Presentation to Board of Directors

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

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

June 2008 – SFMTA Board Adopted CIP
July 2009 – SFMTA Board Special Meeting
  • Presented background on purpose of CIP and the changing planning environment
  • Discussed potential need to defer capital projects
  • Emphasized the importance of a transparent and logical prioritization system tied to long-range planning goals

October/November 2009 – Developing Framework
  • Research on best practices and local/regional plans
  • Staff and CAC review of framework
  • Presenting the Board with a process to determine the prioritization methodology
Purpose of Capital Investment Plan

• Describes the Agency’s Capital Investment Priorities
  – Unconstrained long-range capital needs
  – Multi-year programming document
  – Two year (fiscal) Capital Budget

• Key Reasons for Having a CIP
  – A means to achieve the Agency’s strategic priorities
  – Preserves existing assets and strategically expands transportation system
  – Integrates capital planning, prioritization, budgeting and financing
Reason for a New CIP Approach

Proactively position the agency to best meet rapidly changing environment
Process for the CIP Revision

- Review best practices and key local/regional plans
- Develop prioritization methodology
- Identify unconstrained capital needs for all modes
- Review projects using standardized methodology
- Prioritize projects using new criteria
- Develop and refine funding and implementation strategies
- High priority projects included in 5-year CIP & 2-year Capital Budget
National Review of CIP Methodologies

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

• Prioritization Methodologies Researched Include:
  Transit Agencies, Metropolitan Transportation Authorities, Metropolitan Planning Organizations, City Departments of Transportation

• Findings:
  – Few agencies have the breadth of responsibilities of the SFMTA
  – Agencies rarely use systematic approach to rate projects across modes
  – Projects are generally grouped by corridor/area, mode or type

...The SFMTA Comprehensive CIP will be a first in the nation in breadth and focus
Key Local/Regional Plans

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

Common Themes:
• Sustainable, Mixed-Use Communities
• Quality Transportation System
• Multi-modal Safety
• Local Economic and Community Development
• Social Equity
• Asset Preservation
• Environmental Sustainability
• Economic Sustainability
• Social Sustainability
Preliminary Goals and CIP Criteria

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

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

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

Ensure early multi-modal integration to leverage resources
Linking Goals, Objectives and Performance Standards

**THEME**: Cluster of related goals.

– **CIP Goal**: Vision statement. Corresponds to long range planning goals and the SFMTA’s Strategic Plan goals.

  • **Objective**: More specific, measurable outcome statement.

  – **Performance Standard**: Metrics used before and after to determine whether objective is met.
Linking Goals, Objectives and Performance Standards: *Example*

**THEME:** Social Sustainability

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

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

## Quantitative Comparison (illustration only)

<table>
<thead>
<tr>
<th>CIP Scoring Criteria</th>
<th>Weighted Scoring Options</th>
<th>Transit Project</th>
<th>Parking Project</th>
<th>Bicycle Project</th>
<th>Pedestrian Project</th>
<th>Signal Project</th>
<th>Taxi Project</th>
<th>Agency Support Systems Project</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Score</strong></td>
<td>0-100 points</td>
<td>65</td>
<td>30</td>
<td>60</td>
<td>70</td>
<td>40</td>
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<td>45</td>
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<td><strong>Special Factors</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Legally Required</td>
<td>10 points</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>10</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>• State of Good Repair</td>
<td>20 points</td>
<td>20</td>
<td>10</td>
<td>0</td>
<td>0</td>
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<td>0</td>
</tr>
<tr>
<td>• Public Commitment</td>
<td>10 points</td>
<td>10</td>
<td>0</td>
<td>10</td>
<td>10</td>
<td>0</td>
<td>0</td>
<td>20</td>
</tr>
<tr>
<td><strong>Social Sustainability</strong></td>
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<td>0</td>
<td>10</td>
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<td>5</td>
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<tr>
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<td>5</td>
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<td>10</td>
<td>5</td>
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<tr>
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<td>15</td>
<td>20</td>
<td>15</td>
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</tr>
</tbody>
</table>

Further refinement if necessary using project readiness and other criteria
Example of CIP Prioritization System
Qualitative Comparison (illustration only)

<table>
<thead>
<tr>
<th>CIP Scoring Criteria</th>
<th>Qualitative Scoring Options</th>
<th>Transit Project</th>
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<th>Pedestrian Project</th>
<th>Signal Project</th>
<th>Taxi Project</th>
<th>Agency Support Systems Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meets Majority of (Goals/Objectives/Performance Standards)</td>
<td>Meets the most objectives</td>
<td>Med-High</td>
<td>Med-Low</td>
<td>Med-High</td>
<td>High</td>
<td>Low-Med</td>
<td>Low</td>
<td>Low-Med</td>
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<tr>
<td>Special Factors</td>
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<td>N</td>
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<td>Y</td>
<td>N</td>
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</tr>
<tr>
<td>• Legally Required</td>
<td></td>
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<td>N</td>
<td>N</td>
<td>N</td>
<td>N</td>
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</tr>
<tr>
<td>• State of Good Repair</td>
<td></td>
<td>Y</td>
<td>Y</td>
<td>N</td>
<td>Y</td>
<td>N</td>
<td>N</td>
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</tr>
<tr>
<td>• Public Commitment</td>
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<td>Y</td>
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<td>Social Sustainability</td>
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<tr>
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<td>3</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

Further refinement if necessary using project readiness and other criteria.
Next Steps

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