



**SFMTA**

San Francisco Municipal Transportation Agency

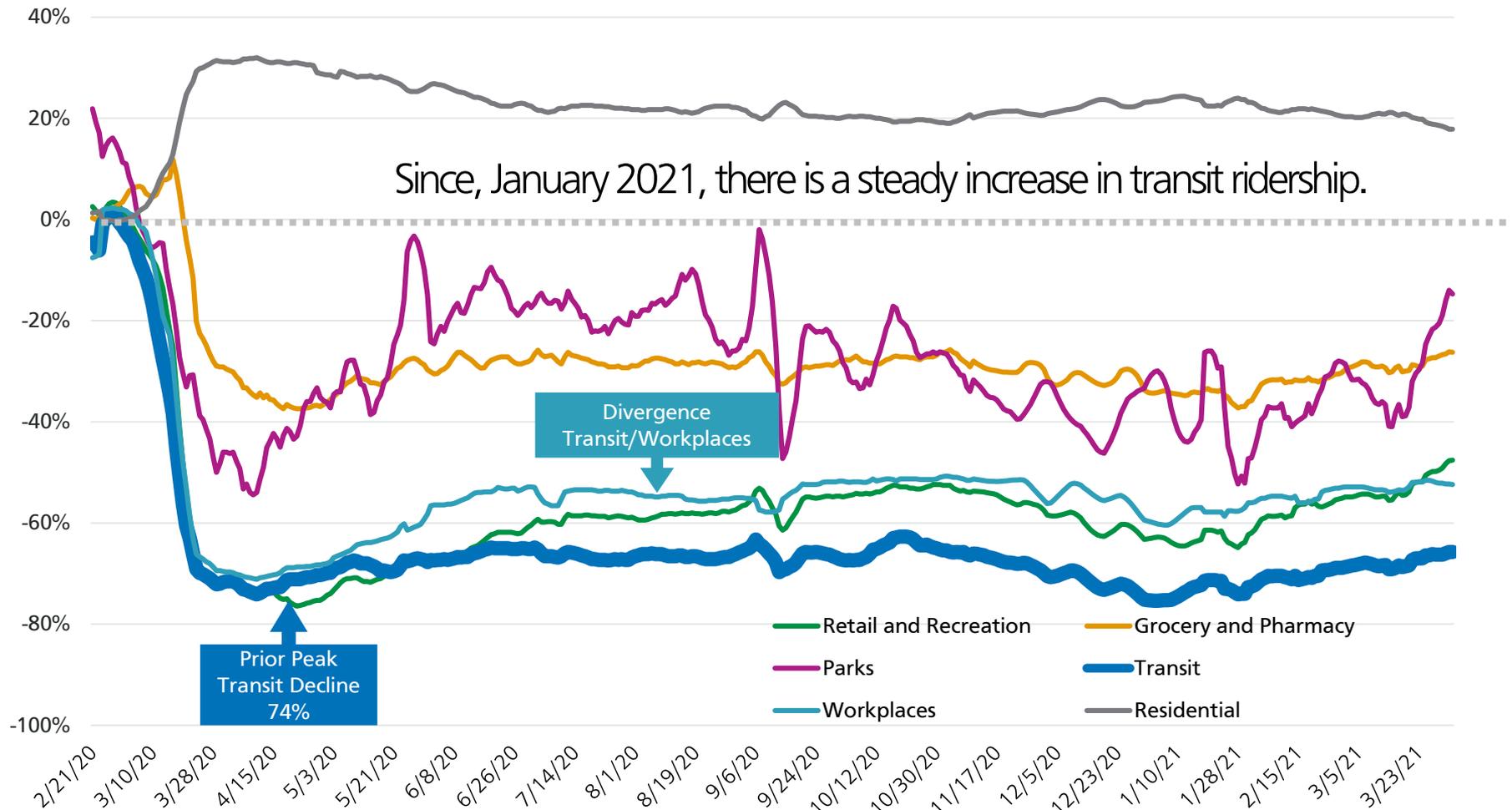
# Fiscal and Management Update

SFMTA Board of Directors  
April 20, 2021

## Introduction

- Current mobility and financial data shows increase in transit system use, driving and associated increases in revenue.
- In March, the SFMTA hit peak revenue levels in transit fares and parking, resulting in the first positive adjustment to long-term revenue projections.
- Revenues, however, continue below historic levels, resulting in nearly a third of the SFMTA budget being covered by unsustainable one-time funds in fiscal years 2021 and 2022.
- Estimates of fare revenue and associated service expansion have been completed, as well as operating and capital funding gaps through fiscal year 2025.
- The expenditure plan for fiscal year 2022 currently assumes a 15% service increase, and review in February 2022 with one-time investments in human and capital infrastructure to support successful restoration of service.
- Regular updates and performance measures will support on-going iterative decision making, as conditions continue to change.

# Google Mobility Data: San Francisco Destinations (Feb 2020 – today)

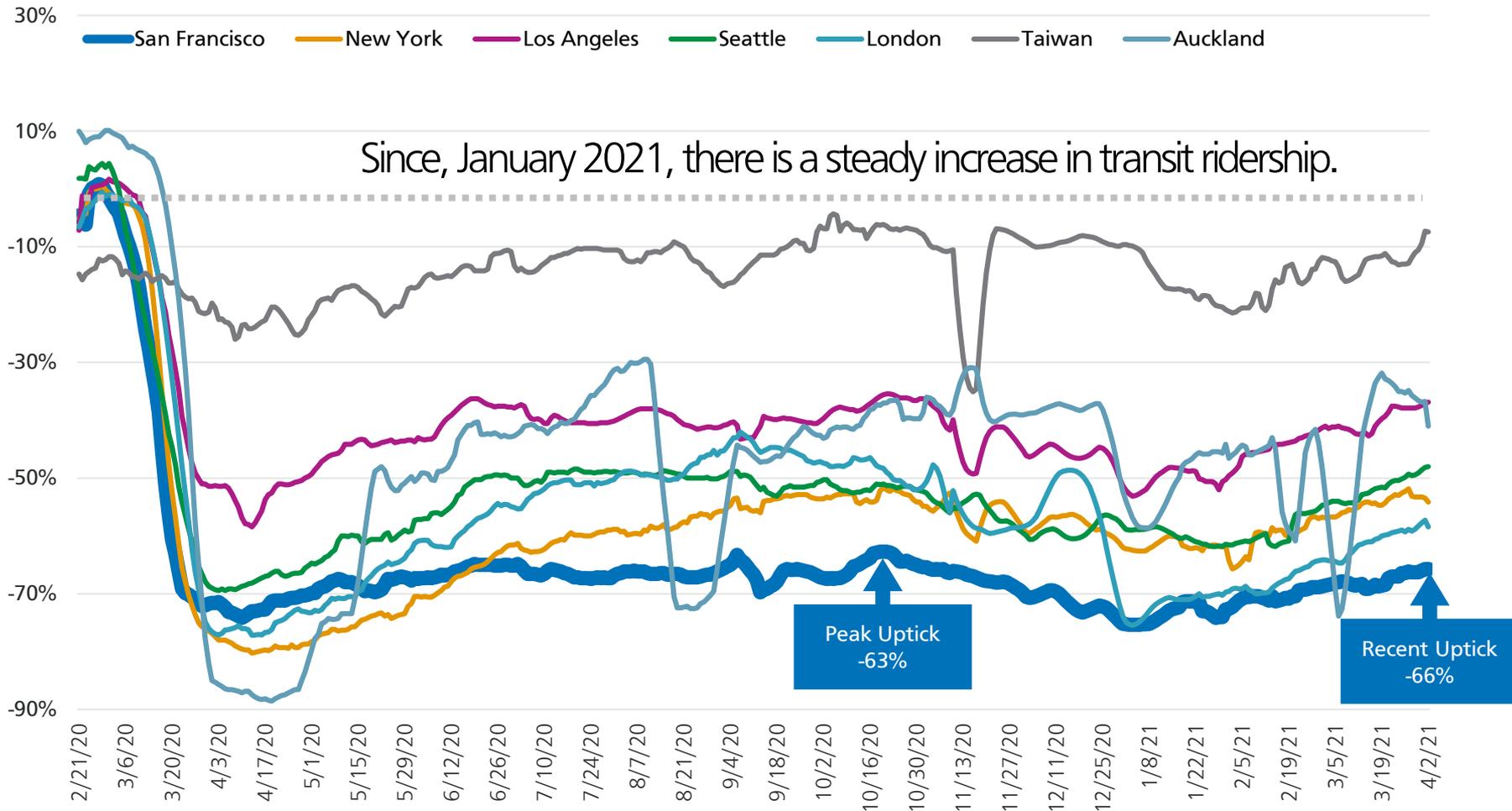


Source: Google LLC "Google COVID-19 Community Mobility Reports".

<https://www.google.com/covid19/mobility/> Accessed: April 6, 2021.

The baseline is the median value, for the corresponding day of the week, during the 5-week period Jan 3–Feb 6, 2020. Data is a rolling 7-day average versus the baseline.

# Google Mobility Data: Transit Comparison (Feb 2020 – today)

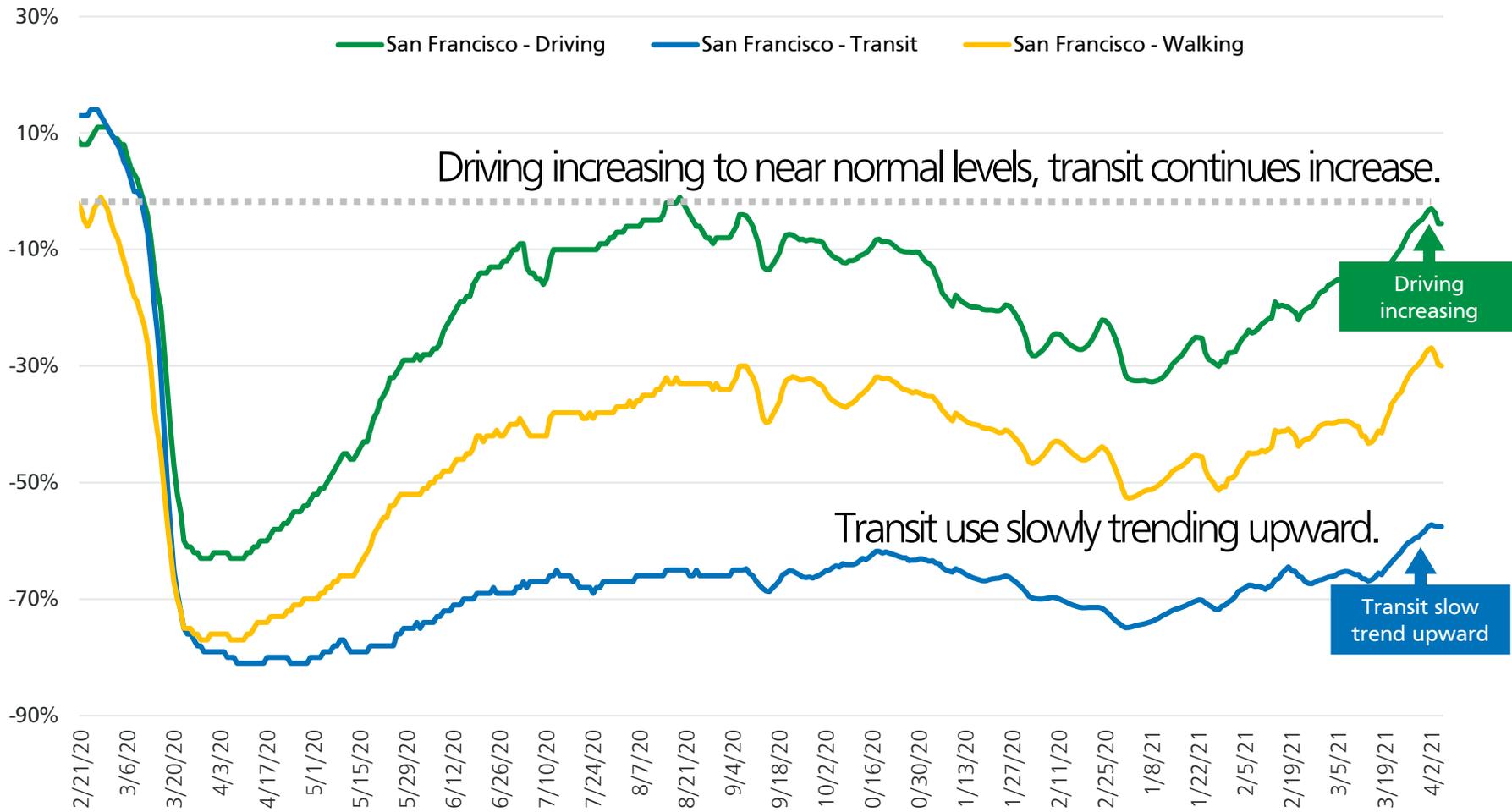


Source: Google LLC "Google COVID-19 Community Mobility Reports".

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The baseline is the median value, for the corresponding day of the week, during the 5-week period Jan 3–Feb 6, 2020. Data is a rolling 7-day average versus the baseline.

# Apple Mobility Data: Modal Choice (Feb 2020 – today)

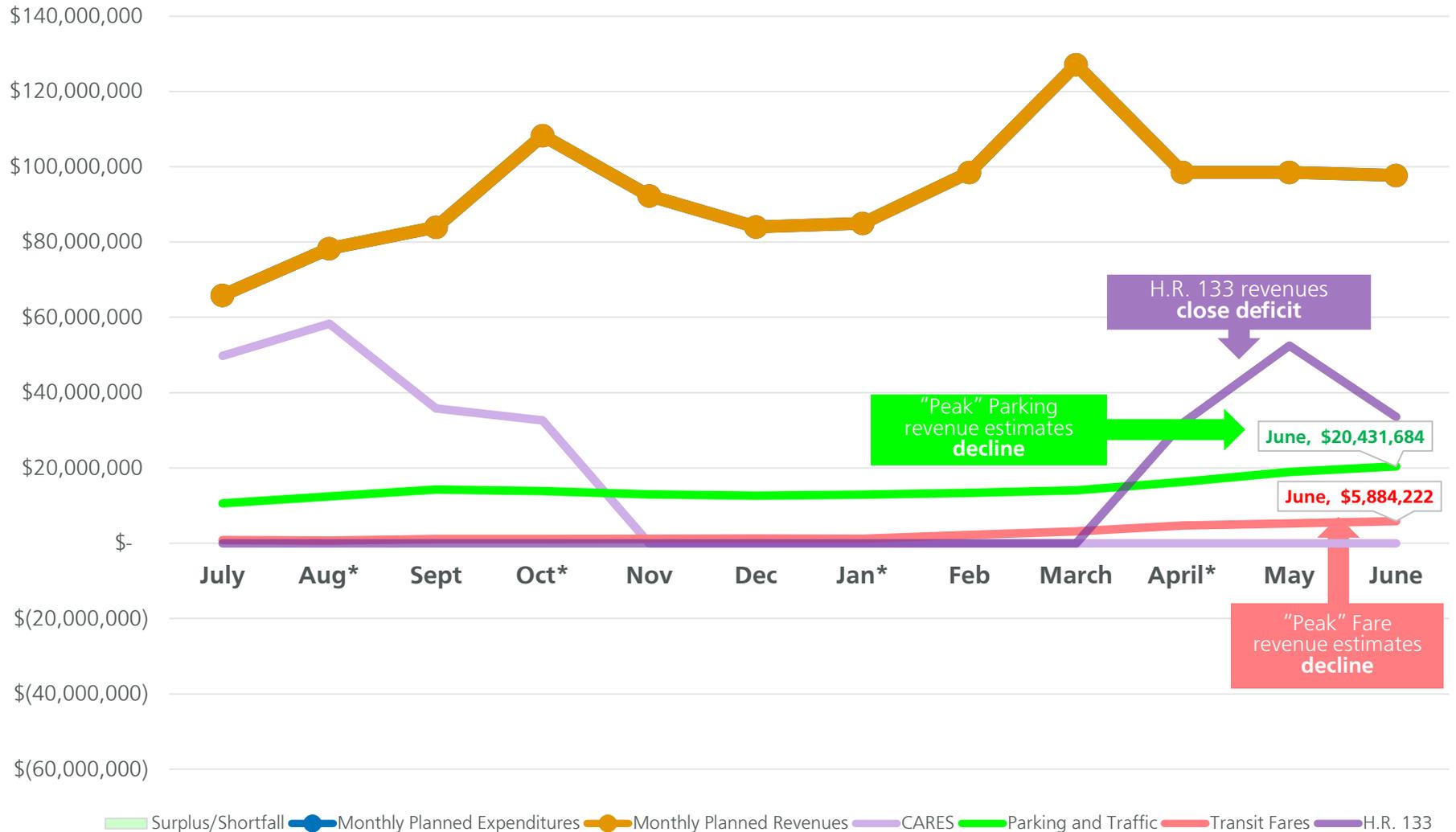


Source: Apple "Mobility Trends Reports".

<https://www.apple.com/covid19/mobility>

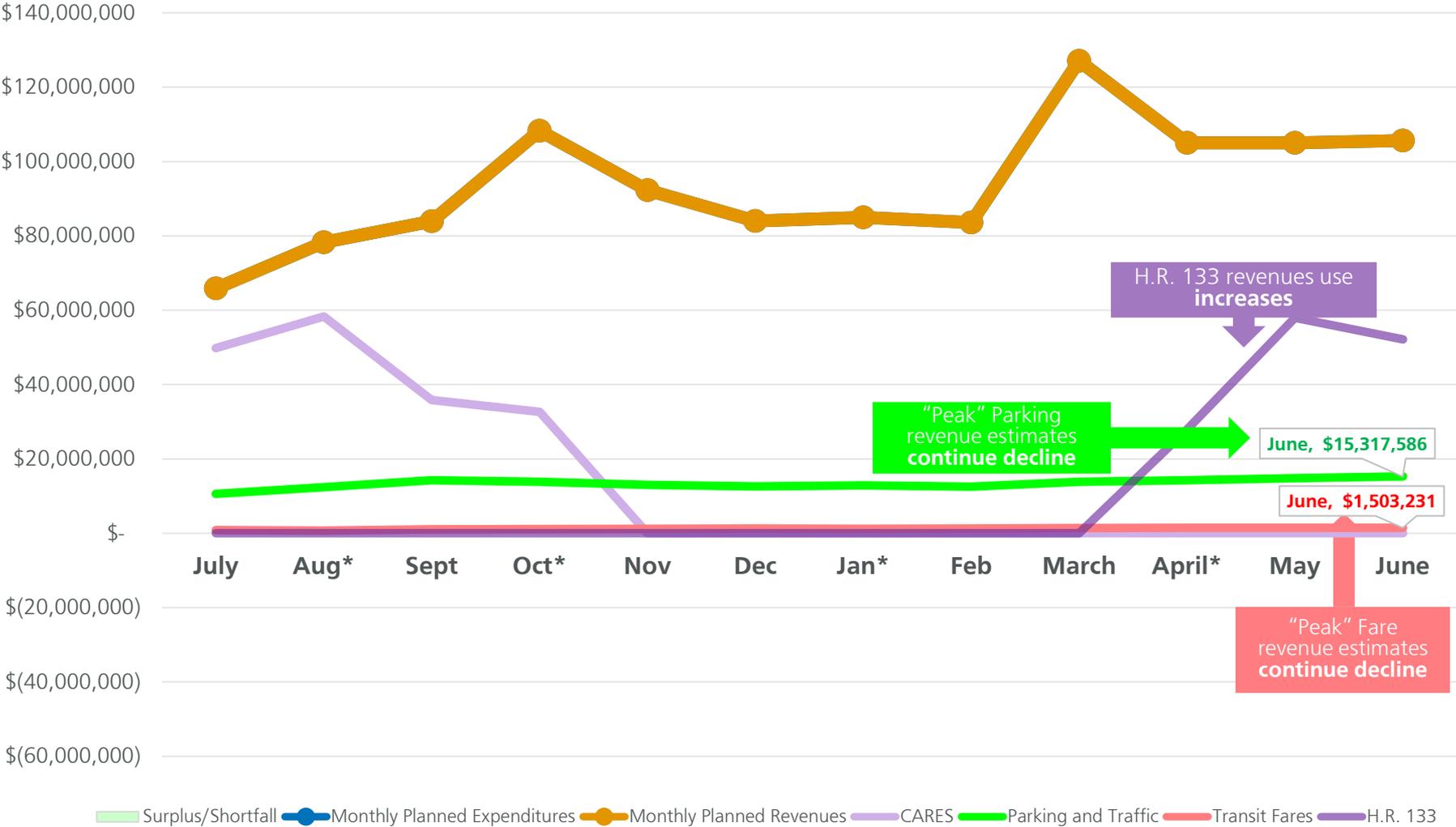
The baseline is as of January 13, 2020. Data is a rolling 7-day average versus the baseline.

# FY 21 Revenue/Expense Model: Fiscal Month 7, January 2021



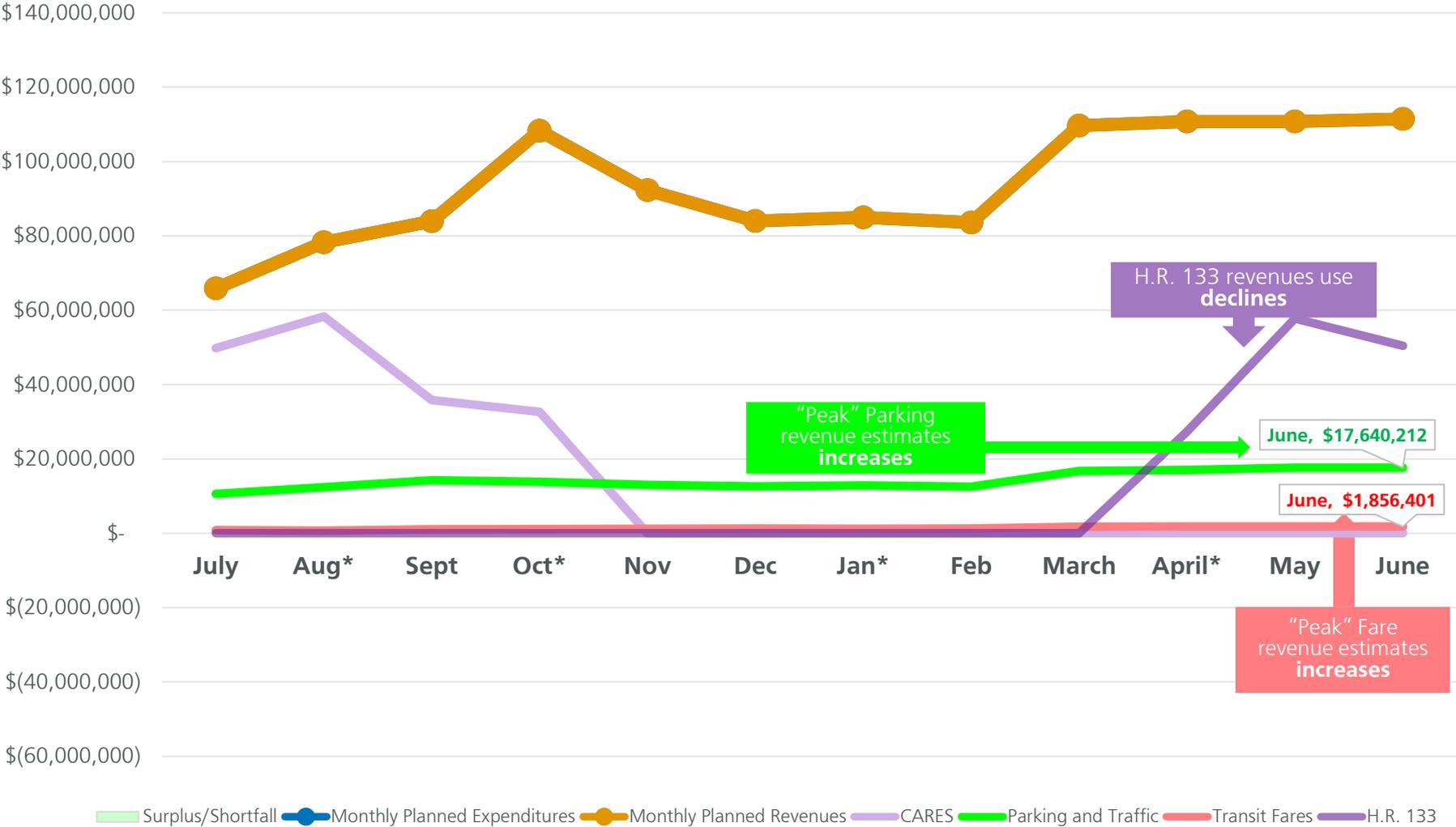


# FY 21 Revenue/Expense Model: Fiscal Month 8, February 2021



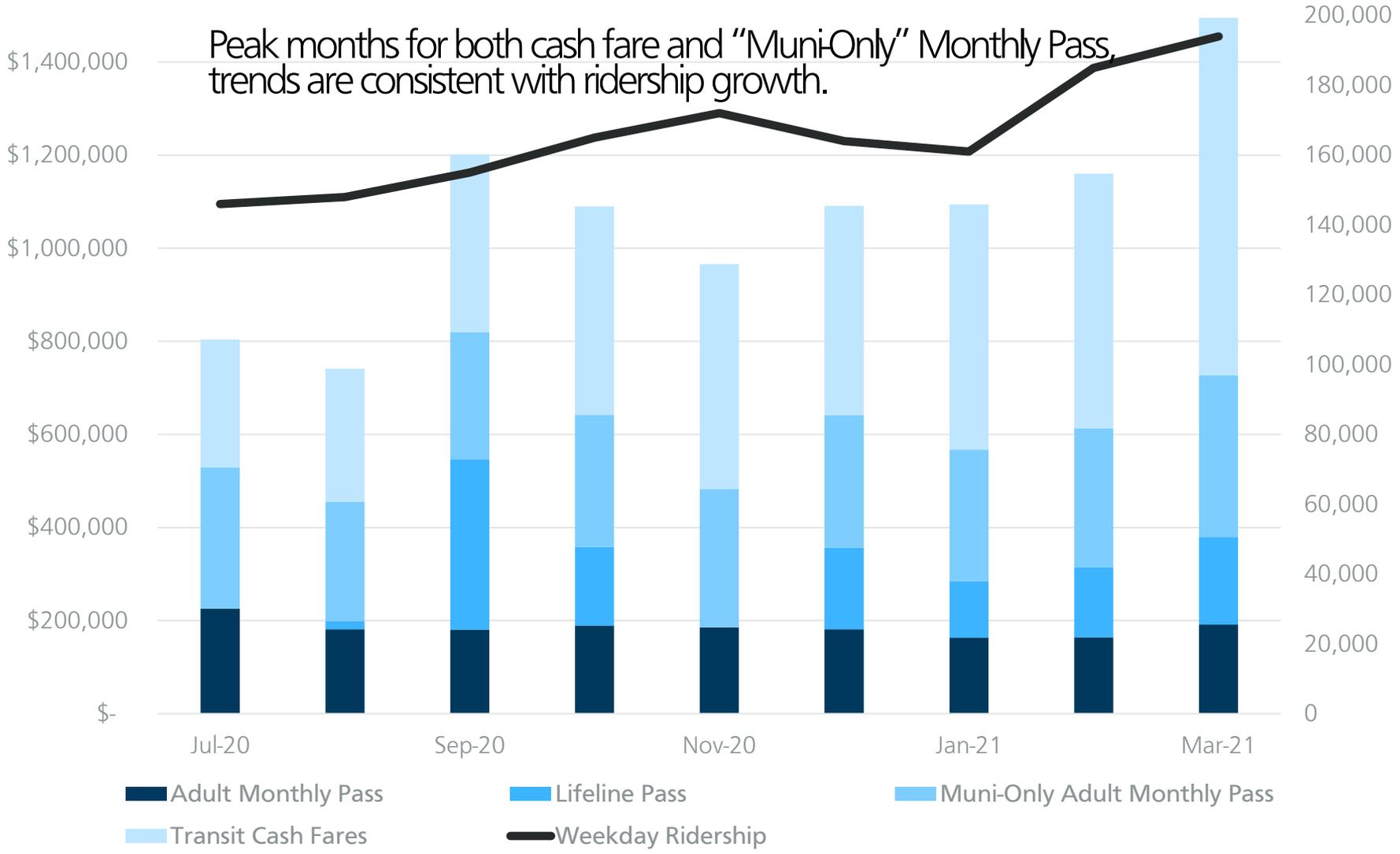


# FY 21 Revenue/Expense Model: Fiscal Month 9, March 2021 (Prelim)



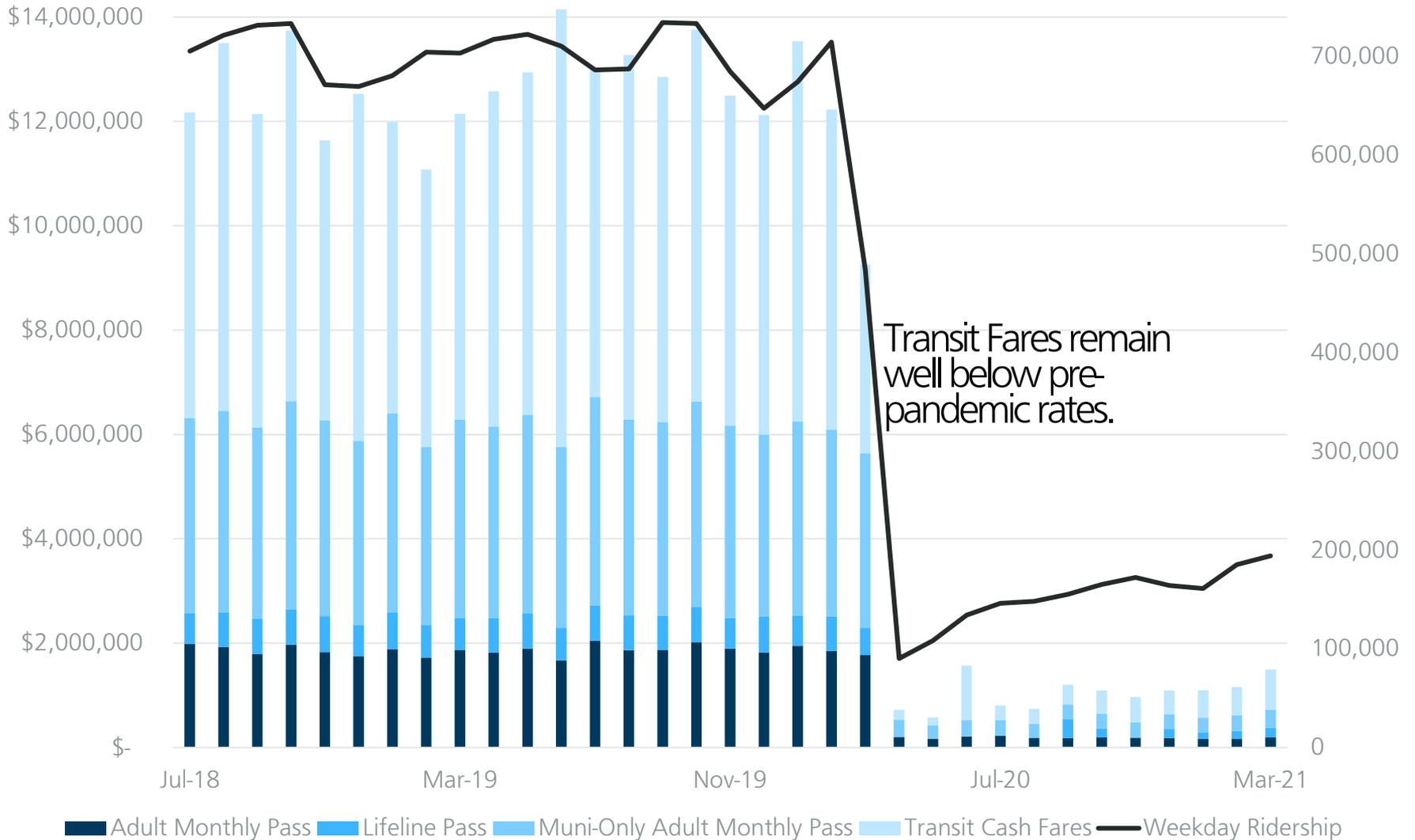


# Transit Fare Revenue Trend: FY 2021



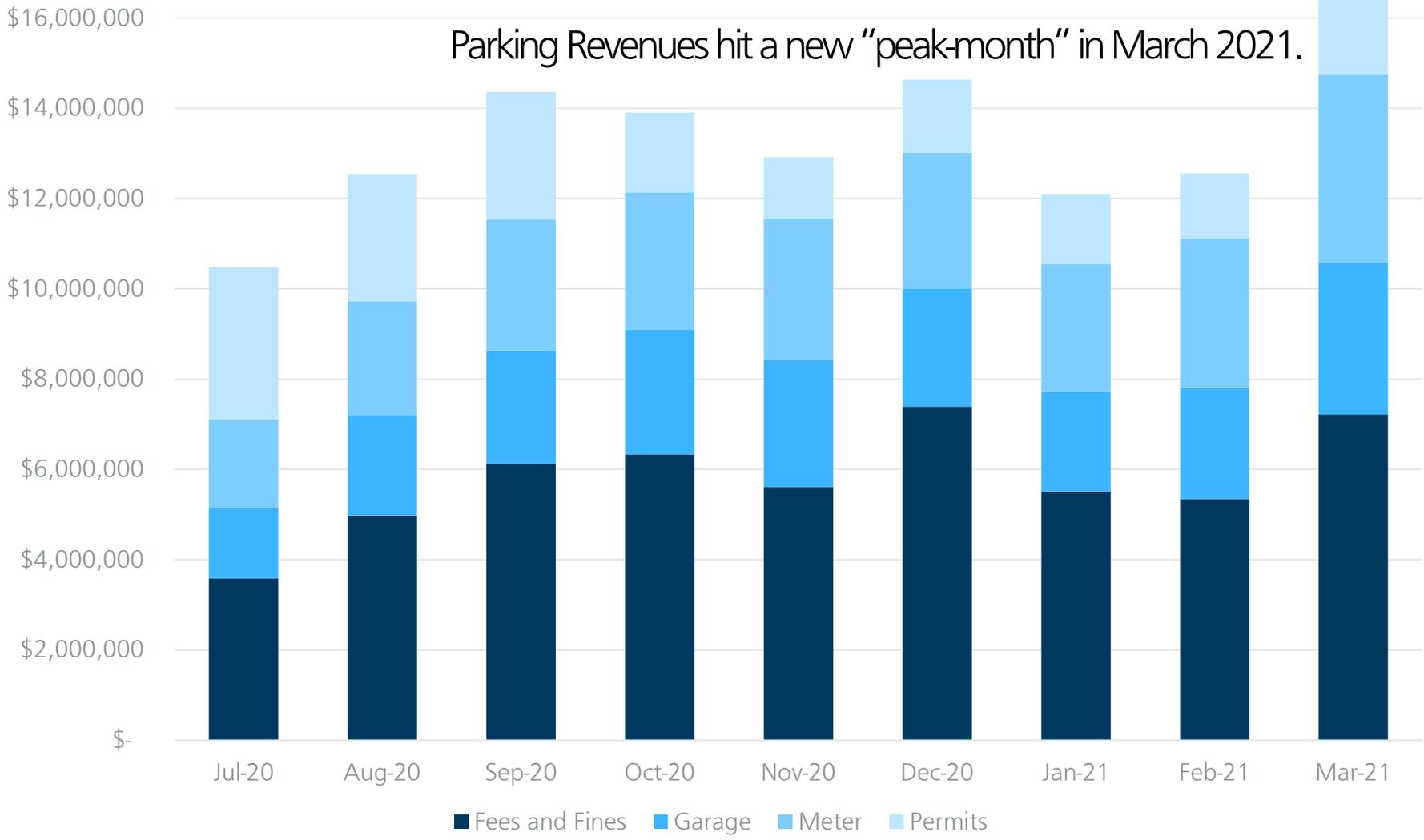


# Transit Fare Revenue Trend: FY 2019 to present



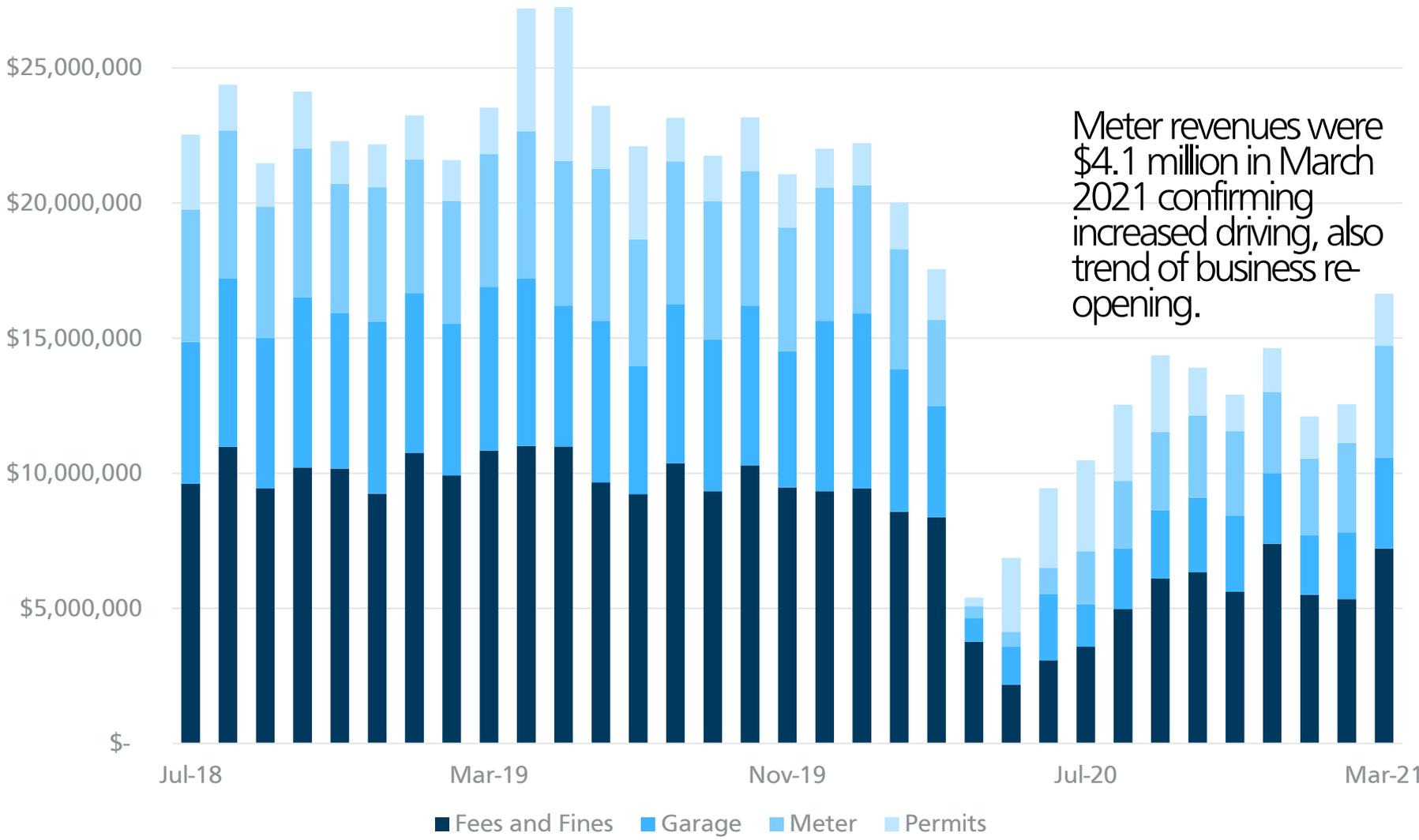


# Parking Revenue Trend: FY 2021





# Parking Revenue Trend: FY 2019 to present





# Transit Cost Per Mode: 2019 National Transit Database

The majority Muni service is bus which is most cost effective. Cable Car service is most expensive and LRV is the highest subsidized.

Mode	Revenue Hours	% Revenue Hours	Cost Per Hour	Annual Subsidy
Rubber Tire	2,503,825	75%	\$227.63	78%
Light Rail	587,846	18%	\$390.32	83%
Historic	98,760	3%	\$333.15	82%
Cable Car	132,758	4%	\$577.00	68%

Source: Federal Transit Administration National Transit Database  
 City and County of San Francisco dba San Francisco Municipal Transportation Agency – 2019 Annual Agency Profile  
[https://cms7.fta.dot.gov/sites/fta.dot.gov/files/transit\\_agency\\_profile\\_doc/2019/90015.pdf](https://cms7.fta.dot.gov/sites/fta.dot.gov/files/transit_agency_profile_doc/2019/90015.pdf).



# Operations/Service: Cost of Transit Service Restoration

Estimating the cost-of-service restoration, we use data from the National Transit Database (NTD) as the baseline then consider cost per revenue hour, service and escalation. Pre-pandemic service restoration is estimated at \$159.5 million.

**FY 19 Baseline**  
**\$855,787,700**  
 FY 2018-19 NTD



**FY 22 Escalated**  
**\$932,808,593**  
 Estimated

NTD data reflects the "all-in" Muni cost, from operations, maintenance and administration. So, it is more than just SFMTA Transit Division.

Escalation includes labor agreement increases and CPI. Estimated at 9% from FY 2019.

Now. | January 2022 | TBD

**15% Service Increase**  
**\$74.42 million**

**15% Service Increase**  
**\$85.06 million**

Assumes regular increases in revenue hours, May partial rail re-opening, some cable car and some historic vehicles.

Assumes further increase in revenue hours, focused more on the more expensive modes, LRV, historic and Cable Car. Potentially more overtime. Also includes, CPI and COLAS.

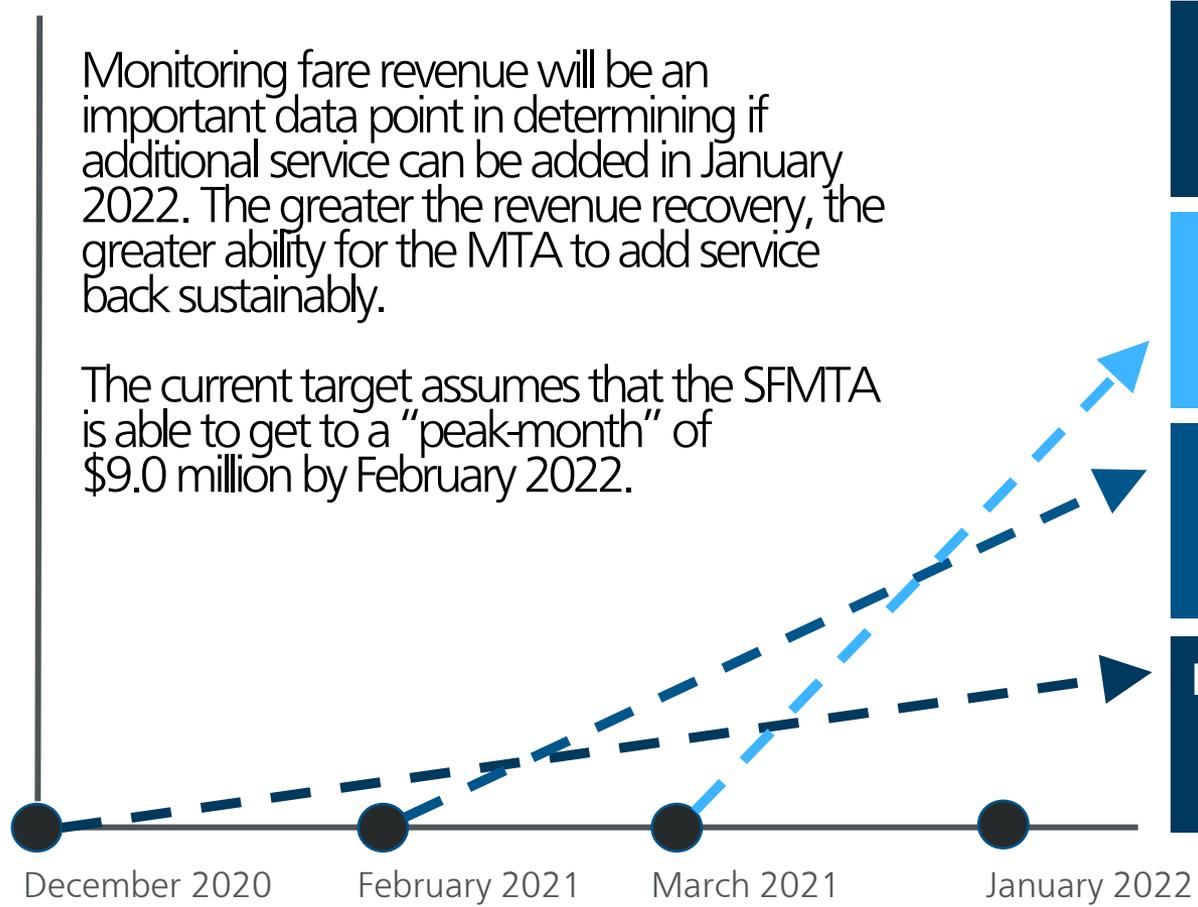


# Operations/Service: Fare Revenue Estimates

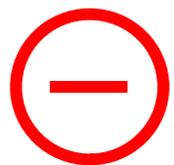
Further service restoration is dependent on the growth of sustainable revenues, such as transit fares. March data show for the first time, recovery at a rate better than expected.

Monitoring fare revenue will be an important data point in determining if additional service can be added in January 2022. The greater the revenue recovery, the greater ability for the MTA to add service back sustainably.

The current target assumes that the SFMTA is able to get to a "peak-month" of \$9.0 million by February 2022.



**FY 22 Budgeted**  
\$188.8 million  
Fare Revenue



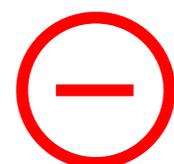
**FY 22 Best Case**  
\$86.1 million  
Model Projection



**FY 22 Estimate**  
\$75.4 million  
Official Estimate



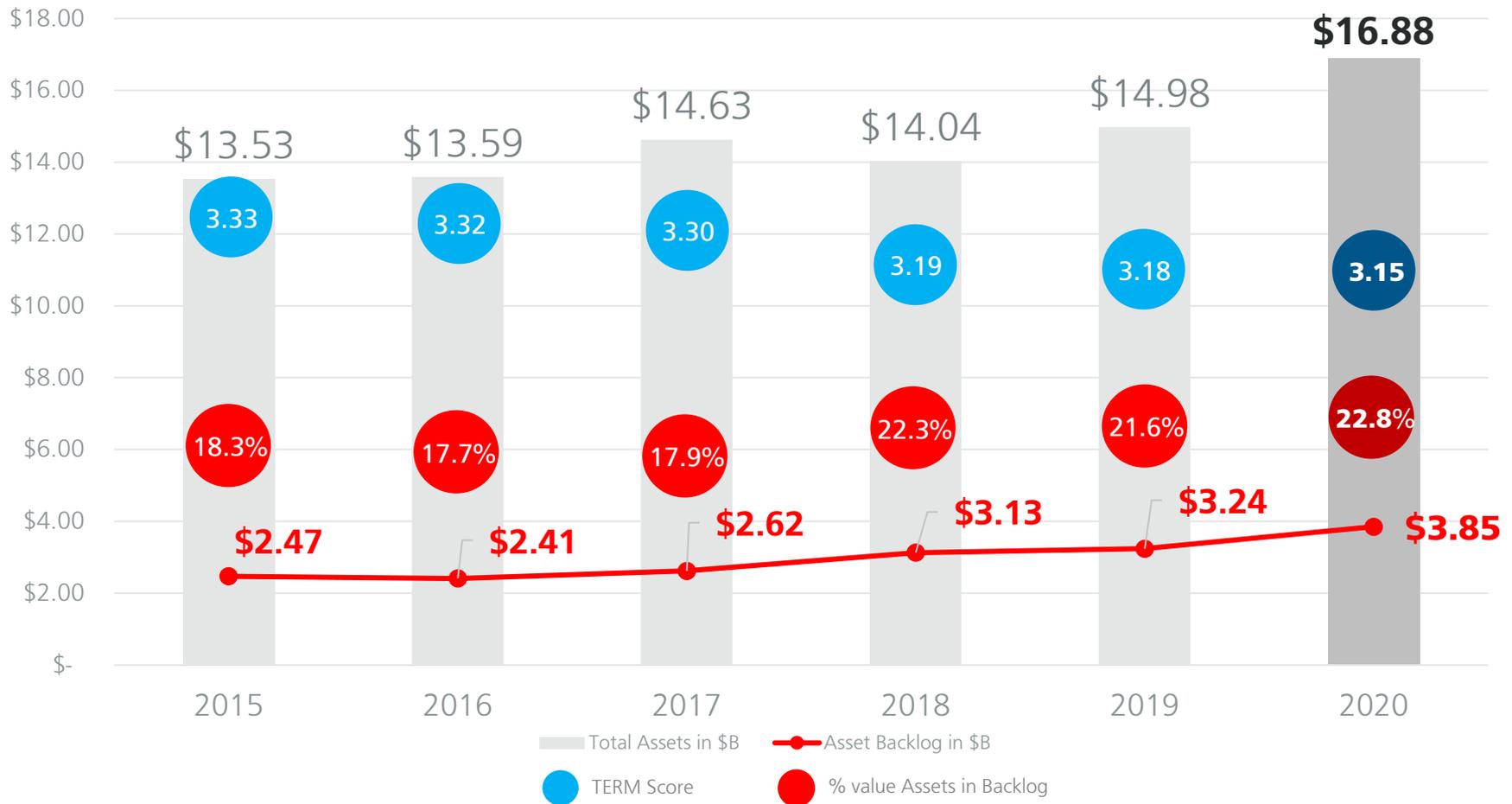
**FY 22 Worst Case**  
\$40.2 million  
Used for Contingency Planning





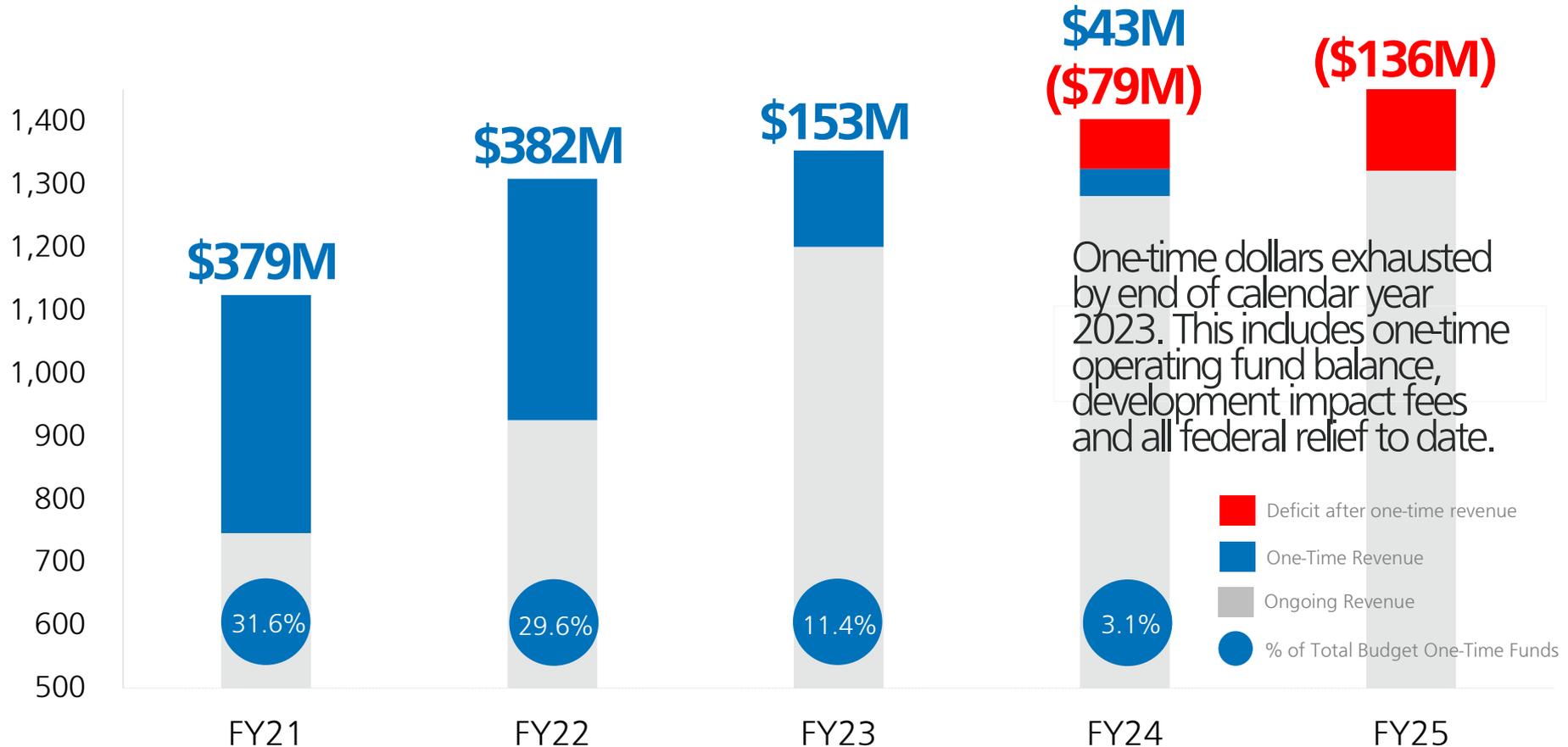
# Capital/Infrastructure: Transportation System Condition

Preliminary State of Good Repair analysis is done for calendar year 2020. Today, to simply stop the backlog from growing would require an additional \$492 m/annually (\$2021). Asset costs refined in this cycle.



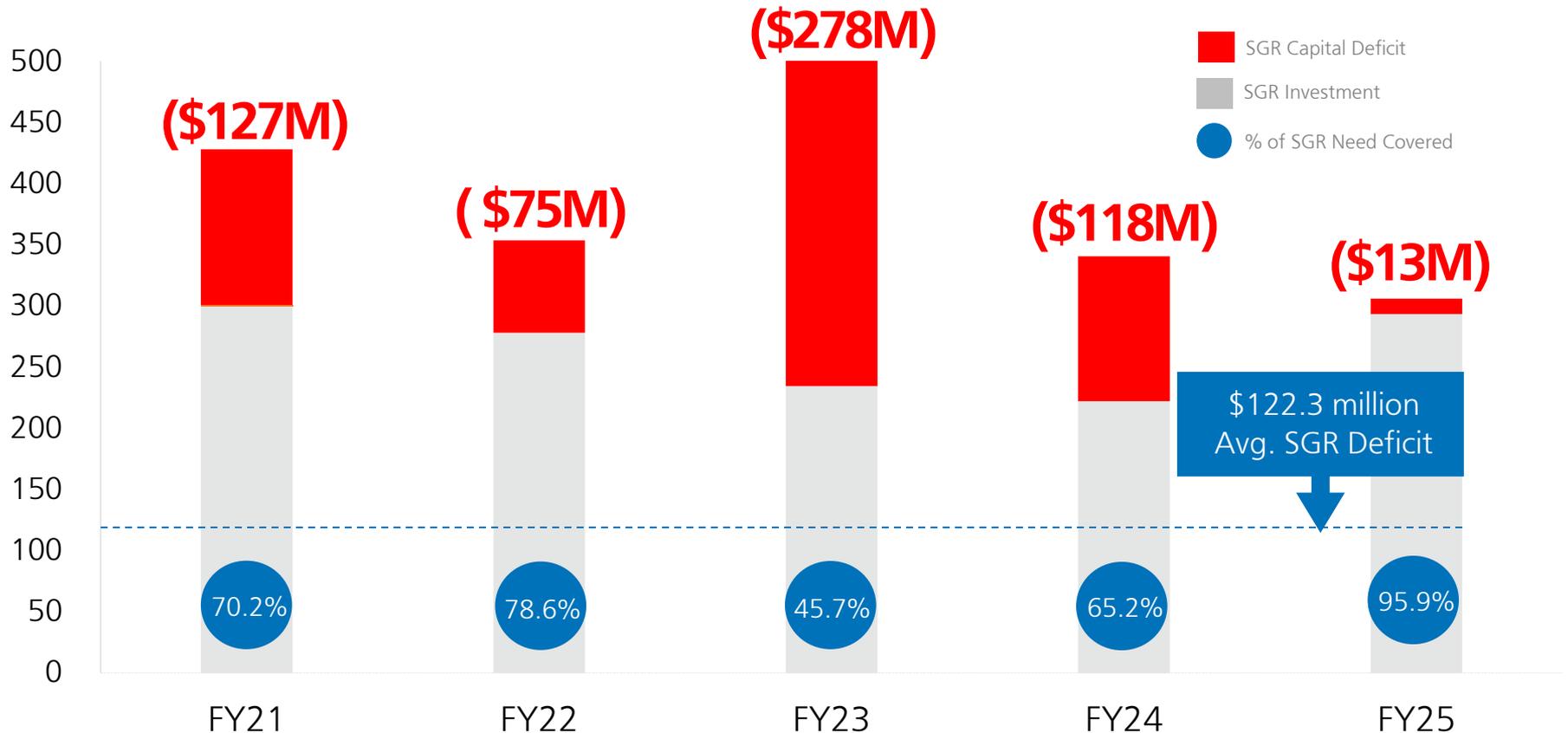
## Operating/Service: Structural Deficit Analysis (April 2021 updates)

Updates include fare revenue projection of \$86 m in FY 22 and decline of Paratransit operating funds from decline sales tax source.



## Capital/Infrastructure: Structural Deficit Analysis (April 2021 updates)

In the 5-year CIP period, we are addressing 68.5% of the state-of-good repair (SGR) need, leaving a gap of \$611.5 million.



## FY 2022 Expenditure Plan Objectives

- Continue to sustain current service (70% of pre-pandemic service) and existing workforce
- Implement a phased restoration of service (85% of pre-pandemic service by January 2022, review in February 2022)
- Build baseline agency capital and human resource infrastructure for a successful recovery
- Return capital funds to Streets Capital Program, and partially close 5-Year CIP Reduction
- Implement Sunday and Evening Parking (as a one-time capital project), supporting staff and outreach time
- Plan for continued uncertainty in economic recovery and capital funding, closely monitoring revenue recovery

## FY 2022 Budget Expenditure Plan

Program	Amount	One-Time/ On-Going
Restore 5-Year CIP Streets and Signals Capital Programs	\$ 26,100,000	One-Time
Expanded Parking Hours Project	\$ 2,625,000	One-Time
Restore Facilities/Building Improvement Program	\$ 5,335,141	One-Time
Continue PaCT Program for Customer Facing Staff	\$ 1,600,000	One-Time
Racial Equity Action Plan Phase I Implementation	\$ 500,000	One-Time
Hold for Capital Projects (revisit in January 2022)	\$ 12,500,000	One-Time
Pandemic Related Programs (TETLs, Slow Streets, etc.)	\$ 11,000,000	One-Time
Fully staff Office of Race, Equity and Inclusion @ FY 22 Level	\$ 1,100,000	On-Going
Transit Supervision Action Plan (Incremental Cost FY 22)	\$ 1,700,000	On-Going
Restore to 85% by January 2022 ( <i>15% service increase</i> )	\$ 71,470,000	On-Going
<b>Total On-Going:</b>	<b>\$ 74,270,000 (55.5%)</b>	
<b>Total One-Time:</b>	<b>\$ 59,660,141 (44.5%)</b>	



# Strategy: Operational Expenditure Management

Expenditure decisions should take into account a multi-year strategy.

April 2021

February 2022

April 2022

## On-Going Operational Expenditures

**FY 21 Year-End**  
**\$1.124 billion**  
 Estimated

**FY 22 Operating**  
**\$1.233 billion**  
 Ongoing Expenditure (3% esc.)

**FY 23 Shadow**  
**\$1.269 billion**  
 3% escalation only

**FY 23 Budget**  
**\$1.353 billion**  
 Assumes 100% Service

## Additional On-Going Operational Expenditures

**FY 22 Operating**  
**\$0.074 billion**  
 Ongoing Expenditure

Additional expenditures beyond this level *if sustainable revenues grow.*

**Additional 15%**  
**\$0.085 billion**  
 Ongoing Expenditure

Consider if revenues recover, not included in or guaranteed in FY 23

## One-Time Expenditures

**FY 22 One-Time**  
**\$0.060 billion**  
 One-Time Expenditure

One-Time expenditures to create efficiencies. Not included or guaranteed in FY 23

## FY 2021 – 2025 Capital Improvement Update

In FY 21, even with \$118 m in new revenue bonds there is a \$611.5 million state-of-good repair investment gap in the FY 2021-25 CIP.

Program	Capital Budget					5-Year CIP	SGR	
	FY21	FY22	FY23	FY24	FY25	Total (Current)	SGR Need	SGR Gap
Fleet	109.1	170.0	151.0	147.0	238.3	815.4	<b>752.4</b>	<b>(222.5)</b>
Transit Optimization	237.9	113.1	76.5	96.3	102	626.2	-	-
Transit Fixed Guideway	116.9	58.5	70.9	69.7	97.4	413.4	<b>305.7</b>	<b>107.7</b>
Streets	77.9	80.0	51.1	32.8	26.2	268.0	-	<b>91.1</b>
Facility	53.3	92.6	39.5	49.8	26.4	261.6	<b>430.3</b>	<b>(260.3)</b>
Signals	34.6	11.9	15.0	12.9	17.2	91.6	<b>237.6</b>	<b>(172.6)</b>
Communications & IT	7.9	3.4	1.1	7.4	5.0	24.7	<b>119.4</b>	<b>(106.3)</b>
Parking	22.0	11.3	11.0	0.0	0.0	44.3	<b>93.3</b>	<b>(49.0)</b>
Security	0.0	3.0	0.0	2.0	3.0	8.0	-	-
Taxi	0.6	0.1	0.1	1.4	0.2	2.5	-	-
<b>Total</b>	<b>653.4</b>	<b>530.5</b>	<b>375.5</b>	<b>357.2</b>	<b>562.1</b>	<b>2,555.7</b>	<b>1,938.7</b>	<b>(611.5)</b>

## Strategy: Proposed Federal Infrastructure Package

The proposed American Jobs Plan as well as the reauthorization of the 10-Year Transportation Bill (INVEST Proposal) provide a significant opportunity.

### **\$85 billion to modernize existing public transportation and for transit expansion**

- \$55B for state of good repair
- \$25B for transit expansion
- \$5B for ADA implementation

### **\$25B for zero-emission transit vehicles**

### **\$20 billion to improve road safety for all users a new Safe Streets for All program to fund state and local "vision zero" plans and other improvements to reduce crashes and fatalities, especially for cyclists and pedestrians.**

- \$8B to expand the Highway Safety Improvement Program
- \$10B for Safe Streets for All Program
- \$1B to support safe driving behaviors
- \$1B for infrastructure modernization grants

### **\$20 billion for a new program that provides transportation accessibility for disadvantaged areas**

### **\$50 billion in dedicated investments to improve infrastructure resiliency, including rail, roads and other transportation assets**

### **\$25 billion for a dedicated fund specifically for large projects that benefit regional or the national economy**

- Fleet Electrification & Associated Infrastructure
- Cable Car Infrastructure (including the Barn)
- Vision Zero/Major Corridor Projects (Folsom, etc.)
- Vision Zero/Quick Build
- State of Good Repair:
  - Facilities
  - Fixed Guideway
  - Traffic Signals

## Strategy: Performance Measures

To support the Board through fiscal year 2022, we are proposing the following measures to support decision making and are looking for feedback.

Performance Measures	Metric/Measure	Current	Target Goal
Use of One-Time Funds FY22	Percent of one-time funds for operations in FY22	<b>29.6%</b> (\$382M)	23.6% (\$309M)
Use of One-Time Funds FY23	Percent of one-time funds for operations in FY23	<b>11.4%</b> (\$153M)	2.7% (\$36M)
Use of One-Time Funds FY24	Percent of one-time funds for operations in FY24	<b>*3.1%</b> (\$43M)	1.4% (\$19M)
SGR Needs Met FY 2021-25	Percent of SGR needs met	<b>68.5%</b>	80.0%
TERM Score	Age-based condition score	<b>3.15</b>	3.30
Fare Revenue Recovery	Current month over FY19 monthly average	<b>11.3%</b> (\$2M)	54.9% (\$9M)
Parking Fine and Fees Revenue Recovery	Current month over FY19 monthly average	<b>70.8%</b> (\$18M)	92.8% (\$22M)

\*A \$79M deficit still remains in FY24 after use of one-time funds

# February 2021 MTA Board Workshop: Report Backs/Follow-Up Items

Topic	Item	Follow-Up
Vision Zero	<ul style="list-style-type: none"> <li>Update to VZ Action Plan show a multi-year trajectory? Set performance goals?</li> </ul>	Planned update ( <a href="#">Summer 2021</a> )
	<ul style="list-style-type: none"> <li>Planned additional miles of protected bikeway within 5-year CIP?</li> </ul>	Planned update ( <a href="#">Summer 2021</a> )
	<ul style="list-style-type: none"> <li>How might we partner to increase enforcement/Focus on the Five (Performance goal?)</li> </ul>	Planned update ( <a href="#">Summer 2021</a> )
Slow Streets	<ul style="list-style-type: none"> <li>Update on design standards for Slow Streets?</li> </ul>	Update at MTA Board on <b>4/6/2021</b>
	<ul style="list-style-type: none"> <li>How might equity impact the decision on permanent Slow Streets?</li> </ul>	Update at MTA Board on <b>4/6/2021</b>
Shared Spaces	<ul style="list-style-type: none"> <li>Recommendations on cost recovery for Shared Streets</li> </ul>	Planned update on <a href="#">5/4/2021</a>
Restoration of Transit Service	<ul style="list-style-type: none"> <li>Process for the restoration of service, prioritization process? Tradeoffs by mode?</li> </ul>	Update on MTA Board on <b>3/16/2021</b>
	<ul style="list-style-type: none"> <li>Subway Restoration process</li> </ul>	Update at MTA Board on <b>3/16/2021</b>
	<ul style="list-style-type: none"> <li>More lines on our red lanes?</li> </ul>	<b>Today</b>
	<ul style="list-style-type: none"> <li>Cost by Mode and Cost-Effectiveness of Service</li> </ul>	<b>Today</b>
Budget, CIP, Federal Relief	<ul style="list-style-type: none"> <li>Report back on use of Revenue Bonds</li> </ul>	Update at MTA Board on <b>3/16/2021</b>
	<ul style="list-style-type: none"> <li>Requirements for use of H.R. 133 and Future Federal Funds</li> </ul>	Update at MTA Board on <b>2/16/2021</b>
	<ul style="list-style-type: none"> <li>Capital Project Impacts and amended 5-Year CIP</li> <li>Need outreach process for Deficit Reduction Plan</li> </ul>	Update at MTA Board on <b>2/16/2021</b>
	<ul style="list-style-type: none"> <li>Update on Caltrain Budget</li> </ul>	Planned update ( <a href="#">Spring 2021</a> )
	<ul style="list-style-type: none"> <li>Pre-Payment Transportation Program, Pros and Cons Fund Programming for various Revenue Programs</li> </ul>	Planned update ( <a href="#">Summer 2021</a> )

## Upcoming Reports

We have several reports planned through the Spring and Summer to keep the Board and public apprised on our fiscal status, transportation system needs and methods to tackle funding gaps.

### *Tentative Dates*

- July: FY 2023 and FY 2024 Baseline Budget
- July: 2020 State of Good Repair Report
- July: SFMTA 20-Year Capital Plan
- August: Fare Policy Options, Access & Affordability
- August: Parking Policy and Management
- August: Transportation 2050 Needs and Funding Opportunities



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