



Muni Funding Working Group

Kickoff Meeting



Office of the Controller



San Francisco Municipal Transportation Agency

Welcome and Introduction

**Greg Wagner,
Controller**

**Jeffrey Tumlin,
Director of
Transportation**

Agenda

- 1** Welcome and Introductions
- 2** Financial Updates
- 3** Workshop Schedule
- 4** Public Comment
- 5** Close Out and Next Steps

Welcome and Introductions

Background

San Francisco must identify approximately \$320 million due to the exhaustion of one-time federal and state relief to sustain Muni service, paratransit service, programs that keep our streets safe and other transportation services.

To solve the short-term and long-term problem, we need to make decisions and implement solutions in the next budget cycle.

Previous working groups like T2030, T2045, and the Muni Reliability Working Group addressing other SFMTA structural problems were successful because they

- Included voices from labor, business, and advocacy
- Meetings were open to the public and interim deliverables were available for review

This Muni Funding Working Group will build on these past efforts to address today's funding situation.

Welcome and Introductions

Goals and Vision for this Workshop

- Dealing with the magnitude of the SFMTA's structural deficit, while preserving the agency's core values of trust, equity, environmental stewardship, and economic recovery, will require hard choices among unpopular options.
- Convened by the Controller's Office and the SFMTA, this Muni Funding Working Group will review and prioritize policy options that SFMTA can implement to address its funding gap.
- The outcome for this working group is a prioritized by the group set of options that can be provided to the SFMTA Director of Transportation and SFMTA Board of Directors, and elected policymakers including Mayor and Board of Supervisors for consideration.

Welcome and Introductions

Membership

Name	Group
Chris Arvin	MTA Citizens' Advisory Council
Anthony Ballester	Transport Workers Union
Tilly Chang	San Francisco County Transportation Authority
Sean Elsbernd	Mayor's Chief of Staff
Rodney Fong	SF Chamber of Commerce
Kristin Hardy	SEIU
Jon Hee	Chinatown Transportation Research and Improvement Project
Steve Heminger	SFMTA Board
Fiona Hinze	SFMTA Board
Kathleen Kelly	Transportation Expert
Rafael Mandelman	Board of Supervisors and San Francisco County Transportation Authority

Name	Group
Myrna Melgar	Board of Supervisors and San Francisco County Transportation Authority
Robin Pam	KidSafe
Seleta Reynolds	LA Metro
Mia Satya	Senior & Disability Action
Alex Sweet	Mayor's Transportation Advisor
Kim Tavaglione	SF Labor Council
Laura Tolkoff	SPUR
Jeffrey Tumlin	SFMTA
Jaime Vilorio	Tenderloin Neighborhood Development Corporation
Greg Wagner	Office of the Controller
Janelle Wong	Transit Riders Alternate

Welcome and Introductions

Roles and responsibilities of working group members

This Working Group includes representatives from the Mayor's Office, Board of Supervisors, SFMTA and SFCTA leadership, labor and business partners, community partners and transportation industry experts.

This is not a decision making or advisory body.

What will you be asked to do?

- Learn about options to bridge the SFMTA's funding gap
- Ask questions of SFMTA staff
- Attend meetings in person on behalf of your organization
- Provide input on the options for policymakers

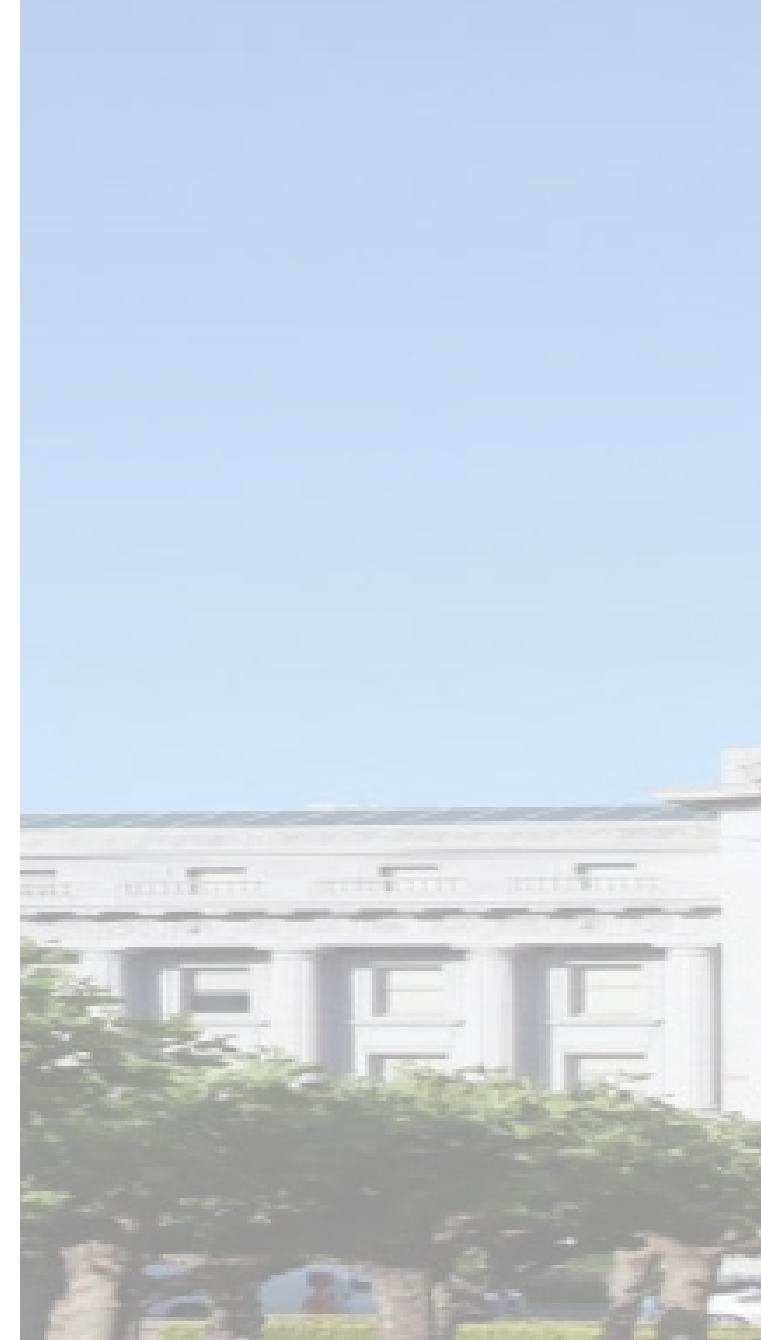
Welcome and Introductions

Membership

Please introduce yourself and your organization.

Have you participated in a working group like this?

- If so, what do you find most valuable or successful?



Welcome and Introductions

Staff

SFMTA

- Jeff Tumlin, Director of Transportation
- Kamini Lall, Chief of Staff
- Bree Mawhorter, Chief Financial Officer
- Jonathan Rewers, Chief Strategy Officer
- Viktoriya Wise, Streets Director
- Julie Kirschbaum, Transit Director

Controller's Office

- Greg Wagner, Controller
- Natasha Mihal, City Performance Director
- Janice Levy, Project Manager
- Ashley Koburov, Senior Performance Analyst
- Arjun Paul, Performance Analyst

Throughout the Muni Funding Working Group, you will hear from additional department staff and experts.

Welcome and Introductions

Logistics for today

Thank you to the CTA for hosting us in this conference room! We hope to hold future meetings here.

Welcome and Introductions

Public Participation

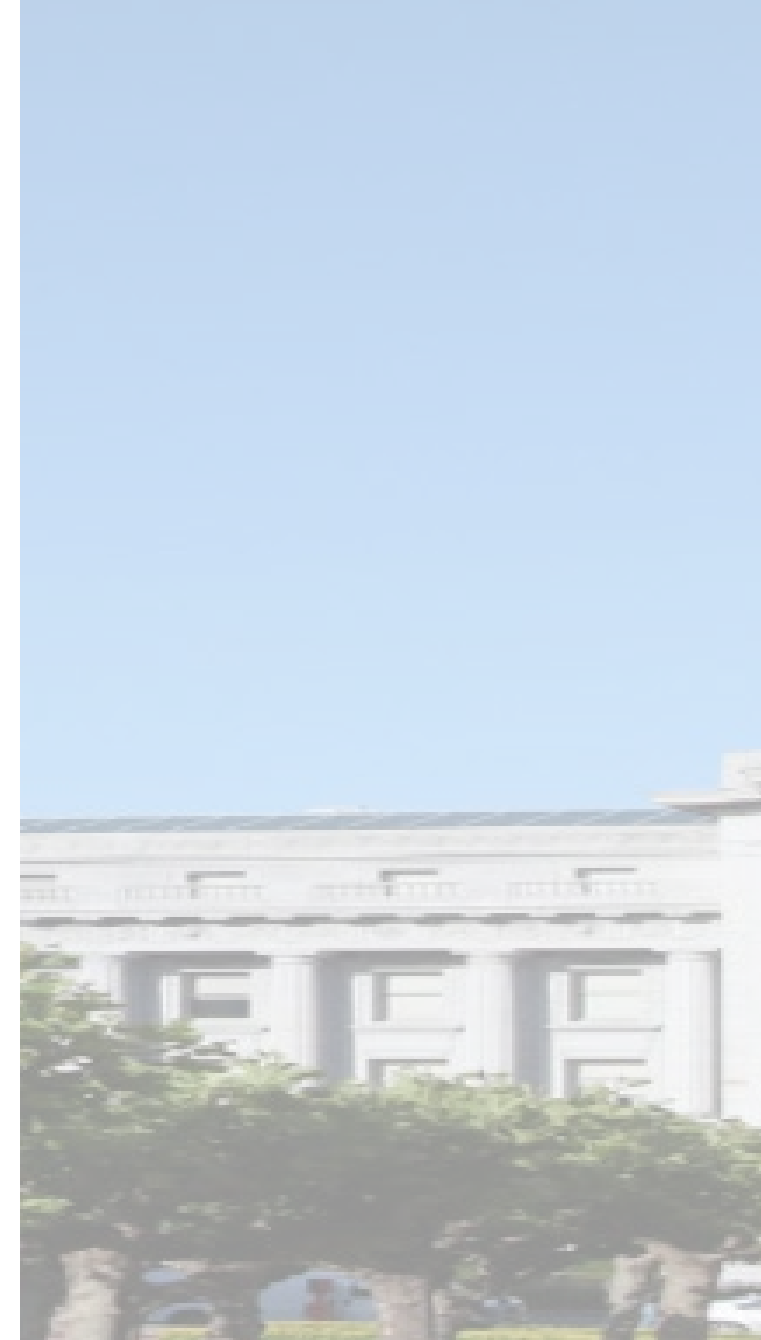
The Working Group meetings will be open to the public and public feedback is welcome.

We will offer in-person public comment at the end of each workshop and will accept public feedback at CON.MuniFunding@sfgov.org.

Administrative Reminders

Online Resources and Correspondence

- All resources will be publicly available through <https://www.sf.gov/muni-funding-working-group>.
- All meeting invitations and other administrative information will be sent from CON.MuniFunding@sfgov.org.
- Committee members can direct questions to this inbox.



Administrative Reminders

Ground Rules

- We encourage active participation in each meeting – ask questions, register your opinions.
- Given time constraints and the number of participants, the Chair may limit Committee members speaking time during open discussion as needed.
- Each agency/organization represented will have one “voice” or “vote” during facilitated exercises. If you have a conflict, you are welcome to designate an attendee in your absence.
- This is a public meeting body and is subject to the Public Records Act, including for non-City employees.
- We will pass out index cards during today’s presentation, write your questions down and we will sort them and pass them to the speaker.

Financial Update

**Bree Mawhorter,
CFO**





Q&A on the Financial Update

Work Plan and Schedule



Work Plan

The Muni Funding Working Group will review detailed options in the following categories and will recommend a suite of options designed to reduce the funding gap.

-  **Efficiency Improvements:** streamline systems and processes to decrease operating costs.
-  **Service Cuts:** reduce service to decrease operating costs.
-  **Revenue Enhancements:** increase fees, revenue, or taxes to increase overall revenue.
-  **Service Enhancements:** enhance services to win voter support for new revenue.



Efficiency Improvements

- Options would not be limited to Muni, this includes all SFMTA divisions.
- SFMTA has already been making efficiency improvements and has reduced spending by 16%, adjusted for inflation. What other efficiencies are possible?
 - Examples: continued changes to department operations, project delivery; parking management efficiencies; others
- Efficiency improvements, such as transit-only lanes and HOV lanes, allow buses to get to their destinations more quickly. That means the bus and transit operator have extra time and can provide additional service.



Service Cuts

- Options would not be limited to Muni, this includes all SFMTA divisions.
- If we can't generate enough additional revenue to maintain the current level of service, which services should be cut to do the least harm to San Francisco residents and the city's safety, equity, climate and economic recovery goals?
- Muni service changes are already restricted to cost-neutral service changes. If service is added to address crowding, it is reduced elsewhere in the network.
 - Should the SFMTA eliminate or scale back Muni lines? Reduce frequency? End service earlier in the evening?
 - Should the SFMTA eliminate or scale back fare discounts for youth, seniors, people with low incomes and discounted towing fees?
- Should the SFMTA eliminate or reduce street safety programs such as Vision Zero Quick Builds and/or traffic calming?



Revenue Enhancements

- Local revenue measures (special taxes, utility user tax, GO bond)
- Increasing Muni fares, parking fees and fines
- Regional Measure and other regional sources such as a bridge toll, roadway pricing or others, in collaboration with MTC and other regional transit operators.
- Increase ridership and fare compliance
- Advertising and partnerships
- Joint Development of SFMTA properties for non-SFMTA uses

Note: Some strategies for generating new revenue are promising but require legislative or regulatory changes that could take a long time to achieve.



Service Enhancements

- To convince voters to help raise money, it may be necessary to offer service improvements rather than merely sustaining existing service.
- Are there service enhancements that would build support for local or regional revenue measures?

Work Plan

Options Analysis Process

- SFMTA will develop a detailed analysis of each of the options.
- The Controller's Office team and other City subject matter experts will review the options.
- Working Group Members will receive the detailed options prior to each meeting.

Work Plan

Options Analysis Details

SFMTA will prepare reference material including **one-page summaries and slides** for each **option**.

This analysis will include:

1. A description of the option and an implementation timeline
2. An assessment of the fiscal impact
 - Will this increase revenue or decrease expenditures?
 - What is the projected revenue?
3. An analysis of the impact on the SFMTA's Accessibility, Service, Emissions, and Equity goals
4. Any additional considerations (tradeoffs, challenges, or risks)

Meeting Schedule

This Working Group will meet **twice a month** through January. Each topic area will consist of two meetings.

1. Review Option Meetings

Meeting Goal: Ensure Working Group Members understand options and considerations

- SFMTA will prepare reference material including one-page summaries for each option.
- SFMTA subject matter experts will present the options to the Working Group Members and be available to answer questions.

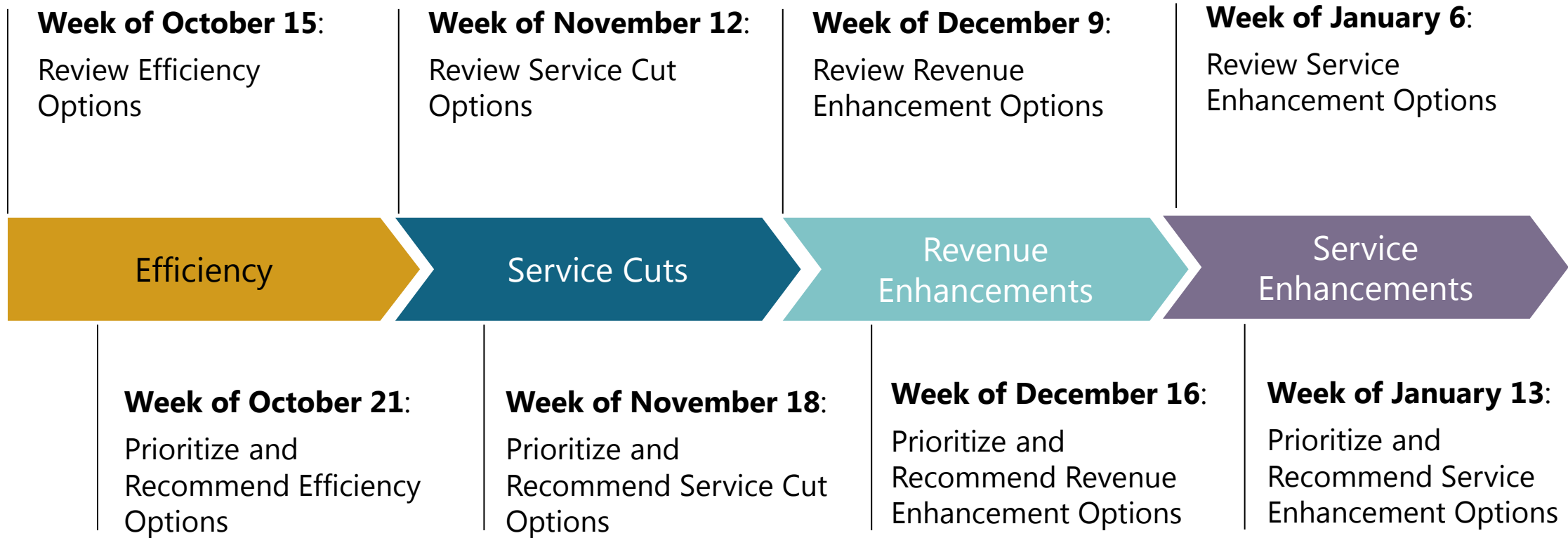
2. Rank and Prioritize Options Meetings

Meeting Goal: Prioritize and rank options

- Controller's Office will facilitate activities and discussion among Working Group Members designed to identify options that Working Group Members want to prioritize and others that require further discussion or discovery.

Meeting Schedule

This Working Group will meet **twice a month** through January. Each topic area will consist of two meetings.





Work Plan

Process for Findings and Recommendations

As a result of this six-month process, the Controller's Office will develop a **final report** documenting recommendations for how the SFMTA should address its near-term and long-term funding gap.

- The report will contextualize findings and discussions from the workgroup process.
- The final workgroup session will be dedicated to reviewing and affirming the recommendations in the report.
- The Controller's Office and workgroup sponsors will finalize and publish the report.

Working Group Materials

Website

The Controller's Office will maintain a website with:

- meeting agendas and supporting documents
- key resources
- public correspondence
- final deliverables

<https://www.sf.gov/muni-funding-working-group>

The Controller's Office team will develop a survey to collect additional feedback from Working Group Members.

Resources

Past working groups addressing transportation needs for the City

[Transportation 2050 \(T2050\)](#)

Evaluated resources needed to meet community's vision for transportation and additional sources of funding to meet the needs. Aimed to address a \$50 billion funding gap. Work is ongoing. Convened 2021.

[San Francisco Transportation 2045 Task Force \(T2045\)](#)

Group convened to explore the potential for new transportation revenue measures between 2017 and 2045. Aimed to close a \$22 billion funding gap. Report covers specific funding needs and various potential revenue sources. Convened 2017-2018.

[Mayor's Transportation Task Force 2030 \(T2030\)](#)

Group convened to develop priorities and recommendations for funding the City's transportation infrastructure between 2013 and 2030. Aimed to close a \$6.3 billion funding gap. Convened in 2013.

[Muni Reliability Working Group](#)

Reviewed Muni transit operations, current improvement efforts, and plans, and recommended priority actions in areas where Muni needs support. Convened 2019.

Regional initiatives to improve SF and Bay Area transit operations

[Survive and Thrive: Roadmap to a Sustainable Business Model for Bay Area Public Transit](#)

Building on work/commitments in the Transformation Action Plan, provides a high-level framework for actions and investment strategies to help Bay Area transit agencies survive financial crisis. Work between MTC, SPUR, Bay Area council, and MTA and other local transit agencies. Report published May 2023.

[Transit Transformation Action Plan](#)

Created by the Metropolitan Transportation Commission (MTC) to set a course for public transit recovery and long-term improvement. Report published July 2021.

Muni Funding Working Group

Discussion

- Are the topics outlined in the work plan relevant and appropriate to our goals?
- Based on what you heard, do you have any particular expertise, knowledge of other jurisdictions or working groups that may be relevant?
- Are there specific topics or analyses we should include in a particular Workgroup session?
- What information do you need to have a quality discussion on this topic?



Public Comment

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Public Comment

Members of the public who wish to provide public comment in-person, please line up at the podium.

Each person will have 2 minutes to speak.

Administration and Next Steps

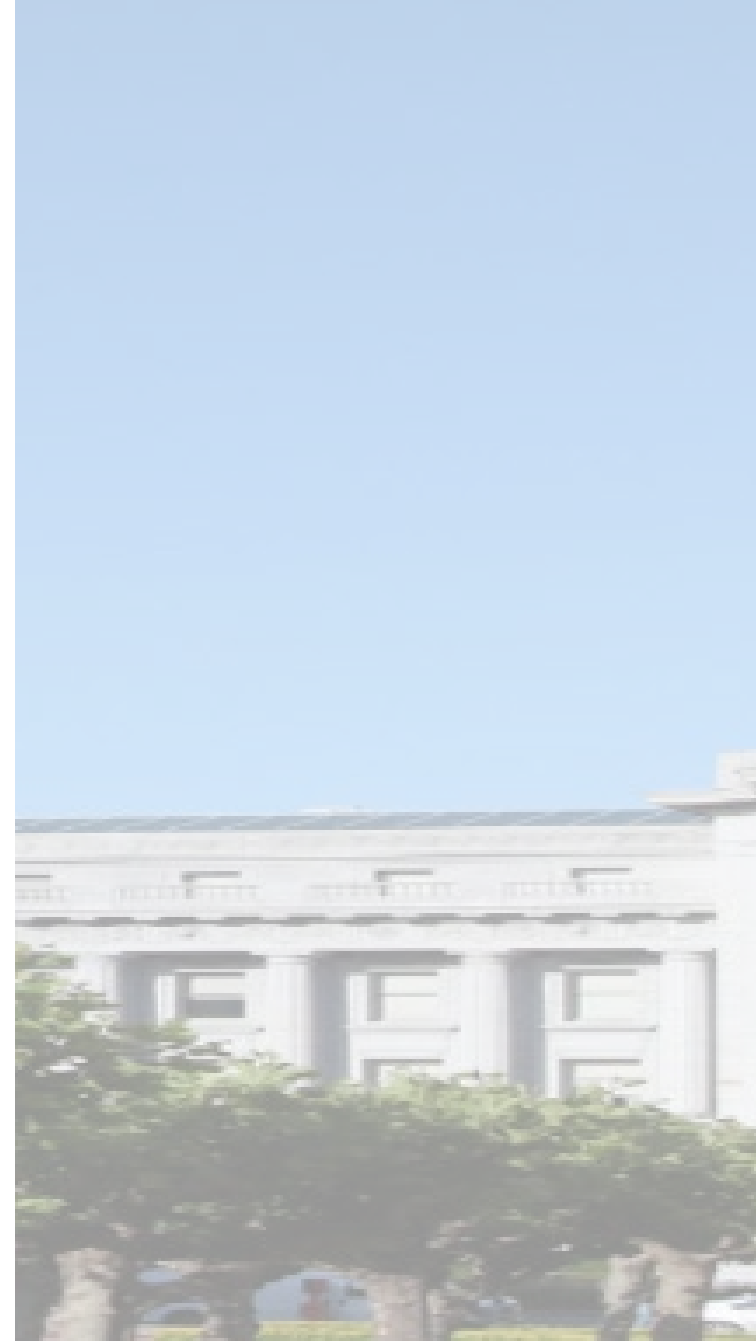
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Meeting feedback

Take an index card and write:

- What worked well during this meeting
- What is something we can do differently next time

Please hand in your cards to someone on staff.



Next Steps for Working Group Members

1

You will receive briefing information prior to the next meeting

2

Next Meeting will be held in mid-October.

3

Stay tuned for further communications from CON.MuniFunding@sfgov.org



Thank you!