

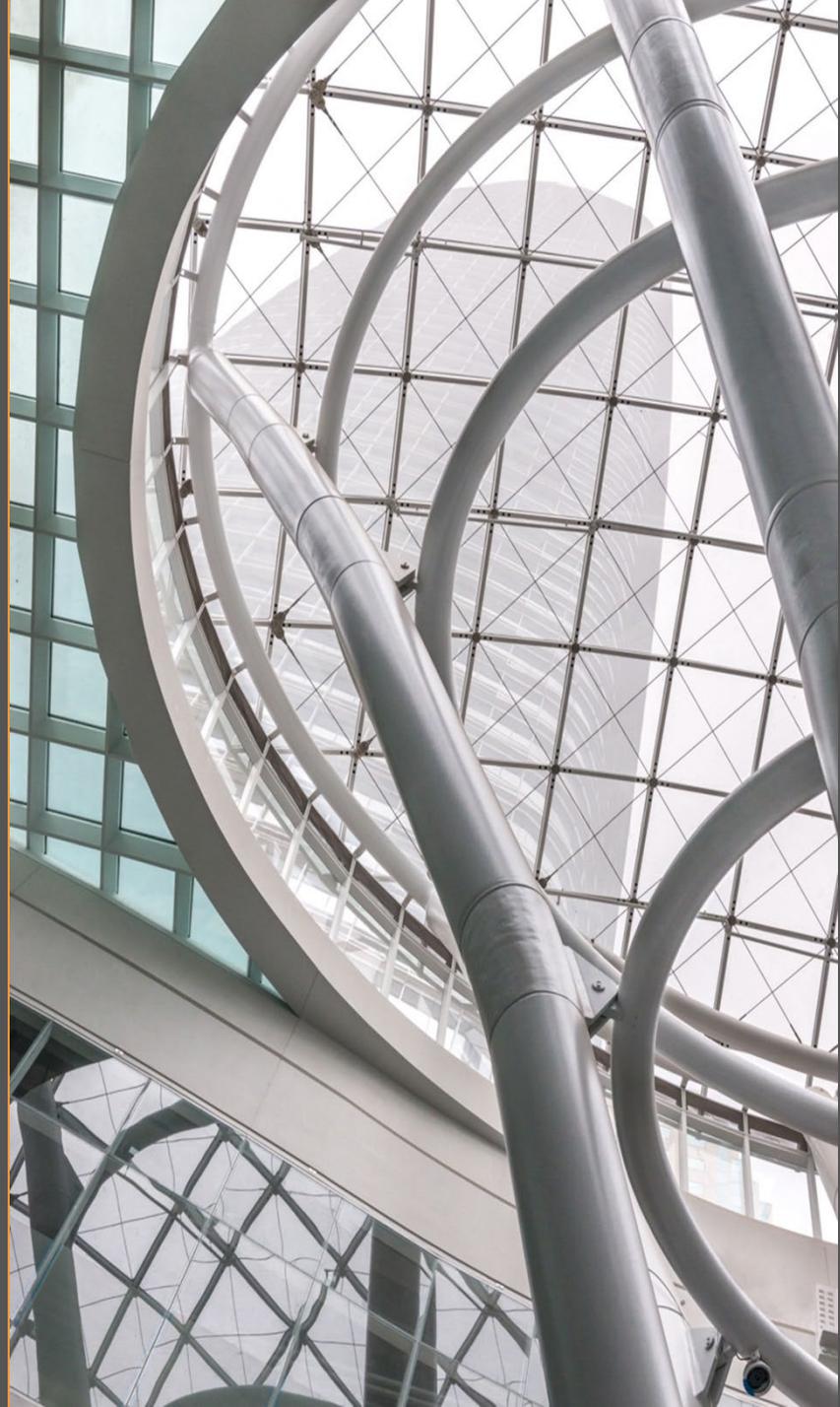
# FY 2024-25 Draft Operating and Capital Budgets

Citizens Advisory Committee

May 7, 2024



TRANSBAY JOINT POWERS AUTHORITY



# Budget Timeline

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- Preliminary Operating Budget: January Board meeting
- Budget Outlook: April Board meeting
- Draft Budget: May Board meeting
- Final Budget: June Board meeting

# FY 2024-25 Draft Budget

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- Operating Budget: \$27,616,660
  
- Capital Budget: \$99,066,700
  - ✓ The Portal: \$89,279,200
  - ✓ Tenant Improvements: \$3,353,600
  - ✓ Capital Maintenance, Repair, and Replacement: \$6,373,900
  
- Debt Service Budget: \$15,702,535

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**FY 2024-25**  
**Draft Operating Budget**

# FY 2024-25 Draft Operating Budget

	2024-25 Preliminary Budget (January 2024)	2024-25 Draft Budget (May 2024)	\$ Change from 2024-25 Preliminary Budget	% Change from 2024-25 Preliminary Budget
<b>Revenues:</b>				
Reimbursements	\$13,886,000	\$13,938,129	\$52,129	0.4%
Operating Revenues	\$12,800,000	\$12,911,000	\$113,000	0.8%
Transfer from fund balance	\$1,389,000	\$767,531	(\$621,469)	(45%)
<b>Total Resources:</b>	<b>\$28,075,000</b>	<b>\$27,616,660</b>	<b>(\$458,340)</b>	<b>(2%)</b>
<b>Expenses:</b>				
Administration	\$3,859,000	\$3,656,000	(\$203,000)	(5%)
Transit Center	\$22,233,000	\$21,912,000	(\$321,000)	3%
Park	\$1,983,000	\$2,048,660	\$65,660	3%
<b>Total Expenditure:</b>	<b>\$28,075,000</b>	<b>\$27,616,660</b>	<b>(\$458,340)</b>	<b>(2%)</b>

# FY 2024-25 Draft Operating Budget

## Operating Reimbursement Highlights:

- FY 2024-25 is the last year of the RM-2 supplemental funds
- TJPA staff will request a continuation of the supplemental assistance to reduce future transit operator contributions.
- RM-3 projection assumes a \$1 bridge toll increase scheduled for January 2025
- The reimbursement from East Cut Community Benefit District (CBD) slightly increased

Reimbursement	2024-25 Preliminary Budget (January 2024)	2024-25 Draft Budget (May 2024)	\$ Change from 2024-25 Preliminary Budget	% Change from 2024-25 Preliminary Budget
Regional Measure 2 (RM-2)	\$8,578,000	\$8,578,000	\$0	0%
Regional Measure 3 (RM-3)	\$3,738,000	\$3,738,000	\$0	0%
East Cut CBD	\$1,570,000	\$1,622,129	\$52,129	3%
<b>Total Reimbursement:</b>	<b>\$13,886,000</b>	<b>\$13,938,129</b>	<b>\$52,129</b>	<b>0.4%</b>

# FY 2024-25 Draft Operating Budget

## Operating Revenue Highlights:

- Transit operators' contribution remained unchanged

Transit Operators Contribution	2024-25 Preliminary Budget (January 2024)	2024-25 Draft Budget (May 2024)	\$ Change from 2024-25 Preliminary Budget	% Change from 2024-25 Preliminary Budget
AC Transit (74%)	\$3,589,700	\$3,589,700	\$0	0%
SFMTA (26%)	\$1,261,300	\$1,261,300	\$0	0%
<b>Total transit operators' contribution:</b>	<b>\$4,851,000</b>	<b>\$4,851,000</b>	<b>\$0</b>	<b>0%</b>

- Retail revenue budget based on the current retail leases, rent abatement amendments, and estimated tenant opening dates
- Advertising revenue, sponsorship, and events are adjusted and include the expected revenue from a new program in the Transit Center for private events

# FY 2024-25 Draft Operating Budget

Other Operating Revenues	2024-25 Preliminary Budget (January 2024)	2024-25 Draft Budget (May 2024)	\$ Change from 2024-25 Preliminary Budget	% Change from 2024-25 Preliminary Budget
AC Transit (Bus Storage)	\$625,000	\$633,000	\$8,000	1%
Other Operator Rents	\$253,000	\$253,000	\$0	0%
Naming Rights	\$3,582,000	\$3,582,000	\$0	0%
Rental Retail Revenue	\$2,575,000	\$2,589,000	\$14,000	1%
Advertising, Sponsorship and Events	\$420,000	\$742,000	\$322,000	76%
Neutral Host DAS Licensing Fees	\$125,000	\$125,000	\$0	0%
Miscellaneous	\$36,000	\$36,000	\$0	0%
Interest Earnings	\$333,000	\$100,000	(\$233,000)	(70%)
<b>Total Revenue:</b>	<b>\$7,949,000</b>	<b>\$8,060,000</b>	<b>\$111,000</b>	<b>1%</b>

# FY 2024-25 Draft Operating Budget

## Operating Expenses:

Salesforce Transit Center	2024-25 Preliminary Budget (January 2024)	2024-25 Draft Budget (May 2024)	\$ Change from 2024-25 Preliminary Budget	% Change from 2024-25 Preliminary Budget
TJPA Administration	\$3,859,000	\$3,656,000	(\$203,000)	(5%)
Asset Mgmt. Fee & Administration	\$1,328,000	\$1,284,000	(\$44,000)	(3%)
Private Events Management	\$0	\$118,000	\$118,000	100%
Security	\$8,823,000	\$8,575,000	(\$248,000)	(3%)
Cybersecurity/IT	\$1,574,000	\$1,566,000	(\$8,000)	(1%)
General Maint., Janitorial, Utilities	\$6,451,000	\$6,715,000	\$264,000	4%
Digital Content Management	\$640,000	\$344,000	(\$296,000)	(46%)
Insurance	\$2,757,000	\$2,639,000	(\$118,000)	(4%)
Bus Storage Facility	\$625,000	\$633,000	\$8,000	1%
Building Occupancy Resumption	\$35,000	\$38,000	\$3,000	9%
<b>Total Expenditure:</b>	<b>\$26,092,000</b>	<b>\$25,568,000</b>	<b>\$111,000</b>	<b>1%</b>

# FY 2024-25 Draft Operating Budget

## Operating Expenses:

Salesforce Park	2024-25 Preliminary Budget (January 2024)	2024-25 Draft Budget (May 2024)	\$ Change from 2024-25 Preliminary Budget	% Change from 2024-25 Preliminary Budget
Management and Administration	\$536,000	\$535,600	(\$400)	0%
Park Programming	\$340,000	\$389,600	\$49,600	15%
General Maintenance, Janitorial, Utilities	\$1,107,000	\$1,108,460	\$1,460	0%
Crowd Control	\$0	\$15,000	\$15,000	100%
<b>Total Expenditure:</b>	<b>\$1,983,000</b>	<b>\$2,048,660</b>	<b>\$65,660</b>	<b>3%</b>

# FY 2024-25 Draft Operating Budget

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## Operating Reserves:

- Emergency Reserve: \$500,000
- Operating & Maintenance (O&M) Reserve: \$6.2M million
- Staff is evaluating the opportunities to bring the O&M reserve to 25% of the operating budget to adhere to the Board Reserve Policy.

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# **FY 2024-25 Draft Capital Budgets**

# FY 2024-25 Draft Capital Budget – The Portal

2024-25 Capital Budget The Portal	2024-25 Draft Budget (May 2024)
Regional Measure 3 (RM3)	\$50,100,000
Transit and Intercity Rail Capital Program (TIRCP)	\$14,348,700
Transit Center CFD Funds	\$11,989,100
Propositions K and L San Francisco Sales Tax	\$10,840,400
Caltrain Contribution for Engineering	\$1,655,000
Other Unrestricted Revenue	\$346,000
<b>Total Revenue:</b>	<b>\$89,279,200</b>
Right of Way Acquisition, Relocation, Appraisal, and Consulting Services	\$50,110,000
Engineering and Design Services	\$33,234,900
Permits and Fees	\$150,000
TJPA Administration	\$5,416,300
IT/Communication/Cybersecurity	\$368,000
<b>Total Expenditure:</b>	<b>\$89,279,200</b>

# FY 2024-25 Draft Capital Budgets – The Portal

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- TJPA Administrative Expense \$5.4M
  - Staffing and administration cost for support of the Portal (\$3.0M)
  - Legal Counsel, Financial Management, Community & Public Relations, Legislative Advocacy (\$2.4M)
  
- Engineering and Design Services \$33.2M
  - Program Management/Construction Management (PM/CM) (\$15.7M)
  - General Engineering & Design (\$12.5M)
  - Interagency Coordination (\$4.9M)
  
- Right-of-Way \$50.1M
  - Right-of-Way Acquisition (\$49.5M)
  - Relocation, Appraisal and other Real Estate Services (\$0.6M)
  
- IT, Permits and Fees \$518K
  - Utilities and Environmental Fees (\$150K)
  - Program Management Information Services, IT and communications (\$368K)

# FY 2024-25 Draft Capital Budget – TI

2024-25 Capital Budget Tenant Improvements	2024-25 Draft Budget (May 2024)
Unrestricted	\$3,307,300
In Lieu Rent for Tenant Improvements	\$46,300
<b>Total Revenue:</b>	<b>\$3,353,600</b>
Leasing Commissions	\$135,000
Project Management / Engineering & Design	\$296,000
Landlord's Work/ Base Building Construction	\$900,000
Tenant Improvements Allowance	\$2,022,300
<b>Total Expenditure:</b>	<b>\$3,353,600</b>

# FY 2024-25 Draft Capital Budget – CMRR

2024-25 Capital Budget Capital Maintenance, Repair and Replacement	2024-25 Draft Budget (May 2024)
Capital Replacement Reserve	\$3,820,975
Federal Community Projects Grant	\$1,000,000
Federal Transit Security Grant Program	\$630,000
Developer Contributions	\$611,000
San Francisco Prop AA	\$15,000
CBD Park Payments	\$296,925
<b>Total Revenue:</b>	<b>\$6,373,900</b>
Facility Maintenance	\$235,000
Security Maintenance	\$690,000
IT Infrastructure Maintenance	\$3,447,900
Wayfinding Improvements	\$1,015,000
Park Maintenance	\$375,000
Parcel F	\$611,000
<b>Total Expenditure:</b>	<b>\$6,373,900</b>

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# **FY 2024-25 Draft Debt Service Budget**

# FY 2024-25 Draft Debt Service Budget

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Proposed Debt Service Budget: \$15,702,535

- Scheduled principal and interest payments due October 1 and April 1
- Paid with Net Tax Increment Revenue pledged to TJPA 2020 Tax Allocation Bonds
- Per the 2020 TAB indenture, the excess net tax increment revenues were used for the mandatory redemption of subordinate lien turbo bonds.
- The turbo bonds were repaid in full in October 2023.
- The excess net tax increment revenues are distributed to the TJPA for the Transbay Program.



# Questions?

**TJPA**  
TRIANGLE JOINT POWER AUTHORITY

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