



SFMTA



# Muni Equity Working Group

February 26, 2026

# Agenda

Time	Item
5:30 p.m.	Welcome
5:40 p.m.	Funding Muni – Planning for Revenue Measure Outcomes
6:10 p.m.	FY2026-2027 Budget Update
6:35 p.m.	Muni Service Equity Strategy Update
7:00 p.m.	Meeting adjourns



**SFMTA**

# Funding Muni Planning for Revenue Measure Outcomes

Muni Equity Working Group  
February 26, 2026

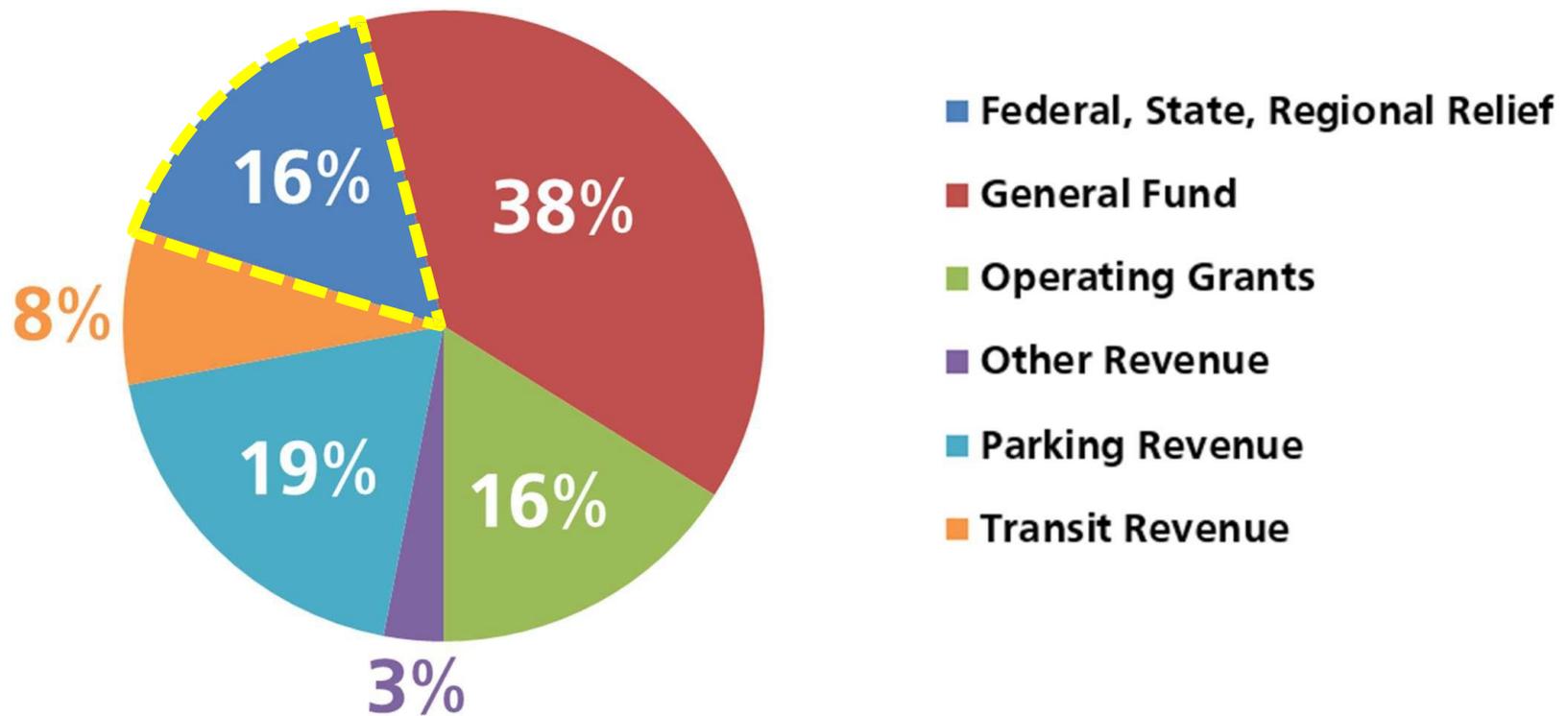
# 5-Year Deficit Forecast

SFMTA's budget strategy will address end of one-time pandemic resources and growing gap between revenues and expenditures

	FY26-27 (\$M)	FY27-28 (\$M)	FY28-29 (\$M)	FY29-30 (\$M)	FY30-31 (\$M)
Revenue	1,226	1,256	1,284	1,311	1,329
Expenditure	1,533	1,600	1,656	1,708	1,764
Surplus / (Deficit)	(307)	(344)	(372)	(398)	(435)

# Pandemic Relief Exhausted

Federal, state and regional pandemic relief protected Muni service throughout the pandemic; they run out summer 2026



Source: FY25-26 Original Budget (Final), August 2025.

# Muni Funding Working Group Recommendation

The Muni Funding Working Group overwhelmingly supported **Strategy A: Big at the Ballot in 2026**

- **No Service Cuts**
- Further administrative efficiencies and expedited reductions
- A regional sales tax measure
- A local parcel tax measure

	Strategy	% Top Choice
A	Preserve Muni & Street Safety – Big at the Ballot in 2026	69%
B	Preserve Muni & Street Safety – Multiple Ballots over Time	19%
C	Protect Muni Service – Minimizing Cuts for Riders	6%
D	Find Revenues through Parking	6%
E	Cut Due to Less Opportunity at the Ballot	0%
F	Fewer Options (No New Revenue), More Cuts	0%

# DRAFT Five-Year Plan to Balance Budget

	FY26-27 Millions	FY27-28 Millions	FY28-29 Millions	FY29-30 Millions	FY30-31 Millions
Deficit	(307)	(344)	(372)	(398)	(434)
Regional & Local Revenue Measures	17	305	314	322	332
<b>Regional</b>	<b>17</b>	<b>155</b>	<b>161</b>	<b>166</b>	<b>173</b>
<b>Local</b>	<b>-</b>	<b>150</b>	<b>153</b>	<b>156</b>	<b>159</b>
Agency Efficiency and Revenue, & One-time Sources	290	39	58	76	102

Note: Deficit total and agency-solution amounts are draft and will be revised based on final revenue forecasts and policy decisions for efficiencies and agency-generated revenues; parcel tax also includes \$10M for service quality improvements, not yet incorporated; revenues from regional and local measures contingent on voter approval

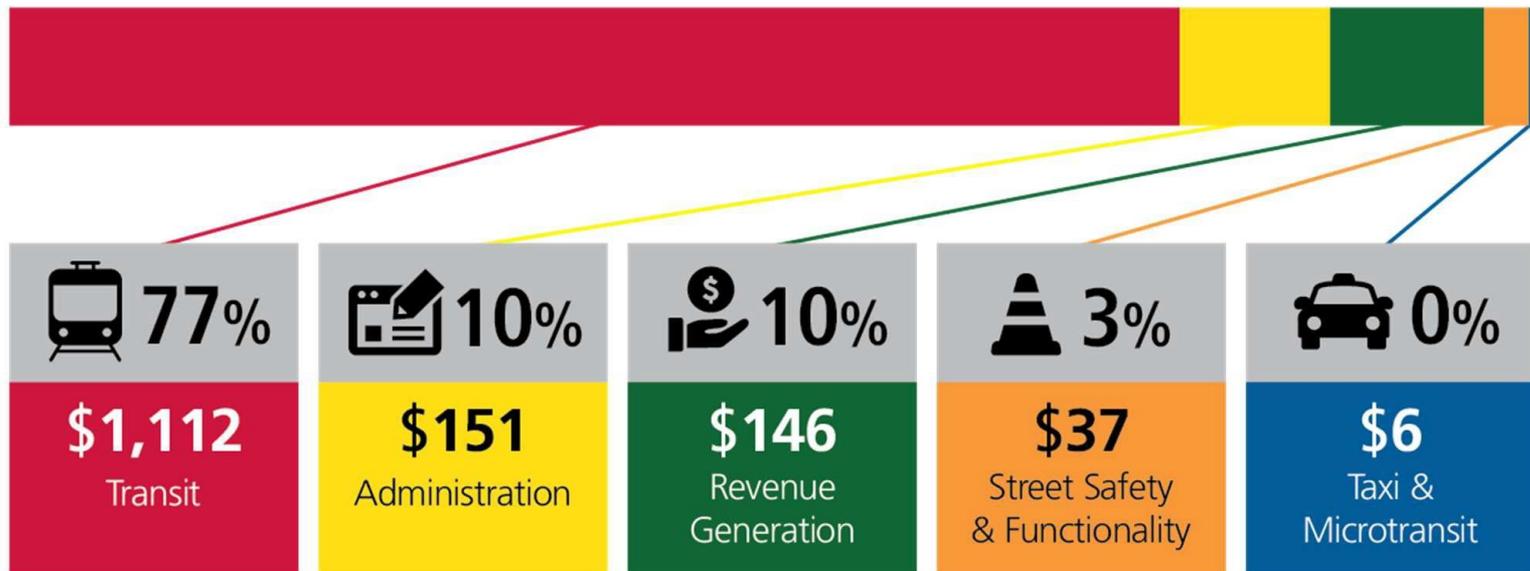
# 5-Year Funding Plan

- Based on direction from the Muni Funding Working Group, pursuing a funding plan that combines ballot-generated revenue with continued internal cost controls and efficiencies
- Preferred funding plan prioritizes Muni service and protects jobs
- SFMTA also preparing scenarios if local or regional measure is not approved



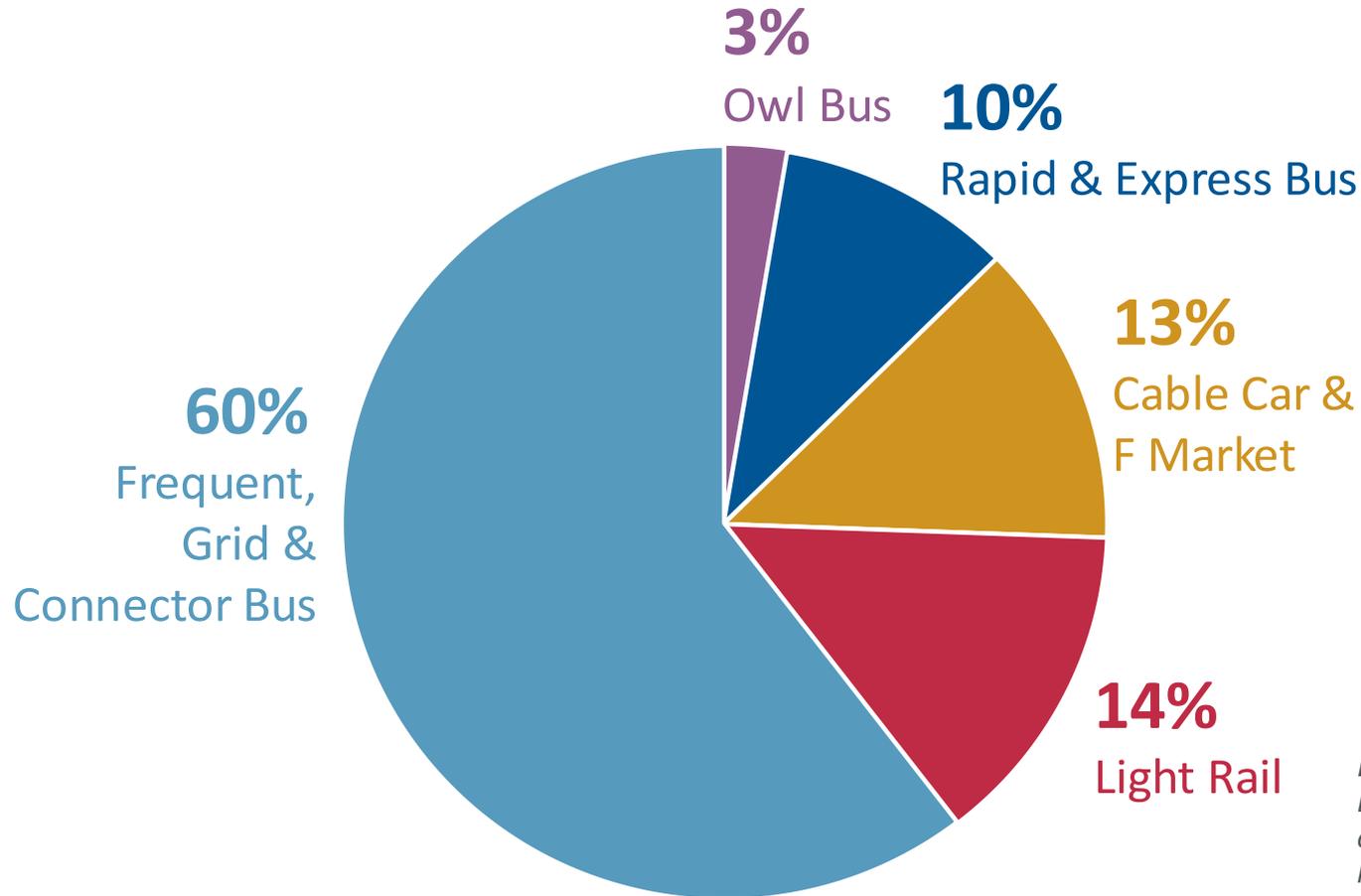
# Agency-wide Approach

If one or both ballot measures fail, SFMTA would make cuts in all divisions. However, given that transit is such a large percentage of the overall agency budget, there is no way to close the budget gap without significant Muni impacts.



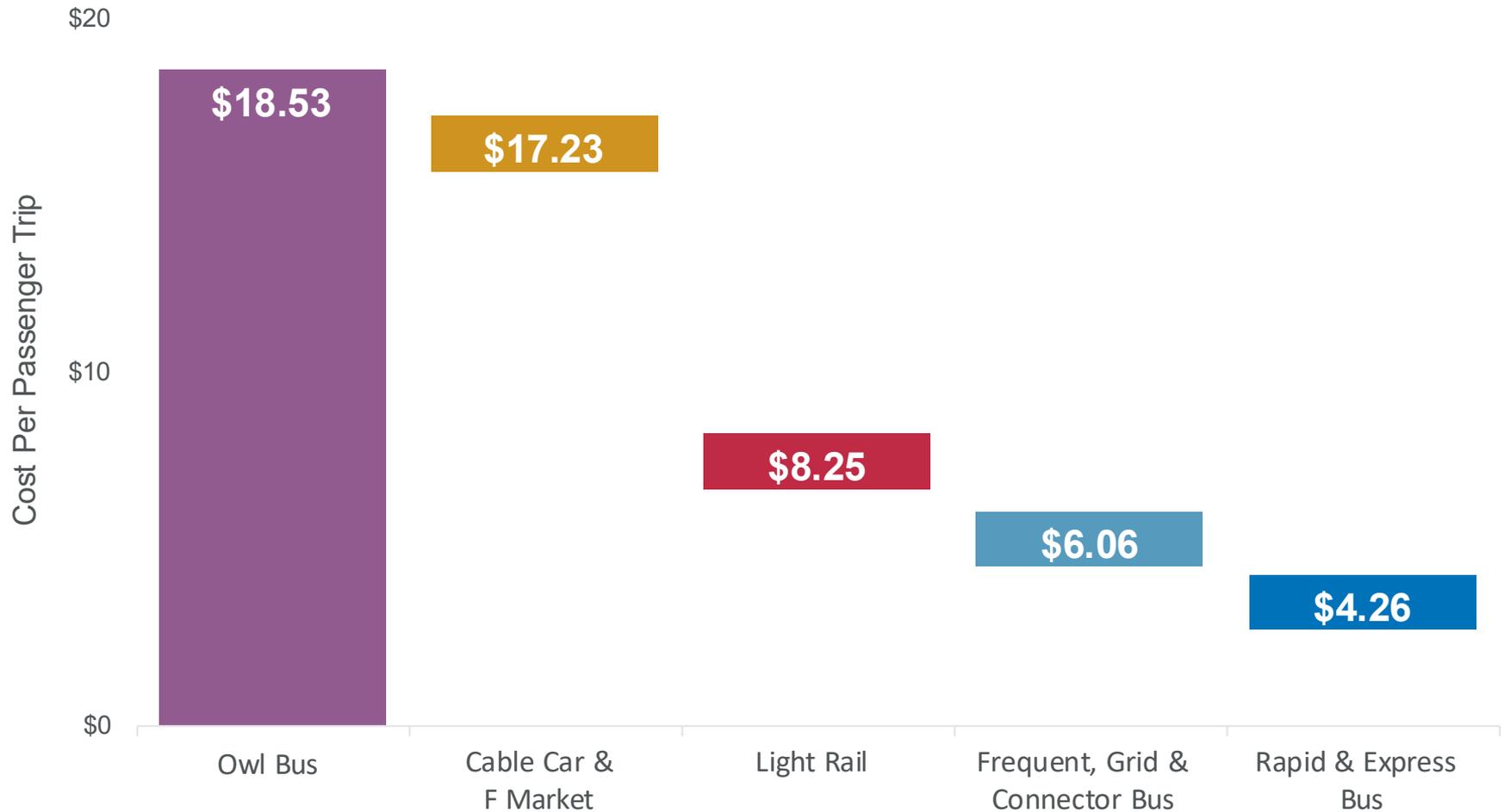
Source: FY25-26 Original Budget (Final), August 2025.  
Note: Transit includes paratransit.

# FY 24-25 Cost Share by Service Type



*Fall 2025 Schedule,  
Draft FY24-25 NTD  
operating costs per revenue  
hour rates are used.  
Rates are subject to change.*

# FY 24-25 Cost Per Passenger Trip by Service Category



*Draft FY24-25 NTD operating costs per revenue hour rates are used. Rates are subject to change.*

# Muni is vital to San Francisco



- Muni gets over 500,000 riders every day to jobs, medical appointments and grocery stores
- Approximately 27% of SFUSD students, roughly 14,000, take Muni to get to and from school
- Almost 50% of transit ridership across the nine-county Bay Area is on Muni

# Potential Citywide Impacts if one or both initiatives fail

Slower Downtown Recovery



Increased Traffic & Congestion

Less Access & Opportunities for  
People Who Rely on Transit



Major Systemwide Crowding

# Scenario Planning for the Ballot

## if both initiatives **pass**

### Connect Bay Area Act

- 1% sales tax in San Francisco
- ~\$155M/year for Muni

### Local Revenue Measure

- Square footage-based parcel tax
- ~\$150M/year for Muni

### Initiative Outcomes

### Muni Service Benefits

### Agency Benefits

**Both Pass**



- Maintain service levels
- Targeted service increases that address crowding and pass-ups
- Better positioned to respond to ridership growth

- Stabilized workforce
- Maintain focus on internal cost-cutting
- More resilient budget outlook for unforeseen conditions

# Muni Service Options for Cutting Costs

if one or both ballot initiatives fail



## Cut up to 20 Muni routes

Corridors with multiple routes, downtown express, hilltop & neighborhood connections

**\$70-150M**



## Double Wait Times

Metro train service, Rapid and Frequent routes

**\$30-80M**



## End Regular Service at 9 p.m.

Owl network only from 9 p.m. to 6 a.m.

**\$30M**



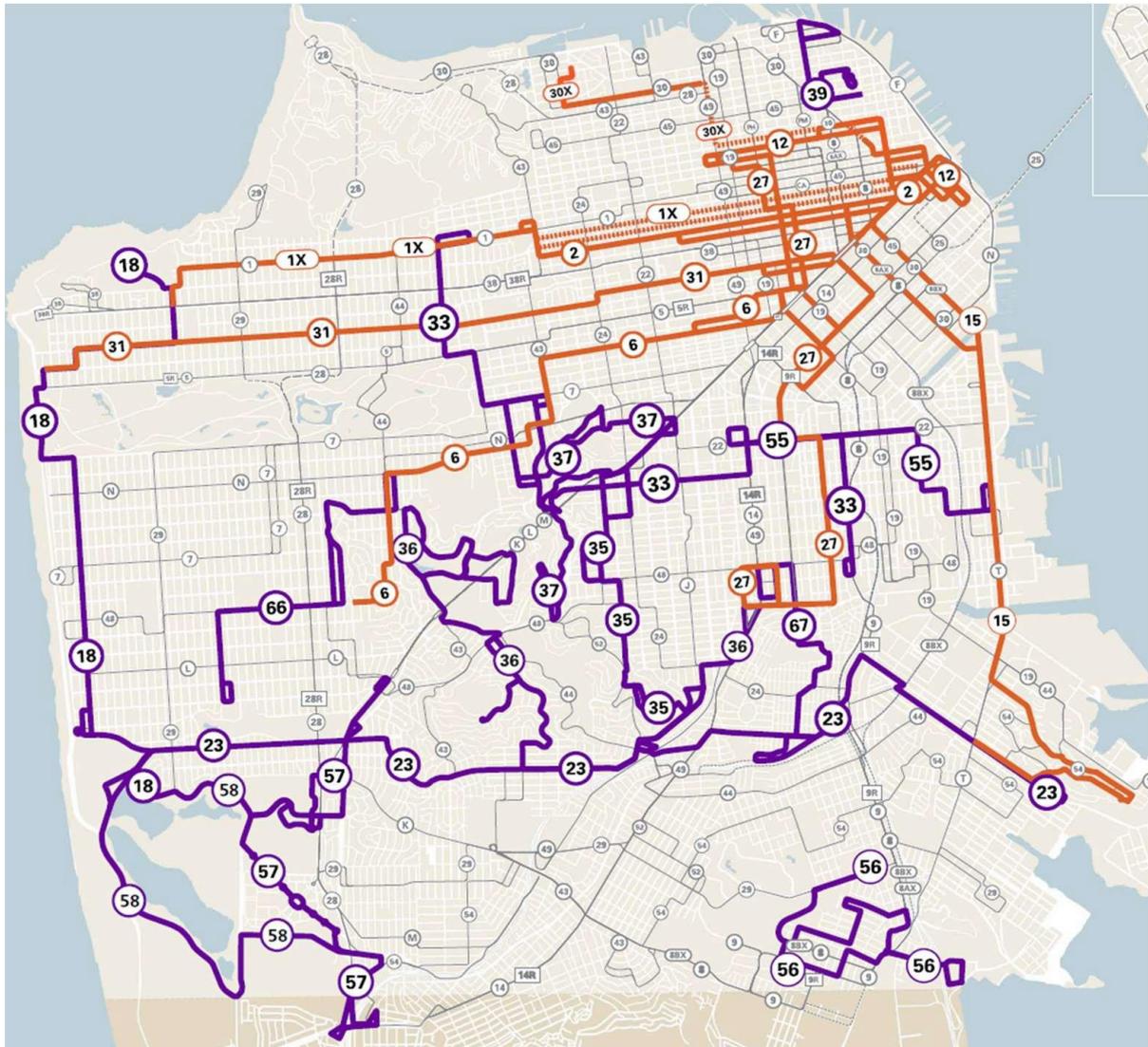
## Reduce or Cut Historic Service

3 cable cars lines and F Market & Wharves

**\$70-140M**

Note: Estimated savings include reduction in administrative services (e.g., accounting, payroll, HR) in proportion to reduction in Muni service

# Cut up to 20 Muni routes



**\$70-150M  
savings**

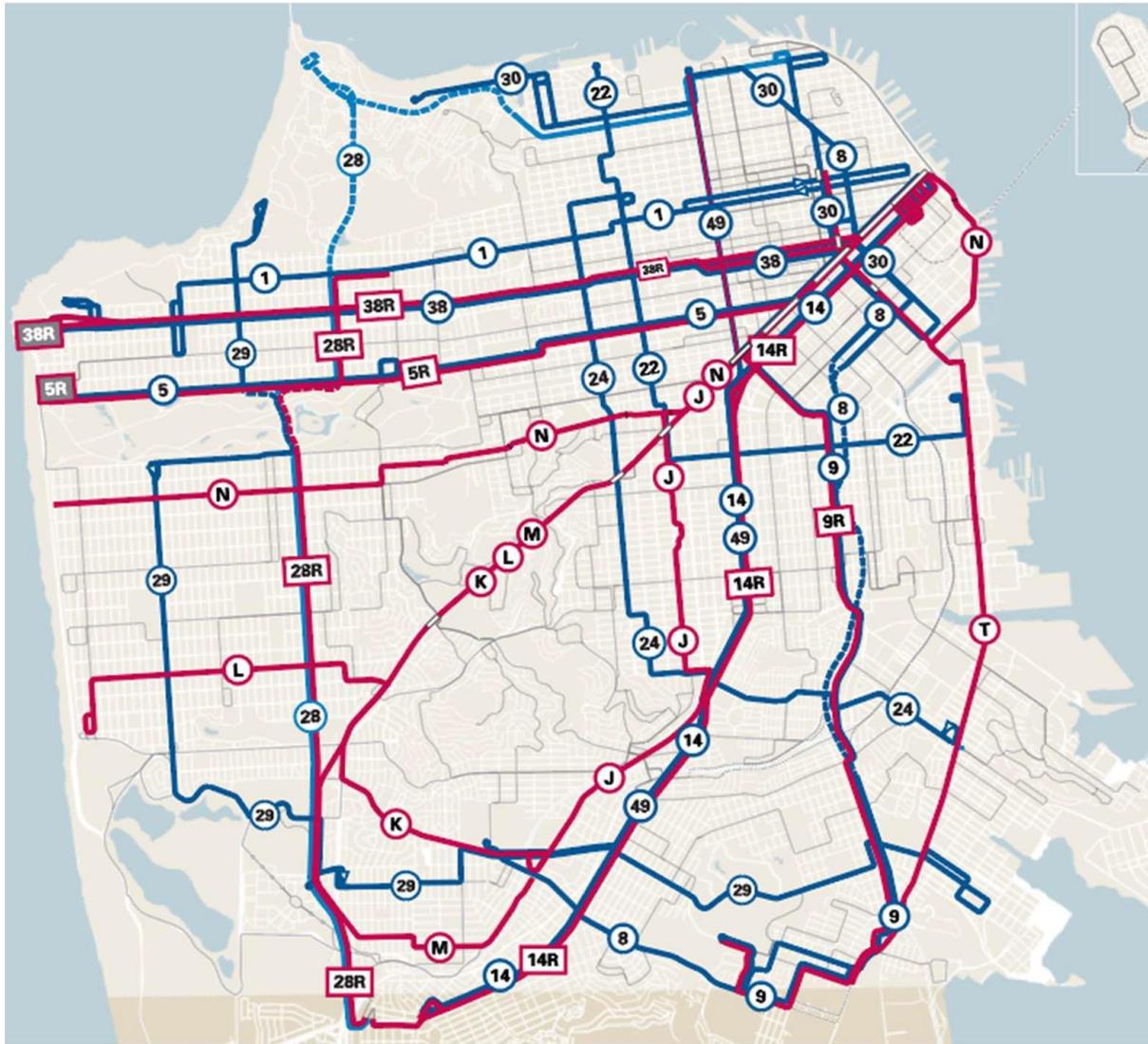
*Corridors with multiple routes  
& downtown express*

- 2
- 6
- 15
- 27
- 31
- 1X
- 30X

*Hilltop & neighborhood  
connections*

- 18
- 23
- 33
- 35
- 36
- 37
- 39
- 55
- 56
- 57
- 58
- 66
- 67

# Double Wait Times



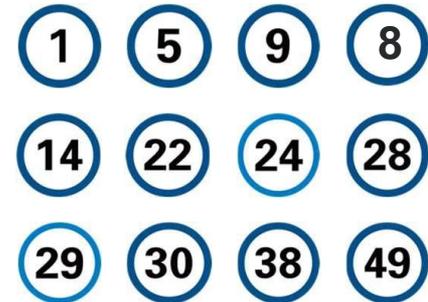
**\$30-80M  
savings**

*Metro train service, Rapid & Frequent routes*



**5R 9R 14R**

**38R 28R**



# Timeline for Muni service cuts if one or both measures fail



# Street Safety and Other Agency Impacts if one or both ballot initiatives fail

Service Cuts Category	Details
Street Safety	Reduction in biking and walking infrastructure, response to public engineering requests related to street safety i.e., speeding, traffic control device changes.
Street Maintenance	Reduction in preventative maintenance of traffic signals, signs, pavement markings.
Customer Services	Cut security and janitorial in garages, weekend and evening hours for tow retrieval, Shared Spaces. Reduced special events street closures, parking and loading curb changes.
Administrative Services	Reduce administration services (e.g., accounting, payroll, HR) in proportion to reduction in Muni and Streets services

# Potential Employee Layoffs

## if one or both ballot initiatives fail

- Agency has been singularly focused on protecting service and jobs over the past 18 months
- If one or both measures fail, both layoffs and Muni cuts will be necessary to reduce costs
- Staffing would be reduced across the agency

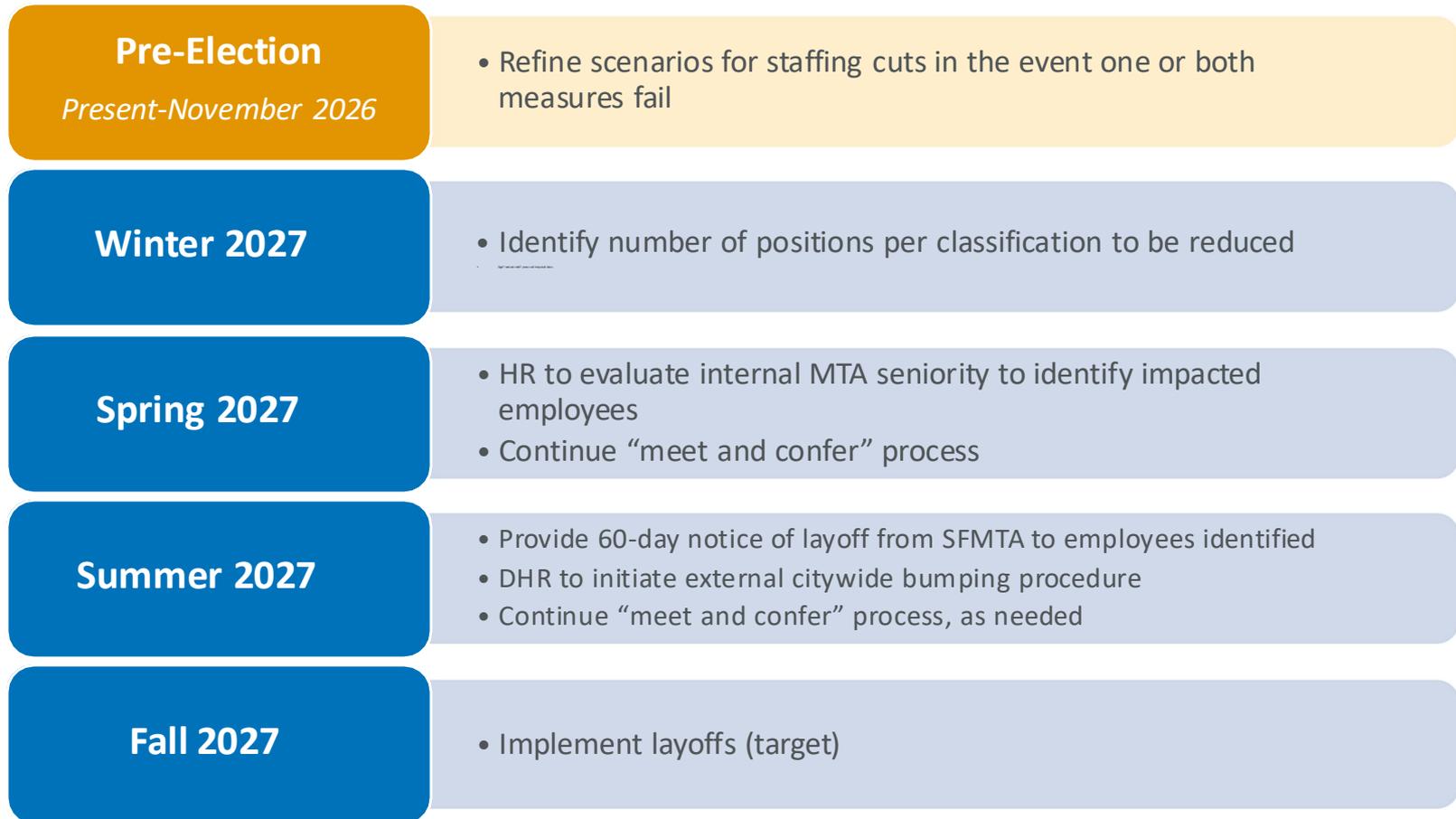
	Position Reduction	% Reduction
One Measure Fails	700-900 positions	12-15% of current staffing levels
Both Measures Fail	1,500-2,100 positions	25-35% of current staffing levels

# Potential Employee Layoffs

- State law, Civil Service Rules and labor contracts outline the process for notice of layoffs. This includes an opportunity to "meet and confer" over the effects of the decision.
- Process would start immediately after the election to allow sufficient time for collaboration to evaluate options that:
  - Minimize impacts to employees and service
  - Determine method of implementation
- Order of layoffs determined by Civil Service Rules, based on citywide seniority. For certain classifications, can result in opportunity to bump into other City departments.

# Timeline for Potential Layoffs

## if one or both ballot initiatives fail



# Conclusion

- Preferred funding plan for FY26-27 and FY27-28 preserves Muni service and continues ongoing commitment to internal cost reductions
- Because FY26-27 will be balanced with minimal new ballot revenue, funding plan enables sufficient runway to implement major service reductions
- If unsuccessful at the ballot major impacts would be unavoidable, but SFMTA would work with the Board and stakeholders to evaluate other funding options explored by Muni Funding Working Group such as:
  - New internally generated revenues
  - Reduced subsidies and increased fares
  - Smaller ballot initiatives



Questions and Feedback?



SFMTA

# SFMTA FY 2026-2027 Budget Updates

Muni Equity Working Group

February 26, 2026

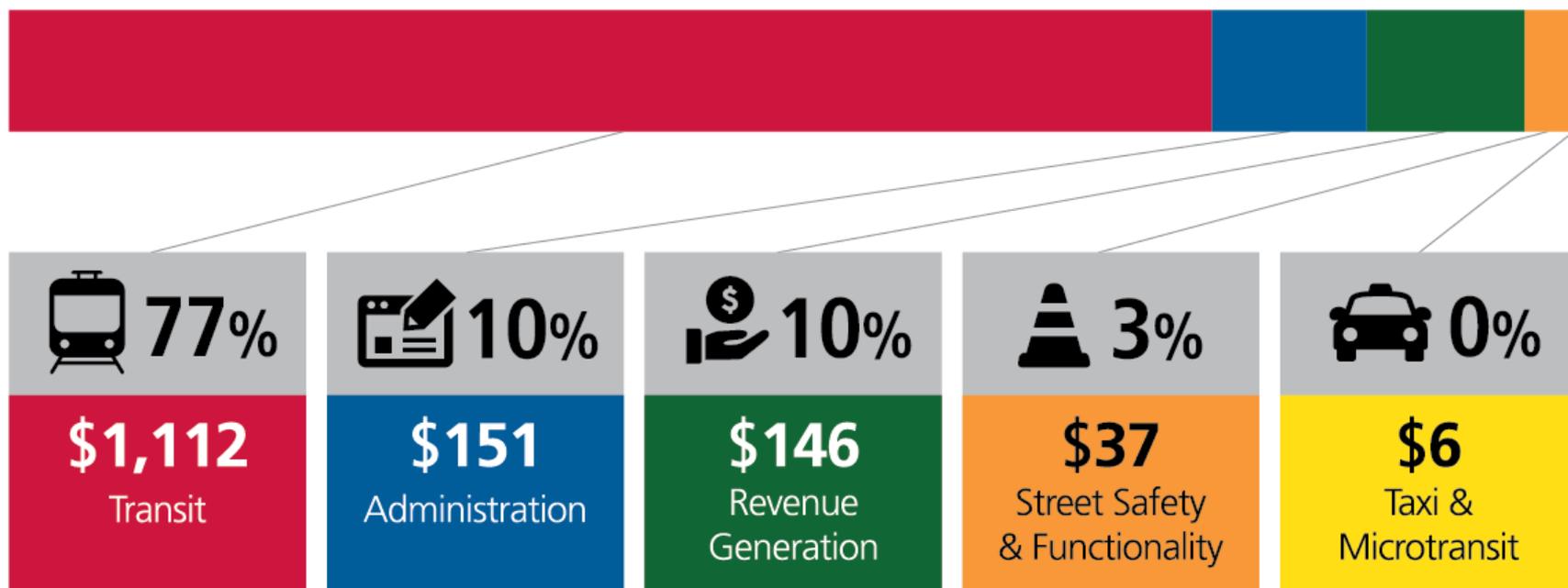
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- Almost 50% of transit ridership across the nine-county Bay Area is on Muni

# FY25-26 Expenditure Budget, by Service (\$M)

**SFMTA expends 77% of its budget to provide transit service.**

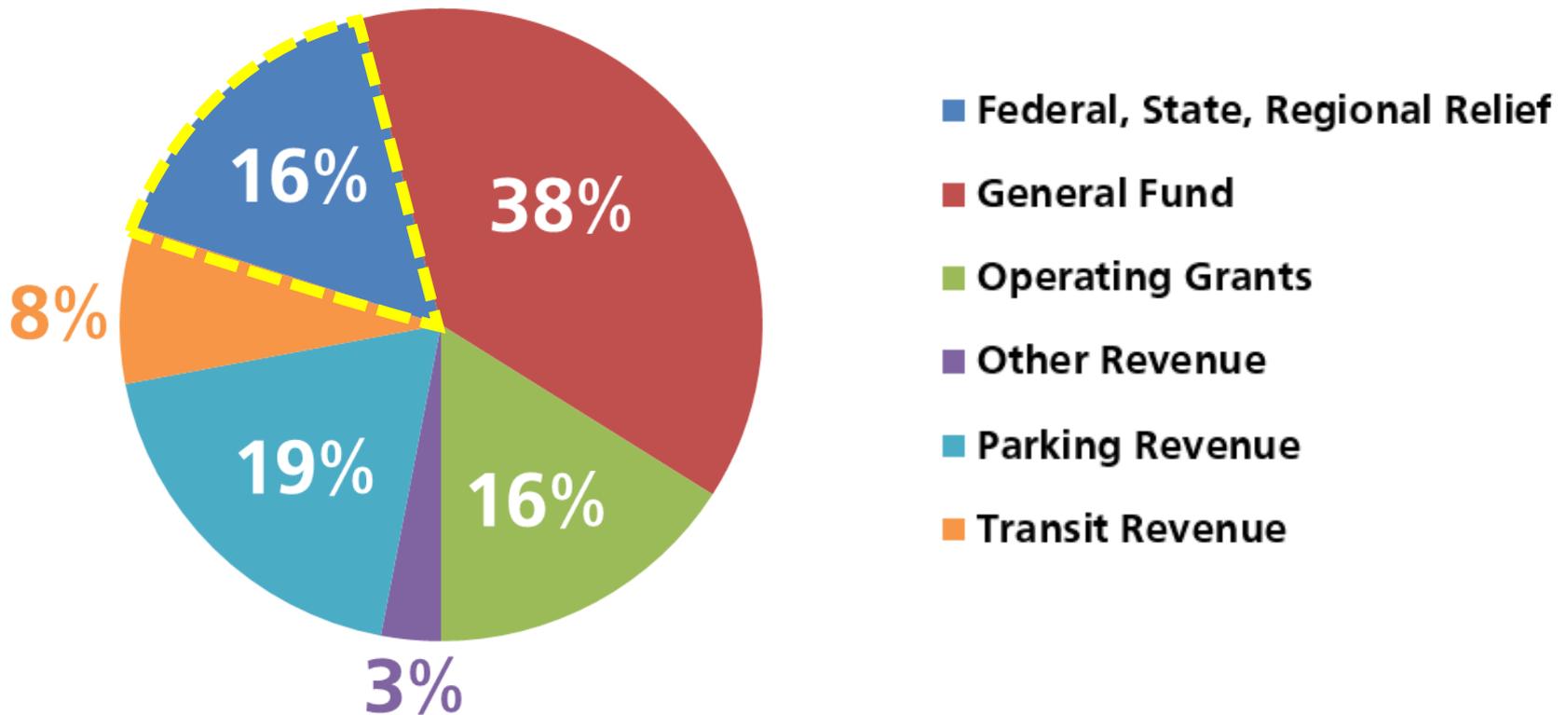


Source: FY25-26 Original Budget (Final), August 2025.

Note: Transit includes paratransit.

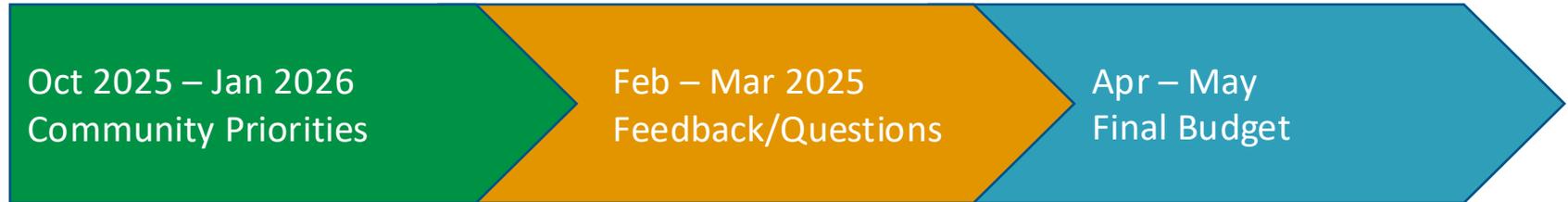
# FY25-26 Revenue Budget

Federal, state, and regional pandemic relief are 16% of revenue.



Source: FY25-26 Original Budget (Final), August 2025.

# Budget Outreach Overview



## Outreach

- Survey – Online / Paper
- 21 Pop Up Stations
- 2 Local Measure Roundtables (9/5; 11/6)
- Community Presentations

## Public Hearings

- 11/18/25: Local Revenue Measure
- 12/16/25: Enterprise Revenue and Fare Policy
- 1/6/26: Efficiencies Update
- 1/20/26: Muni Equity Strategy

## Outreach

- 2 Community Open Houses
- Citywide Virtual Listening Session
- Community Presentations

## Public Hearings

- **2/17/26**: Capital Budget Update
- **3/17/26**: Muni Equity Strategy Approval

## Outreach

- Community Presentations
- Community Event Tabling

## Public Hearings

- 4/7/26 Budget Hearing
- 4/21/26 Budget Approval

# By the Numbers

- Over 5,000 Survey Responses
- 21 on-site Pop-Up Stations across supervisorial districts
- 681 survey scans from Pop-Up QR codes
- 462 paper survey submissions
  - 386 Chinese-language



Budget survey Pop Up Station at North Beach Library

# Key Themes from Public Feedback

## What We Heard

- More than 80% of respondents see a need for additional funding
- Muni is critical to the city's economic recovery and quality of life
- Top community priority is protecting the speed, frequency and reliability of Muni
- Muni is a core service San Franciscans use regularly and depend on
- Widespread feedback to avoid service cuts and protect core operations

## Why It Matters

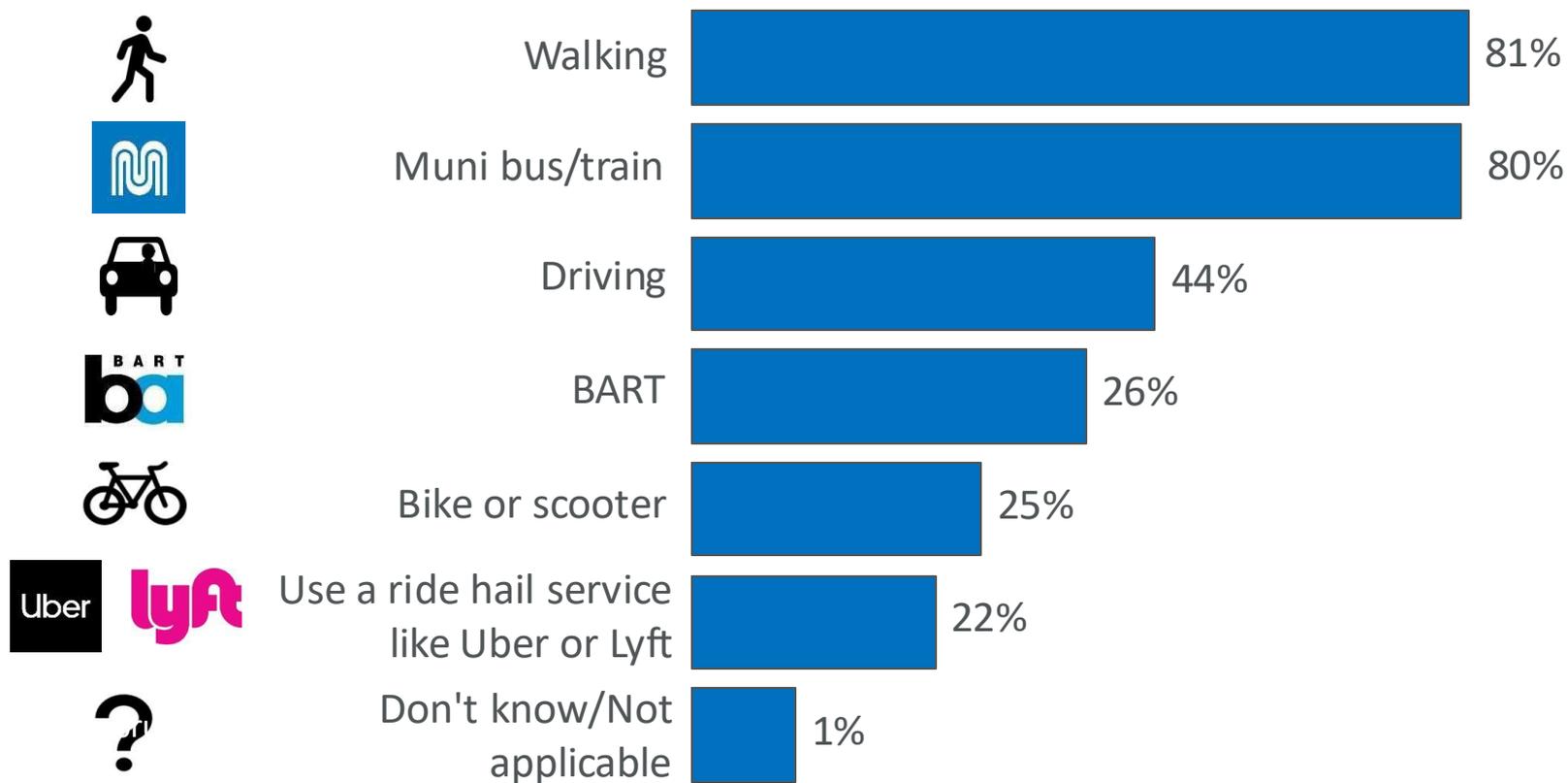
- Investments that prioritize fast, frequent, reliable Muni service would align with community priorities

## Bottom Line

- **Riders rely on Muni, want it to work well, and see a need for additional funding to deliver frequent, reliable Muni service**

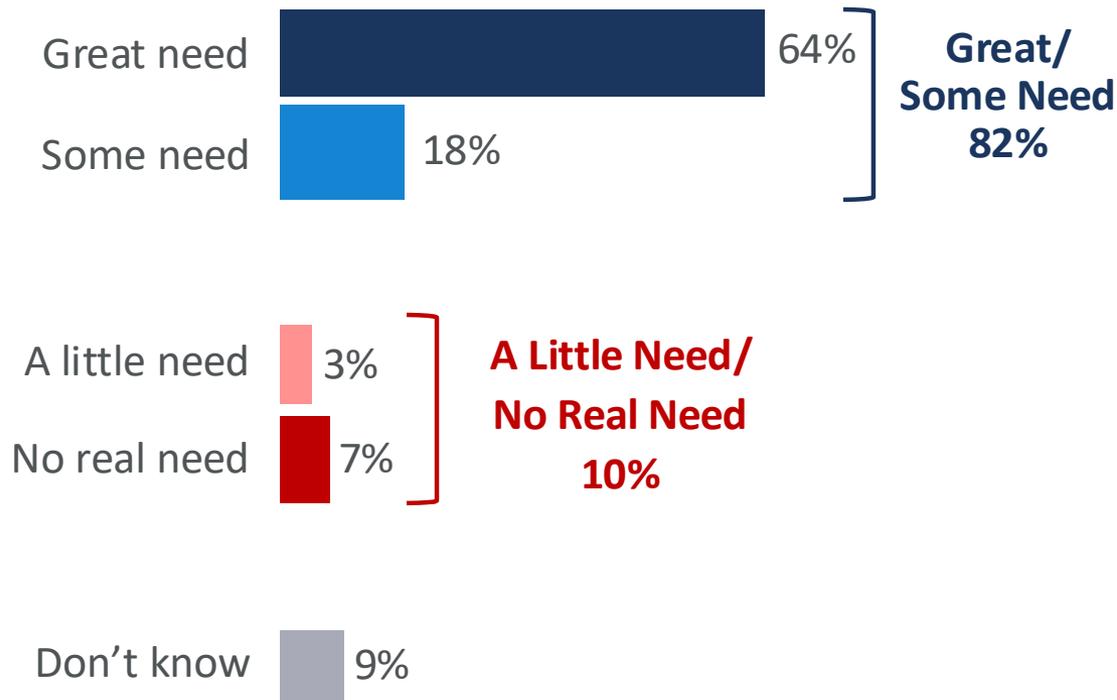
# 8 of 10 of respondents ride Muni at least 2-3 times a week

*Do you regularly, at least 2 or 3 times per week, use any of the following modes of transportation? By that I mean for any purpose, including commuting to school or work, running errands, or recreation.*



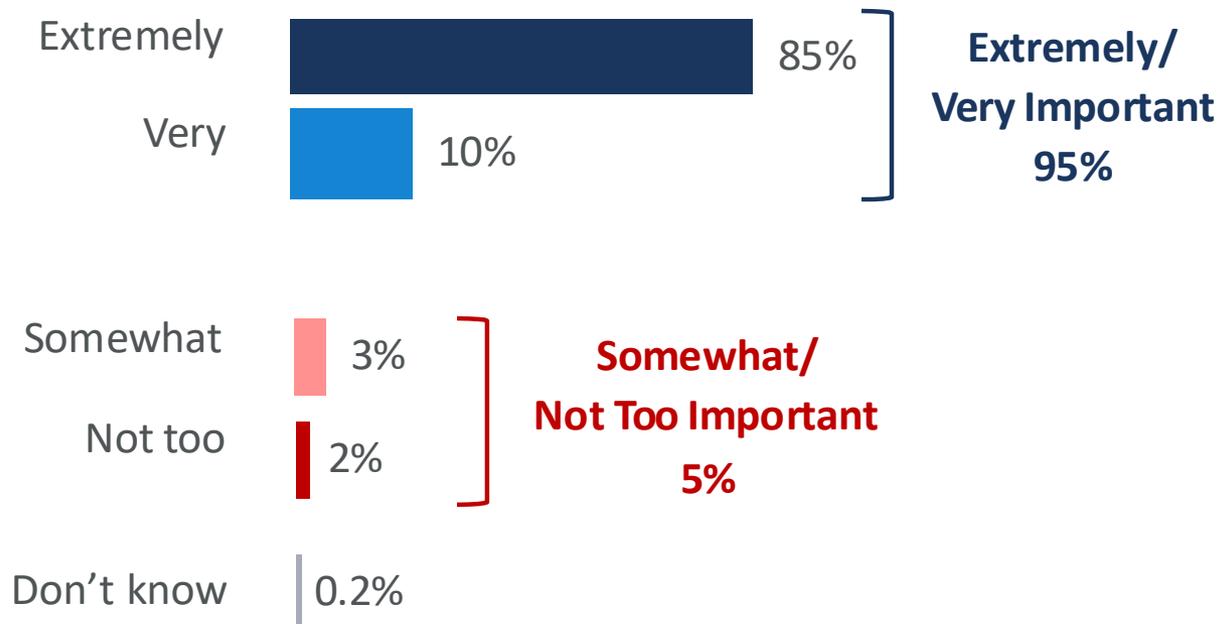
# Over 80% think public transit needs additional funding

*Do you think there is a need for additional funds to maintain public transit in San Francisco?*



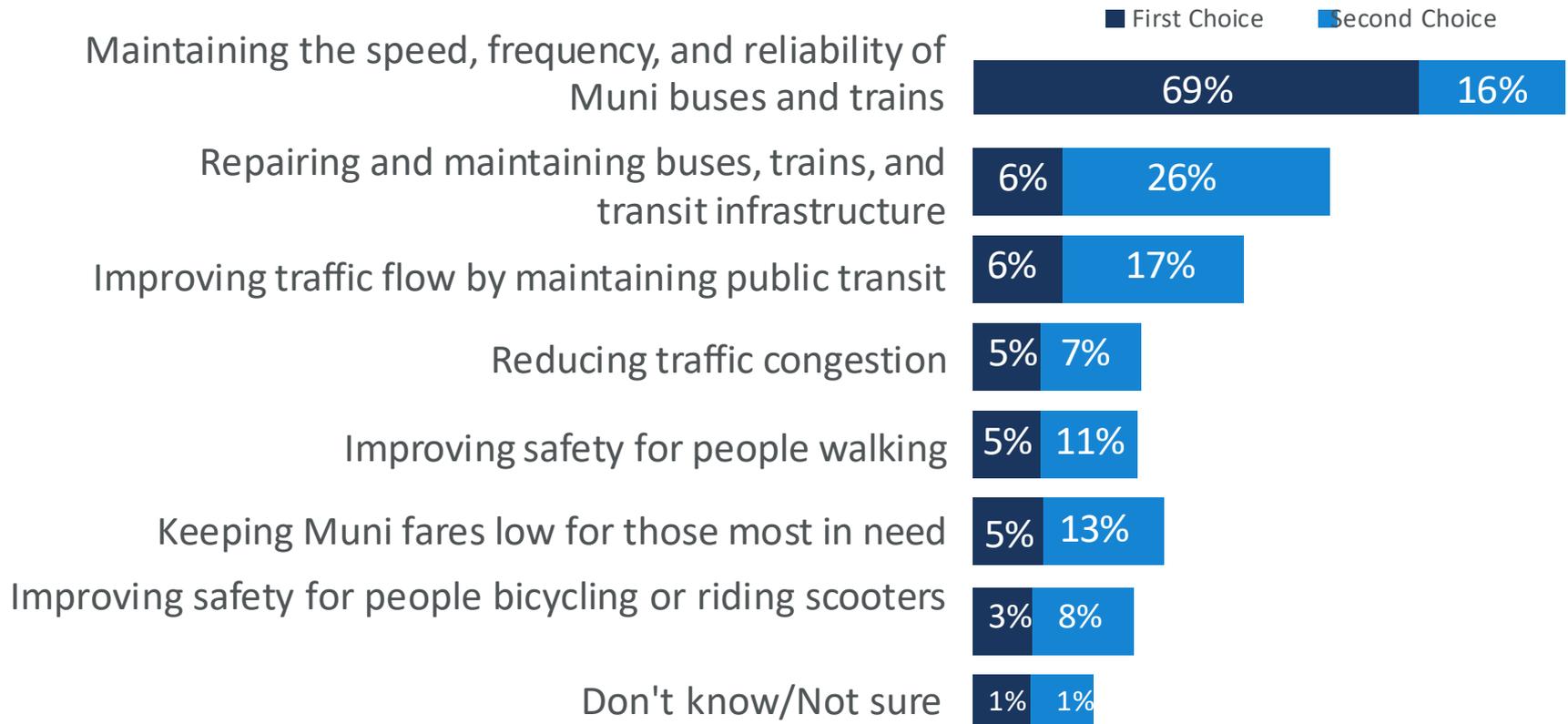
# Muni is viewed as essential to the economy

*How important do you feel Muni's public transit system is to San Francisco's ongoing economic recovery and quality of life?*



# Maintaining Muni's speed, frequency and reliability is the community's highest transportation priority

*Below are different transportation needs in San Francisco.  
Which one should be the highest priority?*



# Maintaining the Clipper subsidy ranks lowest of fare priorities

*How important is it to maintain the following aspects of Muni Service?*

■ Extremely important  
 ■ Very important  
 ■ Somewhat important  
 ■ Not too important  
 ■ Don't know/Not sure



# Summary of Enterprise Revenue Proposals

Enterprise revenue proposals generate \$8.8 - \$17.5M, annually

Recommendation	FY 26-27 (\$M)	FY 27-28 (\$M)
Parking Revenue: <ul style="list-style-type: none"> <li>• Increase citation late penalties by 10%</li> <li>• Increase meter rates \$0.25 in FY27-28</li> <li>• Increased meter recovery construction/temp no-parking permits</li> <li>• Pass-through on-line credit card fees</li> <li>• Select fine reductions</li> </ul>	3.3	8.3
Tourism Revenue: <ul style="list-style-type: none"> <li>• Simplify Cable Car Ticket</li> </ul>	2.3	2.8
Daily Rider Revenue: <ul style="list-style-type: none"> <li>• Eliminate Clipper Discount/Index Year 2</li> <li>• Implement Fare Capping</li> </ul>	3.2	6.4
<b>TOTAL</b>	<b>8.8</b>	<b>17.5</b>

# Stay Informed



Learn more and sign up for updates at  
[SFMTA.com/Budget](https://www.sfmta.com/Budget)

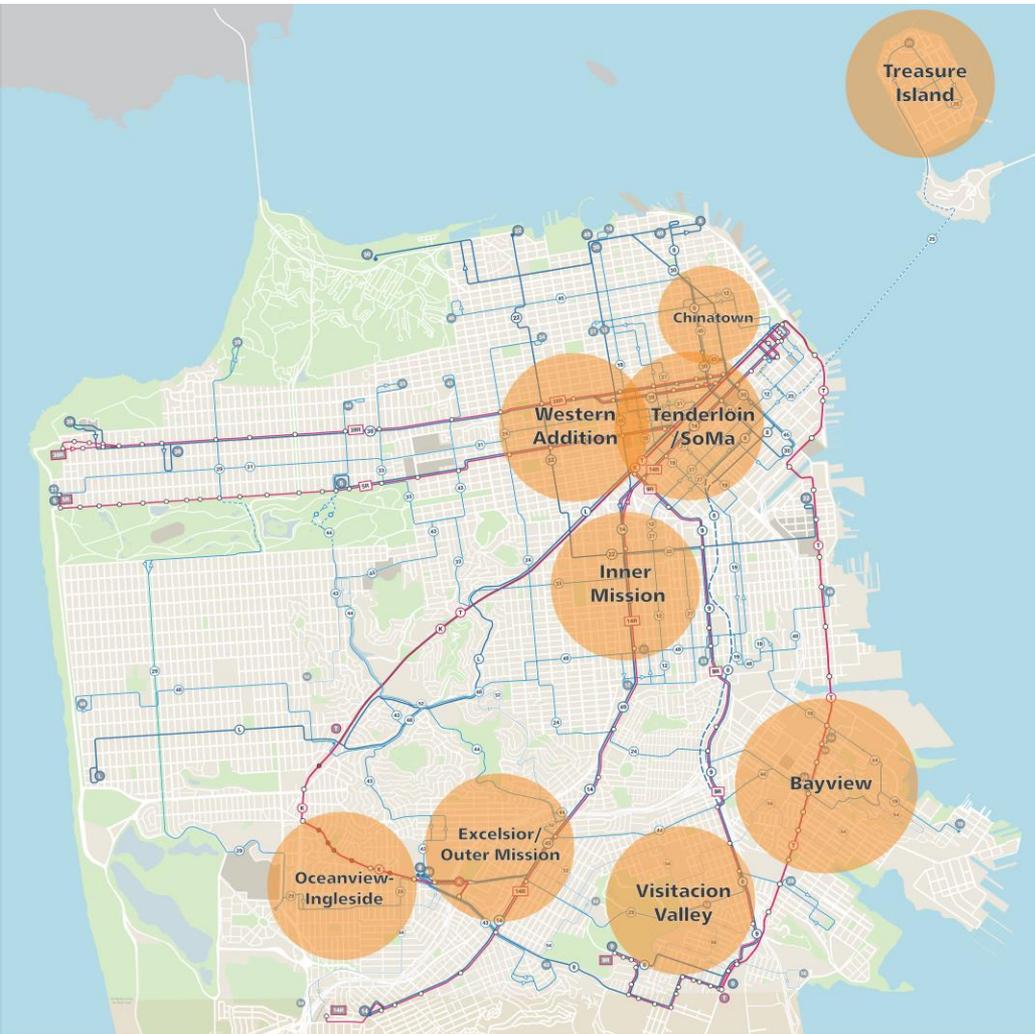


# Questions and Feedback?



**Muni Service Equity Strategy  
FY27 & FY28 Update  
Muni Equity Working Group  
February 26, 2026**

# Equity Strategy Background



Rooted in Muni Service Equity Policy

Builds on Title VI requirements

Neighborhood based approach with access for people with disabilities addressed city-wide

Policy developed in collaboration with transportation equity and affordable housing advocates

Ensures that investment in Muni system benefits people who rely on transit and need it most

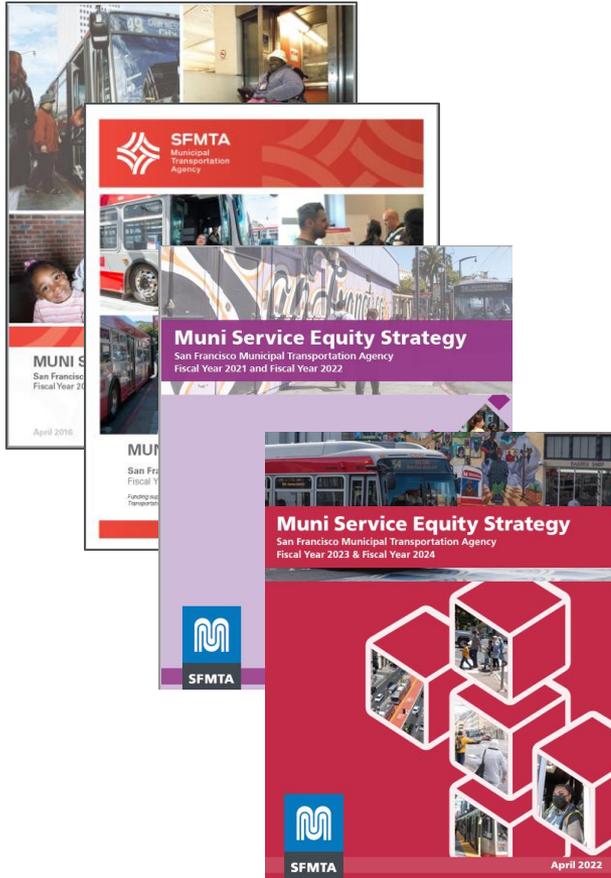
Updated every two years and timed to inform the SFMTA's biennial budget

# Equity Strategy

## Neighborhoods & Routes

<b>Citywide Accessibility</b>	8, 8AX, 8BX, 9, 9R, 14, 14R, 30, 31, 38, 38R, 49
<b>Bayview</b>	T, 15, 19, 23, 24, 29, 44, 54, 56, 91 Owl
<b>Chinatown</b>	1, 8, 8AX, 8BX, 12, 30, 45, 91 Owl
<b>Excelsior-Outer Mission</b>	8, 8AX, 8BX, 14, 14R, 29, 43, 44, 49, 52, 54, 91 Owl
<b>Inner Mission</b>	9, 9R, 12, 14, 14R, 22, 24, 27, 33, 48, 49
<b>Oceanview-Ingleside</b>	K, M, 29, 54
<b>Treasure Island</b>	25
<b>SoMa-Tenderloin</b>	12, 14, 14R, 19, 27, 31, 38, 38R, 49
<b>Visitacion Valley</b>	T, 8, 8AX, 8BX, 9, 9R, 29, 56, 90 Owl, 91 Owl
<b>Western Addition</b>	5, 5R, 6, 7, 22, 24, 31

# 10 Years of Equity Strategy



**FY17 & FY18**

Focus on operationalizing equity policy

**FY19 & FY20**

Focus on outreach and program awareness

**FY21 & FY22**

Focus on all aspects of transit planning informed by equity principles

**FY23 & FY24**

Focus on applying equity strategy principles in Covid service recovery/expansion

**FY25 & FY26**

**FY27 & FY28**

Focus on using equity strategy principles to respond to service needs cost-neutrally

# Improvements Made in FY25 & FY26

*Given the FY25 & FY26 operating budget, all service improvements were implemented cost-neutrally by reallocating resources where they were needed most.*

## Operational service improvements on **11 Equity Routes**

- Cost-neutral frequency adjustments or additional trips to address peak crowding
- Route/stop changes to improve reliability and access

## Transit Priority projects benefiting **17 Equity Routes**

- Quick-build projects, transit lanes, bus bulbs and signal priority to improve reliability and travel times

# Muni Service Improvements

Additional Peak Trips



New Stops to Increase Access



Route Changes to Improve Reliability



Safer Boarding Islands



# Muni Route Service Categories

Service Category	Definition	Typical Weekday Frequency
<b>Metro/Rapid</b>	Heavily used lines form the backbone of the Muni system. Vehicles arriving frequently, delivering speed and reliability.	10 mins or less & skip stop service
<b>Frequent</b>	May overlap with rapid routes but with more stops along the route. Provide premium, frequent service.	10 mins or less
<b>Grid</b>	Combine with Rapid network to form an expansive core system that lets customers get close to their destinations. Typically operates less frequently than the Rapid Network routes.	12-30 mins
<b>Connector</b>	Predominantly circulate through hillside residential neighborhoods, filling in gaps in coverage and connecting customers to major transit hubs.	30 mins

*Note: Specialized (express) and Historic are additional service categories which were not included in the performance analysis on subsequent slides to focus instead on core services.*

# Data Review: Service Delivery



## % Service Delivered

% of scheduled hours delivered (revenue hours)

**Muni Equity route service filled and delivered similar to non-equity routes in the same service category.**

Service Category	% of Weekday Hours Delivered
<b>Metro/Rapid</b>	<b>98%</b>
Equity Routes	98%
Non-Equity Routes	98%
<b>Frequent</b>	<b>99%</b>
Equity Routes	99%
Non-Equity Routes	99%
<b>Grid</b>	<b>99%</b>
Equity Routes	99%
Non-Equity Routes	99%
<b>Connector</b>	<b>98%</b>
Equity Routes	98%
Non-Equity Routes	98%

Source: Sept-Oct 2025 weekday service data

# Data Review: Crowding



## % Trips Over Capacity

Trips with at least 5% of stops over crowding capacity for vehicle size

**Muni Equity route crowding is similar or better to non-equity routes in the same service category.**

Service Category	Weekday Daytime* Avg % Trips Over Capacity
<b>Metro/Rapid</b>	<b>4%</b>
Equity Routes	4%
Non-Equity Routes	3%
<b>Frequent</b>	<b>7%</b>
Equity Routes	7%
Non-Equity Routes	13%
<b>Grid</b>	<b>5%</b>
Equity Routes	5%
Non-Equity Routes	4%
<b>Connector</b>	<b>0%</b>
Equity Routes	0%
Non-Equity Routes	0%

\*Daytime Service: 6am-7pm

Fall 2023 Source: Sept-Oct 2025 crowding data

# Data Review: Performance

*Gaps data for routes managed on headway schedule*



**Headway Adherence**  
% of evenly spaced arrivals

**Muni Equity route performance is similar to non-equity routes in the same service category.**

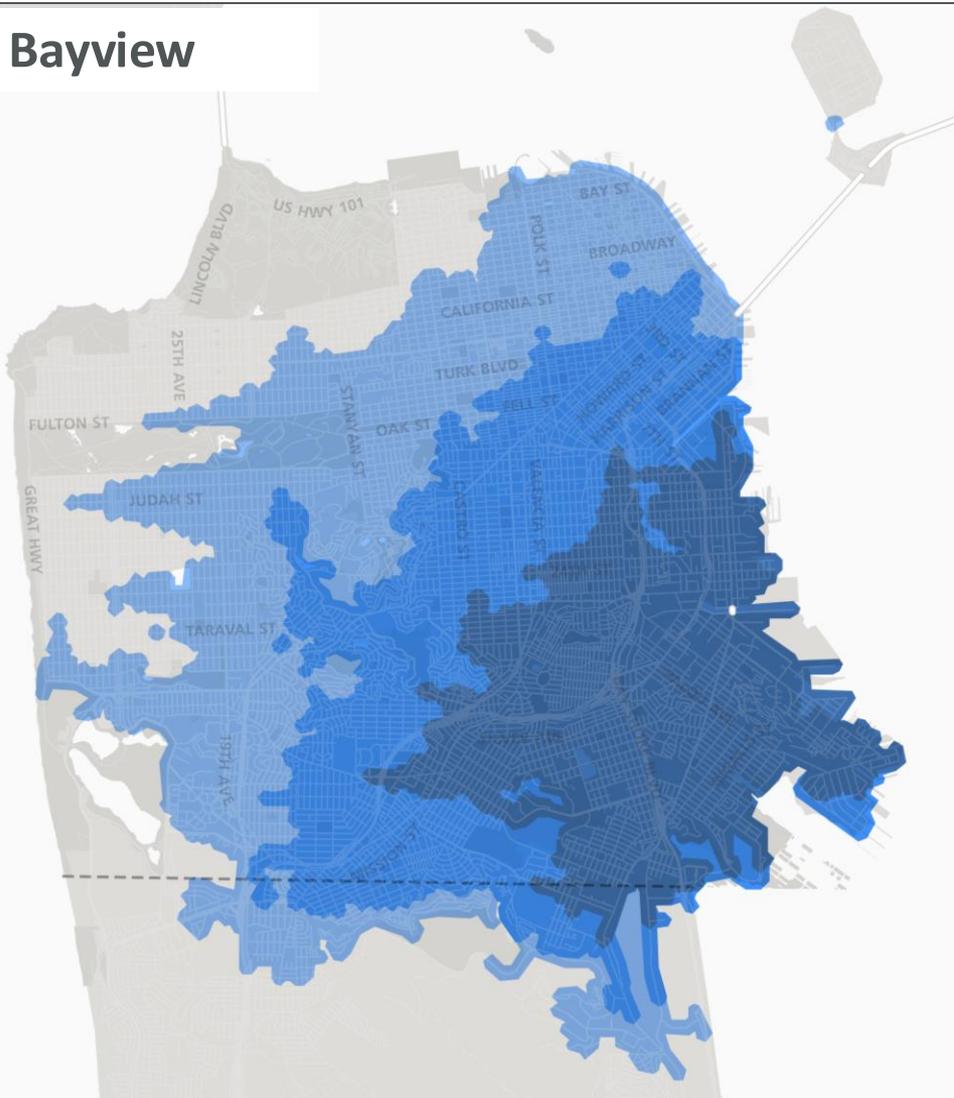
Service Category	Weekday Daytime* Avg Performance
<b>Metro/Rapid</b>	<b>89%</b>
Equity Routes	89%
Non-Equity Routes	90%
<b>Frequent</b>	<b>87%</b>
Equity Routes	87%
Non-Equity Routes	83%

*Source: Sept-Oct 2025 performance data*

*\*Daytime Service: 6am-7pm*

# Data Review: Travel Time & Access

## Bayview



### Muni Travel Time

- 0-30 minutes
- 30-45 minutes
- 45-60 minutes

Destinations Accessible by Muni from the Bayview			
Category	30 min	45 min	60 min
Jobs	64,000	455,000	716,000
Grocery Stores	88	251	448
Community Resources	17	70	115
Medical	3	6	11
Parks & Recreation	58	140	226
Higher Education	1	13	20
Libraries	8	15	25

# Initiatives Continuing into FY27 & FY28

## Muni Equity Working Group

- First meeting held in February 2024, meet at least bi-monthly
- Members represent equity strategy neighborhoods and various transit dependent populations
- Focus on systemwide evaluation development
- Serve as sounding board for service proposals, i.e. Summer Service Cuts

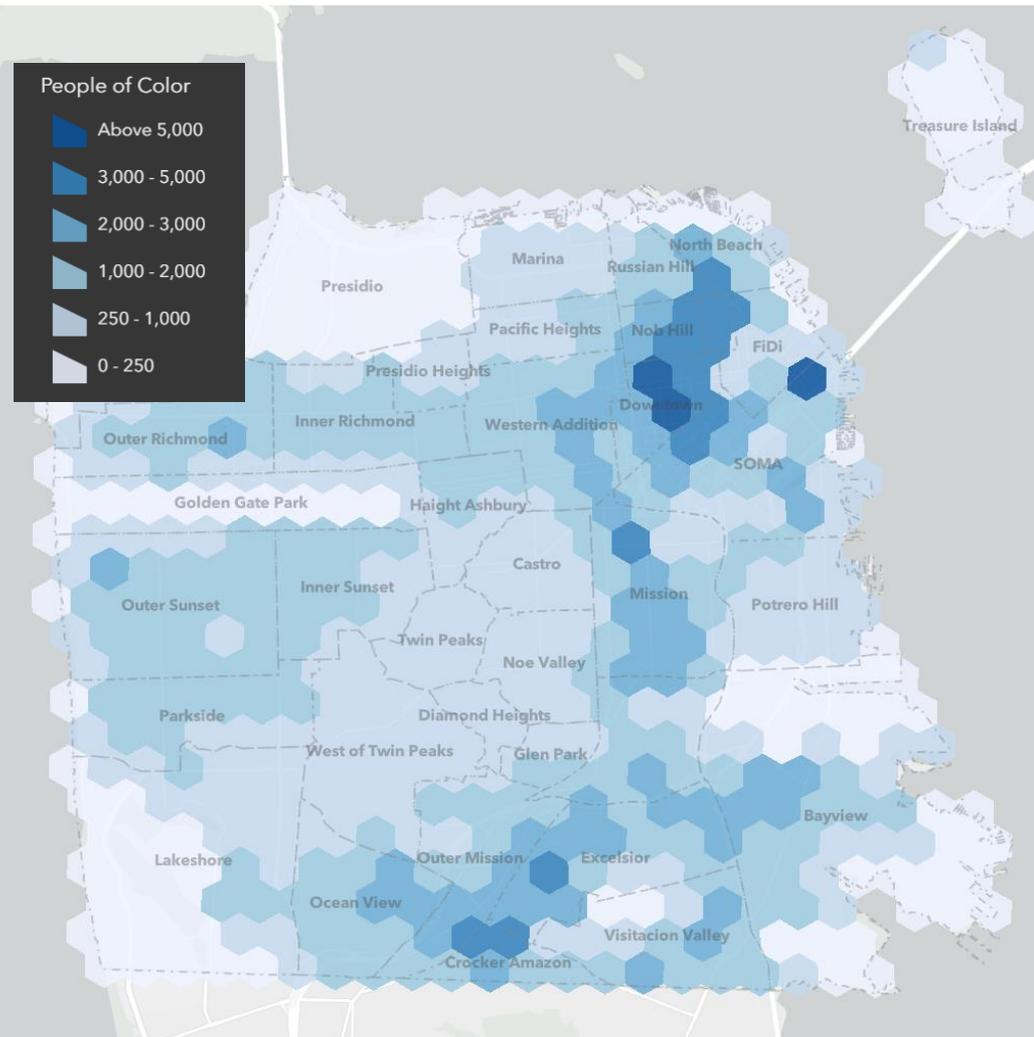


# Initiatives Continuing into FY27 & FY28

## Systemwide Service Evaluation

- Applying equity strategy principals to systemwide evaluation framework
- Using performance and demographic data to develop data driven approach that expands analysis at route and systemwide level
- Framework will be used to evaluate transit service, identify gaps and prioritize service changes

*Sample Demographic Analysis in Progress*



# FY27 & FY28 Recommendations



- No service changes proposed in FY27 & FY28 operating budget
- Continue to implement service changes cost-neutrally and apply equity strategy principles to prioritize changes
- Identify service efficiency opportunities based on customer demand to reduce agency operating expenses
- Finalize systemwide evaluation framework in collaboration with Muni Equity Working Group

# Next Steps

- Approve FY27 & FY28 Equity Strategy at April 7 MTAB Meeting
- Finalize Systemwide Service Evaluation in Fall 2026
- Return for board guidance on how to structure and scale service when needed



# Questions and Feedback?



# Next Meeting

Tentative Meeting Date: Thursday, April 23 – 5:30-7 p.m.