



SFMTA

Draft FY2026-27 through FY2030-31 Capital Improvement Program Review

SFMTA CAC | April 2, 2026

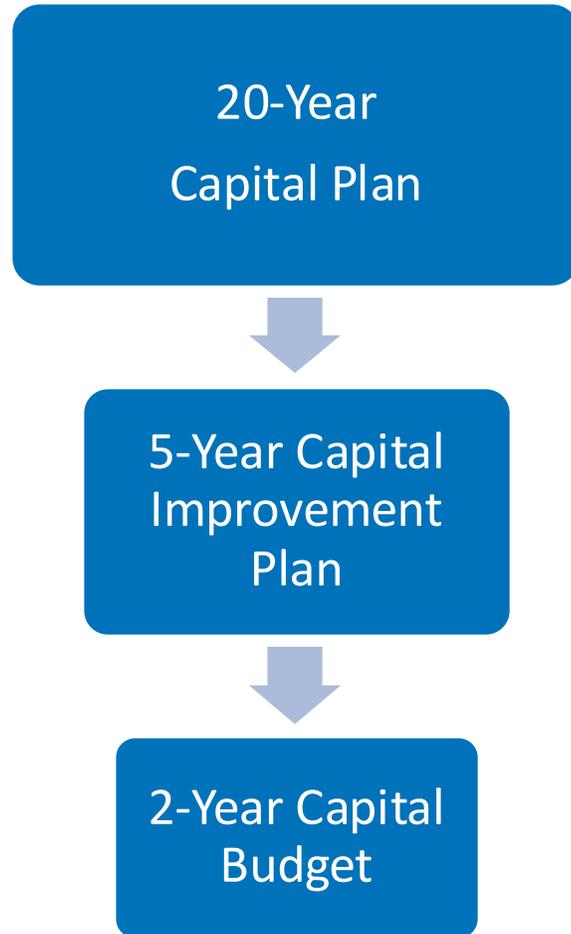
Background

The SFMTA Capital Improvement Program (CIP) is a five-year investment plan that is reassessed on a rolling two-year basis.

The CIP describes funding across five major investment areas.



Capital Planning Process



The capital planning process is a multi-year process where decisions are executed over years, or in the case of larger projects, decades.

Capital Plan

- Reflects a financially unconstrained analysis of the SFMTA's capital needs over the next 20 years
- Rates capital needs against criteria that reflect SFMTA's values
- Includes a list of potential investments with project description, timeline, and cost estimate
- Approved by MTAB November 16, 2021
- Updated by staff and reviewed by MTAB December 5, 2023



FY27-FY31 CIP Development Timeline

Milestone	Date
FY27-FY31 Capital Improvement Program Update Initiated	April 2025
Ph. 1 Technical Adjustments: Review Scope and Schedule for Existing Projects	June 2025
Initial Revenue Estimates	August 2025
Ph. 2 New Projects, Budget Amendments & Project Ranking	August-October 2025
MTAB: Capital Improvement Program Development Overview	October 21, 2025
Ph. 3 Budget Balancing	October 2025-January 2026
Revised Revenue Estimates Released	December 2025
Draft Fund Programming	February 2026
MTAB: Capital Budget Update	February 17, 2026
Transportation Capital Committee: Draft CIP Approval	March 12, 2026
CAC: Capital Improvement Program Review	April 2, 2026
MTAB: Draft Capital Improvement Program Presentation	April 7, 2026
MTAB: FY26-27 & FY27-28 Budget Approval	April 21, 2026

Board Feedback Received

- Concern about deferring capital investments to flex funds to operating budget, and desire to limit flex if needed
- Interest in understanding impact of any flex, such as project deferrals and future costs
- Any flex should be one-time and not an ongoing practice
- Interest in prioritizing state loan and using some portion of Agencywide Reserve; use of Reserve should include policy guidance on how to restore funds over time

CIP Investment Approach & Response to Board Feedback

- Ensure **existing contractual obligations** are met
- When full funding is not available, **fund urgent needs by phase** (improves project/grant-readiness)
- **Empower subject matter experts to prioritize needs** – emphasizing safety, regulatory compliance, reliability, equity and reducing maintenance costs
- **Remove consideration to use capital funds** to support the operating budget.

FY27-FY31 Capital Improvement Program (CIP) Investments

- Total programming for FY27-FY31 CIP is estimated at approximately \$2.5B (2% lower than prior CIP)
- Proposed 2-year capital budget for FY26-27 & FY27-28 is approximately \$1.2B and includes:
 - approx. \$655M planned expenditure in FY26-27
 - approx. \$558M planned expenditure in FY27-28
- SFMTA continues to deliver significant safety and reliability investments through its capital program

FY27-FY31 CIP Revenues

CIP investments are also driven by available funding. CIP funding comes from a variety of sources. FY27-FY31 Revenues are summarized here, including carryforward funding from prior years.

Competitive grants have become a higher proportion of our funding as Federal Funds decrease, growing from 17% to 25%, inherently increasing funding risk due to the difficulty in projecting awards.

Capital Revenues FY27-FY31 (*\$millions*)

Fund Source	FY27-FY31 Revenue (\$M)	Percent of Total
Federal Formula Funds	\$ 1,000	40%
Competitive Grants	618	25%
Proposition B	320	13%
Prop L Sales Tax	243	10%
Regional/State Formula Funds	159	6%
Misc. Funds	103	4%
General Obligation Bond	32	1%
Operating Funds	20	1%
Developer Fees	12	>1%
Revenue Bond	6	>1%
Total	\$ 2,514	100%

Capital Investment Areas

These investment areas demonstrate how our capital projects improve conditions for our riders, street users, employees, and anyone who drives, walks, or rolls in San Francisco

Capital Investment Areas

Reinvest in the System



Projects that are primarily or fully focused on improving state of good repair.

Photo: Cameron Beach Yard Fix-It Week

Optimize Services



Projects primarily focused on improving service, allow for more efficient delivery of service.

Photo: L Taraval Improvement Project

Expand Capacity



Projects to add new infrastructure or assets, or that facilitate increases in service levels.

Photo: Chinatown Station, Central Subway Project

Capital Investment Areas

Improve Street Safety



Projects to improve roadway safety for all street users, make it easier for people to access multimodal transit options, and make other roadway improvements.

Photo: Geary Blvd Pedestrian Signal

Enhance Safety & Security



Projects focused on safety and security of riders, employees, and the SFMTA's built infrastructure.

Photo: Sanchez Slow Street Project

Reinvest in the System



CIP Reinvests \$1.9 billion into the system via 66 projects

The *Reinvest in the System* investment area focuses on projects that rebuild, renovate, or replace aging and/or outdated equipment to keep the city's transportation system in a state of good repair

By maintaining and modernizing existing infrastructure and assets, these investments ensure safe, reliable operations and reduce the risk of failures that could create hazards for all system users

Major Projects & CIP Investment Amounts

- **Train Control System Upgrade | \$496M**
Replaces legacy rail signaling with a modern system to improve reliability, increase capacity, and enhance safety across the Muni Metro network.
- **Light Rail Vehicle Quarterlife Overhauls Phase 1 | \$111M**
Rehabilitates up to 157 Siemens light-rail vehicles through comprehensive repairs and system upgrades, extending fleet life, improving reliability and passenger comfort, and establishing the first phase of a long-term lifecycle management program.
- **Potrero Facilities Reconstruction | \$97M***
Rebuilds the facility to expand bus storage, maintenance, and training capacity, while incorporating potential transit-oriented development and preserving key historic elements.
- **Parking Garage Elevator Modernization (Group 2) | \$6M**
Advances detailed design to fully upgrade 18 elevator cabs across six parking facilities, improving reliability, safety, and accessibility.

*Does not include potential June 2026 GO Bond funds, which require voter approval



Optimize Services



CIP invests \$229 million into optimizing services via 26 projects. An additional 24 projects contribute towards service optimization.

The *Optimize Services* investment area focuses on projects that improve service delivery to make the transportation system more efficient

By improving service design and transit operations, these investments enhance reliability and reduce delays, helping minimize unsafe conditions caused by congestion, crowding, and unpredictable travel patterns

Major Projects & CIP Investment Amounts

- **22 Fillmore: Fillmore Street Transit Priority Project | \$30M**
Delivers corridor improvements along Church and Fillmore Streets to reduce travel times, improve reliability, and enhance safety through stop optimization, roadway changes, and pedestrian upgrades.
- **M & J Transit and Safety Project (Ocean View & San Jose Ave) | \$19M**
Improve reliability and travel times by implementing various enhancements throughout the corridors, such as traffic signals, transit stop placement optimization, pedestrian improvements, and other improvements.
- **Conduent – CAD/AVL Program | \$1.8M**
Replaces the existing dispatch system with a next-generation, web-based platform to improve real-time fleet management, service reliability, and operational efficiency.
- **Station Wayfinding Signage Upgrade Phase 2 | \$0.8M**
Procure, fabricate and install wayfinding and station identification signage.



Expand Capacity



CIP invests \$17.2 million into expanding capacity via 9 projects. An additional 9 projects contribute towards capacity expansion.

The *Expand Capacity* investment area focuses on projects that grow or expand the system to accommodate future transportation demand via increased service

Investments in this category help reduce vehicle congestion and conflicts on city streets, improving safety for pedestrians, cyclists, and all roadway users

Expand Capacity

Major Projects & CIP Investment Amounts



- **Muni Metro Modernization Program | \$6.7M**

Planning and design of targeted infrastructure and operational upgrades to support higher-capacity Muni Metro service and reduce overcrowding, including platform expansions, terminal improvements, and transit priority enhancements.

- **M Oceanview & J Church Accessible Platforms | \$1.2M**

Designs and constructs new platforms and ramps at eight surface stops to improve accessibility and reduce stop spacing gaps for mobility-impaired riders.

- **Bike Share Expansion | \$70,000**

Supports the transition to a new permit cycle to maintain and enhance San Francisco's station-based bikeshare system.

Improve Street Safety



CIP invests \$286 million into improving street safety via 45 projects. An additional 17 projects contribute towards street safety improvements.

The *Improve Street Safety* investment area focuses on projects that make it easier for people walking, biking, or rolling to access multimodal transportation options

By redesigning streets with safety-focused infrastructure and traffic calming measures, these investments reduce collisions and create safer, more predictable conditions for pedestrians, cyclists, transit riders, and drivers

Major Projects & CIP Investment Amounts



- **Central Embarcadero Enhancement Project | \$10M**
Advances design and implementation of signal, curb, and bikeway upgrades between Bryant Street and Broadway to enhance safety, accessibility, and multimodal connectivity along the corridor.
- **Lincoln Way Traffic Signals Project | \$3.8M**
Advances design of new signals and related infrastructure at 45th Avenue and La Playa Street to improve safety, right-of-way allocation, and reduce delays associated with Great Highway access changes.
- **Citywide Intersection Daylighting Project | \$3.3M**
Implements intersection daylighting across San Francisco to improve visibility and safety, supporting enforcement of AB 413 by restricting parking near crosswalks.

Enhance Safety & Security



CIP invests \$8.6 million into enhancing safety and security via 4 projects. An additional 23 projects contribute to safety and security enhancements.

The *Enhance Safety & Security* investment area focuses on projects that safety and security of riders, employees, and the SFMTA's built infrastructure

By investing in lighting, monitoring, and protective infrastructure, these projects deter unsafe behavior, improve visibility, and strengthen the safety and security of riders, employees, and the overall system

Major Projects & CIP Investment Amounts



- **Security Hardening for SFMTA Facilities & Yards | \$4.0M**
Installs modern security systems and infrastructure across SFMTA facilities to improve safety for staff and protect critical assets.
- **Bus Stop Lighting Improvement Project | \$2.4M**
Pilots and expands lighting improvements at transit stops to enhance safety and customer experience in underserved communities while establishing systemwide lighting standards.

Capital Investment Areas

The CIP proposes to invest 76% of all revenues to improve state of good repair (*Reinvest in the System*), followed by *Improve Street Safety* (11%) and *Optimize Services* (9%).

Investment Area	FY27-FY31 CIP Programming (\$millions)	Share of total CIP
Reinvest in the System	\$1,920	76%
Improve Street Safety	286	11%
Optimize Services	229	9%
Expand Capacity	17	>1%
Enhance Safety & Security	9	>1%
<i>Capital Reserves</i>	52	2%
Total	\$ 2,514	100%

**SFMTA needs additional capital funding,
to make critical investments, maintain
existing assets in state of good repair
and reduce operating costs.**



SFMTA



Thank You!

Appendix

Programming by CIP Program

Capital Improvement Program FY27-FY31 (*\$millions*)

Program Name	FY27	FY28	FY29	FY30	FY31	Total
Agency Wide	15.4	13.4	16.0	18.1	18.2	81.2
Comms/IT	3.2	0.5	0.4	1.1	1.6	6.8
Facilities	28.7	38.9	18.5	26.5	52.6	165.4
Fleet	215.9	243.1	186.5	186.4	211.6	1,043.4
Parking and Curb Management	-	3.0	3.0	-	-	6.0
Signals & Signs	33.1	11.7	10.4	8.0	6.9	70.1
Streets	106.6	34.5	63.2	30.2	31.5	265.9
Transit Fixed Guideway	160.4	143.4	116.5	147.7	68.2	636.3
Transit Optimization & Expansion	92.1	69.7	22.5	28.0	26.2	238.6
Total	655.3	558.4	437.2	446.1	416.7	2,513.7

Returning \$20M FY27 Funds to Capital Program

Program/Project	Amount <i>(\$millions)</i>
Street Safety	0.9
Citywide Quickbuild Program	0.9
Signals State of Good Repair	1.6
Lincoln Way Signals/Contract 66	1.6
Transit Reliability Improvements	1.0
Muni Forward (7 Haight-Noriega/44 O'Shaughnessy)	1.0
Train Control Upgrade Project	16.5
Total	20.0

FY27-FY31 CIP Revenues Comparison to Prior CIP

Capital Revenues FY27-FY31 (Millions)

Fund Source	FY25-FY29 Revenue (\$M)	FY27-FY31 Revenue (\$M)	Variance (\$M)	Variance (%)
Federal Formula Funds	\$ 1,216	1,000	(\$ 216)	(18%)
Competitive Grants	447	618	171	38%
Proposition B	311	320	9	3%
Prop L Sales Tax	201	243	42	21%
Regional/State Formula Funds	93	159	66	71%
Misc. Funds	48	103	45	94%
General Obligation Bond	0	32	32	-
Operating Funds	0	20	20	-
Developer Fees	119	12	(107)	(90%)
Revenue Bond	21	6	(15)	(71%)
Carryforward Budget*	104	0	(104)	(100%)
Total	\$ 2,559	\$ 2,514	(\$ 36)	(1.4%)

* Carryforward balances incorporated into the specific revenue categories in this CIP.