs support promotion of our facility, activities to strengthen customer retention, and feedback through programs such as surveys and mystery shop programs. The budget is \$25,500 annually or \$2,125 per month, and is not expected to exceed the allotted amount.

**G5. Miscellaneous****0%**

We anticipate being within the allotted budget amount on this line item

**G6. Capital Expenditure****0%**

Because the facility is old, it is difficult to predict with accuracy any needed repairs and maintenance. However, there are items we are aware of that need attention for compliance with safety/liability concerns. There is water coming through the walls from the upper level where the park is located. We need to allocate a budget to do an engineering assessment to better understand the gravity of the situation.

**NARRATIVE II****FY 2007-2008 Approved Budget****To****FY 2008-2009 Proposed Budget****1a. Transient Parking****+3%**

We are anticipating continued growth of our transient revenue by marketing heavily to segments of potential parkers we have not focused on before. We are going to focus on the evening parking and weekend parking populations. We feel that during this time we can accommodate more daily transients. Also, we will continue to maximize our capacity.

**1b. Monthly Parking****+7%**

We will create another level of reserve parking by relocating our carpool to the upper level. By doing this we will have premier parking reserved spaces and we can increase the rate by 20%. Also, we will continue to maximize our area that is allocated for monthly parkers.

**1c. Business Validation****-23%**

The general economic slowdown that has impacted our transient revenues also directly effects business validation; fewer visitors require fewer validations. Also, in tighter economic times, businesses may be cutting costs and not willing to subsidize parking of their customers.

**1g. Tax Exempt Monthly Parking****0%**

Revenues for the Ritz Carlton Hotel, previously reported in prior budgets under this line item, has been re-categorized, and is now reported under business validations. Revenues from the Brazilian consulate are counted in this budget line item.

**2a. Miscellaneous****+31%**

We will continue to collect late fees and no key fees from monthlies and daily customers' who take their keys with them.

<b>3a. Parking Tax</b>	<b>0%</b>
These taxes are a function of the gross revenues.	
<b>A1. Administrative Salaries</b>	<b>+3%</b>
This line item is projected to increase in alignment with the local Consumer Price Index.	
<b>A2. Parking Operations Salaries</b>	<b>+7%</b>
We anticipate two factors contributing to the growth of these salaries; the consumer price index growth and anticipated new collective bargaining agreement with Teamsters Local 665 effective December 1 2008.	
<b>B1. Payroll Taxes (non-SF)</b>	<b>+12%</b>
These taxes consist of FUTA (.8%) SSI (6.20%), Medicare (1.45%), SUI (4.1%). The total amount is a function of total payroll costs.	
<b>B2. SF Payroll Taxes</b>	<b>+7%</b>
This tax is 1.5% of total payroll costs, and is a function of total payroll.	
<b>B3. Welfare &amp; Pension</b>	<b>+15%</b>
The Teamsters Western Conference increased the health benefit rate from \$815 per month to \$855. Pension costs increased from \$1.97 to \$2.09 per payroll hour. The primary driver of the cost increase for healthcare is that we have become aware of additional employees that are eligible for and will receive health benefits in the coming year. This line item is projected to increase in alignment with the local Consumer Price Index.	
<b>B4. Worker's Compensation</b>	<b>-1%</b>
Workers compensation costs are conservatively projected to remain relatively flat as industry trends tend to favor costs continuing to fall in the near term.	
<b>C1. Gas &amp; Electric</b>	<b>+3%</b>
This line item is projected to increase in alignment with the local Consumer Price Index.	
<b>C2. Water &amp; Sewer</b>	<b>+3%</b>
This line item is projected to increase in alignment with the local Consumer Price Index.	
<b>C3. Telephone</b>	<b>+3%</b>
We anticipate being within the allotted budget amount on this line item	
<b>C4. Scavenger</b>	<b>+3%</b>
This line item is projected to increase in alignment with the local Consumer Price Index.	
<b>D1. Insurance</b>	<b>+3%</b>
This line item is projected to increase in alignment with the local Consumer Price Index.	

<b>D2. Repair &amp; Maintenance (Facility)</b>	<b>+3%</b>
This line item is projected to increase in alignment with the local Consumer Price Index.	
<b>D3. Office Supplies</b>	<b>+3%</b>
This line item is projected to increase in alignment with the local Consumer Price Index.	
<b>D4. Garage Supplies</b>	<b>+3%</b>
This line item is projected to increase in alignment with the local Consumer Price Index.	
<b>D5. Parking Supplies</b>	<b>+60%</b>
The significant growth in this line item is driven by the need to acquire a new inventory of parking tickets that are compatible with the upgraded revenue control system. The old tickets are now obsolete as they do not work with the new equipment. In aggregate terms this is approximately a \$5,000 annual expense.	
<b>E1. Management Fee</b>	<b>0%</b>
The management fee shall remain the same as prescribed by our contract.	
<b>E2. Incentive Fee</b>	<b>0%</b>
We are already earning the maximum allowable incentive fee allowable under our contract, therefore no increase is expected.	
<b>F1. Accounting/Bookkeeping</b>	<b>+3%</b>
This line item is projected to increase in alignment with the local Consumer Price Index.	
<b>F2. Garage Audit</b>	<b>0%</b>
We do not anticipate any change in these costs.	
<b>F3. Garage Legal</b>	<b>0%</b>
This line item is difficult to project; however we do not anticipate any legal costs at this time.	
<b>F4. Security (Contractual) Section 7.4</b>	<b>+3%</b>
This line item is projected to increase in alignment with the local Consumer Price Index.	
<b>F5. Janitorial Contract Section 7.3</b>	<b>+3%</b>
This line item is projected to increase in alignment with the local Consumer Price Index.	
<b>F7. Personnel Training</b>	<b>-17%</b>
Projected training program needs are not expected to require previous year levels of expenditures.	
<b>F9. Uniform Cleaning</b>	<b>+3%</b>
This line item is projected to increase in alignment with the local Consumer Price Index.	
<b>F10. Payroll Processing</b>	<b>+3%</b>
This line item is projected to increase in alignment with the local Consumer Price Index.	

**G1. Tax & License Fees****0%**

This line item is projected to increase in alignment with the local Consumer Price Index.

**G2. Marketing****-22%**

Marketing program expenditures are being decreased in alignment with larger cost cutting trends.

**G5. Miscellaneous****0%**

This line item is projected to increase in alignment with the local Consumer Price Index.

**GARAGE****\*FY 2008-2009 and FY 2009-2010 MARKETING PLAN**

Following is Pacific Park Management Marketing Plan for the Saint Mary's and 16<sup>th</sup> and Hoff Garage. Parking Company would like to institute some or all of the following new programs at the 2009-2009 and 2009-2010 Garage for the upcoming budget years.

- **Maximize garage revenue by matching the needs of our patrons and our garage accommodation.** Our patrons are in a rush and their time is money. We must provide them the best customer service that we can. To this end we have been successful.. The key to our success is that our care for our employees carries through to our employees caring about our customers. Our greatest opportunity is not met simply through filling up the garage with monthlies or transients, we already do this daily, but rather how to manage the facilities when the garage is running at capacity.

St. Mary's Square and 16<sup>th</sup> and Hoff Garage have 519 marked spaces and operates with a full valet team at peak hours and during the day. We currently have 640 monthlies parkers. Our overall utilization at peak hour climbed over 200% at Saint Mary's and over 100% at 16<sup>th</sup> and Hoff with the valet in full swing. Since we are already operating at capacity for peak hours, our marketing strategy is to maintain our number of monthlies stable. Every person who inquires about monthly parking is asked to complete an application so that we are able to quickly replace those monthly customers who turnover during the month. Currently, for every one hundred parking passes that we issue, only 68 park on a regular basis. We keep track of this number because it allows us to increase or decrease the number of monthlies as utilization increases/decreases. For our 519 marked spaces we can accommodate up to 965 cars. Our key is to maximize the usage of our garage by managing our facility well when we are at peak. To achieve this, we keep our managers and supervisors on the floor to continue bringing in cars and facilitate cars exiting. We manage our garage just like an Architect will manage the space that he has on a parcel. The architect maximizes every inch of the parcel, and we maximize every inch of our garage.

- **New Targeting Market, Premium Reserved Parking Program:** Since the garage is already operating at capacity during peak hours, we have explored ways of increasing

- **New advertising online:** Our Company has teamed up with Parkingcarma to make our facility more visible and accessible online for people who are planning a trip to Chinatown, or the heart of the Financial District. Parkingcarma is an online service that helps people locate the nearest parking space to their final destination. Parkingcarma has worked with BART and the UC Regents at Berkeley to make their limited parking space more accessible. We intend to work this year with Parkingcarma to broadcast our location, rates, and occupancy for people who are looking for a parking space. We've enabled our control equipment system to work with Parkingcarma to help them to keep track of the occupancy so that that information is available for potential customers using the web to identify their parking options.
- **Exploration of new evening, weekend, and monthly parking programs:** As strong as the garage utilization is during peak hours, there are still opportunities to increase revenues at off-peak hours. The same factors that contribute to the high daytime occupancy, contribute to low late night/early morning occupancy. We would like to explore the creation of a program that will include evening, overnight, weekend and monthly parking programs at St. Mary's. Currently the garage is underutilized between the hours of 6:00 p.m. to 7:00 a.m. Our recommendation is to give a 50% discount off the regular monthly parking to those who wish to enroll in this program. The targeted clients will be residents who live within five blocks of the garage, who need their vehicles during peak hours.
- **Evening and Overnight Parking.** Currently, people who come in after 6:00 p.m. need to be out by 4:00 a.m. before they start paying the regular rate. We would like to proceed to allow people to exit at 7:00 a.m. and still pay the evening maximum rate. We believe the current policy of charging the increased rate at 4am discourages overnight parkers without compensating for that lost revenue via the higher rate (the majority of parkers in the 4am-7am time frame are monthlies). This program will target people who need overnight parking but are not ready to sign up for monthly parking.
- **Mass Marketing:** We will be distributing brochures and flyers to local businesses. Last year, a marketing strategy that is still paying off was the mass mailing of flyers to local business. By using the phone reverse directory, we able to identify every single tenant in any particular building and then send a flyer to him or her. Even if at the moment they receive the flyer no parking is needed, they do have the information for the future or for a colleague.

- **The Early Bird:** Has done much for people who needs affordable parking and for our environment because people do not have drive during peak hours. Our customers can enter up to 10:00 a.m. and leave up to 10:00 p.m. and pay discount parking. This program has been a win win for everyone. Our goal is to step up the marketing of this program and educate our community about this program and encourage them to use the program. The key here is education. The target market for this program is transient customers.
- **Managing Special Events:** We will continue working closely with valet companies, parking consultants, film companies, as well as hotels and restaurants to support their special event parking requests and parking needs. Currently we are working with the following valet companies: Soire Valet, Flying Dutchman, and Peninsula Parking. Also, we are developing parking arrangements with the Far East Café and the Grant Plaza Hotel. Providing parking for nearby hotels has proven very successful. We are currently providing parking for The Ritz Carlton at St. Mary's. Our relationship with the Merchant Exchange building has also proven to be very fruitful. The net result of these efforts has been increased revenue for St. Mary's and better delivering of parking solutions to our community and city constituents. We will continue to identify other partner that we can work with.
- **Improving the Customer Experience:** This year we will continue our efforts to provide a top quality customer experience our valued patrons of St. Mary's Garage. Last year, we held multiple Customer Appreciation Days, which included complimentary breakfast items. We will continue this program. Our experience has taught us the importance to get in front of our customer and connect with them. By making ourselves available in a pleasant atmosphere it allows our customer to talk to us candidly and let us know what we are doing right and what we need to improve.
- **Customer Survey and location visits by our ticket shopper and Upper management:** We will continue to conduct surveys of our customers and have our management regularly visit and review our location. The survey feedback is invaluable as it helps us to provide a better service by encouraging the practices that are identified in the surveys and visits and by discouraging the practices that we can do without. For example, when customers requested for us to keep their credit card number on file and charge them every month automatically we accommodated their request. Another example, one client suggested that that while waiting for the credit machine card to finish the transaction, the attendant assist or direct the monthly parkers to where their car is located or help them to retrieve their car keys. Following through on this simple (but effective) suggestion shows we listen to our customers and truly do care about improving their customer experience. Our employees are also an invaluable resource for identifying ways to improve customer service and site operations. The frequent (and friendly) site visits by Upper Management provides employees the opportunity to share their concerns or suggestions, which we promptly address.
- **Improved Access & Safety:** Easy, convenient access and feelings of safety translate into higher revenues. Our goal is not only to recruit more customers, but to retain them and ensure they feel their needs are not only met, but that their expectations are exceeded. Our

Management team religiously walks through the garage every morning, while our Security team continuously monitors and walks the garage throughout the day.

Access continues to be on our mind. One of the challenges is that our customers are often in a rush and before we get to them they have left their car in a blocking position and have taken their car keys with them. We continue to educate our customer to leave their key and have a program in place to move the cars out of the way with our go-jack and when the car is not on a flat surface we have an arrangement with a tow truck to assist us.

We are continuing training of our employees on maintaining a safe environment for themselves and our customers. Past training has included sessions on Fire, Safety, and Injury and Illness prevention. The fire training has proven to be invaluable, much like the other trainings. Last year, we had a customer whose car caught fire. One employee immediately grabbed the fire extinguisher, while another called 911, and the third got the General Manager to help and bring the situation under control.

- **Focus on Rewarding Performance and providing the tools to do their job:** PPM's focus on improving employee morale and customer service in St. Mary's Square Garage continues to pay dividends. Our efforts not only include rewarding employees for their efforts and great job, but also by enabling them to do their job more effectively and more enjoyably. For example, we have implemented a weekly rewards program for outstanding performers, providing winners with gift certificates and Starbucks Cards. We have also implemented an Employee of the Month program, rewarding the winner with a gift certificate and with a certificate in a frame recognizing their efforts.

We also offer our employees our premier GUEST and Conflict resolution training as well as our management support to enable them to do their jobs. Our management team has an open-door policy, and is always available to assist and support our employees. If an employee's immediate supervisor or manager is unavailable, or if the employee feels uncomfortable approaching their supervisor, the employee can contact upper management. To facilitate this communication path, we have a phone directory posted in every facility with phone numbers of their field supervisor all the way to the President and Owners of the company. Employees are encouraged to use the phone directory when they feel that an issue needs to be elevated. This helps to foster a more energized and dedicated workforce.



**THIS PRINT COVERS CALENDAR ITEM NO: 20**

**MUNICIPAL TRANSPORTATION AGENCY**  
City and County of San Francisco

**DIVISION:** Off-Street Parking Operations

**BRIEF DESCRIPTION:**

Supporting the formation of a new Yerba Buena Community Benefit District (CBD) and authorizing the SFMTA Executive Director/CEO to submit ballots in favor of the formation of the CBD.

**SUMMARY:**

- The Yerba Buena Neighborhood stretches from Market to Harrison and 2<sup>nd</sup> to 5<sup>th</sup> streets. The neighborhood includes large venues such as Moscone Center, Yerba Buena Gardens, Westfield San Francisco Centre and Metreon, and numerous hotels, art galleries, museums small business establishments, apartments, lofts and condominiums.
- Over the last year, the neighborhood residents and merchants have explored formation of a Community Benefit District to raise adequate funds to implement various projects and provide services to improve the neighborhood and enhance the quality of life for neighborhood residents and visitors.
- The proposed CBD will levy special assessments on the property owners within the CBD boundaries. Annual assessments will begin in January 2009 and will continue for 7 years.
- The Fifth & Mission Garage, currently leased to the Downtown Parking Corporation, is located within the proposed CBD boundaries; the proposed annual assessment for this garage is \$104,630. The Moscone Center Garage is also located within the proposed CBD boundaries; the proposed annual assessment for this garage is \$21,517.18.
- The area in the vicinity of the Fifth and Mission and Moscone Garages will benefit from enhanced sidewalk cleaning, graffiti removal, security, special events and street beautification efforts, to be funded by the assessments.
- To form a CBD, both the Board of Supervisors and a majority of property owners must approve. Following City policy, the SFMTA has been neutral as to whether the Board of Supervisors should approve issuance of ballots to create the CBD. But once the Board of Supervisors authorizes the formation of the CBD, the SFMTA has the opportunity to cast its two ballots (one for each garage) to support or oppose the formation of the CBD. Staff supports the formation of a new CBD, and recommends that the SFMTA Board of Directors authorize the Executive Director/CEO or his designee to submit the ballots to approve formation of the CBD.
- The City Attorney's Office has reviewed this calendar item.

**ENCLOSURES:**

1. MTAB Resolution
2. Attachment A – Map - Benefit Zones
3. Attachment B - Zones and Services

**APPROVALS:**

**DATE**

DEPUTY OF DIVISION  
PREPARING ITEM \_\_\_\_\_  
FINANCE \_\_\_\_\_  
EXECUTIVE DIRECTOR/CEO \_\_\_\_\_  
SECRETARY \_\_\_\_\_  
ADOPTED RESOLUTION  
SHOULD BE RETURNED TO: Amit M. Kothari, Off-Street Parking

ASSIGNED MTAB CALENDAR DATE: \_\_\_\_\_

**EXPLANATION:**

**Background:**

State and City law set out the requirements and authorization procedures for the formation and administration of a Community Benefit District (CBD). (**California Streets & Highways Code Section 36600 et seq.; S.F. Business and Tax Regulations Code, Article 15**). Currently, there are 8 CBDs within the City and County of San Francisco, in which the property owners pay annual assessments and implement specific programs and projects that benefit their communities.

For over a year, a Steering Committee, comprised of 25 members representing 40 properties within the Yerba Buena neighborhood, has evaluated the challenges faced by their community and successfully identified creative and feasible solutions to advance the quality of life for its residents and visitors, as well as enhancing economic vibrancy for its businesses. Since community's needs exceed the services provided by limited government resources, the Steering Committee has put together a comprehensive plan that proposes to address the community needs through formation of a CBD. The preliminary CBD Management Plan, released in April 2008, outlines the following:

**District Boundaries, Benefit Zones and Service Plan**

The proposed district stretches from Market to Harrison and from 2<sup>nd</sup> to 5<sup>th</sup> Streets (Map attached). Specific parcels already included in the existing Union Square Business Improvement District (BID) are excluded from the proposed CBD.

The Yerba Buena Alliance facilitated over 150 community interviews and 26 events to provide outreach to over 2,000 property owners and other stakeholders to receive community feedback on the formation of the CBD. Based upon the community input, the proposed CBD will expend funds in the following four categories:

1. Sidewalk Operations and Beautification
2. District Identity and Streetscape Improvements
3. Administration
4. Contingencies and Reserve

Since needs of a particular block within the CBD may differ from other blocks, the proposed CBD is divided into 5 zones. This will allow implementing a service plan more tailored to each zone, and thereby make more effective use of the assessment dollars. Details of the proposed services and improvements for each zone are shown on Attachment B.

#### Budget

Based upon the needs of the community, a first year budget of \$2,511,225 has been identified in the Preliminary Plan. The breakdown of proposed expenses is as follows:

Sidewalk Operations and Beautification	\$1,596,700 (63.5%)
District Identity and Streetscape Improvements	\$ 279,597 (11.0%)
Administration	\$ 370,000 (15.0%)
Contingencies and Reserve	\$ 264,928 (10.5%)
<b>TOTAL</b>	<b>\$2,511,225 (100%)</b>

The annual budget for the subsequent years will be prepared by the corporation and submitted to the Board of Supervisors. Of the total annual budget, 95% of the revenues will be generated from the special benefit assessments (61% building area, 34% linear frontage). The remaining 5% revenues will be generated from other sources such as grants, donations and in-kind contributions.

#### District Management

The CBD will be administered by a nonprofit corporation, whose board will be representative of the community and stakeholders within the CBD. The Board will have a maximum of 28 members, each serving a 3-year term, with a maximum of two terms. The members will be selected with the following representations:

- 30% - Commercial (up to 2 hotels, 2 retail, and one each from restaurant, office building, service business and at large)
- 14% - Residential (up to 2 condo owners and 2 other tenants)
- 14% - Community Organizations (e.g. SPUR, SOMACC, etc.)
- 14% - Government or educational institutions (e.g. City College, Moscone Center, SFCVB, etc.)
- 14% - Non-profit Arts (one each – property owner, tenant, large entity, small entity)
- 14% - At large – from any categories listed above

#### Property Assessments

The Yerba Buena CBD Steering Committee developed an assessment methodology to calculate assessments for each parcel in the CBD. Since all parcels within the District will benefit from the formation of the CBD, an assessment has been proposed for each parcel. Certain parcels owned by nonprofit corporations, religious organizations, and parking areas not open to public at large are exempt for assessment. The annual assessment for each parcel is based on one or more of the following:

- Linear footage of the lot abutting the public right of way

- Gross building area
- Location in a particular benefit zone, and
- Use

The assessments for future years (years 2 through 7) may be adjusted for inflation based upon the San Francisco-Oakland-San Jose Consumer Price Index, not to exceed 5% annually. Unless extended by the property owners, the CBD will terminate after 7 years.

#### Schedule

Through a petition process in May 2008, the Yerba Buena Alliance has already documented the necessary support from the property owners to form a CBD. The anticipated schedule for the remainder of the process is as follows:

June 2008	Board of Supervisors – hearing and approval to mail the ballots to all affected property owners.
July/August 2008	Ballots due. Public Hearing scheduled and CBD formed
Sept. – Nov. 2008	Interim management corporation formed
January 2009	Assessments transferred to CBD from the City. Services initiated.

#### Analysis:

In general, the staff encourages neighborhood associations and community groups to work together with the City staff to identify the community needs, secure necessary funds and jointly develop an implementation plan. Staff believes that the proposed CBD initiative, including the planned services and administration, will benefit the community at large, including the two public parking facilities operated by the SFMTA. The proposed assessments include \$104,630 for the 5<sup>th</sup> & Mission Garage (Zone 1) and \$21,517.18 for the Moscone Center Garage (Zone 2). The total assessment for these two garages is approximately 5.29% of the entire assessment for all properties within the CBD. This is consistent with Article XIID (4) of the California Constitution which requires that government parcels be assessed unless they receive no special benefit from the improvements and services funded by the assessments.

The enhanced maintenance of sidewalks, additional security and streetscape improvements in the proximity of these garages will benefit thousands of garage patrons every day. Special marketing and community events will also support garage operations. Detailed services to be provided in the vicinity of these garages are shown on Attachment B (Zones 1 and 2). Due to significant benefits in return for an annual assessment of approximately \$126,000, staff recommends supporting the formation of the CBD.

The Downtown Parking Corporation currently leases the 5<sup>th</sup> & Mission Garage, and its Board supports the formation of CBD.

This item directly supports Goal 1 - **Customer Focus** and other 2008-2012 Strategic Plan Goals indirectly.

The City Attorney's Office has reviewed this item.

**Recommendation:**

Staff recommends that the SFMTA Board of Directors adopt the attached resolution, supporting formation of a new Yerba Buena Community Benefit District and authorizing the Executive Director/CEO to submit ballot in favor of establishing the CBD.

SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS  
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. \_\_\_\_\_

WHEREAS, City and State law authorize and provide the procedures to establish a Community Benefit District (CBD); and,

WHEREAS, The Yerba Buena community believes that due to limited government resources, the property owners must explore new ways to fund cleaning, greening, beautifying, marketing, promoting and maintaining a vibrant and inviting community; and,

WHEREAS, The Yerba Buena Alliance proposes to form a CBD for the area bounded by Market, 2<sup>nd</sup>, Harrison and 5<sup>th</sup> Streets; and,

WHEREAS, A Steering Committee with broad representation from the Yerba Buena neighborhood has developed a CBD Management Plan that identifies community challenges and priorities, proposed projects and services, annual assessments for each parcel, budget and administration of the CBD; and,

WHEREAS, Formation of the CBD will benefit thousands of property owners and residents by improving community livability and strengthening economic vibrancy of the neighborhood; and,

WHEREAS, Two public parking facilities administered by the SFMTA (5<sup>th</sup> & Mission and Moscone Center garages) are located within the proposed CBD boundaries, and will be subject to annual assessments, and the total assessments for the first year is \$126,147.18; and,

WHEREAS, Staff anticipates that the formation of the CBD will result in cleaner sidewalks, enhanced safety, improved streetscape and additional community events that will benefit the two garages as well as the community; and now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors supports the formation of the Yerba Buena Community Benefit District, and authorizes the Executive Director/CEO or his designee to submit ballots in favor of formation of the CBD.

I hereby certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

Secretary, Municipal Transportation Agency Board  
ATTACHMENT A

MAP 4-1 BENEFIT ZONES



This map describes the district boundaries stretching from Market to Harrison and from 2<sup>nd</sup> to 5<sup>th</sup> Streets.

**ATTACHMENT B**  
**SERVICE FREQUENCY BY BENEFIT ZONE**

<b>CBD Services</b>	<b>Zone 1 (includes 5<sup>th</sup> &amp; Mission Garage)</b>	<b>Zone 2 (includes Moscone Center Garage)</b>	<b>Zone 3</b>	<b>Zone 4</b>	<b>Zone 5</b>
<b>Regular sidewalk and gutter sweeping</b>	Commercial/R residential: Other – 3 times/day or 21 times/week  Residential: Condo – 4 times/day or 28 times/week	Commercial/R residential: Other – 2 times/day or 14 times/week  Residential: Condo – 3 times/day or 21 times/week	Commercial/R residential: Other – 1-2 times/day or 7-14 times/week  Residential: Condo – 2-3 times/day or 14-21 times/week	Commercial – 3 times/day or 21 times/week (same as Zone 1)	Commercial/R residential: Other – 2 times/day or 14 times/week (same as Zone 2 but frontage only)  Residential: Condo – 3 times/day or 21 times/week
<b>Sidewalk steam cleaning</b>	Commercial/R residential: Other – 2 times/month or 24 times/year  Residential: Condo – special time to prevent overnight disturbances	Commercial/R residential: Other – Once a month or 12 times/year  Residential: Condo – special time to prevent overnight disturbances	Commercial/R residential: Other – Quarterly  Residential: Condo – special time to prevent overnight disturbances	Commercial – 2 times/month or 24 times/year (same as Zone 1)	Commercial/R residential: Other – 2 times/month or 24 times/year (same as Zone 2 but frontage only)  Residential: Condo – special time to prevent overnight disturbances
<b>Spot power washing</b>	As needed; assessed daily	As needed; assessed daily	As needed; assessed daily	As needed; assessed daily	As needed; assessed daily

<b>CBD Services</b>	<b>Zone 1 (includes 5<sup>th</sup> &amp; Mission Garage)</b>	<b>Zone 2 (includes Moscone Center Garage)</b>	<b>Zone 3</b>	<b>Zone 4</b>	<b>Zone 5</b>
<b>Frequent trash removal</b>	Commercial/R esidential: Other – 3 times/day or 21 times/week  Residential: Condo – 4 times/day or 28 times/week	Commercial/R esidential: Other – 2 times/day or 14 times/week  Residential: Condo – 3 times/day or 21 times/week	Commercial/R esidential: Other – 1-2 times/day or 7- 14 times/week  Residential: Condo – 2-3 times/day or 14-21 times/week	Commercial – 3 times/day or 21 times/week (same as Zone 1)	Commercial/R esidential: Other – 2 times/day or 14 times/week (same as Zone 2 but frontage only)  Residential: Condo – 3 times/day or 21 times/week
<b>Graffiti removal</b>	Within 24 hours	Within 24 hours	Within 24 hours	Within 24 hours	Within 24 hours
<b>Safety and crime prevention programs</b>	Daily  Residential: Condo – targeted evening/night monitoring	Daily  Residential: Condo – targeted evening/night monitoring	Daily  Residential: Condo – targeted evening/night monitoring	Daily	Daily  Residential: Condo – targeted evening/night monitoring
<b>Beautification programs (including greening activities)</b>	Commercial/R esidential: Other – Hanging flower baskets at all major intersections, tree planting, other landscaping as determined  Residential: Condo – installation of additional hanging baskets or similar greening	Commercial/R esidential: Other – Hanging flower baskets at all major intersections, tree planting, other landscaping as determined  Residential: Condo – installation of additional hanging baskets or similar greening	Commercial/R esidential: Other – Hanging flower baskets at all major intersections, tree planting, other landscaping as determined  Residential: Condo – installation of additional hanging baskets or similar greening	Commercial/R esidential: Other – Hanging flower baskets at all major intersections, tree planting, other landscaping as determined	Commercial/R esidential: Other – Hanging flower baskets at all major intersections, tree planting, other landscaping as determined  Residential: Condo – installation of additional hanging baskets or similar greening



<b>CBD Services</b>	<b>Zone 1 (includes 5<sup>th</sup> &amp; Mission Garage)</b>	<b>Zone 2 (includes Moscone Center Garage)</b>	<b>Zone 3</b>	<b>Zone 4</b>	<b>Zone 5</b>
<b>Tree and plant maintenance</b>	Daily watering; weekly pruning and weeding; replanting as needed	Daily watering; weekly pruning and weeding; replanting as needed	Daily watering; weekly pruning and weeding; replanting as needed	Daily watering; weekly pruning and weeding; replanting as needed	Daily watering; weekly pruning and weeding; replanting as needed
<b>Installation of banners</b>	Seasonally	Seasonally	Seasonally	Seasonally	Seasonally
<b>Special events</b>	3 times/year	3 times/year	3 times/year	3 times/year	3 times/year
<b>Marketing and promotions</b>	As determined by special events or similar	As determined by special events or similar	As determined by special events or similar	As determined by special events or similar	As determined by special events or similar
<b>Map or similar way-finding system</b>	Map updated annually; wayfinding system as determined	Map updated annually; wayfinding system as determined	Map updated annually; wayfinding system as determined	Map updated annually; wayfinding system as determined	Map updated annually; wayfinding system as determined
<b>Install, Maintain, and /or Replace street furnishings</b>	As needed	As needed	As needed	As needed	As needed