



SFMTA

San Francisco Municipal Transportation Agency

Service Cuts Options for Discussion

Muni Funding Working Group

November 20, 2024

MFWG Service Cuts Scenarios

Service Cuts Workshop #2 – November 20, 2024

Capital: Flexing Capital Funds to Operations

Security: Muni Transit Assistance Program

Streets:

- Constituent Services
- Safety
- Maintenance

Disclaimer: These options are draft ideas for discussion by the Muni Funding Working Group only. There is no current plan at the SFMTA to implement these options.

Disclaimer

Service Cuts Workshop #2 – November 20, 2024

These scenarios are for explanatory purposes only. They are not SFMTA plans or proposals.

The scenarios are designed to help Muni Funding Working Group members understand what the impact on San Francisco would be if the SFMTA were forced to close its looming \$300+ million budget gap using ONLY service and program cuts.

At future meetings, the Muni Funding Working Group will consider options for developing new sources of revenue that could help preserve these programs and services.

Any actual proposal to cut programs and services would be vetted through a public process that includes SFMTA staff and labor unions that represent them, San Francisco policymakers and members of the public.

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Flexing Capital Funds to Operations

Muni Funding Working Group

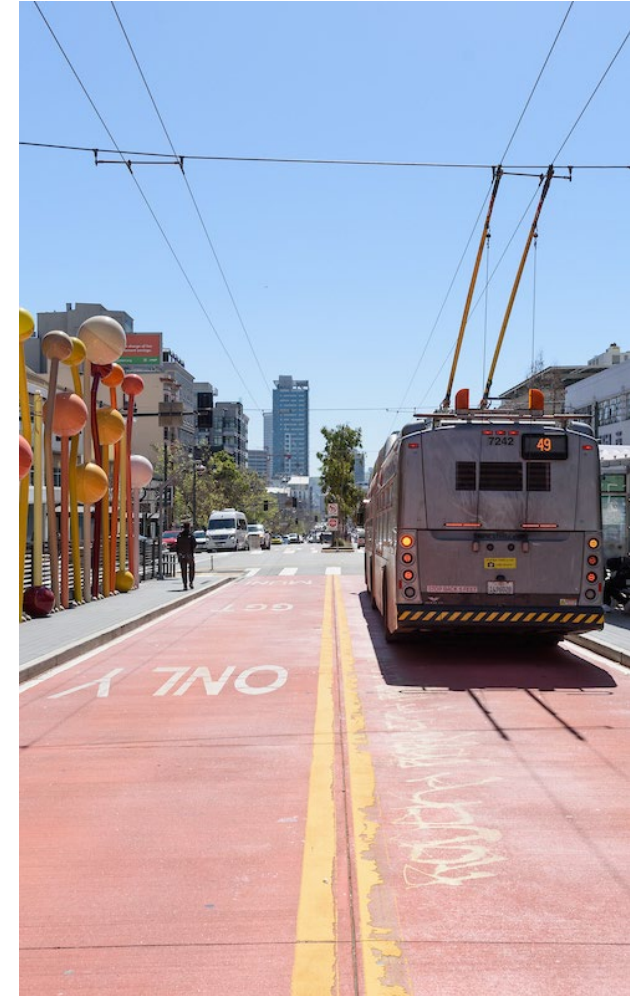
Rob Jaques, Manager of Capital Budget & Project Controls

November 20, 2024

Flexing Capital Funds to Operations: Description

Option description:

- Certain funds that the SFMTA uses for Capital Projects could be used to support operations
- Funding sources have restrictions
 - Some can be used for any operating costs
 - Some can only be used for Preventive Maintenance activities
- This option explores the opportunity of flexing Capital funds to Operations in FY26-27 and FY27-28



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Flexing Capital Funds to Operations: Financial Impact

Financial impact	
Source	Annual sources currently funding capital projects
Is this scalable?	Yes
Projected annual deficit reduction	\$37.9-205.6 million per year – <i>final amount TBD based on project status and other policy decisions</i>
Other information	<ul style="list-style-type: none">• Allows service to continue until a more permanent revenue source is identified.• Results in fewer or smaller capital investments, which would degrade transit service reliability and will decrease opportunities to make streets safer.• Leads to increased maintenance costs as deferred maintenance gets more expensive due to inflation and escalation.

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Flexing Capital Funds to Operations: Financial Impact

Financial impact, continued

Other information

- Creates a large funding gap in the current and next Capital Improvement Program (CIP), with no known sources to fill it.
- CIP Impact:
 - Up to 17% reduction in funding for capital projects
 - Up to 39% of projects would need to be delayed/deferred
- Potential Projects impacted include fleet replacement, facilities rehabilitation, fleet overhauls, Active Communities implementation, Muni Forward, and Vision Zero
- Could impact ability to accept competitive grants if insufficient matching funds are available.
 - For each dollar of matching funds SFMTA provides, we receive \$1.50-2.00 in return in outside grants.

NOTE: Would not impact General Obligation or Revenue Bonds and does not include SFCTA Prop K or Prop L funds

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Flexing Capital Funds to Operations: Financial Impact

Feasibility	Definition	FY27	FY28	Total	Impact
Most Feasible	Funding reserves and funds not programmed to specific projects	\$ 37.9	\$ 47.3	\$ 85.1	Biggest impacts to street safety projects and reserves; least impact to transit reliability
Feasible	Funds assigned to projects that could be delayed	81.3	61.5	142.8	Impacts to transit reliability through deferred maintenance
Least Feasible	Funds assigned to critical projects already underway	86.4	129.6	216.0	Biggest impacts to transit reliability through deferred maintenance and vehicle replacements
Total		\$ 205.6	\$ 238.4	\$ 444.0	

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Flexing Capital Funds to Operations: Fund Uses Eligibility

- The SFMTA Capital Budget totals about \$700 million per year, on average
- This option would reduce our capital investments by about 40% over the two years
- Majority of the investment impact would be to transit capital, including projects like fleet replacement and systemwide state of good repair, which impact service quality

Value of Funds by Eligible Use (millions)

Fund Use	FY27	FY28	Total
Preventive Maintenance	\$ 149.8	\$ 184.2	\$ 333.9
Operations	55.8	54.2	110.0
Total	\$ 205.6	\$ 238.4	\$ 444.0

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Flexing Capital Funds to Operations: Programming

- Most funds are tied up in projects that are already In progress: design, planning, construction
- To flex funds to operations, decisions would need to be made soon to stop In Progress projects at a phase that would not cause legal risk
- Flexing Reserve to operations increases the likelihood that future projects will be canceled or descoped to cover project overruns due to unforeseen circumstances (weather delay, pandemic, etc.)

Funding Amounts by Project Status (millions)

Project Status	FY27	FY28	Total
In Progress	\$ 78.4	\$ 65.5	\$ 143.9
Reserve Funds	20.8	27.4	48.2
Future & Programmatic Projects	106.3	145.5	251.8
Total	\$ 205.6	\$ 238.4	\$ 444.0

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Flexing Capital Funds to Operations: Programming

Depending on policy choices made, most significant impact would be to Fleet, Fixed Guideway, and Facilities, which are areas where **disinvestment will reduce transit service quality and impact street safety**. While the percentages for the Streets and Signals CIP Programs are smaller, it would have an outsized impact on the Streets Division’s ability to deliver projects.

Funding Shares by CIP Program

CIP Program	FY27	FY28	Total
Agencywide	9.66%	6.51%	7.97%
Communications & IT	0.66%	0.51%	0.58%
Facilities	8.48%	7.12%	7.75%
Fleet	62.76%	69.92%	66.60%
Parking	0.00%	1.26%	0.68%
Security	0.47%	0.41%	0.44%
Signals	0.31%	0.35%	0.33%
Streets	5.16%	6.35%	5.80%
Taxi & Accessible Services	0.17%	0.27%	0.22%
Transit Fixed Guideway	10.44%	4.86%	7.44%
Transit Optimization & Expansion	1.89%	2.45%	2.19%

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Flexing Capital Funds to Operations:

Other considerations

- Today, the SFMTA is primarily investing in capital state of good repair and minor system improvements through our Transit Optimization programs. There is no major capital expansion planned in the near future.
- More than half of SFMTA's assets are nearing or have reached the end of their useful life.
- The SFMTA has a state of good repair backlog of \$4.8 billion, which the agency has worked to reduce. The options presented today would undo those efforts.
- Deferred maintenance:
 - Is like paying your rent on a credit card: it's something you can do in an emergency, but not an ongoing solution.
 - Impacts service, reliability, and safety
 - Increases capital and operating expenses over time: less reliable service is more costly to provide, deferred maintenance costs more in the future, and emergency repairs are more expensive than routine maintenance

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Summary

- Results of capital reductions are severe and impactful, particularly to transit reliability and street safety.
- These decisions are difficult and come with tradeoffs.
- Reduced capital investments could lead to similar issues from the 1990s, which resulted in the infamous Muni Meltdown in 1998 or 2018.
- Reduced capital investments would also mean going backwards in our street safety achievements as we're working toward making progress in reducing frequent and severe traffic incidents.

Muni Meltdown?



Photo from SF Chronicle, 1998

NEWS

A Walker Matches Train Pace / Metro hiccups down Market Street

By **Steve Rubenstein**, Reporter
Sep 1, 1998

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Muni Transit Assistance Program

Muni Funding Working Group

November 20, 2024

MTAP Service Cuts: Description

The Muni Transit Assistance Program (MTAP) seeks to deter disruptive behavior, enhance public safety, and improve overall community engagement on the San Francisco Municipal Transportation Agency (SFMTA) transit system.

The Core Objectives of MTAP are:

- Improve the Transit Experience
- Foster Community Partnerships



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MTAP Service Cuts: Financial Impact

Financial impact	
Source	Decreases Expenditures
Is this scalable?	No
Projected annual deficit reduction	At current staffing levels (52% vacancies) the program is projected to cost \$1.85m in FY25. The full annual budget is \$3.46m for 42 FTEs.
Capital vs Operating Impact	Operating

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MTAP Service Cuts: Community Impact

Communities impacted:

SFUSD students and youth, Muni riders, Muni operators

Magnitude of impact

22 service lines, which serve thousands of riders per day

Alignment with SFMTA values

Detracts from SFMTA values of accessibility and equity; staffing constraints diminish operational effectiveness, leading to increased risk of unresolved incidents and delayed response times during critical events.

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MTAP Service Cuts: Implementation landscape

Implementation considerations	
Benefits	Reduced expenditures
Challenges	Less staff visibility on Muni lines with high levels of violence and vandalism; delayed responses to critical events
Likely supporters	
Likely opponents	SFUSD students, parents & teachers; Muni operators
Political considerations	Continued negative perception that all public transportation is unsafe
Implementation requirements	SFMTA Board approval likely required
Earliest possible start date	Short term

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MTAP Service Cuts: Impacts

Current Services

- Provide coverage and sense of order on routes around SFUSD schools with high incidents and vandalism
- Ride and monitor lines with high level of disruptive behavior, and fare evasion
- Relationships with community organizations

Risks of Service Cuts

- Increase in incidents and vandalism on coaches
- Reduction in coverage for service lines, special events, and schools
- Possible school closures and merging may cause increase in student incidents; insufficient staffing leads to delayed responses

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Streets Division Service Reduction Scenarios

Muni Funding Working Group

Viktoriya Wise

Streets Division Overview



- Parking and Curb Management
- Parking Enforcement
- Operations (Signal, Paint, Meter and Sign shops)
- Transportation Engineering
- Bicycle, Pedestrian and Traffic Calming Infrastructure Design and Programming
- Transportation Planning



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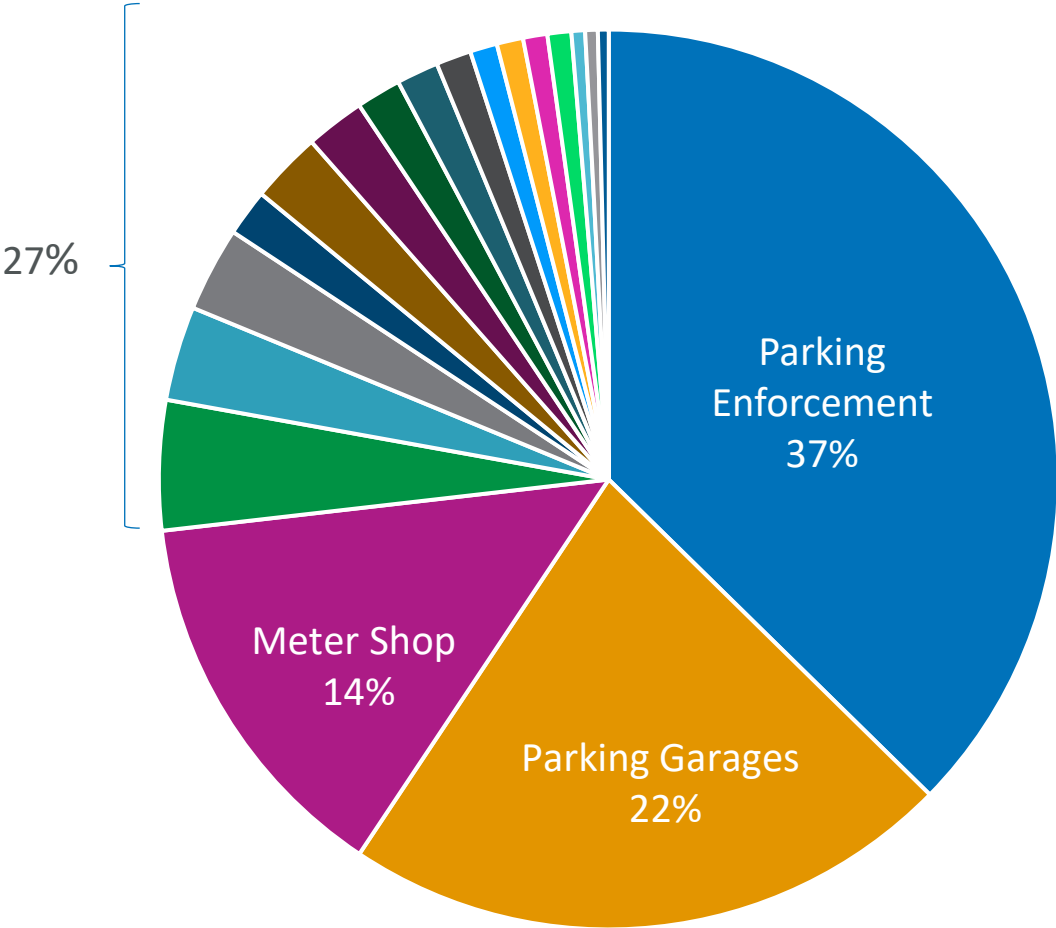
Streets Division Achievements

- **35** Vision Zero Quick Builds
- **74** corridors with 20 MPH restriction or speed reductions
- **327** bikeshare stations
- **238** traffic calming devices installed in the last fiscal year
- **616** events supported in the last fiscal year
- **1,291** traffic signals maintained
- **11,000** 311 service requests responded to
- **27,360** temp signs posted for residential moves, commercial moves & events
- **21** off street parking garages & 19 surface lots = 4M parking sessions
- **26,000** metered parking spaces maintained
- **38,104** vehicles towed to keep streets moving
- **4** parking meter rate adjustments annually
- **250** color curb requests taken through legislative process

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Budget Allocation by Programs and Services

- Signal Shop
- Paint Shop
- Crossing Guard
- Parking Policy & Programs
- Sign Shop
- Transportation Engineering Operations
- Livable Streets
- Transit Engineering
- Temporay Sign Shop
- Tow
- Red Light Camera
- Shared Spaces
- Planning
- Special Events
- Residential Parking Permits



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Streets Operating Program & Services

Constituent Services	Safety	Maintenance
Tow*	Transportation Engineering Operations	Paint Shop
Parking Policy & Programs	Transit Engineering	Sign Shop
Planning	Bicycle and Pedestrian Infrastructure	Traffic Signal Shop
Special Events Street Closures*	School Crossing Guard	Meter Shop
Shared Spaces*	Parking Enforcement	
Garage Security and Janitorial Services	Red Light Camera*	
Parking Garages		
Residential Parking Permits*		
Temporary Signs*		

*Fee for services program

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Approach To Service Cut Scenarios

1. Is the service bringing revenue to the agency?
2. Is the service user funded? Are aspects of the service subsidized?
3. Is it required to keep the city moving safely?
4. Balancing the need to continue to provide constituent services and maintain safety and state of good repair.



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Not for Cut Consideration -- Revenue Generating Activities



- Parking Garages & Lots
- Parking Enforcement
- Meter Shop



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Not for Cut Consideration – Activities That Are Fully User Funded



- Residential Parking Permits
- Red Light Camera
- Temporary Sign



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Streets Programs & Services for Cut Consideration

Constituent Services	Safety	Maintenance
Tow*	Transportation Engineering Operations	Paint Shop
Parking Policy & Programs	Transit Engineering	Sign Shop
Planning	Bicycle and Pedestrian Infrastructure	Traffic Signal Shop
Special Events Street Closures*	School Crossing Guard	Meter Shop
Shared Spaces*	Parking Enforcement	
Garage Security and Janitorial Services	Red Light Camera*	
Parking Garages		
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Streets Division Constituent Services Cut Scenarios

Tow Service Desk



- Provides customer service at 7th St. tow yard and Bayshore Blvd's long term storage lot for owners to reclaim their vehicles.
- Program total cost is \$1,331,000
- Cuts would:
 - Reduce the current 24/7 customer service hours to Mon to Fri, 8am-4pm
 - Eliminate the 4pm-8am shifts
 - Eliminate all weekend hours

Cut	\$665,000
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Garage Security & Janitorial Services



- Parking Garages are routinely patrolled by security and cleaned.
- Program total cost is \$2,750,000
- Cuts would:
 - Eliminate 100% of security services to parking garages and off-street lots.
 - Eliminate 75% of janitorial and custodian services.
 - Would no longer meet Local Business Enterprise (LBE) requirements



Cut	\$2,062,500
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Parking Policy and Programs



- Parking Policy and Programs plans and responds to requests for parking and loading changes, residential permit parking; managing the on-street car-share program; managing parking meters; and managing data feeds for parking enforcement
- Program total cost is \$2,289,000
- Cuts would:
 - Reduce services by 50%
 - Delay parking and loading request response time
 - Stop managing car share
 - Reduce neighborhood wide parking planning

Cut	\$1,145,000
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Shared Spaces



- Shared Spaces Program allows merchants and community groups to use sidewalks, full or partial streets for neighborhood, commercial and retail activities.
- Interdepartmental program with permit fee revenue split between Public Works and SFMTA
- Total program cost is \$1,351,000
- Cuts would:
 - Reduce program to full fee recovery budget of \$615,000
 - Eliminate new Shared Spaces parklets
 - Decrease parklet state of repair
 - Extend date by which all parklets in pipeline are permitted from 1 to 2 years.
 - No more Shared Roadway Spaces

Cut	\$736,000
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Special Events Street Closures



- Special Events supports approx. 600 street closures annually for events.
- Cuts would:
 - Eliminate Sunday Streets subsidy
 - Explore eliminating the Fee Waiver Program ie. Night Markets, Castro St. Fair, Front St. Halloween

Cut (Sunday Streets)	\$70,000
Fee Waiver Program Revenue (if free events not canceled)	\$1,300,000
Net Savings	\$1,370,000

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Planning



- Planning provides transportation planning for long range plans and policy, multi-modal community planning, development and transportation integration, and environmental review.
- Program total cost is \$1,168,000
- Cuts would:
 - Reduce services by 50%
 - Eliminate core SFMTA coordination work to advance safety and climate adaptation projects
 - Eliminate Autonomous Vehicle Policy work
 - Not to advanced planning, such as Biking and Rolling.



Cut **\$584,000**

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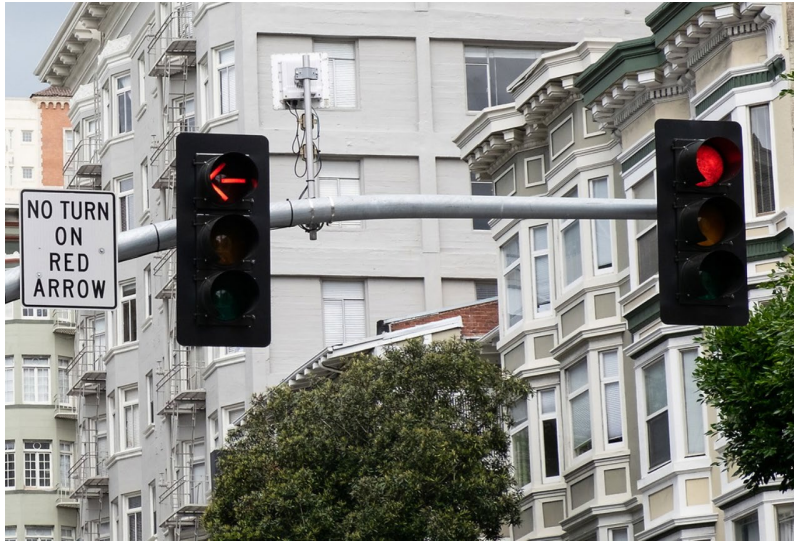


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Streets Division Safety Cut Scenarios

Transportation Engineering



- Transportation Engineering Operations evaluates requests for changes to traffic control devices, assists the City in litigation involving street conditions, updates speed limits, and conducts rapid response investigations following fatal and severe injury collisions.
- Program total cost is \$2,903,000
- Cuts would:
 - Reduce services by 25%
 - Eliminate response to approximately 250 of the 1,000 public engineering requests handled each year.
 - Eliminate proactive analysis and review of street safety and circulation problems

Cut	\$726,000
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Transit Engineering



- Transit Engineering focuses on making Muni trips faster, safer and more reliable.
- Program total cost is \$2,060,000
- Cuts would:
 - Reduce services by 50%
 - Discontinue proactive traffic engineering for transit safety and operations
 - Eliminate transit signal priority
 - Eliminate emergency vehicle preemption
 - Worsen transit service quality

Cut	\$1,030,000
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School Crossing Guards



School Crossing Guard Program assists children in arriving and departing safely each day serving 97 schools.

- Program total cost is \$4,151,000
- Cuts would:
 - Reduce services by 100%
 - Eliminate crossing guards at all schools



Cut	\$4,151,000
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Bicycle and Pedestrian Infrastructure and Vision Zero



- Livable Streets leads projects that focus on creating safe and inviting streets for all who bike and walk.
- Program total cost is \$2,198,000
- Cuts would:
 - Reduce services by 50% in Slow Streets, Bike Share and Traffic Calming
 - Significantly reduce Vision Zero work i.e., reducing speeds, High Injury Network safety improvements and daylighting
 - Reduce grant funds

Cut	\$1,099,000
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San Francisco Municipal Transportation Agency
Streets Division Maintenance Cut Scenarios

Traffic Signal Shop



Signal Shop modifies and maintains over 1,200 traffic signals, signal communication systems, and related signal field hardware, programs complex signal timing plans and implements new signal technology and equipment.

- Program total cost is \$6,361,206
- Cuts would:
 - Reduce services by 25%
 - Require placing some signals on permanent flash
 - Remove some signals
 - Remove complexity from signals such as Transit Signal Priority, vehicle detection and back up systems
 - Cancel optional signal retiming changes



Cut	\$1,590,000
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Sign Shop

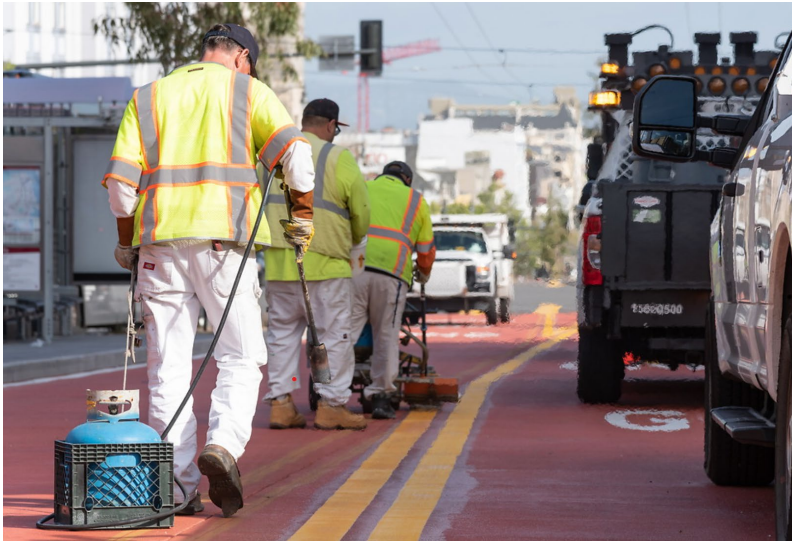


- Sign Shop installs, modifies and maintains over 200,000 traffic and parking signs annually.
- Program total cost is \$3,495,000
- Cuts would:
 - Reduce services by 25%
 - Reduce sign upgrade and preventive maintenance work ie. stop signs, warning signs, regulatory signs, parking signs, school signs, and plastic poles.
 - Delay Vision Zero quick-builds, and rapid response
 - Increase backlog of engineering and public requests
 - Increase safety concerns due to faded, damaged or missing signs

Cut	\$874,000
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Paint Shop



- Paint Shop Installs, modifies, and maintains 700 miles of lane lines, crosswalks, bike lanes, and bus only lanes, as well as all pavement messages and color curb zones.
- Program total cost is \$4,628,000
- Cuts would:
 - Reduce services by 25%
 - Decrease maintenance of pavement marking i.e., lane lines, crosswalks, and color curbs.
 - Increase backlog of public requests not addressed.
 - Increase graffiti on streets and sidewalks.
 - Increase safety concerns due to faded, damaged or missing striping

Cut	\$1,157,000
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Summary of Streets Cut Scenarios

Category	Program Cost	Cut	Percentage Cut
Constituent Services	\$8,889,000	\$6,562,500	74%
Safety	\$11,313,000	\$7,006,000	62%
Maintenance	\$14,485,000	\$3,621,000	25%
TOTAL		\$17,189,500	

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Thank you