

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Finance

**BRIEF DESCRIPTION:**

Approving the San Francisco Municipal Transportation Agency Fiscal Year (FY)26-27 and FY27-28 Operating Budget in the amounts of \$1,515 million and \$1,616 million, respectively; and the Capital Budget in the amounts of \$655 million and \$546 million respectively; for a combined total appropriation of \$2,170 million and \$2,162 million; and taking related actions including (a) certifying that the FY26-27 and FY27-28 Operating and Capital budgets are adequate in making substantial progress towards meeting the performance standards established under Charter Section 8A.103; (b) acting as both the SFMTA Board of Directors and the Parking Authority Commission, approving increases and decreases to various fines, fees, rates, and charges in excess of the Automatic Indexing Implementation Plan (Indexing) including amending the Transportation Code to increase the annual indexing of late payment and special collection fees for civil violations for two years; pausing the indexing of fines for violations of the Transportation Code and California Vehicle Code for two years; authorizing a one-time waiver of all parking citations for individuals experiencing homelessness or participating in the Large Vehicle Buy Back program; increasing the Special Event Parking Meter rates to a minimum of \$1.00 and a maximum of \$21.00 an hour; combining construction and non-construction related temporary parking use permits into one permit and setting a daily fee of \$21.00 for FY26-27 and \$23.00 for FY27-28, and authorizing staff to adjust the fee thereafter based on the actual average city wide daily meter rate, and reducing fines for specific parking violations, increasing various fees for parking garages and lots including parking garage electric charging fees, changing transit fares including eliminating the Clipper single ride fare discounts and proportional increases to monthly and Muni-only one day passes, establishing a new Cable Car Plus one day pass, and eliminating Visitor 1, 3 and 7 day passes and single ride Cable Car tickets; (c) authorizing the Director to implement short-term experimental fares and parking rates and parking fees under certain conditions; (d) endorsing continued SFMTA negotiations with the State of California and the Metropolitan Transportation Commission for a short-term \$200 million funding loan to close the FY26-27 budget gap; (e) concurring with the Controller's certification that parking citation processing and collection services, facility security services, paratransit services, parking meter collection and coin counting services, transit shelter maintenance services, and vehicle towing, storage and disposal services can be practically performed by private contractors at a lesser cost than to provide the same services with City employees; (f) approving the Title VI Fare Equity Analysis for proposed fare changes, resulting in no finding of disparate impact based on race or disproportionate burden on low-income communities with the proposed fare increases; (g) authorizing the Director to make necessary technical and clerical corrections to the approved FY26-27 and FY27-28 operating budget of the SFMTA and to allocate additional revenues and/or City and County discretionary revenues in order to fund additional adjustments to the operating budget, provided that the Director of Transportation shall return to the SFMTA Board of Directors for approval of technical or clerical corrections that, in aggregate, exceed a ten percent change to the SFMTA operating budget; (h) suspending contributions to the Contingency Reserve created under Resolution 07-038 for two years; (i) authorizing the Director to work with the City Controller to conform the SFMTA's budgets to any change in citywide budget submission schedules submitted to ensure that interim appropriations are available for the SFMTA to continue operations after July 1, 2026 until October 1, 2026, when the SFMTA budget for the period ending June 30, 2027 will be finally operative; and taking other associated actions.

**SUMMARY:**

- Charter Sec. 8A.106 requires the SFMTA to submit a two-year budget by May 1 to the Mayor and Board of Supervisors of each even-numbered year.
- Pursuant to Charter Section 16.112 and the SFMTA Board’s Rules of Order, advertisements were placed in the City’s official newspaper to provide notice of the April 21, 2026 meeting.
- The SFMTA Board and staff conducted public hearings, outreach meetings with community and advocacy organizations, a survey, in-person and virtual open house meetings and other forums to hear public comments to help inform the budget proposals.
- To close the projected FY26-27 budget deficit, the SFMTA is proposing to use one-time cost savings (fund balance) from previous cost controls; an expected \$200 million loan of State of California funds from the Metropolitan Transportation Commission; and new revenue provided by two potential ballot measures - the Connect Bay Area Transit Initiative (a regional sales tax) and the Stronger Muni for All measure (a parcel tax), if approved by the voters.
- In both years, the SFMTA plans to adjust transit fares and parking fines, including eliminating the Muni Clipper single ride discounts in FY26-27 and applying Indexing to all Muni fares in FY27-28, increasing the Single Ride Cable Car fare, eliminating the 1, 3 and 7 day Visitor passes, and introducing a “Cable Car Plus” pass valid for unlimited travel on all Muni service for 1 day for one adult and up to two youth aged 18 and under, and increasing late penalties and special collection fees for parking and transit violations by 10% in FY26-27 and FY27-28.
- The SFMTA has conducted a Title VI Fare Equity Analysis, as required under the Federal Transit Administration’s (FTA) Circular 4702.1B, which found the proposed fare changes did not result in a disparate impact based on race or disproportionate burden based on low-income status.
- The SFMTA has determined that the proposed SFMTA FY26-27 and FY27-28 operating budget is not a project under the California Environmental Quality Act (CEQA).

**ENCLOSURES:**

- |                                      |                                  |
|--------------------------------------|----------------------------------|
| 1. SFMTAB Resolution                 | 4. Fare Policy and Pricing       |
| 2. Transportation Code Legislation   | 5. Title VI Fare Equity Analysis |
| 3. Off Street Parking Rates and Fees |                                  |

**APPROVALS:**

**DIRECTOR**                     *Judson True*                    

**SECRETARY**                     *[Signature]*                    

**DATE**

                    April 17, 2026                    

                    April 17, 2026                    

**ASSIGNED SFMTAB CALENDAR DATE:** April 21, 2026

## **PURPOSE**

Approving the San Francisco Municipal Transportation Agency Fiscal Year (FY)26-27 and FY27-28 Operating Budget in the amounts of \$1,515 million and \$1,616 million, respectively; and the Capital Budget in the amounts of \$655 million and \$546 million respectively; for a combined total appropriation of \$2,170 million and \$2,162 million; and taking related actions including (a) certifying that the FY26-27 and FY27-28 Operating and Capital budgets are adequate in making substantial progress towards meeting the performance standards established under Charter Section 8A.103; (b) acting as both the SFMTA Board of Directors and the Parking Authority Commission, approving increases and decreases to various fines, fees, rates, and charges in excess of the Automatic Indexing Implementation Plan (Indexing) including amending the Transportation Code to increase the annual indexing of late payment and special collection fees for civil violations for two years; pausing the indexing of fines for violations of the Transportation Code and California Vehicle Code for two years; authorizing a one-time waiver of all parking citations for individuals experiencing homelessness or participating in the Large Vehicle Buy Back program; increasing the Special Event Parking Meter rates to a minimum of \$1.00 and a maximum of \$21.00 an hour; combining construction and non-construction related temporary parking use permits into one permit and setting a daily fee of \$21.00 for FY26-27 and \$23.00 for FY27-28, and authorizing staff to adjust the fee thereafter based on the actual average city wide daily meter rate, and reducing fines for specific parking violations, increasing various fees for parking garages and lots including parking garage electric charging fees, changing transit fares including eliminating the Clipper single ride fare discounts and proportional increases to monthly and Muni-only one day passes, establishing a new Cable Car Plus one day pass, and eliminating Visitor 1, 3 and 7 day passes and single ride Cable Car tickets; (c) authorizing the Director to implement short-term experimental fares and parking rates and parking fees under certain conditions; (d) endorsing continued SFMTA negotiations with the State of California and the Metropolitan Transportation Commission for a short-term \$200 million funding loan to close the FY26-27 budget gap; (e) concurring with the Controller's certification that parking citation processing and collection services, facility security services, paratransit services, parking meter collection and coin counting services, transit shelter maintenance services, and vehicle towing, storage and disposal services can be practically performed by private contractors at a lesser cost than to provide the same services with City employees; (f) approving the Title VI Fare Equity Analysis for proposed fare changes, resulting in no finding of disparate impact based on race or disproportionate burden on low-income communities with the proposed fare increases; (g) authorizing the Director to make necessary technical and clerical corrections to the approved FY26-27 and FY27-28 operating budget of the SFMTA and to allocate additional revenues and/or City and County discretionary revenues in order to fund additional adjustments to the operating budget, provided that the Director of Transportation shall return to the SFMTA Board of Directors for approval of technical or clerical corrections that, in aggregate, exceed a ten percent change to the SFMTA operating budget; (h) suspending contributions to the Contingency Reserve policy created under Resolution 07-038 for two years; (i) authorizing the Director to work with the City Controller to conform the SFMTA's budgets to any change in citywide budget submission schedules submitted to ensure that interim appropriations are available for the SFMTA to continue operations after July 1, 2026 until October 1, 2026, when the SFMTA budget for the period ending June 30, 2027 will be finally operative; and taking

other associated actions.

## **STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES**

This item supports all of the Strategic Plan Goals:

Goal 1: Identify and reduce disproportionate outcomes and resolve past harm towards marginalized communities.

Goal 2: Create a work environment that is responsive, equitable and inclusive.

Goal 3: Recruit, hire and invest in a diverse workforce.

Goal 4: Make streets safer for everyone.

Goal 5: Deliver reliable and equitable transportation services.

Goal 6: Eliminate pollution and greenhouse gas emissions by increasing use of transit, walking and bicycling.

Goal 7: Build stronger relationships with stakeholders.

Goal 8: Deliver quality projects on time and on budget.

Goal 9: Fix things before they break and modernize systems and infrastructure.

Goal 10: Position the agency for financial success.

This item will support the following Transit First Policy Principles:

1. To ensure quality of life and economic health in San Francisco, the primary objective of the transportation system must be the safe and efficient movement of people and goods.  
Public transit, including taxis and vanpools, is an economically and environmentally sound alternative to transportation by individual automobiles. Within San Francisco, travel by public transit, by bicycle and on foot must be an attractive alternative to travel by private automobile.
2. Public transit, including taxis and vanpools, is an economically and environmentally sound alternative to transportation by individual automobiles. Within San Francisco, travel by public transit, by bicycle and on foot must be an attractive alternative to travel by private automobile.
3. Decisions regarding the use of limited public street and sidewalk space shall encourage the use of public rights of way by pedestrians, bicyclists, and public transit, and shall strive to reduce traffic and improve public health and safety.
4. Transit priority improvements, such as designated transit lanes and streets and improved signalization, shall be made to expedite the movement of public transit vehicles (including taxis and vanpools) and to improve pedestrian safety.
5. Pedestrian areas shall be enhanced wherever possible to improve the safety and comfort of pedestrians and to encourage travel by foot.
6. Bicycling shall be promoted by encouraging safe streets for riding, convenient access to transit, bicycle lanes, and secure bicycle parking.
7. Parking policies for areas well served by public transit shall be designed to encourage travel by public transit and alternative transportation.
8. New transportation investment should be allocated to meet the demand for public transit generated by new public and private commercial and residential developments.

9. The ability of the City and County to reduce traffic congestion depends on the adequacy of regional public transportation. The City and County shall promote the use of regional mass transit and the continued development of an integrated, reliable, regional public transportation system.
10. The City and County shall encourage innovative solutions to meet public transportation needs wherever possible and where the provision of such service will not adversely affect the service provided by the Municipal Railway.

## **DESCRIPTION**

Charter Section 8A.106 provides that the SFMTA must submit a two-year budget by May 1 of each even year to the Mayor and Board of Supervisors. The resolution approving the budget authorizes the Director of Transportation to work with the City Controller to conform the SFMTA's budgets to any changes in citywide budget submission schedules to ensure that interim appropriations are available for the SFMTA to continue operations after July 1, 2026 until October 1, 2026, when the SFMTA budget for the period ending June 30, 2027 will be finally operative.

The SFMTA has both an operating and capital budget. The SFMTA operating budget context for FY26-27 and FY27-28 includes the following factors:

- Transit fares and parking revenues are growing but remain lower than pre-pandemic levels.
- State operating grants are lower than prior budget cycle due to lower-than-expected revenues from cap-and-trade auctions and sales tax on gas and diesel fuel, as well as reallocation of State Transit Assistance allocated by revenue.
- New revenue sources include an anticipated \$200 million loan of state funds from the Metropolitan Transportation Commission (state loan) and revenue assumed from a proposed regional sales tax and proposed local parcel tax on the ballot in November 2026.
- Expenditures continue to rise due to cost of living adjustments and inflation.

Similarly for the capital budget, projected capital revenue is down across all sources compared to the prior CIP. Revenue constraints on both the operating and the capital budget are expected to continue for the foreseeable future, contributing to a structural deficit in FY26-27 and beyond.

As a result of this overall fiscal context, SFMTA's budget strategy for FY26-27 and FY 27-28 is:

- Budget revenue from the proposed regional sales tax and proposed local parcel tax;
- Optimize revenues that are within SFMTA's administrative control and distributed across multiple transportation types to share the burden; and
- Control expenditure growth by committing to a multi-year strategy to reduce costs and maintain service levels with existing resources. Use one-time sources such as the state loan and cost savings from prior years to balance FY26-27, becoming balanced without one-time sources in FY27-28.

## **Operating Budget**

The proposed FY26-27 and FY27-28 operating budgets are \$1,515 million and \$1,616 million,

respectively. The proposed budget was reviewed by the SFMTA Board of Directors on December 16, 2025, January 6, 2026, February 3, 2026, March 17, 2026, and April 7, 2026.

### *Budget Development*

At the February 3, 2026 Board Workshop, the Directors reviewed the operating baseline budget for FY26-27 and FY27-28 which included a \$307 million shortfall in FY26-27 and \$344 million shortfall in FY27-28. At this meeting, staff identified the following options to address the shortfall:

- Internal efficiencies and cost controls
- Enterprise revenue proposals – fare and parking fees, fare and fine increases
- Regional sales tax measure
- Local parcel tax measure
- State loan
- Use of fund balance
- Use of reserves
- Capital funds flexed to operations

With the exception of the proposal related to the single ride Cable Car ticket and the 1 Day, 3 Day, and 7 Day Visitor passes, feedback from the Board and the public was generally supportive of the proposed fee and fare changes. In response to the proposal to eliminate the single ride Cable Car ticket and the 1 Day, 3 Day, and 7 Day Visitor passes and replace them with a new “Cable Car Plus” pass that would provide all day unlimited rides on all Muni at a higher rate, the Board expressed support for increasing the Cable Car fare closer to the approximately \$20 operating costs per passenger, but also expressed concerns about the financial burden for families traveling with children. In response, staff revised the proposal to include free fares for up to two youth 18 years of age or younger travelling with an adult on the pass.

### *Revenue*

The SFMTA’s FY26-27 and FY27-28 proposed budget includes the following revenue assumptions:

- Estimates from the Controller’s Office of the General Fund Baseline transfers;
- Estimates from the Metropolitan Transportation Commission (MTC) of the state and regional operating grants,
- Direction of the Board of Directors regarding fare, fee and fine revenue, as described above,
- Estimates of Other revenue based on contractually negotiated advertising and real estate revenue and fund balance.

Projected FY26-27 and FY27-28 revenue for the SFMTA budget is summarized below.

**Table 1: Revenue Sources**

<b>Category</b>	<b>FY25-26 Budget (\$M)</b>	<b>FY26-27 Proposed Budget (\$M)</b>	<b>FY27-28 Proposed Budget (\$M)</b>	<b>Yr1 Growth (%)</b>	<b>Yr2 Growth (%)</b>
General Fund	554	608	601	10	-1
Operating Grants	228	211	216	-7	2
Federal and State Relief	233	0	0	-	-
Parking Revenue	280	288	296	3	3
Transit Revenue	114	134	141	18	6
Other Revenue	36	39	39	7	1
State Loan	0	200	0	-	-
Reg Revenue Measure	0	17	155	-	793
Local Revenue Measure	0	0	166	-	-
Fund Balance	6	17	0	183	-
<b>Total*</b>	<b>1,452</b>	<b>1,515</b>	<b>1,616</b>	<b>4</b>	<b>7</b>

*\*Due to rounding differences, sum of each category may not match total.*

On the revenue side, General Fund estimates are consistent with City projections that reflect post-pandemic economic recovery. General Fund revenues are slightly lower in FY27-28 than FY26-27 due to the implementation of the gross receipts tax and the fluctuation of property tax as a result of assessment appeals. Notably, Operating Grant revenue in both FY26-27 and FY27-28 is lower than FY25-26 due to decreased revenue from Cap and Invest trade auctions and sales tax on gas and diesel fuel, as well as a reallocation per the revenue allocation formula. Transit Revenue increases in both years, most dramatically in FY26-27, reflecting growing ridership, increased fare compliance, and fare policy changes. Parking Revenue also shows small increases. Other Revenue, which is composed of advertising and lease revenue as well as interest earned on fund balance, increases in FY26-27 due to one-time changes in revenue contracts for advertising in transit vehicles and shelters and remains flat in FY27-28.

The FY26-27 and FY27-28 budgets include three new sources: Regional Revenue Measure, Local Revenue Measure, and the State Loan, which is discussed in greater detail below. The Regional Revenue Measure is authorized by the Connect Bay Area Act (SB 63), which authorized voters to place a one-cent sales tax increase in San Francisco on the ballot to maintain Muni and other regional transit agencies. The Local Revenue Measure is a parcel tax in San Francisco supported by Mayor Lurie and other elected leaders to reduce the structural deficit and make marginal service quality improvements. Finally, the FY26-27 budget is balanced with \$17 million of prior year savings (fund balance). Balancing the FY27-28 budget without one-time sources demonstrates the SFMTA has made significant progress in achieving long-term budget stability.

## **Contingency Reserves**

In 2007, the SFMTA Board approved a Contingency Reserve Policy (Resolution 07-038), which directed the establishment of an operating reserve with the goal of setting aside a total of 10% of operating expenditures. The current operating reserve is \$143 million. Based on five-year budget projections, the budget assumes suspensions of contributions to the Contingency Reserve to meet the 10% threshold. These contributions would have been \$9 million in FY26-27 and \$19 million in FY27-28. Suspending contributions means the Contingency Reserve will be funded at 9% of operation expenditures in FY26-27 and FY27-28. Staff will return to the Board in 2027 with an update on the Contingency Reserve Policy.

## **State Loan**

Senate Bill 117, a trailer bill to the 2025 State of California Budget Act, authorized the California State Transportation Agency to loan up to \$590 million to the Metropolitan Transportation Commission (MTC) for loans to the SFMTA, BART, Caltrain and AC Transit to help bridge the FY26-27 budget deficit prior to results and revenue received from the Regional Revenue Measure. The SFMTA is expected to receive \$200 million from this loan.

The loan terms are currently under negotiation between the State and the MTC, who will enter into an agreement. MTC will subsequently enter into symmetrical loan agreements with the operators. Current terms include:

- 12-year term, with two years of interest only payments (approximately \$8 million in FY26-27 and \$8 million in FY27-28) and a ten-year repayment term including both interest and principal payments (approximately \$30 million per year FY28-29 through FY38-39)
- Variable interest rate tied to the rates earned on the California State Surplus Money Investment Fund (SMIF)

Staff is requesting the SFMTA Board to endorse its continued loan negotiations with the State and MTC, including but not limited to the terms, and will return to the SFMTA Board and subsequently seek Board of Supervisors authorization to enter into the loan agreement once negotiations are successfully completed.

## *Expenditure*

The SFMTA's FY26-27 and FY27-28 proposed budget includes the following expenditure assumptions:

- Impact of deleting 89 positions: 54 operating and 35 project-funded,
- Projected wage increases based on executed Memorandums of Understanding with labor unions, and
- Projected non-labor increases based on CPI of 3%.



Projected FY26-27 and FY27-28 expenditure for the SFMTA budget is summarized below.

**Table 2: Expenditure by Category**

Category	FY25-26 Budget (\$M)	FY26-27 Proposed Budget (\$M)	FY27-28 Proposed Budget (\$M)	Yr 1 Growth (%)	Yr 2 Growth (%)
<b>Labor</b>	915	970	1,064	6	10
<b>Non-Personnel</b>	250	272	273	9	0
<b>Materials &amp; Supplies</b>	113	109	112	-4	3
<b>Debt Service</b>	28	36	36	28	0
<b>Svc of Other Depts</b>	128	126	131	-2	4
<b>Other *</b>	18	3	0	-82	-
<b>Total**</b>	<b>1,452</b>	<b>1,515</b>	<b>1,616</b>	<b>4</b>	<b>7</b>

\* Includes one-time equipment and transfers to capital projects

\*\*Due to rounding differences, sum of each category may not match total

On the expenditure side, although the budget includes no new positions, FY26-27 and FY27-28 expenditure growth is largely driven by increases in labor costs. Labor costs are higher due to wage increases negotiated in Memorandums of Understanding with labor unions and higher health care, benefit, and retirement costs, which will grow 8% in FY26-27 and 9% in FY27-28. Benefits are approximately 20% of total expenditures. In addition, the FY27-28 budget includes funding to fill vacant positions to support improvements in Muni service reliability and modest service changes to mitigate crowding, both of which are commitments included in the local revenue measure. The increase in debt service is due to interest payments on the State Loan. These increases are offset by reductions in "Other," which is equipment and transfers to capital projects, as well as cost control in non-personnel and materials and supplies, whose growth is largely held to CPI, with the exception of \$7 million of one-time investments in FY26-27 to implement the parcel tax, negotiate new labor contracts, develop a plan to maintain transit fixed guideway infrastructure in a state of good repair, and develop a multi-year strategy to reduce costs and become more efficient.

### *Positions*

The operating budget includes 5,837 positions in FY26-27 and FY27-28 funded by the operating budget and 490 positions in FY26-27 and FY27-28 funded by capital projects, for a total of 6,327 positions. This includes 76 positions transferred from the operating budget to the project-fund budget due to the closing of the Potrero Yard for refurbishment. These positions must be returned and funded in FY30-31 when the Potrero Yard project is anticipated to be completed. The projected breakdown of operating and capital positions is summarized below.

**Table 3: Full-Time Employees by Employee Type\***

<b>Category</b>	<b>FY26-27 (FTE)</b>	<b>Percent (%)</b>	<b>FY27-28 (FTE)</b>	<b>Percent (%)</b>
<b>Operating Budget</b>	5,837	92%	5,837	92%
<b>Capital Budget</b>	490	7%	490	7%
<b>Total</b>	6,327	100%	6,327	100%

*\*Reflects position count and excludes temporary staff and special class, including attrition.*

The San Francisco Charter limits managerial positions in the operating budget to a statutorily mandated cap of 2.75% of the MTA's total workforce. In the FY26-27 and FY27-28 budget, there are 156 budgeted managerial positions – 2.47% of the workforce – that count towards this mandated cap.

#### *Service Areas*

The budget of \$1,515 million in FY26-27 and \$1,616 million in FY27-28 funds services in five key areas.

#### Transit

The Transit function includes on-going planning, procurement, operation, safety and maintenance activities for the country's 8th largest public transit system, including 1,100 motor coaches, trolley coaches, light rail vehicles, cable cars, historic and vintage streetcars, plus nearly 700 non-revenue vehicles, and 3,500 transit stops that deliver more than 500,000 passenger boardings per day. The focus for the coming two-year budget includes:

- Improving Muni service, speed, frequency, cleanliness and reliability
- Maintaining reduced delays in the subway
- Pursuing a data-driven approach to fleet maintenance
- Improving the customer experience for Muni riders
- Using service improvement resources to address acute crowding and other service needs
- Increasing compliance with transit safety regulations by creating one unified rail and bus rulebook
- Implementing a range of safety improvements identified in our triennial Federal audit
- Strengthening organizational readiness for emergencies

#### Revenue Generation

The Revenue Generation function includes garage operations and parking enforcement as well as permit and citation processing. The focus for the coming two-year budget includes:

- Rightsizing parking enforcement supervision to increase efficiency and promote professionalism
- Implementing new mobile payment vendors to support ease of parking payment and compliance
- Implementing rate changes for both on- and off-street parking on a quarterly basis in line with our demand-responsive rate policy

### Street Safety and Functionality

The Street Safety and Functionality function includes school crossing guards, traffic signals and planning, as well as designing, implementing and maintaining the city's street, transit, bicycle and pedestrian infrastructure to meet the goals and objectives of the Transit First Policy and Street Safety Initiative. The focus for the upcoming two-year budget includes:

- Delivering on SFMTA commitments in the Mayor's Street Safety Initiative
- Responding to increasing 311 and workorder backlogs
- Implementing street safety improvements around schools

### Taxi and Microtransit

The Taxi and Microtransit function ensures all transportation modes are accessible to older adults and people with disabilities. This function includes paratransit service. It also regulates the taxi and emerging mobility programs such as scooter share and commuter shuttles. The focus for the upcoming two-year budget includes:

- Implementing permanent Curbside Electrical Vehicle Charging Program
- Developing Accessible Transportation Needs Assessment Prioritization & Action Plan
- Continuing to improve taxi rules and regulations to ensure good customer service

### Administration

SFMTA's administrative function supports service delivery by providing information technology, finance, human resources, contracting, regulatory compliance, communications, and government affairs to the rest of the agency. The focus of the administrative services function for the upcoming two-year budget includes:

- Building internal systems to support staff throughout the organization
- Deepening culture of efficiency and financial transparency
- Strengthening trust with communities across San Francisco through public outreach and engagement
- Advocating for state and local policies that support high-quality, equitable transit service, street safety and parking modernization
- Implementing parcel tax if approved by voters

**Capital Budget**

On November 16, 2021, the SFMTA Board approved the Agency’s 20-Year Capital Plan for FY 2022-23 through FY 2042-43. The Capital Plan represents the Agency’s *fiscally unconstrained capital needs* for the next 20 years. The 20-year Capital Plan serves as the basis for developing the fiscally constrained five-year Capital Improvement Program (CIP), the first two years of which comprise the two-year capital budget. Given limited funding availability, the SFMTA prioritizes the capital projects that can be advanced during each two-year capital budget.

The SFMTA has prepared a two-year balanced capital budget for FY26-27 and FY27-28 in the amounts of \$655 million and \$546 million, respectively, for submittal by May 1, 2026, to the Mayor and Board of Supervisors as required by Charter Section 8A.106. The proposed SFMTA FY26-27 and FY27-28 capital budget is the agency’s two-year capital financial plan and consolidated capital program.

The two-year capital budget recommends a variety of capital projects addressing infrastructure needs related to transit reliability, street safety, state of good repair, facilities, system safety and accessibility. These recommended projects continue to reflect the SFMTA Board of Directors’ adopted policies and plans, including the Street Safety Initiative, Transit First Policy, the San Francisco Pedestrian Strategy, the SFMTA Biking and Rolling Plan, the City and County of San Francisco Adopted Area Plans, the SFMTA Strategic Plan and the San Francisco County Transportation Plan. Complete scope and funding plans for recommended projects will be reflected in the SFMTA FY2029-FY2031 Capital Improvement Program (CIP), also presented for adoption on April 21, 2026. Projects recommended through this two-year budget include infrastructure investments, as well as various procurements and other one-time initiatives and are allocated across ten programs.

Population-Baseline General Fund Transfer and Other Capital Sources

The proposed SFMTA two-year capital budget includes expenditure authority of \$83 million in FY26-27 and \$84 million in FY27-28 in the operating budget. The majority of this funding comes from the General Fund Population Baseline, which is received through the operating budget, but the Charter allocates 75 percent to projects that improve Muni’s reliability, frequency of service, or pay for Muni repairs and 25 percent to projects that improve street safety for all users. Other funding includes annual state of good repair funds received from the state, developer fees and commuter shuttle fee revenue. The total of all funds appropriated in the operating budget to support capital are summarized below.

**Table 4: Consolidated Budget Support for Capital**

<b>Revenue Source</b>	<b>FY26-27 (\$M)</b>	<b>FY27-28 (\$M)</b>
Population Baseline General Fund Transfer	65	\$ 65
State of Good Repair	12	12
Transportation Development Act (TDA) Article 3	0.5	0.5

Transit Sustainability Fee	0.03	0.9
Revenue Bond Interest	2	2
Low Carbon Transit Operations Program (LCTOP) Interest Earned	0.5	0.5
Commuter Shuttle Fee	0.6	0.6
Automated Speed Enforcement	2	2
Other Developer Fees	0.2	-
<b>Total</b>	<b>\$ 83</b>	<b>\$ 84</b>

### **Fares, Fees, Fines, Rates, and Charges**

The Operating Budget includes fee, fare and fine revenue of \$461 million in FY26-27 and \$476 million in FY27-28. On April 21, 2009, the SFMTA Board adopted the Automated Indexing Implementation Plan to create a more predictable and transparent mechanism for setting fees, fares, fines and other charges under the SFMTA's jurisdictions these charges and improve financial stability. Under this policy, the Board may choose to forgo the policy in order to further SFMTA policy and goals. Detail on these exceptions are described below.

#### *Fiscal Year 26-27 Fare Changes (January 4, 2027 Implementation)*

Single Ride Fares/Passes – In January 2017, the SFMTA Board suspended indexing of single ride cash fares purchased on Clipper and MuniMobile. The purpose of this change was to incentivize pre-payment of fares and the transition of more customers to the regional Clipper regional fare payment system. The initial discount was \$0.25 in FY17-18 and increased to \$0.50 in FY19-20.

Based on the steady increased usage of Clipper and MuniMobile over time, the Board of Directors approved reducing the discount to \$0.25 and then \$0.15 effective January 1, 2026, and July 1, 2026 respectively. Based on FY25-26 actuals, 95% of single ride fares are paid on Clipper and MuniMobile, indicating that the original goal of the discount has been met. The proposed budget assumes elimination of the remaining \$0.15 discount on January 4, 2027. Single ride cash fares will not change.

The single ride Clipper fare serves as the basis for single ride fares paid with Clipper or Muni Mobile for seniors and people with disabilities, paratransit group van service, and monthly, daily and visitor passes, so these fares will also increase accordingly.

Increase Cable Car Single Ride Fare – The cost of cable car service, estimated at approximately \$20.00 per trip per FY24-25 Federal Transit Administration's National Transit Database reporting, is significantly higher than regular service. Operational costs in excess of fares are subsidized through the SFMTA operating budget. The proposed budget assumes this fare is increased to \$12 per trip, effective January 4, 2027, to recover additional operating expenses.

Eliminate 1, 3 and 7 Day Visitor Passes – These passes are valid for unlimited travel on all Muni service, including cable car, for the time period specified. These passes are underutilized compared to the single ride and one day passes, representing less than 5% of total sales. In order to streamline fare options and operational efficiency, the proposed budget eliminates these passes.

Introduce “Cable Car Plus” Pass – The new pass, similar to the 1 Day Visitor Pass, will provide for unlimited travel on all Muni service, including cable car, with the new benefit of allowing up to two youth aged 18 or under to travel free when accompanied by an adult.

*Fare Changes Fiscal Year 27-28 (January 3, 2028 Implementation)*

Single Ride Fares/Passes – In 2009, the SFMTA Board of Directors adopted the Automatic Indexing Implementation Plan (AIIP) to establish a more predictable and transparent mechanism for setting fees, fares and fines. The formula is based on a combination of Consumer Price Index and Labor Budget changes. This policy was suspended for fare increases during the pandemic in FY20-21. The proposed budget reestablishes this policy in FY27-28 for single ride fares and monthly passes.

Daily Fare Capping – The implementation of the Next Generation Clipper system, includes the ability to establish more flexible fare policy, including setting a cap on fares charged in a designated period after which remaining rides are free. The budget assumes elimination of the One Day Muni Only Pass and implementation of Daily Fare Capping. The fare cap would be set at the current Muni-Only pass rate of two single ride trips and would apply to adult and discount fare categories.

Eliminate Single Ride Cable Car Ticket – SFMTA is proposing to eliminate the single ride cable car ticket, providing a single option for cable car travel under the “Cable Car Plus” Pass.

A complete list of proposed fare changes by Fiscal Year are included in Enclosure 4.

*Parking Fees and Fines*

Parking and Transit Violation Late and Special Collection Fees – The budget assumes an increase to late penalty and special collections fees for parking and transit violations that would take effect on July 1 of each year of the budget.

Limited Reductions to Parking Fines – The budget assumes reductions to several parking violations, including failure to curb wheels on a grade, in order to better align the penalty with the violation. All other parking fines are not proposed to increase in this budget cycle.

Temporary Exclusive Use and Meter Use Fees – The Transportation Code currently includes two separate sections related to use of curb space adjacent to parking meters, one for construction-related activities and another for all other uses. A daily fee is assessed to recover lost revenue associated with taking meters out of service. These fees are currently below the average citywide hourly meter rate. The budget assumes consolidation of these sections, sets a daily rate of \$21 for FY26-27 and \$23 for FY27-28, and establishes a formula and authorizes staff to make ongoing increases that would be based on the weighted average hourly citywide parking meter rate.

Special Event Meter Rates – Increasing the special event parking meter hourly rate minimum and maximum to \$1 and \$21, respectively.

Establishing Electric Vehicle Charging and Parking Reservation Fees – The Transportation Code authorizes a maximum \$10 fee for electric vehicle charging in SFMTA operated parking

facilities. The budget assumes this section is removed from the Transportation Code and the SFMTA is authorized to recover the actual costs of this service, including the costs associated with the management, operation and maintenance of electric vehicle charging stations and the hourly electricity rate for a charging session. Staff are also proposing a new fee for online advanced parking reservations in SFMTA operated garages and lots.

Garage Rates and Fees – Off-street parking/garage hourly and monthly rates are subject to the SFMTA’s Demand Responsive Pricing Policy. For FY26-27 the maximum hourly rate will be \$14.00, and \$15.00 for FY27-28. Miscellaneous fees will also be increased as noted in Enclosure 3 and will be increased by AIPP effective July 1 of each year.

Pass-Through Merchant Fees for Credit/Debit Payments – The budget assumes a pass-through fee for credit and debit transactions for parking and transit violations and parking permits purchased online. The initial fee will be 2.15% of the total charge, or \$2.00, whichever is greater. Customers can forgo this fee by utilizing an electronic check for payment.

Parking Citation Waivers for People Experiencing Homelessness – The SFMTA has implemented programs authorizing a one-time waiver of all citations for people experiencing homelessness, and for individuals who have completed the City’s Large Vehicle Buy Back program. The budget legislation includes an amendment to the Transportation Code to codify these waiver programs.

## **PUBLISHED NOTICE**

Charter Section 16.112 requires published notice and a hearing before the SFMTA may institute or change any schedule of rates or charges that affect the public. In compliance with Charter Section 16.112, advertisements ran in the City’s official newspaper, the San Francisco Examiner, on April 9, 2026 and April 15, 2026, to provide notice that the Board of Directors will hold a public hearing on April 21, 2026, to consider the above modifications.

## **TITLE VI**

As a federally funded agency, the SFMTA must comply with Title VI of the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, color or national origin in programs and activities receiving Federal financial assistance. Before the SFMTA Board can approve the Agency’s fare policy and pricing or a service change, a Title VI fare equity analysis must be approved by the SFMTA Board in accordance with the Federal Transit Administration’s (FTA) Circular 4702.1B, “Title VI Requirements and Guidelines for Federal Transit Administration Recipients,” to determine whether those changes will have a disparate impact based on race or a disproportionate burden on low-income communities. (FTA Circular 4702.1B, Chapter IV-11)

Based on FTA Circular 4702.1B, Chapter IV-19, transit providers are required “to evaluate the impacts of their proposed fare changes (either increases or decreases) on minority and low-income populations separately.” In order to make an appropriate assessment of disparate impact on communities of color or disproportionate burden on low-income communities with regard to the proposed fare changes, the analysis compares available customer survey data

from the 2025 Muni Onboard Survey and shows the number and percent of transit riders who identified as non-white and riders who fall within the SFMTA’s definition of low-income using a particular fare media in order to establish whether minority and/or low-income riders are disproportionately more likely to use the mode of service, payment type or payment media that would be subject to the fare change.

A Title VI Analysis addressing the potential fare changes is included as Enclosure 5, which includes a cumulative analysis of proposed fare changes based on available customer survey data, gathered from the comprehensive 2025 Muni Onboard Survey, for changes to current fare types. For the proposed fare increases, including eliminating the Clipper and MuniMobile single-ride fare discount of \$0.15 in January 2027 and increasing all fares consistent with the Automated Indexing Implementation Plan in January 2028, the equity analysis resulted in no finding of disparate impact based on race and no finding of disproportionate burden on low-income communities.

If the SFMTA Board chooses not to move forward with any of the proposed fare changes as analyzed, or if additional fare proposals are made for consideration, the required analysis will need to be updated to analyze whether the changes result in a disparate impact finding or a finding of disproportionate burden and resubmitted to the SFMTA Board for consideration and approval.

**PUBLIC OUTREACH AND ENGAGEMENT**

The following schedule summarizes the major outreach efforts for the SFMTA Operating and Capital Budget:

**Table 5: Major Outreach Efforts**

Action	Date
SFMTA Board Informational Presentation: Fiscal Year 2025-2026 Budget Update and Upcoming Budget Process	December 2, 2025
SFMTA Board Informational Presentation: Enterprise Revenue and Fare Policy Options	December 16, 2025
SFMTA Board Informational Presentation: Overview of SFMTA Past and Proposed Efficiency Measures	January 6, 2026
SFMTA Board Informational Presentation: Muni Service Equity Strategy	January 20, 2026
SFMTA Board Workshop	February 3, 2026
Citizens’ Advisory Council (CAC) Meeting	February 5, 2026
SFMTA Board Informational Presentation: FY27-FY31 Capital Improvement Program	February 17, 2026



Action	Date
Citizens' Advisory Council (CAC) Meeting	March 5, 2026
Budget Open House Meeting	March 7, 2026
Budget Open House Meeting	March 11, 2026
Budget Virtual Open House Meeting	March 12, 2026
SFMTA Board Informational Presentation: FY 26-27 and FY 27-28 Draft Budget Balancing Plan	March 17, 2026
Citizens' Advisory Council (CAC) Meeting	April 2, 2026
SFMTA Board Public Hearing: Draft Operating Budget FY26-27 & FY27-28 SFMTA Board Public Hearing: Draft FY2026-27 to FY2030-31 Capital Improvement Program (CIP) SFMTA Board Public Hearing: Muni Service Equity Strategy	April 7, 2026
SFMTA Board Adoption of FY26-27 & FY27-28 Capital and Operating Budget	April 21, 2026

Additional comprehensive multilingual outreach strategies included:

- Multilingual customer survey seeking opinions on transportation priorities, including fare and service elements; over 5,000 unique responses received.
- E-mail blasts to over 65,000 subscribers, including customers, community partners and elected officials, a budget webpage and a social media campaign through SFMTA/Muni's X, Instagram, Facebook and Tik Tok accounts.
- Individual briefings were offered to more than 60 community organizations and stakeholders, including Board of Supervisors' offices, formal advisory councils and committees, and multiple advocacy groups.

Additional information on outreach methods, public comment opportunities and feedback received is included in the FTA required Title VI Fare Equity Analysis (Enclosure 5).

**ALTERNATIVES CONSIDERED**

The SFMTA Board considered various options at the December 16, 2025, January 6, 2026, February 17, 2026, March 17, 2026, and April 7, 2026 Board meetings and the February 3, 2026 Board Workshop.

**FUNDING IMPACT**

**Operating Budget**

The proposed FY26-27 and FY27-28 Operating Budget will provide \$1,515 million and \$1,616,

respectively, for operating expenditures and a portion of capital projects funded through City and County of San Francisco sources.

## **Capital Budget**

The proposed FY26-27 and FY27-28 consolidated Operating and Capital budget will allocate \$83 million and \$84 million, respectively, for capital projects for a total capital budget of \$655 million and \$546 million, respectively. Approval of the budget resolution allows City and County of San Francisco and regional sources outside of the authority of the SFMTA to be accepted and expended absent budget approval.

## **ENVIROMENTAL REVIEW**

On April 8, 2026, the SFMTA, under authority delegated by the Planning Department, determined that the SFMTA Consolidated Capital and Operating Budget for Fiscal Years 26-27 and FY27-28 is not a "project" under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b).

The adoption of this resolution does not constitute the approval of any specific project recommended in the budget. Rather, recommended projects would be subject to CEQA review, and other approvals as applicable, as determined according to their scopes.

A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference.

## **OTHER APPROVALS RECEIVED OR STILL REQUIRED**

### **Proposition J Certifications**

Section 10.104.15 of the San Francisco Charter allows City departments to contract for services where such services can be practically performed under private contract at a lesser cost than similar work performed by City employees as determined by the Controller. The Board of Supervisors has requested that all Proposition J certifications be included as part of the SFMTA's budget. In response to this request, six contracts (listed below) were identified as requiring Proposition J certifications. The following certifications are being reviewed by the Controller's Office and are pending:

- Facility Security Services
- Transit Shelter Maintenance Services
- Paratransit Services
- Citation Processing Services
- Vehicle Towing, Storage and Disposal Services; and
- Parking Meter Payment Collection and Coin Counting Services.

For the two-year capital budget, the SFMTA Board and Board of Supervisors will approve contracts as necessary for completion of capital projects.

The City Attorney has reviewed this calendar item.

## **RECOMMENDATION**

SFMTA staff recommend that the Board of Directors approve the San Francisco Municipal Transportation Agency Fiscal Year (FY)26-27 and FY27-28 Operating Budget in the amounts of \$1,515 million and \$1,616 million, respectively; and the Capital Budget in the amounts of \$655 million and \$546 million respectively; for a combined total appropriation of \$2,170 million and \$2,162 million; and taking related actions including (a) certifying that the FY26-27 and FY27-28 Operating and Capital budgets are adequate in making substantial progress towards meeting the performance standards established under Charter Section 8A.103; (b) acting as both the SFMTA Board of Directors and the Parking Authority Commission, approving increases and decreases to various fines, fees, rates, and charges in excess of the Automatic Indexing Implementation Plan (Indexing) including amending the Transportation Code to increase the annual indexing of late payment and special collection fees for civil violations for two years; pausing the indexing of fines for violations of the Transportation Code and California Vehicle Code for two years; authorizing a one-time waiver of all parking citations for individuals experiencing homelessness or participating in the Large Vehicle Buy Back program; increasing the Special Event Parking Meter rates to a minimum of \$1.00 and a maximum of \$21.00 an hour; combining construction and non-construction related temporary parking use permits into one permit and set a daily fee of \$21.00 for FY26-27 and \$23.00 for FY27-28, and authorizing staff to adjust the fee thereafter based on the actual average city wide daily meter rate, and reducing fines for specific parking violations, increasing various fees for parking garages and lots including parking garage electric charging fees, changing transit fares including eliminating the Clipper single ride fare discounts and proportional increases to monthly and Muni-only one day passes, establishing a new Cable Car Plus one day pass, and eliminating Visitor 1, 3 and 7 day passes and single ride Cable Car tickets; (c) authorizing the Director to implement short-term experimental fares and parking rates and parking fees under certain conditions; (d) endorsing continued SFMTA negotiations with the State of California and the Metropolitan Transportation Commission for a short-term \$200 million funding loan to close the FY26-27 budget gap; (e) concurring with the Controller's certification that parking citation processing and collection services, facility security services, paratransit services, parking meter collection and coin counting services, transit shelter maintenance services, and vehicle towing, storage and disposal services can be practically performed by private contractors at a lesser cost than to provide the same services with City employees; (f) approving the Title VI Fare Equity Analysis for proposed fare changes, resulting in no finding of disparate impact based on race or disproportionate burden on low-income communities with the proposed fare increases; (g) authorizing the Director to make necessary technical and clerical corrections to the approved FY26-27 and FY27-28 operating budget of the SFMTA and to allocate additional revenues and/or City and County discretionary revenues in order to fund additional adjustments to the operating budget, provided that the Director of Transportation shall return to the SFMTA Board of Directors for approval of technical or clerical corrections that, in aggregate, exceed a ten percent change to the SFMTA operating budget; (h) suspending contributions to the Contingency Reserve policy created under Resolution 07-038 for two years; (i) authorizing the Director to work with the City Controller to conform the SFMTA's

budgets to any change in citywide budget submission schedules submitted to ensure that interim appropriations are available for the SFMTA to continue operations after July 1, 2026 until October 1, 2026, when the SFMTA budget for the period ending June 30, 2027 will be finally operative; and taking other associated actions.

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS**

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

WHEREAS, The Fiscal Year (FY) 26-27 and FY27-28 Operating and Capital Budgets for the SFMTA are being prepared in accordance with the City Charter Section 8A.106 with the FY26-27 and FY27-28 Operating Budget in the amounts of \$1,515 million and \$1,616 million, respectively; and the Capital Budget in the amounts of \$655 million and \$546 million respectively; for a combined total appropriation of \$2,170 million and \$2,162 million; and,

WHEREAS, The SFMTA is proposing to suspend the contribution to the Contingency Reserve Fund to meet the 10% threshold established under Resolution 07-038 in FY26-27 and FY27-28, allowing these funds to be used to reduce the operating deficit; and,

WHEREAS, Under Charter Section 8A.106(b) the SFMTA Board of Directors has received various presentations, staff reports and comments from the public and certifies that the budget is adequate in all respects to make substantial progress towards meeting the performance standards established pursuant to Charter Section 8A.103 for the fiscal years covered by the budget; and,

WHEREAS, The SFMTA Board of Directors finds that authorizing the Director of Transportation to implement short-term experimental transit fares and parking rates and parking fees for up to six months will enable the SFMTA to respond effectively to community requests and public health and safety emergencies; and,

WHEREAS, The SFMTA is in negotiations with the State and MTC to secure a loan up to up to \$190M to close the FY26-27 budget deficit prior to results and revenue received from a voter initiative Bay Area regional tax measure advance of the results and revenue received from a voter initiative Bay Area regional tax measure; and,

WHEREAS, The SFMTA is proposing changes to various fines, fees, rates and charges by amending the Transportation Code for the fiscal years beginning July 1, 2026 and July 1, 2027; and,

WHEREAS, The proposed amendments to the Transportation Code to address fees and penalties for the fiscal years beginning July 1, 2026, and July 1, 2027, include, among other things, increasing the annual indexing of late payment and special collection fees for civil violations for two years; pausing the indexing of fines for violations of the Transportation Code and California Vehicle Code for two years; authorizing a one-time waiver of all parking citations for individuals experiencing homelessness or participating in the Large Vehicle Buy Back program; increasing the Special Event Parking Meter rates to a minimum of \$1 and a maximum of \$21 an hour; combining construction and non-construction related temporary parking use permits into one permit and setting a daily fee of \$21 for Fiscal Year 2026-2027 and \$23 for Fiscal Year 2027-2028, and authorizing staff to adjust the fee thereafter based on

the actual average city wide daily meter rate; and making clarifying changes including deleting sections that are not required to be codified; and,

WHEREAS, The SFMTA staff is proposing to reduce the fine to \$43 for violations of failing to curb wheels on a grade, displaying a parking permit on other vehicles, repairing a vehicle on a public street, and parking outside of a marked space; and,

WHEREAS, The SFMTA staff is proposing to establish a pass-through charge for merchant fees for debit and credit payments online for parking and transit violations; and,

WHEREAS, The SFMTA is proposing to change transit fares including in FY26-27 eliminating the Clipper single ride fare discount, increasing the Cable Car single ride ticket and One Day Muni Only Pass, eliminating the 1-Day, 3-Day, and 7-Day Visitor Passes, and implementing a new "Cable Car Plus" one day pass that includes up to two youth 18 and under to ride free with an adult; and in FY27-28 applying the AIPP to all single ride and monthly passes, eliminating the Cable car single ride ticket and the One Day Muni Only Pass and replacing it with Daily Fare Capping; establishing free fares on New Year's Eve and authorizing all fare changes for FY26-27 to take effect on January 4, 2027 and January 3, 2028 for FY27-28; and,

WHEREAS, The changes in various fees, fares, rates and charges are necessary to meet SFMTA operating expenses, including employee wages and benefits or to purchase and lease essential supplies, equipment and materials; and,

WHEREAS, Charter Section 16.112 requires published notice and a hearing before the SFMTA may institute or change any schedule of rates or charges that affect the public, and in compliance with Charter Section 16.112, advertisements ran in the City's official newspaper, the San Francisco Examiner, on April 9, 2026 and April 15, 2026, to provide notice that the Board of Directors would hold a public hearing on April 21, 2026, to consider the above modifications; and,

WHEREAS, The SFMTA held public hearings, in-person and online meetings to hear public comment on the two-year Operating and Capital Budgets, and the SFMTA's Citizens Advisory Council also held meetings to consider the two-year Operating and Capital Budget; and,

WHEREAS, As a result of the extensive, multilingual outreach campaign, the SFMTA collected more than 5,000 unique responses with about 2,500 instances of feedback, questions, comments and concerns on its FY26-27 and FY27-28 budget; and, in response to the feedback received, adjusted its policy proposals and budget recommendations; and,

WHEREAS, On April 8, 2026, the SFMTA, under authority delegated by the Planning Department, determined that the SFMTA Consolidated Capital and Operating Budget for FY26-27 and FY27-28 is not a "project" under the California Environmental Quality Act (CEQA) pursuant Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b); and,

WHEREAS, The adoption of this resolution does not constitute the approval of any specific project recommended in the budget. Rather, recommended projects would be subject to CEQA review, and other approvals as applicable, as determined according to their scopes; and,

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors, and is incorporated herein by reference; and,

WHEREAS, Title VI of the Civil Rights Act of 1964 (Title VI) applies to programs and services receiving federal funding and prohibits discrimination based on race, color or national origin from federally funded programs such as transit; and,

WHEREAS, Pursuant to Federal Transit Administration's (FTA) Circular 4702.1B, as a federally funded agency that must comply with Title VI, the SFMTA has prepared a fare equity analysis that analyzes the impacts of proposed fare changes (both increases and decreases) in order to make an appropriate assessment of disparate impact on communities of color or disproportionate burden on low-income communities with regard to the proposed fare changes; and,

WHEREAS, For the proposed fare increases, the equity analysis resulted in no finding of disparate impact based on race or a finding of disproportionate burden on low-income communities; and,

WHEREAS, Charter Section 10.104.15 allows City departments to contract for services where such services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County, as determined by the Controller and approved annually by the Board of Supervisors; and,

WHEREAS, The SFMTA has ongoing contracts for parking citation processing and collection services; facility security services; paratransit services; parking meter collection and coin counting services; transit shelter maintenance services; and vehicle towing, storage and disposal services; and,

WHEREAS, The Controller has determined, or is expected to determine, that for FY26-27 and FY27-28, parking citation processing and collection services; facility security services; paratransit services; parking meter collection and coin counting services; transit shelter maintenance services; and vehicle towing, storage and disposal services can be practically performed by private contractors at a lesser cost than if they were performed by employees of the City; and,

WHEREAS, Charter Section 8A.106 provides that the SFMTA must submit a two-year budget by May 1 of each even year to the Mayor and Board of Supervisors; and,

WHEREAS, The Director of Transportation should be authorized to make any necessary technical and clerical corrections to the approved budgets of the SFMTA and to allocate

additional revenues and/or City and County discretionary revenues in order to fund additional adjustments to the operating and capital budget, provided that the Director of Transportation return to the SFMTA Board of Directors for approval of technical or clerical corrections or that allocate additional revenues and/or City and County discretionary revenues in order to fund additional adjustments to the operating budget that, in aggregate, exceed ten percent of the total SFMTA FY24-25 or FY25-26 operating or capital budgets respectively; and now, therefore, be it

RESOLVED, That the SFMTA Board of Directors approves the San Francisco Municipal Transportation Agency FY26-27 and FY27-28 Operating Budget in the amounts of \$1,515 million and \$1,616 million, respectively; and the Capital Budget in the amounts of \$655 million and \$546 million respectively; for a combined total appropriation of \$2,170 million and \$2,162 million; and be it further

RESOLVED, That the SFMTA Board of Directors authorizes the SFMTA to suspend the contribution to the Contingency Reserve Fund created under Resolution 07-038 in FY26-27 and FY27-28 allowing these funds to be used to reduce the operating deficit and directs staff to return to the Board in 2027 with an update on the Contingency Reserve Policy; and be it further

RESOLVED, That in accordance with the requirements of Charter Section 8A.106(b), the SFMTA certifies that the FY26-27 and FY27-28 Operating and Capital budgets are adequate in making substantial progress towards meeting the performance standards established pursuant to Section 8A.103; and be it further

RESOLVED, That the Director of Transportation is authorized to implement short-term experimental fares and parking rates and fees up to six months which enable the SFMTA to respond effectively to community requests and public health and safety emergencies; and be it further

RESOLVED, That the SFMTA Board of Directors endorses continued SFMTA negotiations on the terms of the State Loan and directs staff to return to the Board for authorization to enter into the loan agreement once negotiations are successfully completed; and be it further

RESOLVED, That the SFMTA Board of Directors amends Transportation Code Division II to address fees and penalties for the fiscal years beginning July 1, 2026, and July 1, 2027, including, among other things, increasing the annual indexing of late payment and special collection fees for civil violations for two years; pausing the indexing of fines for violations of the Transportation Code and California Vehicle Code for two years; authorizing a one-time waiver of all parking citations for individuals experiencing homelessness or participating in the Large Vehicle Buy Back program; increasing the Special Event Parking Meter rates to a minimum of \$1 and a maximum of \$21 an hour; combining construction and non-construction related temporary parking use permits into one permit and setting a daily fee of \$21 for Fiscal Year 2026-2027 and \$23 for Fiscal Year 2027-2028, and authorizing staff to adjust the fee thereafter based on the actual average city wide daily meter rate; and making



clarifying changes including deleting sections that are not required to be; and be it further

RESOLVED, That the SFMTA Board of Directors approves reducing the fine to \$43 for violations of failing to curb wheels on a grade, displaying a parking permit on other vehicles, repairing a vehicle on a public street, and parking outside of a marked space, and directs staff to publish these on the SFMTA fee and fine schedule, and be it further

RESOLVED, That the SFMTA Board of Directors approves establishing a pass-through charge for merchant fees for debit and credit payments online for parking and transit violations, and directs staff to publish these on the SFMTA fee and fine schedule, and be it further

RESOLVED, That the SFMTA Board of Directors Parking Authority Commission approves increases to various fees for parking garage and lots, including a fee for electric vehicle charging in parking garages and lots, reflected in Enclosure 3, and directs staff to publish these on the SFMTA fee and fine schedule; and be it further

RESOLVED, That the SFMTA Board of Directors approves changes to transit fares including eliminating the Clipper single ride fare discount, increasing the Cable Car single ride ticket and One Day Muni Only Pass, eliminating the 1-Day, 3-Day, and 7-Day Visitor Passes, and implementing a new "Cable Car Plus" one day pass that includes up to two youth 18 and under to ride free with an adult; and in FY27-28 applying the AIP to all single ride and monthly passes, eliminating the Cable car single ride ticket and the One Day Muni Only Pass and replacing it with Daily Fare Capping; and authorizing all fare changes for FY26-27 to take effect on January 4, 2027 and January 3, 2028 for FY27; and be it further

RESOLVED, That the SFMTA Board of Directors approves the Title VI fare equity analysis in Enclosure 5 that analyzed the impacts of the proposed fare changes pursuant to FTA C 4702.1B and resulted in no finding of disparate impact based on race or finding of disproportionate burden based on low-income status; and be it further

RESOLVED, That the SFMTA Board of Directors concurs with the Controller's certification that parking citation processing and collection services; facility security services; paratransit services; parking meter collection and coin counting services; transit shelter maintenance services; and vehicle towing, storage and disposal services can be practically performed by private contractors at a lesser cost than to provide the same services with City employees; and be it further

RESOLVED, That the SFMTA Board of Directors will continue to work diligently with the Board of Supervisors and the Mayor's Office to develop new sources of funding for SFMTA operations pursuant to Charter Section 8A.109; and be it further

RESOLVED, That the Director of Transportation is hereby authorized to work with the City Controller to conform the SFMTA's budgets to any change in citywide budget submission schedules submitted to ensure that interim appropriations are available for the SFMTA to continue operations after July 1, 2026 until October 1, 2026, when the SFMTA budget for the

period ending June 30, 2026 will be finally operative; and be it further

RESOLVED, That the Director of Transportation is hereby authorized to make any necessary technical and clerical corrections to the approved FY26-27 and FY27-28 Operating budget of the SFMTA and to allocate additional revenues and/or City and County discretionary revenues in order to fund additional adjustments to the operating budget, provided that the Director of Transportation shall return to the SFMTA Board of Directors for approval of technical or clerical corrections that allocate additional revenues and/or City and County discretionary revenues in order to fund additional adjustments to the operating budget that, in aggregate, exceed a ten percent change to the SFMTA operating budget.

I certify that the foregoing resolution was adopted by the Municipal Transportation Agency Board of Directors and the Parking Authority Commission at their meeting of April 21, 2026.

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Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency

RESOLUTION NO.

[Transportation Code – Division II Fees and Penalties]

**Resolution amending the Transportation Code Division II to increase the annual indexing of late payment and special collection fees for civil violations for two years; pause the indexing of fines for violations of the Transportation Code and California Vehicle Code for two years; authorize a one-time waiver of all parking citations for individuals experiencing homelessness or participating in the Large Vehicle Buy Back program; increase the Special Event Parking Meter rates to a minimum of \$1 and a maximum of \$21 an hour; combine construction and non-construction related temporary parking use permits into one permit and set a daily fee of \$21 for Fiscal Year 2026-2027 and \$23 for Fiscal Year 2027-2028, and authorize staff to adjust the fee thereafter based on the actual average city wide daily meter rate; and make clarifying changes including deleting sections that are not required to be codified.**

NOTE: **Additions** are in *single-underline italics Times New Roman font*.  
**Deletions** are in *strike-through italics Times New Roman font*.  
**Board amendment additions** are in double-underlined Arial font.  
**Board amendment deletions** are in ~~strike-through Arial font~~.  
**Asterisks (\* \* \* \*)** indicate the omission of unchanged Code subsections or parts of tables.

The Municipal Transportation Agency Board of Directors of the City and County of San Francisco enacts the following regulations:

**Section 1.** Article 300 of Division II of the Transportation Code is hereby amended by revising Sections 301, 302, 303, and 305, deleting existing Section 312 and adding new Section 312, and deleting Section 323, to read as follows:

**SEC. 301. FINES AND FEES, AUTOMATIC INDEXING, LATE PAYMENT; SPECIAL COLLECTIONS.**

\* \* \* \*

(b) **Base Fees and Fines, Automatic Index.**

(1) **Base Fee or Fine.** The base fee or fine to be charged and collected by the SFMTA shall be the fees and fines in effect as of March 19, 2024, effective for Fiscal Year 2023-2024, as provided in SFMTA Board Resolution 240319-028 Section 3 and as updated by subsequent SFMTA Board Resolutions and published as described in subsection (b)(3).

(2) **Annual Adjustment of Base Fees.** Beginning with fiscal year 2024-2025, effective July 1 2024, the Base Fees shall be adjusted each year on July 1 using the Automatic Index in this subsection (b)(2) by the Director of Transportation or the Director's designee, in consultation with the SFMTA Chief Financial Officer and without further action by the SFMTA Board, unless otherwise specified in Article 300 or [Article 900](#). The Director of Transportation or the Director's designee, in consultation with the SFMTA Chief Financial Officer, shall also be authorized to add to any fee or fine any additional penalty assessments or charges mandated by the State of California.

(A) The Automatic Index shall be calculated as follows:  $\text{Automatic Index} = [\text{Bay Area Consumer Price Index for all Urban Consumers (CPI-U)} \div 2] + [2\text{-year Operating Budget Labor Cost Change} \div 2]$ . The Bay Area CPI-U forecast used will be from the United States Department of Labor Bureau of Labor Statistics and Research and the Operating Budget Labor Cost Change shall be the San Francisco Controller's projections as of April 1 of each year; and once calculated, the Automatic Index shall be rounded up to the nearest \$1.00. Fees for subsequent years will be based on the original calculated rate prior to rounding.

(B) As part of the Two-year SFMTA Budget process, the Director of Transportation or Director's designee, in consultation with the SFMTA Chief Financial Officer, shall:

(i) For certain fees subject to cost recovery, consider whether the current fees have produced or are projected to produce revenues sufficient to support the costs of providing the services for which the fees are assessed and that the fees will not produce revenue which is significantly more than the costs of providing the services for which the fees are assessed. If the Director of Transportation or the Director's designee, in consultation with the SFMTA Chief Financial Officer, determines that application of the Automatic Index is not warranted for either of these reasons, the Director shall recommend a modification to the SFMTA Board as part of the Two-year SFMTA Budget; and

(ii) Re-evaluate during each Two-year SFMTA Budget process the adequacy of the Automatic Index in subsection (b)(2)(A) and propose any changes to the SFMTA Board.

(3) **Publication.** The SFMTA shall publish the base fees and fines, additional penalty assessments mandated by the State of California, and annual adjustments made using the Automatic Index in subsection (b)(2)(A) on its website as the "SFMTA Fee and Fine Schedule" and shall update it annually by June 1, with any changes effective July 1. The SFMTA shall indicate which fees and fines are not subject to the Automatic Index. The SFMTA shall also make the SFMTA Fee and Fine Schedule available upon request at the main office of the SFMTA. If the SFMTA Board adopts by resolution a new base fee or fine, or modifies or deletes an existing base fee or fine, the new or modified fee or fine shall be included on the SFMTA Fee and Fine Schedule together with the applicable resolution number.

(c) **Late Payment and Special Collection Penalties and Fees.** Except as otherwise specified in this Code, the SFMTA may charge penalties and fees to persons to whom civil citations have been issued or to owners of cited vehicles for failure to either pay the citations or to contest the underlying citations by the due date affixed to the notice of violation. ~~These fees include a DMV registration hold fee.~~ The penalties and fees shall be published on the SFMTA Fee and Fine Schedule and adjusted by an Automatic Index under the provisions in subsection (b)(2), except that for Fiscal Years 2026-2027 and 2027-2028, late payment penalties and fees will increase by 10% each July 1.

### **SEC. 302. TRANSPORTATION CODE PENALTY SCHEDULE.**

Violation of Article 7 of Division I of the Transportation Code shall be punishable by the fines set forth in the SFMTA Fee and Fine Schedule and ~~shall be, instead of being~~ adjusted by an Automatic Index under the provisions in Section 301(b), except that there shall be no adjustment for Fiscal Years 2026-2027 or 2027-2028, shall be adjusted by 8% per year in Fiscal Years 2024-2025 and 2025-2026 and shall include any additional penalty assessment mandated by the State of California, except that in no event shall (a) any fine for an infraction subject to California Vehicle Code Section 42001, as amended from time to time, exceed the maximum amount for a first-time violation plus any additional penalty assessment mandated by the State of California; and (b) a civil penalty for on-street parking not otherwise authorized for an enhanced fine under State law exceed the maximum amount for a first-time violation of an infraction subject to California Vehicle Code Section 42001, as amended from time to time, plus any additional penalty assessment mandated by the State of California.

Notwithstanding the foregoing paragraph, the transit violations established by Transportation Code, Division 1, Sections 7.2.101 through 7.2.104 shall be adjusted by an

Automatic Index under the provisions in Section 301(b) but are otherwise subject to this Section 302.

### **SEC. 303. CALIFORNIA VEHICLE CODE PENALTY SCHEDULE.**

Violation of the California Vehicle Code shall be punishable by the fines set forth in the SFMTA Fee and Fine Schedule and shall be, instead of being adjusted by an Automatic Index under the provisions in Section 301(b), ~~shall be adjusted by 8% per year in Fiscal Years 2024-2025 and 2025-2026~~ except that there shall be no adjustment for Fiscal Years 2026-2027 or 2027-2028, and shall include any additional penalty assessment mandated by the State of California, except that in no event shall: (a) any fine for an infraction subject to California Vehicle Code Section 42001, as amended from time to time, exceed the maximum amount for a first-time violation plus any additional penalty assessment mandated by the State of California; and (b) a civil penalty for on-street parking not otherwise authorized for an enhanced fine under State law exceed the maximum amount for a first-time violation of an infraction subject to California Vehicle Code Section 42001, as amended from time to time, plus any additional penalty assessment mandated by the State of California. The fine amounts listed in this Section 303 shall apply to any citation issued using a former Traffic Code section number that is listed next to the corresponding Vehicle Code section below.

### **SEC. 305. TOWING AND STORAGE FEES.**

#### **(a) Fees.**

(1) The SFMTA shall charge the registered owner of a towed vehicle, or the registered owner's agent claiming a towed vehicle, or the renter of a towed vehicle, to reimburse the City for its costs related to the removal, storage, sale, or release of vehicles towed from the public right-of-way, public property, or private property a fee as authorized

under California Vehicle Code Section 22850.5, as may be amended from time to time, and as set forth in the SFMTA Fee and Fine Schedule and adjusted by an Automatic Index under the provisions in Section 301(b), except that lien fees shall be as set forth in the California Vehicle Code Section 22851.12, as may be amended from time to time, and shall not be subject to the Automatic Index under Section 301(b).

(A) The SFMTA shall charge the registered owner or the registered owner's agent claiming the towed vehicle ~~a reduced~~<sup>the</sup> First Tow ~~reduced~~ administrative fee that shall reduce the administrative fee by \$50 only if the vehicle has not previously been towed by the SFPD or SFMTA while registered to its current owner. The SFMTA shall charge the renter of the towed vehicle the First Tow reduced administrative fee only if the SFPD or SFMTA has not previously towed any vehicle registered to or rented by the renter of the towed vehicle.

\* \* \* \*

**SEC. 312. ~~PARKING METER USE FEE. ONE TIME CITATION WAIVER.~~**

~~(a) A fee charged for rendering Parking meters inaccessible to parking due to activities that are non-construction related and do not require either a Temporary Exclusive Use Parking Meter Permit issued pursuant to Section 904 of this Code, or a Temporary Use or Occupancy of Public Streets permit issued pursuant to Article 6 of this Code.~~

~~(b) The Parking Meter Use Fee shall be as set forth in the SFMTA Fee and Fine Schedule and shall not be subject to Automatic Indexing under Section 301(b); but the daily fee shall be increased by \$1 each year, effective July 1, 2024 and each July 1 thereafter.~~

The SFMTA may issue a one-time waiver of all parking citations for an individual in each of the following circumstances:



(a) Applicant is deemed to be experiencing homelessness by the City and County of San Francisco's Department of Homelessness and Supportive Housing.

(b) Completion of the City and County of San Francisco's Large Vehicle Buy Back program including verification that the applicant has moved into housing as part of that program.

**~~SEC. 323. ELECTRIC VEHICLE CHARGING STATION USER FEE.~~**

~~(a) There shall be a fee to reimburse the SFMTA for costs to the SFMTA associated with the management, operation, and maintenance of electric vehicle charging stations in parking facilities owned by or under the jurisdiction of the SFMTA; the cost to the SFMTA of electricity dispensed by electric vehicle charging stations in parking facilities under SFMTA jurisdiction; and the vendor fee charged to the SFMTA for processing credit and debit card payments at electric vehicle parking stations.~~

~~(b) The Director of Transportation, or his or her designee, shall determine the amount of the electric vehicle charging station user fee for each parking facility, which fee shall not exceed \$10.00 per charging session. The total fee for each charging session at each parking facility shall be determined by calculating the sum of:~~

~~— (1) the costs of electricity used for a charging session, which costs may vary for each parking facility;~~

~~— (2) the SFMTA's costs to manage, operate, and maintain the electric vehicle charging stations and manage the charging station program; and~~

~~— (3) the fee charged by a vendor for processing credit and/or debit card user payments.~~

~~(c) The actual amount of the fee for a charging session shall be posted at each parking facility at the vehicle charging station.~~

**Section 2.** Article 400 of Division II of the Transportation Code is hereby amended by revising Section 405, to read as follows:

**SEC. 405. SPECIAL EVENT PARKING METER RATES.**

(a) Notwithstanding Section 402, the Director of Transportation is authorized to set a Special Event parking meter rate between ~~\$0.50~~ an hour and ~~\$1.82~~ an hour at parking meters within the Civic Center, Fillmore, and South Embarcadero areas described below. The rates may be set during, and/or up to four hours prior to, Special Events as designated by the Director of Transportation ~~in order~~ to manage excessive parking demand, congestion, and traffic circling near those Special Events. For purposes of this Section 405, a “Special Event” shall include athletic events, concerts, conventions, parades, street festivals, entertainment or cultural exhibitions or shows, or any other similar event that is expected to generate a significant, short-term demand for on-street parking. The rates may be adjusted periodically based on vehicle occupancy on any block or set of blocks according to the following criteria: (a) if occupancy is 90% percent or above, rates will be increased by \$0.50 per hour; (b) if occupancy is 65% or above but below 90%, rates will not be changed; or, (c) if occupancy is below 65%, rates will be lowered by \$0.50 per hour. Rates shall be adjusted not more than every 28 days.

\* \* \* \*

**Section 3.** Article 900 of Division II of the Transportation Code is hereby amended by revising Sections 904 and 910 to read as follows:

**SEC. 904. TEMPORARY EXCLUSIVE USE OF PARKING METERS.**

(a) **General Permit Requirements.** The Director of Transportation may issue nontransferable permits for the exclusive temporary use of one or more Parking Spaces with Parking Meters for purposes such as building or roadway construction activities, residential or commercial moves, special events, filming activities~~use of debris boxes, storage of materials or equipment related to building or roadway construction activities~~, and related purposes as the Director of Transportation may in ~~his or her~~ the Director's sole discretion deem appropriate. If an applicant is applying for a permit under this Section 904 to conduct building or roadway construction activities, they must be in possession of and provide evidence of valid and current Street Use permits issued by Public Works when applying for this permit. ~~P~~ermits may not be granted under this Section 904 for the purpose of Parking vehicles.

(b) **Permit Privileges.** Display of a Temporary Exclusive Use Parking Meter Permit shall entitle the holder to take the Parking Meters within the permitted area out of service for the duration of the permit ~~in order to allow the Permittee to conduct construction activities~~. The permitted area shall be exempt from restrictions related to street cleaning, provided that the Permittee maintains the permitted area in a clean condition as determined by the City Traffic Engineer.

(c) **Permit Fee.** The daily permit fee shall be set forth in the SFMTA Fee and Fine Schedule and shall be \$21 effective July 1, 2026, and \$23 effective July 1, 2027. Thereafter, staff is authorized to adjust the daily rate on July 1 of each year based on the actual average citywide daily meter rate. The average citywide daily meter rate is calculated as a weighted average of weekday and weekend rates, reflecting variations in meter rates throughout the day.

**SEC. 910. SFMTA PARKING PERMIT.**

\* \* \* \*

**(d) Permit Fee.** The SFMTA Parking Permit fee shall be based on the daily Temporary Exclusive Use of Parking Meter Fee set forth in Section 904312. The permit fee shall be calculated based on 75% of a five-day per week period for ~~52~~fifty-two weeks per year.

**Section 4. Scope of Resolution.** In enacting this resolution, the San Francisco Municipal Transportation Agency Board of Directors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, letters, punctuation marks, charts, diagrams, or any other constituent parts of the Transportation Code that are explicitly shown in this resolution as additions or deletions in accordance with the "Note" that appears under the official title of the resolution.

**Section 5. Effective Date.** This resolution shall become effective on the 31st day after enactment. Enactment occurs when the San Francisco Municipal Transportation Agency Board of Directors approves this resolution.

APPROVED AS TO FORM:  
DAVID CHIU, City Attorney

By: \_\_\_\_\_  
SUSAN CLEVELAND-KNOWLES  
Deputy City Attorney

4908-8270-6589, v. 3

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of April 21, 2026.

\_\_\_\_\_  
Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency

**Enclosure 3  
Off-Street Parking Rates and Fees**

Off-street parking/garage hourly and monthly rates are subject to the SFMTA’s Demand Responsive Pricing Policy. The maximum hourly rate shall be \$14.00 effective July 1, 2026 and \$15.00 effective July 1, 2027. Increases to Miscellaneous Fees are applicable to all SFMTA operated off-street garages and lots listed below and will be increased by AIIP effective July 1 of each year.

5 <sup>th</sup> Mission	Moscone
7 <sup>th</sup> Harrison	Music Concourse
Civic Center	North Beach
Ellis O’Farrell	Performing Arts
General Hospital	Portsmouth
Golden Gateway	St. Mary’s Square
Japantown / Annex	Sutter Stockton
Lombard	Union Square
Mission Bartlett	Vallejo

Current rates are posted at [www.SFMTA.com/garages-lots](http://www.SFMTA.com/garages-lots).

**MISCELLANEOUS FEES**

Increases to fees below applicable to all SFMTA operated off-street garages and lots will be increased by AIIP.

<b>Other</b>	<b>Current Year</b>	<b>FY 26-27 Rate</b>	<b>FY 27-28 Rate</b>
Late Monthly Payment	40.00	42.00	44.00
New Account Activation Fee	40.00	42.00	44.00
Access Card Replacement	40.00	42.00	44.00
Reopening Garage	63.00	66.00	69.00
No-key Valet Parking	40.00	42.00	44.00
Special Event Rate – Low	8.00	8.00	9.00
Special Event Rate – High	58.00	60.00	64.00
Reservation Fee	N/A	1.00	1.05

**ELECTRIC VEHICLE CHARGING STATION USER FEE**

Fee will include a flat fee to reimburse the SFMTA for costs to the SFMTA associated with the management, operation and maintenance of electric vehicle charging stations in parking facilities under the jurisdiction of the SFMTA, and an hourly electricity rate for a charging session. Fees shall be posted at each vehicle charging station.

**Enclosure 4  
Fare Policy and Pricing**

**FARE TABLE**

<b>Fare Description</b>	<b>Payment Method</b>	<b>Current</b>	<b>Effective 1/4/2027</b>	<b>Effective 1/3/2028</b>
Full Fare Single Ride	Clipper/MuniMobile	\$2.85	3.00	3.10
Full Fare Single Ride	Farebox/Limited Use Ticket	\$3.00	3.00	3.10
Senior/People with Disabilities Single Ride	Clipper/MuniMobile	\$1.40	1.50	1.55
Senior/People with Disabilities Single Ride	Farebox/Limited Use Ticket	\$1.50	1.50	1.55
Clipper START Single Ride Fare	Clipper	\$1.40	1.50	1.55
One-Day Pass (No Cable Car)*	MuniMobile/Farebox	\$5.70	6.00	Discontinued
Adult "M" Monthly Pass	Clipper	\$86.00	\$90.00	\$94.00
Adult "A" Monthly Pass (+ BART within SF)	Clipper	\$104.00	\$108.00	\$112.00
Senior/People with Disabilities Monthly Pass	Clipper	\$43.00	\$45.00	\$47.00
Clipper START - Lifeline Monthly Pass	All	\$43.00	\$45.00	\$47.00
Cable Car Single Ride	All	\$9.00	\$12.00	Discontinued
Off-Peak Cable Car Fare (Seniors/People with Disabilities) from 9:00 p.m. to 7:00 a.m.	On-Board	\$4.00	\$6.00	\$6.00
One Day Visitor Pass	All	\$15.00	Discontinued	Discontinued
Three Day Visitor Pass	All	\$35.00	Discontinued	Discontinued
Seven Day Visitor Pass	All	\$47.00	Discontinued	Discontinued
Cable Car Plus Pass	All	N/A	\$18.00	\$18.00
California Cable Car Line Day Pass	All	5.00	Discontinued	Discontinued
Paratransit Van Services	All	\$2.85	\$3.00	\$3.00
Paratransit Taxi Services	Paratransit Debit Card	\$6 (\$30 Value)	\$6 (\$30 Value)	\$6 (\$30 Value)

\*To be replaced by daily fare capping – single ride trips capped at the equivalent of two

fares/day

## **FARE CATEGORIES**

1. FULL FARE – Adults aged 19 to 64 years of age.
2. SENIOR – 65 years of age or older.
3. PEOPLE WITH DISABILITIES – Customers with qualifying disabilities. Clipper Access, Medicare card, state DMV issued Disability parking placard or discount transit card issued by another transit agency is accepted for eligibility.
4. CLIPPER START/LIFELINE – Customers at or below 200% of poverty level. Application and certification requirements apply.
5. PARATRANSIT – Customers who are unable, due to their disability, to independently use accessible fixed route services some, or all, of the time. Services include shared ride, group van and taxi services. Application and certification requirements apply.

## **FREE FARES**

1. Children/Youth 18 years and under – limit two free fares on Cable Car when traveling with an adult in possession of a Cable Car Plus one day pass, all other service free.
2. Seniors and People with Disabilities at or below 100% Bay Area Median Income (San Francisco residents only).
3. Individuals experiencing homelessness as certified by the San Francisco Department of Homelessness and Supportive Services.
4. San Francisco Police and Sheriff Deputies presenting a regulation seven-pointed star and in full uniform.
5. Active employees of the SFMTA.
6. Dependents of active full-time SFMTA TWU Local 250A employees.
7. SFMTA TWU Local 250A retirees.
8. All Customers on New Year's Eve beginning at 8 p.m. and ending at 5 a.m. on New Year's Day.

## **INSTITUTIONAL PASS PROGRAM**

The SFMTA may enter into agreements with schools, government agencies, residential buildings, athletic facilities and other organizations to establish revenue neutral institutional pass programs. Groups must have a minimum of 500 participants (all members are required to

participate and cannot “opt-out”). Fares will be set based on estimated fare revenue based on transit use across the entire group and divided by the total population. The formula for establishing the revenue neutral fare will be based on demographic and organization specific data, and actual Clipper usage (where available) as part of the individual agreements with participating organizations.

## **BULK DISCOUNT**

The following bulk rate discounts shall be applied to purchases of available fare media:

- 1) 10% - 100 to 499 items
- 2) 15% - 500 to 999 items
- 3) 20% - 1,000 and above

Bulk rate purchases are non-refundable.





**Enclosure 5**  
**SFMTA Title VI Fare Equity Analysis**  
FY26-27 & FY27-28  
Proposed Fare Changes

## I. Background

Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color or national origin in programs and activities receiving Federal financial assistance. Specifically, Title VI provides that "no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance" (42 U.S.C. Section 2000d).

Pursuant to the requirements contained in the Federal Transit Administration's (FTA) Circular 4702.1B, "Title VI Requirements and Guidelines for FTA Recipients," as a federally funded agency that must comply with Title VI of the Civil Rights Act of 1964, the SFMTA must evaluate the impacts of proposed fare changes of any amount (both increases and decreases), including fare media and products, at the planning stage in order to make an appropriate assessment of disparate impact on communities of color. The FTA also requires that transit providers evaluate the effects of fare changes on low-income populations to make an appropriate assessment of disproportionate burden, in addition to the Title VI-protected categories of race, color and national origin (FTA Circular 4702.1B, Chapter IV).

Upon completion of the fare equity analysis, the SFMTA is required to brief its Board of Directors on the outcome of the analysis and identify if there were any disparate impacts based on race or disproportionate burdens based on low-income status. The analysis below will be forwarded to the MTA Board of Directors for review and approval on April 21, 2026, and the appropriate documentation, including the Board resolution, will be submitted as required with the SFMTA's next triennial Title VI Program update as evidence of the Board's awareness and approval of the fare equity analysis. (FTA Circular 4702.1B, Chapter IV-12).

### Agency Overview

The San Francisco Municipal Transportation Agency (SFMTA), a department of the City and County of San Francisco, was established by voter proposition in 1999. One of the SFMTA's primary responsibilities is operating the San Francisco Municipal Railway, known universally as "Muni." Muni is the largest transit system in the Bay Area and pre-pandemic, had over 700,000 passenger boardings per weekday and over 220 million customers a year. Ridership continues to recover and as of January 2026 Muni had approximately 504,000 passenger boardings per weekday. The Muni fleet includes historic streetcars, renewable biodiesel and electric hybrid buses and electric trolley coaches, light rail vehicles, paratransit cabs and vans and the world-famous cable cars. Muni currently operates 50 bus routes, six light rail lines, one historic streetcar line, and three cable car lines in service and provides regional connections to other Bay Area public transit systems such as BART, AC Transit, Golden Gate Transit and Ferries, SamTrans, and Caltrain.

This Title VI analysis includes:

- SFMTA's Board-approved Title VI-related policies and definitions, including the Disparate Impact and Disproportionate Burden Policies.
- A description of the proposed fare changes and background on why the changes are being proposed.

- A data analysis based on available customer survey data to determine the percentage of users of each fare media proposed for increase or decrease, including a profile of fare usage by protected group – minority and low-income – and comparison to their representation system-wide.
- An analysis of potential impacts on minority and/or low-income customers.
- Any required analysis of alternative transit modes, fare payment types or fare media availability for customers who may be impacted by the proposed fare changes.
- A summary of public outreach and engagement efforts to seek public comment.

## **II. SFMTA’s Title VI-Related Definitions and Policies**

On October 1, 2012, FTA issued updated Circular 4702.1B, which requires a transit agency’s governing board to adopt the following policies related to fare and service changes:

- Major Service Change Definition – establishes a definition for a major service change, which provides the basis for determining when a service equity analysis needs to be conducted.
- Disparate Impact and Disproportionate Burden Policies – establishes thresholds to determine when proposed major service changes or fare changes would adversely affect communities of color and/or low-income populations and when alternatives need to be considered or impacts mitigated.

In response to Circular 4702.1B, the SFMTA developed the recommended Disparate Impact and Disproportionate Burden Policies, detailed below. As part of the SFMTA’s process to develop the disparate impact and disproportionate burden policies, SFMTA conducted a multilingual stakeholder outreach campaign to receive input on the proposed policies and engage the public in the decision-making process for adoption of these policies by the SFMTA Board. This effort included presentations to the SFMTA Citizens Advisory Council (CAC) and Muni Accessible Advisory Committee (MAAC), as well as two public workshops. The workshops were promoted through email, telephone calls to community groups and in 10 languages on the SFMTA website. Outreach was also targeted to approximately 30 Community Based Organizations and transportation advocates with broad representation among low-income and minority communities. Staff also offer to meet with some community groups if they were unable to attend the public workshops. In addition, staff presented the Title VI recommendations at the SFMTA Board of Directors meeting on Tuesday, July 16, 2013. The policies were approved at the Board of Directors meeting on August 20, 2013.

The following definitions and policies were used to conduct this Title VI fare equity analysis:

- People and Communities of Color/Minority Populations
- Low-income Populations
- Disparate Impact Policy
- Disproportionate Burden Policy
- Adverse Effect

### People and Communities of Color/Minority Populations

It is important to note that the 2012 FTA Title VI Circular uses the term “minority” in comparison to “non-minority” populations and includes the following race and ethnicity identities in its definition for those who are considered “minority persons” and members of “minority populations”: American Indian and Alaska Native, Asian, Black or African American, Hispanic or Latino, or Native Hawaiian or other Pacific Islander. As an agency, the SFMTA is dedicating efforts to continuous process improvement to normalize and sustain terminology which centers racial equity and affirms the cultures of racialized people. For the purpose of this Title VI analysis, the SFMTA considers individuals to be a person of color if they self-identify as any race/ethnicity other than White, Not Hispanic or Latino. An individual who self-identifies as multi-racial including White, is also considered to be a person of color.” As the FTA Circular is the controlling document for this analysis, the terms contained therein are used solely for the purposes of this document and expanded upon when possible. Use of the term “person of color” in this report should be considered as coextensive with the term “minority” as that term is defined in FTA Circular 4702.1B.

### Low-Income Definition

The SFMTA defines low-income individuals as those whose total household income is below 200% of the federal poverty level per household size. As discussed in further detail below, for the purposes of this analysis, the source data for fare usage by individuals is based on the 2025 Muni Onboard survey. The survey was administered between 2024 and 2025 and queried 2023 household income. Low-income designations were based on comparing the reported 2023 household income against 200% of the 2023 Federal Poverty Designations by Household Size.

### Disparate Impact Policy

The SFMTA’s Disparate Impact Policy determines the point (“threshold”) when adverse effects of fare or service changes are borne disparately by minority populations. Under this policy, a fare change, or package of changes, or major service change, or package of changes, will be deemed to have a disparate impact on minority populations if the difference between the percentage of the minority population impacted by the changes and the percentage of the minority population system-wide is eight percentage points or more. Packages of major service changes across multiple routes will be evaluated cumulatively and packages of fare increases across multiple fare instruments will be evaluated cumulatively.

### Disproportionate Burden Policy

The SFMTA’s Disproportionate Burden Policy determines the point when adverse effects of fare or service changes are borne disproportionately by low-income populations. Under this policy, a fare change, or package of changes, or major service change, or package of changes, will be deemed to have a disproportionate burden on low-income populations if the difference between the percentage of the low-income population impacted by the changes and the percentage of the low-income population system-wide is eight percentage points or more. Packages of major service changes across multiple routes will be evaluated cumulatively and packages of fare increases across multiple fare instruments will be evaluated cumulatively.

## **III. Assessing Impacts of the Proposed Fare Changes on Minority and/or Low-Income Communities**

As detailed in FTA Circular 4702.1B, transit providers shall evaluate the impacts of their proposed fare changes (either increases or decreases) on Title VI-protected populations (minority populations) and low-income populations separately, and within the context of their Disparate Impact and Disproportionate Burden policies, to determine whether minority and/or low-income riders will bear a disproportionate impact of the change between the existing cost and the proposed cost. The impact may be defined as a statistical percentage. The disparate impact and disproportionate burden thresholds must be applied uniformly, regardless of fare media. Title VI also requires that positive changes, such as fare reduction (and major service improvements) are evaluated for their effect on communities of color and low-income communities. The SFMTA separately evaluates fare increases and fare decreases.

Minority Disparate Impact: If after analyzing the proposed fare changes, the SFMTA determines that minority riders will bear a disproportionate impact of the change between the existing cost and the proposed cost and chooses not to alter the proposed fare changes despite the disparate impact on minority ridership, or if it finds, even after modifications are made, that minority riders will continue to bear a disproportionate share of the proposed fare change, the fare change may only be implemented if:

- (i) There is a substantial legitimate justification for the proposed fare change, and
- (ii) SFMTA can show that there are no alternatives that would have a less disparate impact on minority riders but would still accomplish its legitimate program goals.

In order to make this showing, any alternatives must be considered and analyzed to determine whether those alternatives would have less of a disparate impact on the basis of race, color, or national origin, and then only the least discriminatory alternative can be implemented.

Low-Income Disproportionate Burden: If at the conclusion of the analysis the SFMTA finds that low-income populations will bear a disproportionate burden of the proposed fare change, steps must be taken to avoid, minimize or mitigate impacts where practicable and descriptions of alternatives available to low-income populations affected by the fare changes must be provided.

#### **IV. Data Analysis and Methodology**

In order to make an appropriate assessment of disparate impact or disproportionate burden in regard to fare changes, the transit provider must compare available customer survey data and show the number and percentage of minority riders and low-income riders using a particular fare media, or aggregated categories if applicable, in order to establish whether minority and/or low-income riders are disproportionately more likely to use the mode of service, payment type or payment media that would be subject to the fare change. (Circular 4702.1B, Chapter IV-19). For the purposes of this Title VI analysis, demographic data for ridership by fare type was used from the comprehensive 2025 Muni Onboard Survey, conducted in Spring 2024 through Winter 2025.

The survey asked demographic questions for race/ethnicity, English proficiency, gender, income bracket and travel information such as payment type, trip purpose, origin and destination and mode to transit access. Consultants collected over 30,000 survey responses, of which over 25,000 were weekday responses, providing a statistically significant snapshot of ridership patterns at the systemwide and route level. This provides the basis for determining the potential impacts of fare changes on our customers.

As noted above, the SFMTA Board approved a methodology for analyzing Title VI impacts. In the case of fare changes, both increases and decreases of any amount, this methodology relies on comparing the percentage of protected customers using particular fare products or instruments, as a package of changes, to their representation system wide.

When Title VI-protected customers' usage of said fare products or instruments, as a package of changes, exceeds their system-wide average by eight percent or more, and the cost of those products or instruments in the package is being increased, then a finding of disparate impact (minority populations) and/or disproportionate burden (low-income populations) is indicated.

Conversely, Title VI also requires that fare decreases be evaluated to determine whether they disproportionately benefit populations that are not protected by Title VI, thereby diverting the allocation of transit resources away from Title VI-protected groups. As a result, when Title VI-protected customers' usage of fare products or instruments, as a package of changes, falls below their system-wide average by eight percent or more, and the cost of those products or instruments in the package is being reduced, then a finding of disparate impact (minority-based impact) and/or disproportionate burden (low income-based impact<sup>1</sup>) is indicated.

Respondents who declined to answer questions about income or ethnicity are excluded from the analysis when calculating minority or low-income percentages. The overall system-wide averages were determined by reviewing 2025 Muni Onboard Survey for the entire system on an average weekday. The system-wide average for **minority customers was determined to be 68%, and the system-wide average for low-income customers was determined to be 42%.**

## **V. Description of Proposed Fare Changes and Summary of Impacts**

In July 2025, the SFMTA forecasted a budget shortfall of \$307M in FY26-27 and increasing each year thereafter. In addition to increases in fees and fines, operational efficiencies, use of one-time revenue sources and revenue from proposed regional and local tax measures, the SFMTA is proposing increases to transit fares to close the agency's projected budget deficit. SFMTA is also proposing changes to fare media, as discussed in further detail below.

The following fare changes are proposed to support the SFMTA's operations:

### *Fiscal Year 26-27 (January 4, 2027 Implementation)*

Single Ride Fares/Passes – In January 2017, the SFMTA Board suspended indexing of single ride cash fares purchased on Clipper and MuniMobile. The purpose of this change was to incentivize pre-

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<sup>1</sup> To protect privacy, respondents reported an income bracket rather than a specific income. Using household size and income bracket, the analysis identified households as low-income if they fell at or below 200% of the Federal Poverty Threshold, consistent with the Agency's definition above. Because the survey was conducted in 2023, respondents reported 2023 household income and 2023 Federal Poverty Guidelines were used.

payment of fares and the transition of more customers to the regional Clipper regional fare payment system. The initial discount was \$0.25 in FY17-18 and increased to \$0.50 in FY19-20.

Based on the steady increase of Clipper and MuniMobile usage over time, the Board of Directors approved reducing the discount to \$0.25 and then \$0.15 effective January 1, 2026, and July 1, 2026 respectively. Based on FY25-26 actuals, 95% of single ride fares are paid on Clipper and MuniMobile, indicating that the original goal of the discount has been met. SFMTA staff is proposing eliminating the remaining \$0.15 discount. Single ride cash fares will not change.

The single ride Clipper fare serves as the basis for single ride fares paid with Clipper or Muni Mobile for seniors and people with disabilities, paratransit group van service, and monthly, daily and visitor passes, so these fares will also increase accordingly.

Cable Car Single Ride Fare – The cost of cable car service is significantly higher than regular service, estimated at approximately \$20.00 per trip per FY24-25 Federal Transit Administration’s National Transit Database reporting. Operational costs in excess of fares are subsidized through the SFMTA operating budget. The SFMTA is proposing increasing this fare to \$12 per trip to recover additional operating expenses effective January 4, 2027.

Eliminate 1, 3 and 7 Day Visitor Passes – These passes are valid for unlimited travel on all Muni service, including cable car, for the time period specified. These passes are underutilized compared to the single ride and one day passes, representing less than 5% of total sales. In order to streamline fare options and operational efficiency, the SFMTA is proposing to eliminate these passes.

Introduce “Cable Car Plus” Pass – The new pass, similar to the 1 Day Visitor Pass, will provide for unlimited travel on all Muni service, including cable car, with the new benefit of allowing up to two youth aged 18 or under to travel free when accompanied by an adult. The 1 Day Visitor Pass will be eliminated.

#### *Fiscal Year 27-28 (January 3, 2028 Implementation)*

Single Ride Fares/Passes – In 2009, the SFMTA Board of Directors adopted the Automatic Indexing Implementation Plan (AIIP) to establish a more predictable and transparent mechanism for setting fees, fares and fines. The formula is based on a combination of Consumer Price Index and Labor Budget changes. This policy was suspended for fare increases during the pandemic in FY20-21. The SFMTA proposes reestablishing this policy for the FY27-28 period for single ride fares and monthly passes.

Daily Fare Capping – The implementation of the Next Generation Clipper system, includes the ability to establish more flexible fare policy, including setting a cap on fares charged in a designated period after which remaining rides are free. The SFMTA is proposing to eliminate the One Day Muni Only Pass and replace it with Daily Fare Capping. The fare cap would be set at the current Muni-Only pass rate of two single ride trips and would apply to adult, as well as discount fare categories.

Eliminate Single Ride Cable Car Ticket – SFMTA is proposing to eliminate the single ride cable car ticket, providing a single option for cable car travel under the “Cable Car Plus” Pass.

Table 1 and 2 below include proposed fares by planned year of implementation, as well as the demographic characteristics of the customers who use each fare type. They also include a comparison of the cumulative usage of these fare types by minority and low-income customers to their representation system wide. Consistent with SFMTA's disparate impact and disproportionate burden policies, a disparate impact and/or disproportionate burden finding is indicated if the total usage by minority and/or low-income customers deviates from their system-wide averages by eight percent or more.

Table 1 provides disparate impact analysis for the cumulative effects based on race of the proposed fare changes. Table 2 provides disproportionate burden analysis for the cumulative effects based on income status of the proposed fare changes.



**Table 1: Estimated Riders by Fare Media – Disparate Impact Analysis for Fare Increases**

Fare Type	FY26 Fares	FY27 Proposed Fares	FY28 Proposed Fares	FY28 Change	FY28 % Change	Estimated Ridership <sup>1</sup>	Total Responses <sup>2</sup>	Minority Riders <sup>3</sup>	Percent Minority <sup>4</sup>
Adult Single Ride Fare – Clipper/MuniMobile	2.85	3.00	3.10	0.25	9%	221,668	216,280	145,111	67%
Senior Single Ride Fare – Clipper/MuniMobile	1.40	1.50	1.55	0.15	11%	7,371	7,156	1,168	16%
Disabled Single Ride Fare – Clipper/MuniMobile	1.40	1.50	1.55	0.15	11%	940	930	577	62%
Adult Single Ride Fare – Farebox	3.00	3.00	3.10	0.10	3%	6,008	5,906	4,592	78%
Senior Single Ride Fare – Farebox	1.50	1.50	1.55	0.05	3%	869	842	442	52%
Disabled Single Ride Fare – Farebox	1.50	1.50	1.55	0.05	3%	14	14	14	100%
All Day Pass (MuniMobile Only)	5.70	6.00	N/A	0.30	5%	6,266	5,914	3,105	53%
Adult Monthly Pass – Muni+BART in SF	104.00	108.00	112	8.00	8%	3,881	3,799	2,994	79%
Adult Monthly Pass – Muni Only	86.00	90.00	94.00	8.00	9%	68,952	67,156	45,718	68%
Senior Monthly Pass	43.00	45.00	47.00	4.00	9%	4,103	4,041	2,120	52%
People with Disabilities Monthly Pass	43.00	45.00	47.00	4.00	9%	482	470	312	66%
Lifeline Monthly Pass	43.00	45.00	47.00	4.00	9%	3,145	3,090	2,932	95%
Clipper START Single Ride Fare	1.40	1.50	1.55	0.15	11%	1,242	1,222	853	70%
Cable Car Single Ride	9.00	12.00	12.00	3.00	33%	2,453	2,413	933	39%
Multi-Day Visitor Passes- 1 Day <sup>5</sup>	15.00	18.00	18.00	3.00	20%	228	139	85	61%
Multi-Day Visitor Passes- 3 Day	35.00	N/A	N/A	N/A	N/A				

Fare Type	FY26 Fares	FY27 Proposed Fares	FY28 Proposed Fares	FY28 Change	FY28 % Change	Estimated Ridership <sup>1</sup>	Total Responses <sup>2</sup>	Minority Riders <sup>3</sup>	Percent Minority <sup>4</sup>
Multi-Day Visitor Passes- 7 Day	47.00	N/A	N/A	N/A	N/A				
<b>Total Fare Increase</b>						<b>327,622</b>	<b>319,372</b>	<b>210,956</b>	<b>66%</b>
<b>Total Survey</b>						<b>434,613</b>	<b>423,316</b>	<b>289,358</b>	<b>68%</b>

1. Estimated Ridership includes all survey responses identified per fare media.

2. Total Responses for Disparate Impact analysis includes responses per fare media who choose to identify their ethnicity.

3. Minority Riders includes all responses per fare media who qualify per definition of minority in ethnicity.

4. Percent Minority is a calculation of identified minority riders out of total known responses for ethnicity per fare media.

5. Effective January 2026 the 1 Day Visitor pass will be replaced with the “Cable Car Plus” pass allowing for unlimited travel on all Muni service including cable car, for one adult and up to two youth 18 or under.

**Table 2: Estimated Riders by Fare Media -- Disproportionate Burden Analysis for All Fare Increases**

Fare Type	FY26 Fares	FY27 Proposed Fares	FY28 Proposed Fares	FY28 Change	FY28 % Change	Estimated Ridership <sup>1</sup>	Total Responses <sup>2</sup>	Low Income Riders <sup>3</sup>	Percent Low Income <sup>4</sup>
Adult Single Ride Fare – Clipper/MuniMobile	2.85	3.00	3.10	0.25	9%	221,668	163,815	65,260	40%
Senior Single Ride Fare – Clipper/MuniMobile	1.40	1.50	1.55	0.15	11%	7,371	4,963	2,272	46%
Disabled Single Ride Fare – Clipper/MuniMobile	1.40	1.50	1.55	0.15	11%	940	741	384	52%
Adult Single Ride Fare – Farebox	3.00	3.00	3.10	0.10	3%	6,008	3,359	2,183	65%
Senior Single Ride Fare – Farebox	1.50	1.50	1.55	0.05	3%	869	426	299	70%
Disabled Single Ride Fare – Farebox	1.50	1.50	1.55	0.05	3%	14	N/A	N/A	N/A
All Day Pass (MuniMobile Only)	5.70	6.00	N/A	0.30	5%	6,266	4,487	1,358	30%
Adult Monthly Pass – Muni+BART in SF	104.00	108.00	112.00	8.00	8%	3,881	53,138	17,846	34%
Adult Monthly Pass – Muni Only	86.00	90.00	94.00	8.00	9%	68,952	50,220	16,773	33%

Fare Type	FY26 Fares	FY27 Proposed Fares	FY28 Proposed Fares	FY28 Change	FY28 % Change	Estimated Ridership <sup>1</sup>	Total Responses <sup>2</sup>	Low Income Riders <sup>3</sup>	Percent Low Income <sup>4</sup>
Senior Monthly Pass	43.00	45.00	47.00	4.00	9%	4,103	2,872	1,466	51%
People with Disabilities Monthly Pass	43.00	45.00	47.00	4.00	9%	482	385	330	86%
Lifeline Monthly Pass	43.00	45.00	47.00	4.00	9%	3,145	1,885	1,519	81%
Clipper START Single Ride Fare	1.40	1.50	1.55	0.15	11%	1,242	1,185	936	79%
Cable Car Single Ride	9.00	12.00	12.00	3.00	33%	2,453	2,126	628	30%
Multi-Day Visitor Passes- 1 Day <sup>5</sup>	15.00	18.00	18.00	3.00	20%	228	127	2	2%
Multi-Day Visitor Passes- 3 Day	35.00	N/A	N/A	N/A	N/A				
Multi-Day Visitor Passes- 7 Day	47.00	N/A	N/A	N/A	N/A				
<b>Total Fare Increase</b>						<b>327,622</b>	<b>289,602</b>	<b>111,254</b>	<b>38%</b>
<b>Total Survey</b>						<b>434,613</b>	<b>308,198</b>	<b>129,978</b>	<b>42%</b>

1. Riders includes all survey responses per fare media.

2. Riders Who Reported Income includes responses per fare media who choose to report income bracket.

3. Low Income Riders includes total number of riders who chose to report income bracket, fell within low-income category per definition and reported use of this particular fare media.

4. Percent Low Income is a percentage calculation of Low-Income Riders out of Riders Who Reported Income (“Total Responses”) per fare media.

5. Effective January 2026 the 1 Day Visitor pass will be replaced with the “Cable Car Plus” pass allowing for unlimited travel on all Muni service including cable car, for one adult and up to two youth 18 or under.

**Table 3: Summary of Disparate Impact and Disproportionate Burden Analysis**

Item	Riders who Identified as Minority	Riders who Identified as Low Income
Systemwide Average based on 2025 Onboard Survey	68%	42%
Proposed Fare Increases	66%	38%
Disparate Impact based on race/8% threshold?	No	n/a
Disproportionate Burden based on income/8% threshold?	n/a	No

A disparate impact or disproportionate burden is found if the total usage by minority and/or low-income customers deviates from their system-wide averages by eight percent or more.

All Fare Increases

Shown in Table 3, all fare increases will impact 66% of minority riders and 38% of low-income riders. Both are within eight percent of their respective system-wide averages of 68% minority and 42% low-income riders, so no disparate impact based on race or disproportionate burden based on income is found. If the MTA Board chooses not to move forward with any of the proposed fare increases as analyzed and therefore the current fare change proposal is modified, the required analysis will need to be updated to analyze whether the changes result in a disparate impact finding, which would require further analysis, including an analysis of less discriminatory fare alternatives, or a finding of disproportionate burden, which would require the SFMTA to take steps to avoid, minimize or mitigate impacts where practicable, as well as describing alternatives available to low-income populations affected by the fare changes. The revised fare equity analysis would need to be re-submitted to the MTA Board for their consideration and approval.

**VI. Low- and Moderate-Income Fare Programs**

The SFMTA has developed a number of programs geared specifically towards low-income customers including the Lifeline Adult Monthly Pass, low-income Clipper START single ride fare, and the Free Muni program for low- and moderate-income Seniors, and People with Disabilities. The SFMTA also provides free fares for all youth aged 18 and under, and people experiencing homelessness certified by the Department of Homelessness and Supportive Housing. Table 4 indicates the income eligibility thresholds for each of these programs for 2026.

**Table 4: Muni Discount Programs (2026)**

Household Size	Adult Lifeline Pass/Clipper START Program Eligibility: At or Below 2026 200% Federal Poverty Level	Free Muni for Low and Moderate Income Seniors and People with Disabilities Eligibility: At or Below 2026 100% Bay Area Median Income
1	\$31,920	\$109,100
2	\$43,280	\$127,700

3	\$54,640	\$140,250
4	\$66,000	\$155,850
5	\$77,360	\$168,300
6	\$88,720	\$180,800

## X. Public Comment and Outreach

Pursuant to Title VI of the Civil Rights Act of 1964 and its implementing regulations, as well as state and local laws and in keeping with its own policies, the SFMTA takes responsible steps to ensure meaningful access to the benefits, services, information, and other important portions of SFMTA’s programs and activities for low-income, minority, and limited-English proficient (LEP) individuals, and regardless of race, color or national origin. Given the diversity of San Francisco and of Muni’s ridership, the SFMTA is strongly committed to disseminating information on proposed fare changes that is accessible to individuals who may have a limited ability to read, write or speak English (“Limited-English Proficient or LEP”). The SFMTA launched an extensive multilingual public outreach campaign at the beginning of the FY26-27 and FY27-28 process to gather and consider public input on the budget and to inform the proposed changes to transit fares, in addition to non-transit related fees and fines. Multiple feedback channels were promoted and offered, including a dedicated phone number and email address, a physical address for returning surveys and in-person opportunities to learn more information and provide comments, with the availability of free language assistance noted in multiple languages. Feedback received throughout the budget process was forwarded to the Finance team for their review and consideration and informed and influenced the final proposals submitted to the SFMTA Board of Directors for its consideration and approval. Outreach dates and activities are summarized below.

### Budget Survey and Outreach

The SFMTA public outreach team deployed a city-wide, multilingual customer survey from October 2025 to January 2026 that sought public feedback on transportation priorities, including transit fare and service elements. The survey was available digitally in English, Spanish, Filipino, and Chinese. Physical copies of the survey were provided in in English, Spanish, and Chinese to 21 community organizations, recreation centers and libraries for further distribution to their clients and constituents. Over 5,000 individuals completed the survey and of those, approximately 2500 provided comments, some of which were in languages other than English. Final survey data and associated comments were compiled for the Finance team’s review and consideration and implementation into the fare proposals.

The survey was advertised in the following ways:

- QR Codes on ads and bus shelters: 116 scans
- Blog post: 1590 page views
- Social media (organic): 28,000 followers in November on Instagram and 5,1000 on TikTok
- Email: 34,139 opens; 5193 clicks. The email was translated into English, Spanish, Chinese, and Filipino

A social media advertising campaign promoting the feedback survey ran from November 12 – December 2. It leveraged Facebook, Instagram, and TikTok to publicize an open feedback

opportunity. This campaign reached over 135,000 people and encouraged their feedback. It was available in English, Spanish and Chinese.

- 135,078 total impressions across Facebook and Instagram with 5.9K clicks
- Posts were available in English, Spanish and Chinese languages
  - Spanish: 87,460 impressions with 2.6% click through rate
  - Chinese: 50,816 impressions with a 2.52% click through rate
  - English: 41,029 impressions with a 6.92% click through rate
- Tik Tok has 53,832 impressions with 347 clicks overall

Additional survey outreach was conducted through blog posts, e-mail blasts to stakeholders and through SFMTA/Muni’s X, Instagram, Facebook and Tik Tok accounts.

Feedback was compiled and sorted into topics/categories and forwarded to appropriate staff and to the MTAB for consideration in the decision-making process. While riders strongly emphasized the importance of protecting core service, they also raised operational concerns. Reliability and frequency are the most consistently referenced. Themes center on: Reliability/frequency, Service Cuts/Muni Dependency, Safety Concerns, Fares and Affordability, Management/ Governance Frustration and Cleanliness. Below is a summary of how the budget proposal specific to transit service and proposed fare changes was crafted based on public feedback.

Community Feedback	SFMTA Budget Proposal
<p>84% of people said “Maintaining the speed, frequency, and reliability of Muni buses and trains” is their first or second transportation priority:</p> <ul style="list-style-type: none"> <li>• <i>“Muni is vital to all San Franciscans. Maintaining services on all routes is the key to keep this city moving.”</i></li> <li>• <i>“Do not cut the 6!!! The 21 was my normal bus line and combining it with the 6 was frustrating but manageable. If the 6 is cut then that will be a huge detriment to the west side of the city.”</i></li> </ul>	<p>Recommend maintaining Muni service without cuts</p>
<p>70% of people said it is “Extremely” or “Very” important to maintain reduced fares for seniors and low-income residents</p> <ul style="list-style-type: none"> <li>• <i>“As a low income senior Muni is irreplaceable and the city should make it one of its number one priorities.”</i></li> <li>• Nearly half of responders said it was “extremely” or “very” important to keep Muni free for youth.</li> <li>• “My two kids (ages 11 and 14) take</li> </ul>	<p>Recommend maintaining our free and reduced fare discount programs</p>

Muni back and forth to school everyday and is essential to their independence and the ability of our family to function.”	
65% of people said it is “Not important” or “Somewhat important” to keep fares lower for riders using Clipper cards than those paying cash.	Recommend eliminating Clipper Discount
82% of people said there is a “Great need” or “Some need” for additional funds to maintain public transit in San Francisco	Regional and local revenue measures are potential solutions for the budget gap

**Public Outreach and Engagement**

Following the survey and initial budget proposals, the SFMTA held three public meeting opportunities. These came in the form of open houses for community members to attend where they could get more information and provide their feedback on the proposed fare changes.

Notices for these open houses were provided in multiple languages and included information on how to request free language assistance at the meeting. In addition, interpretation assistance was provided in Spanish and Cantonese, languages spoken by the highest concentration of limited-English proficient individuals in the SFMTA’s service area.

As required by the City Charter, advertisements publicizing the public hearing were placed in advance in San Francisco newspapers. Multilingual ads were placed in prominent Chinese and Spanish newspapers in San Francisco. Multilingual information has been available to the public through the SFMTA website throughout the budget process.

Additional methods of keeping the public informed and promoting feedback channels included a website, e-mail blasts to stakeholders and posts made by the SFMTA/Muni’s X and Facebook accounts. Feedback received is compiled and forwarded to appropriate staff and to the MTA Board for consideration in the decision-making process.

- Direct email updates to agency updates subscribers in four languages sent on February 3, March 5, 10 and 18 (30,596 total opens; 941 total clicks)
- SMS text message sent March 4 (6267 delivered)
- Transit shelter ad with an estimated 28,500 views throughout its run
- SFMTA.com Blog Post: 351 page views
- Organic Social Media: Posts on the budget open houses earned a total of 4,390 impressions and an engagement rate of about 3%

A social media advertising campaign in English, Spanish and Chinese promoting the open houses ran from February 27 to March 11, 2026. The campaign leveraged Facebook, Instagram, TikTok and Next Door to publicize an open feedback opportunity. This campaign reached over 135,000 individuals and encouraged feedback.

- 176,000 impressions
- 3,713 clicks
- English: 50,755 impressions; 1,414 clicks
- Spanish: 82,519 impressions; 1,556 clicks
- Chinese: 42,824; 743 clicks

The video campaign reached 215,452 people. Tik Tok reached 95,933 people. Next Door reached 37,654 and generated 274 clicks.

### **Public Meetings:**

- In-Person Open Houses: March 7 and 11 with interpreters provided in Spanish and Cantonese.
  - 44 comments and 40 instances of other feedback were collected and logged.
- Virtual Open House: March 12 with simultaneous interpretation and post event recordings provided in Spanish and Cantonese.
  - 52 questions and 75 comments or other interactions were collected and logged.
- About 90 people attended across all three events.

### **Community Briefings:**

In addition to the outreach described above, briefings were offered to more than 60 community organizations and stakeholders from October 2025 to April 2026. This included Board of Supervisors' offices, formal advisory councils and committees and advocacy groups. The list below reflects community budget briefings conducted as of April 18, 2026.

- 350 San Francisco
- Abundant SF
- Bay Area Council
- Building Owners and Managers Association (BOMA)
- Capital Planning Committee
- Castro Community Benefit District (Castro CBD)
- Chinatown Transportation Research Improvement Project (TRIP)
- Chinese American Democratic Club
- Civic Joy Fund
- ConnectSF
- D 7 Youth Council
- District 11 & Excelsior Community
- Dogpatch Neighborhood Association
- Downtown SF
- Duboce Triangle Neighborhood Association
- Eureka Valley Neighborhood Association
- Friends of Harvey Milk Plaza
- Future of Muni and Bay Area Transit Forum
- Golden Gate Restaurant Association



- Harvey Milk LGBTQ Democratic Club
- Hayes Valley Neighborhood Association
- Interfaith Council
- Kid Safe SF
- Latino Democratic Club
- Latino Task Force
- League of Women Voters of San Francisco
- LGBTQ Cultural District
- Lighthouse for the Blind and Visually Impaired
- Livable City
- Merced Extension Triangle Neighborhood Association
- Metropolitan Transportation Commission
- Mission Economic Development Agency
- Multimodal Accessibility Committee
- Muni Equity Working Group
- Muni Forever
- Pacific Heights Residents Association
- Potrero Boosters Neighborhood Association
- Purple Circle
- Richmond Planning Association
- San Francisco Apartment Association
- San Francisco Benefit District Alliance
- San Francisco Bicycle Coalition
- San Francisco Chamber of Commerce
- San Francisco Council of District Merchants Associations
- San Francisco County Transportation Authority
- San Francisco Labor Council
- San Francisco Planning and Urban Research
- San Francisco Transit Riders
- San Francisco Unified School District
- Senior and Disability Action
- Service Employees International Union 1021
- SF Transit Riders Union
- SF Youth
- SFCTA Citizens' Advisory Committee
- SFMTA Citizens' Advisory Council
- Streets for All
- Tenderloin Neighborhood Development Corporation
- Union Square Alliance
- Walk SF
- Yerba Buena Community Benefit District
- Yerba Buena Partnership
- Youth Transportation Advisory Board
- D2 City Hall Community Open House
- D4 City Hall Community Open House

- D6 City Hall Community Open House

### **SFMTA Board of Directors Hearings**

As required by the City Charter, advertisements publicizing the public hearing were placed in advance in San Francisco newspapers. Multilingual ads were placed in prominent Chinese, Spanish and Russian newspapers in San Francisco. Multilingual information has been available to the public through the SFMTA website throughout the budget process.

#### *Specific outreach activities included:*

- Multilingual collateral on Muni vehicles publicized budget feedback opportunities, including proposed fare and service changes, and notice of free language assistance in ten languages (English, Spanish, Chinese, Filipino, Vietnamese, Russian, French, Korean, Japanese, and Arabic):
  - 1,450 information cards posted across our fleet, buses and LRVs
    - ♣ 600 ads posted on LRV4s
    - ♣ 950 ads posted on buses
- Shelter ad: Approx 28,500 views throughout its run
- Newspaper ads in 13 newspapers, including ethnic media, publicizing budget feedback opportunities:
  - *SF Examiner*
  - *Bay Area Reporter*
  - *SFNNNA Group*
  - *Noe Valley Voice*
  - *Potrero View*
  - *Richmond Review*
  - *San Francisco Bay View*
  - *Sunset Beacon*
  - *El Tecolote*
  - *Sing Tao Daily*
  - *World Journal*
  - *Wind Newspaper*
  - *Kstati*

<b>Action</b>	<b>Date</b>
Local Measure Roundtable 1	September 25, 2025
Local Measure RoundTable 2	November 6, 2025
MTA Board of Directors: Fare Policy and Revenues	November 18, 2025
MTA Board of Directors: Ridership and Fares	December 2, 2025
MTA Board of Directors Budget Update	December 2, 2025
MTA Board of Directors: Enterprise Revenue and Fare Policy	December 16, 2025
MTA Board of Directors: Efficiencies	January 6, 2026

MTA Board of Directors Policy Review	January 20, 2026
MTA Board Workshop	February 3, 2026
SFMTA Citizen Advisory Committee (CAC)	February 5, 2026
Board of Directors: Capital Budget	February 17, 2026
SFMTA Citizen Advisory Committee	March 5, 20256
Budget Open House	March 7, 2026
Budget Open House	March 11, 2026
Virtual Open House	March 12, 2026
Board of Directors: Budget Balancing	March 17, 2026
SFMTA Citizen Advisory Committee	April 2, 2026
Board of Directors: Budget Hearing	April 7, 2026
Board of Directors: Budget Hearing	April 21, 2026

**Resulting Feedback**

Due to the extensive outreach campaign, the SFMTA collected over 5,500 instances of feedback which also included over 2,500 questions, comments and concerns on its FY26-27 and FY27-28 budget as of March 24, 2026.

**XI. Conclusion**

As a federally funded agency, the SFMTA must comply with Title VI of the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, color or national origin in programs and activities receiving Federal financial assistance. Before the SFMTA Board can approve the Agency’s fare policy and pricing or a service change, a Title VI fare equity analysis must be approved by the SFMTA Board in accordance with the Federal Transit Administration’s (FTA) Circular 4702.1B, “Title VI Requirements and Guidelines for Federal Transit Administration Recipients,” to determine whether those changes will have a disparate impact based on race or a disproportionate burden on low-income communities. (FTA Circular 4702.1B, Chapter IV-11)

Based on FTA Circular 4702.1B, Chapter IV-19, “Transit providers are required to evaluate the impacts of their proposed fare changes (either increases or decreases) on minority and low-income populations separately.” In order to make an appropriate assessment of disparate impact on communities of color or disproportionate burden on low-income communities with regard to the proposed fare changes, the analysis compares available customer survey data and shows the number and percent of minority riders and low-income riders using a particular fare media in order to establish whether minority and/or low-income riders are disproportionately more likely to use the mode of service, payment type or payment media that would be subject to the fare change.

As required, this Title VI Fare Equity Analysis includes a cumulative analysis of proposed fare changes based on available customer survey data (2025 Muni Onboard Survey) for changes to

current fare types. For the proposed fare increases, the equity analysis resulted in no finding of disparate impact based on race or a finding of disproportionate burden on low-income communities.

If the SFMTA Board chooses not to move forward with any of the proposed fare changes as analyzed, or if additional fare proposals are made for consideration, the required analysis will need to be updated to analyze whether the changes result in a disparate impact finding or a finding of disproportionate burden and resubmitted to the SFMTA Board for its consideration and approval. A copy of the Title VI Fare Equity Analysis and accompanying resolution will be submitted as part of the next SFMTA Title VI Program Update, as required.