



SFMTA

San Francisco Municipal Transportation Agency

Service Cuts Options for Discussion

Muni Funding Working Group

November 13, 2024

MFWG Service Cuts Scenarios

Service Cuts Workshop #1 – November 13, 2024

Transit Service

Subsidies:

- Reduce Subsidies for Fares
- Reduce Subsidies for Tow Fee Discounts

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.

MFWG Service Cut Scenarios

Service Cuts Workshop #1 – November 13, 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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SFMTA

San Francisco Municipal Transportation Agency

DRAFT Transit Service Cut Scenarios

Muni Funding Working Group

Julie Kirschbaum

November 13, 2024

Transit Service Cut Scenarios

Up to \$181 million in savings

Agency Values Prioritized

1. **Equity:** Maintain equity routes/neighborhood connections
2. **Environmental Stewardship:** Preserve high frequency corridor service
3. **Economic Vitality:** Support economic recovery

Service Cut Category	Description	Estimate Net Savings (millions)
Suspend Lower Utilized Routes	Suspend routes with parallel service and low ridership routes without parallel service	\$63
Reduce frequencies up to 50%	Decrease frequency on the most frequent, highest ridership routes	\$71
Suspend Historic Train and Cable Car Service	Suspend all historic service including F line and cable car service	\$33
Owl Service Only from 9pm-6am	Suspend all service at 9pm and replace with owl service from 9pm-6am	\$14

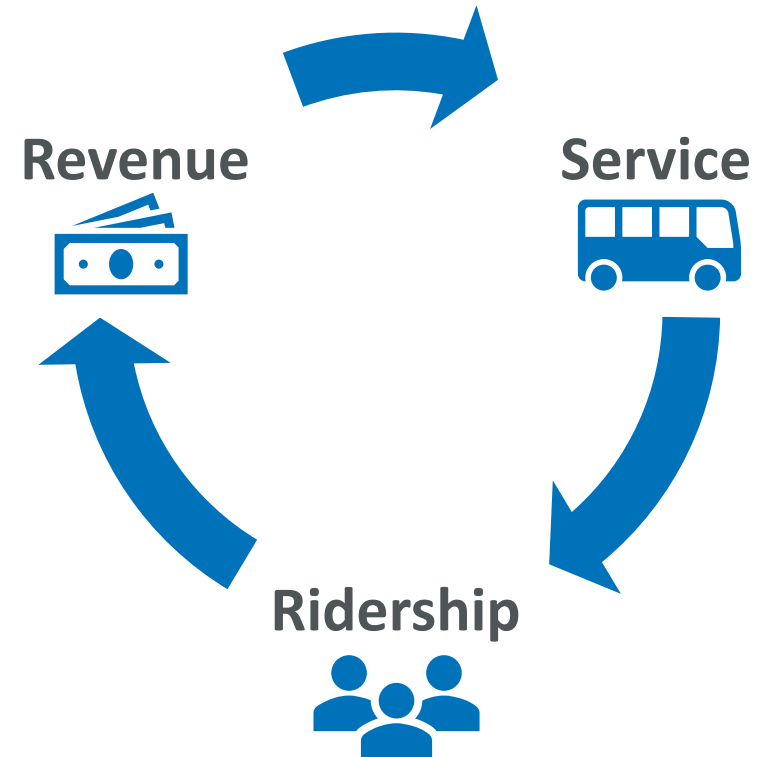
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Transit Service Cut Scenarios

Potential Revenue Losses

Service Cut Category	Estimated Savings	Estimated Revenue Loss	Net Total Savings
Suspend Lower Utilized Routes	\$65	(\$2)	\$63
Reduce frequencies up 50%	\$82	(\$11)	\$71
Suspend Historic Train and Cable Car Service	\$43	(\$10)	\$33
Owl Service Only from 9pm-6am	\$15	(\$1)	\$14

Revenue Impacts to Consider



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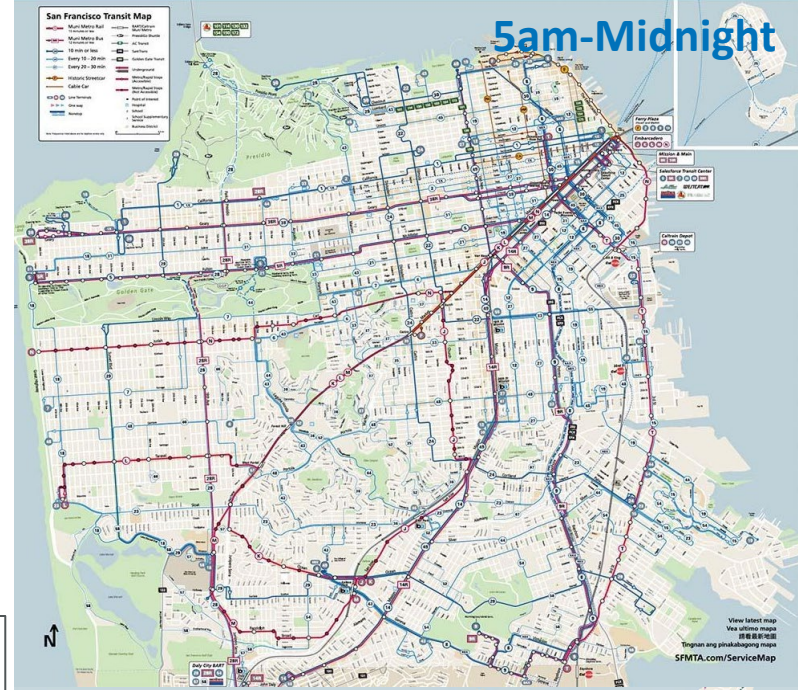
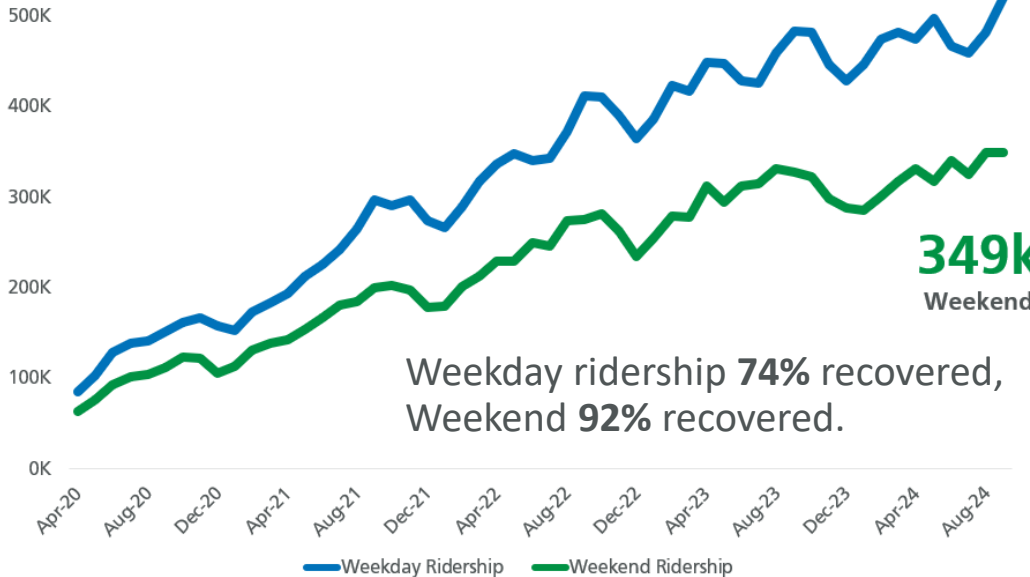
Muni Service Today

- **72 Routes** - across 5 modes
- **24/7 service** – Daytime & Owl Network
- **Over 3,000 stops** – all SF residents within ¼ mile of daytime stop, ½ mile of owl stop
- **13 Subway Stations** – 2 subways

September 2024 Boardings

Cable Car and Streetcar not included

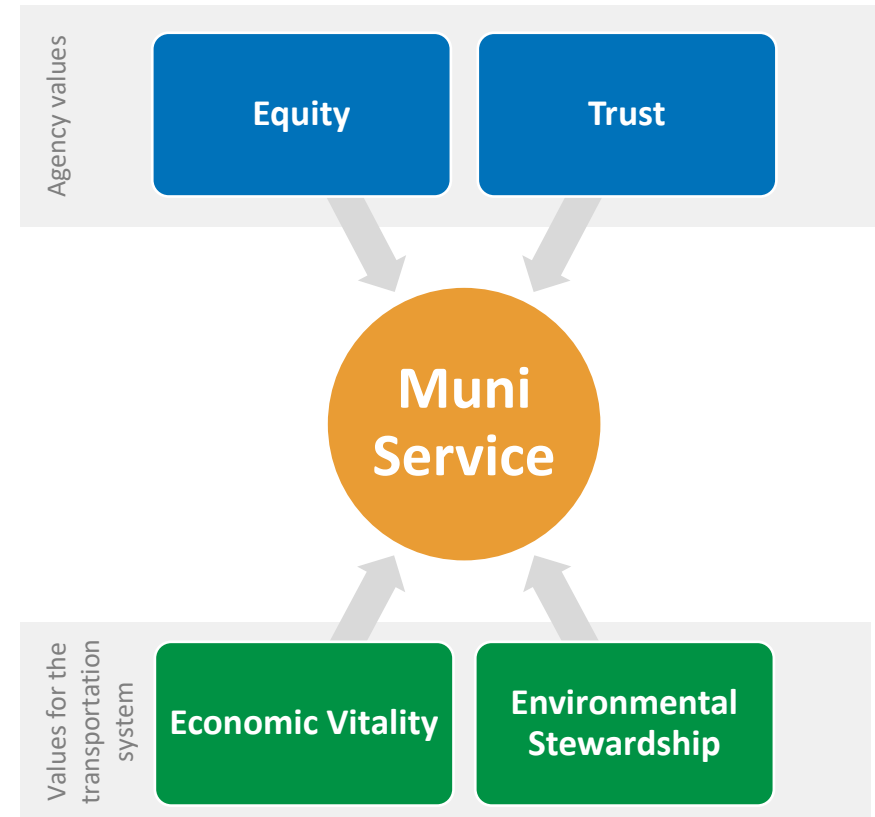
Average Daily Boardings



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Current Muni Service Decision-Making Criteria

- Resource neutral changes
- Neighborhoods identified by the Muni Service Equity Strategy
- Ridership demand (crowding) and frequency
- Minimum policy frequencies
- Access for people with disabilities and seniors
- Support economic recovery



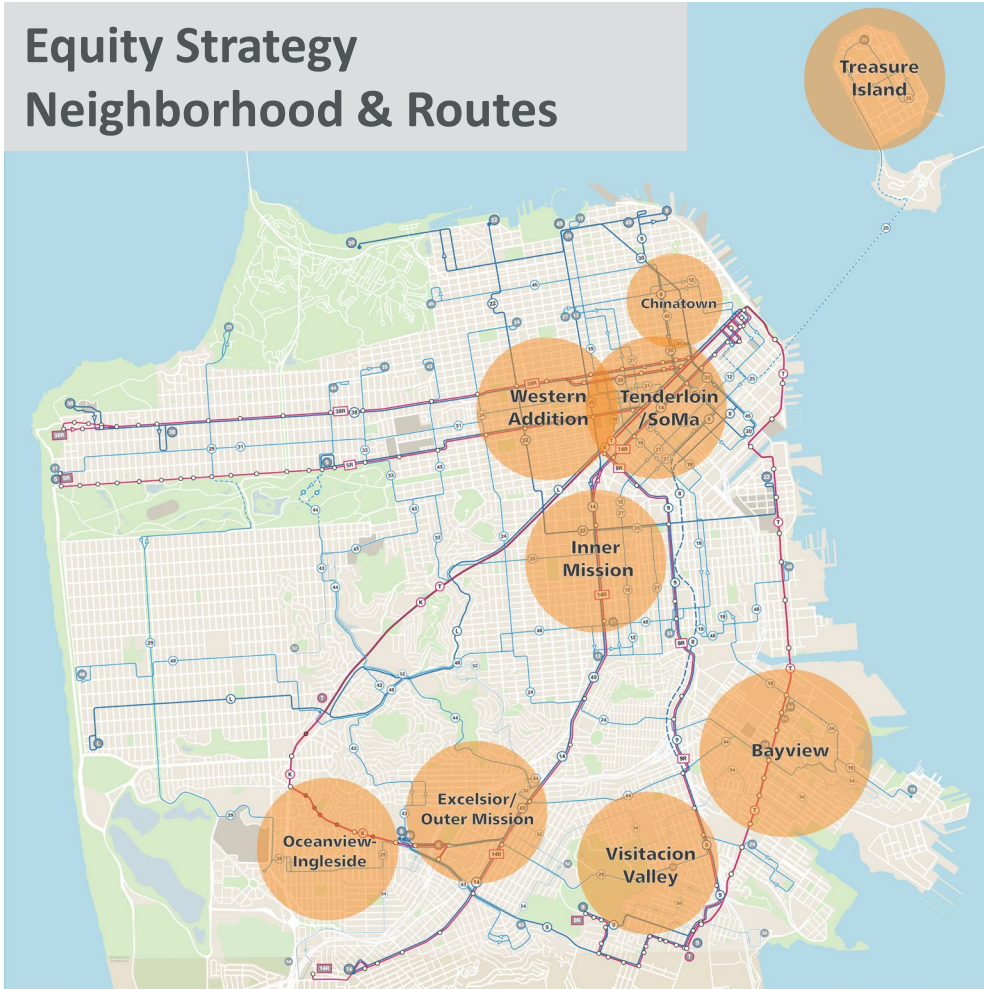
Muni service criteria based on agency values

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Muni Equity Strategy

Goal: Muni Service is the same or better on equity routes...

Equity Strategy
Neighborhood & Routes



Muni Ridership
Demographics*

**preliminary data from 2024 Muni On-Board Survey*

70%

People of Color

38%

Live in Low-Income

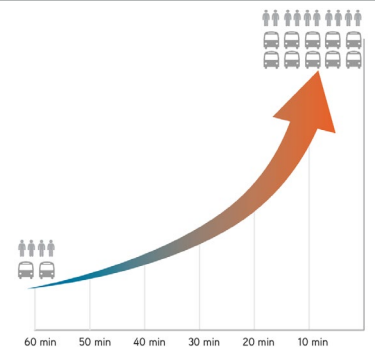
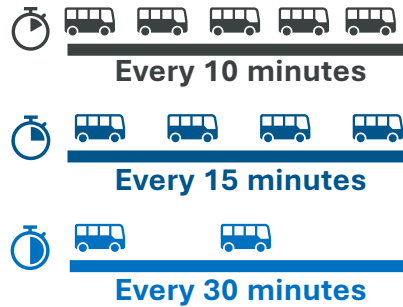
Households *(based on 200% Federal Poverty Level)*

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Service Decisions That Affect Cost

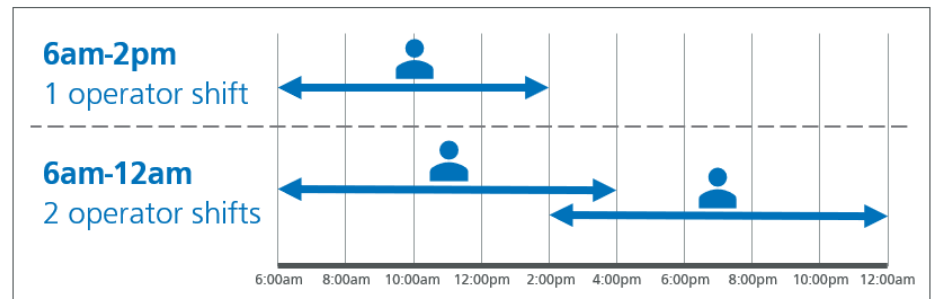
Frequency

- How frequent a bus arrives at a stop
- **More Frequency = More \$\$\$**



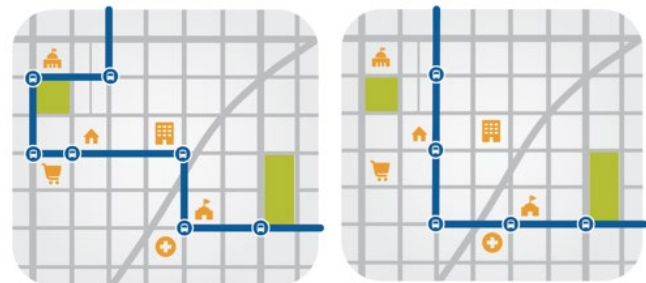
Time Span

- What hour the service starts and stops
- **Longer Time Spans = More \$\$\$**



Route Design

- Where the route goes and stops
- **More Coverage = More \$\$\$**



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Cost Neutral Changes

Example: 24 Divisadero

Inbound, AM Peak 7-8am

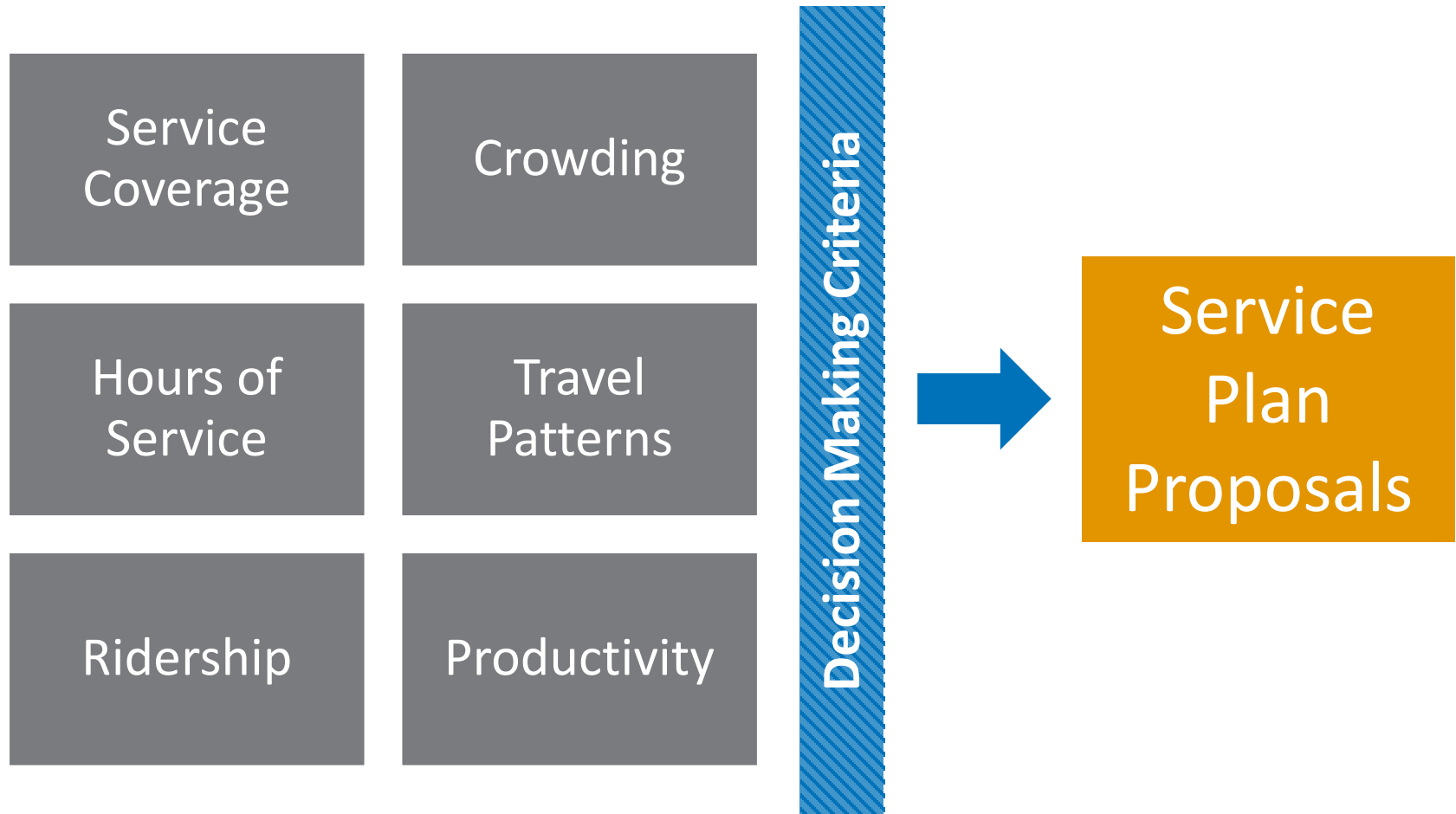
Time Period	Fall 2023 <i>(September - October)</i>		Winter 2024 <i>(January 20 – February 17)</i>	
	Headway	% of Trips Over Capacity	Headway	% of Trips Over Capacity
7:00-7:15 am	15	53%	9	0%
7:15-7:30 am	10.5	35%	9	15%
7:30-7:45 am	10	49%	9	30%
7:45-8:00 am	10	16%	9	18%

Schedule Changes

- Increased peak frequencies from 10 to 9 mins
- Started peak frequencies 30 mins earlier at 6:45am

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Balancing Where and How to Spend Resources



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Service Cut Scenario Category: Suspend Lower Utilized Routes

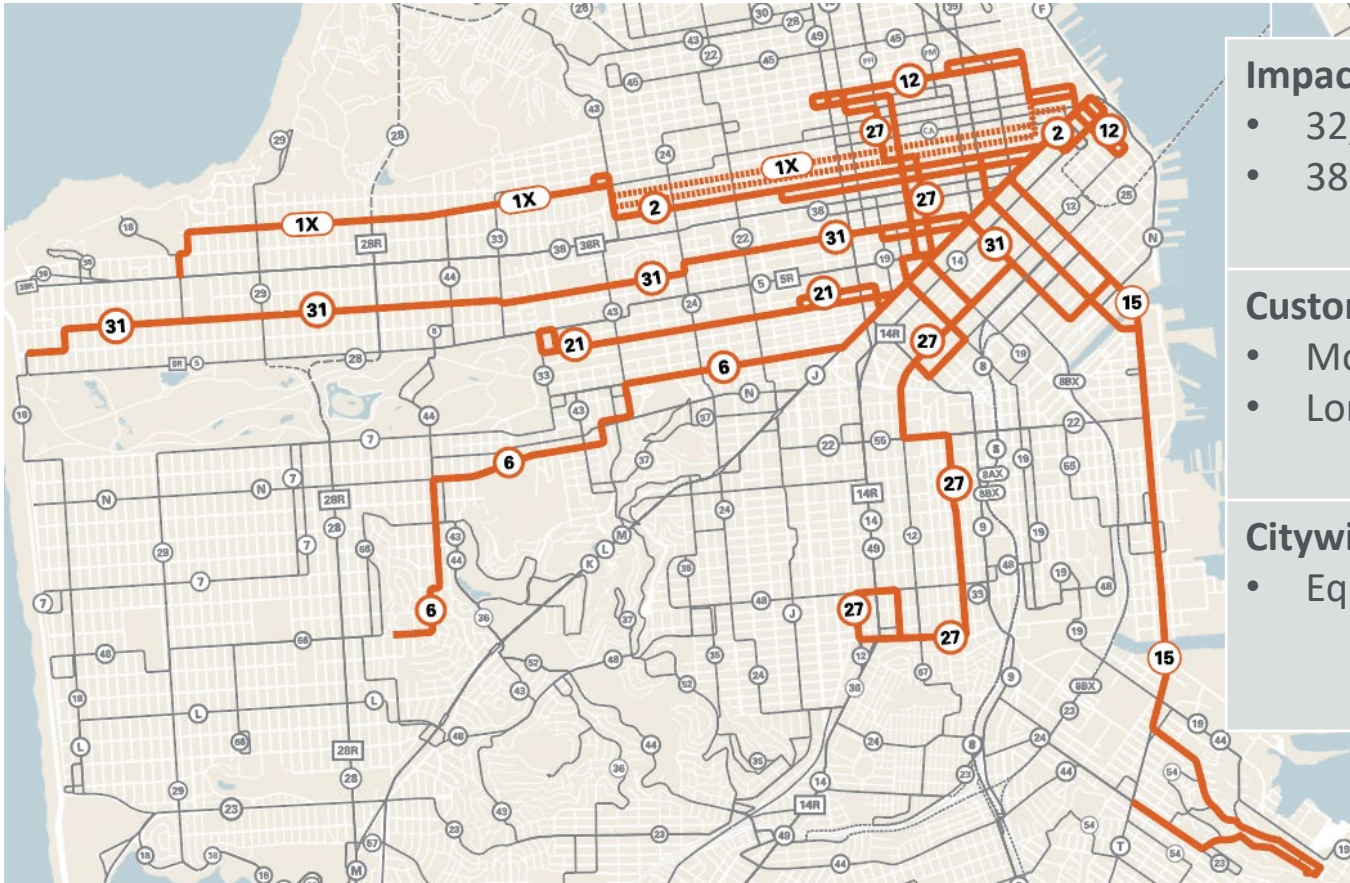
- Suspend routes with parallel service and low ridership routes without
- Up to 20 route suspensions, **8 equity routes**
- **Estimated Total Savings \$63 million**

Change	Details	Estimated Net Savings (millions)
Suspend Routes with Parallel Service	Up to 8 Grid/Commuter routes parallel to higher frequency routes <ul style="list-style-type: none"> • 1X, 2, 6, 12 Short, 15, 21, 27, 31 	\$32
Suspend Routes without Parallel Service	Up to 12 Connector and Grid routes through hilly neighborhoods <ul style="list-style-type: none"> • 18, 23, 33, 35, 36, 37, 39, 55, 57, 58, 66, 67 	\$31

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Service Cut Scenario Category: Suspend Lower Utilized Routes

With Parallel Service



Impacted Populations

- 32,900 daily riders
- 387,500 residents

Customer Experience

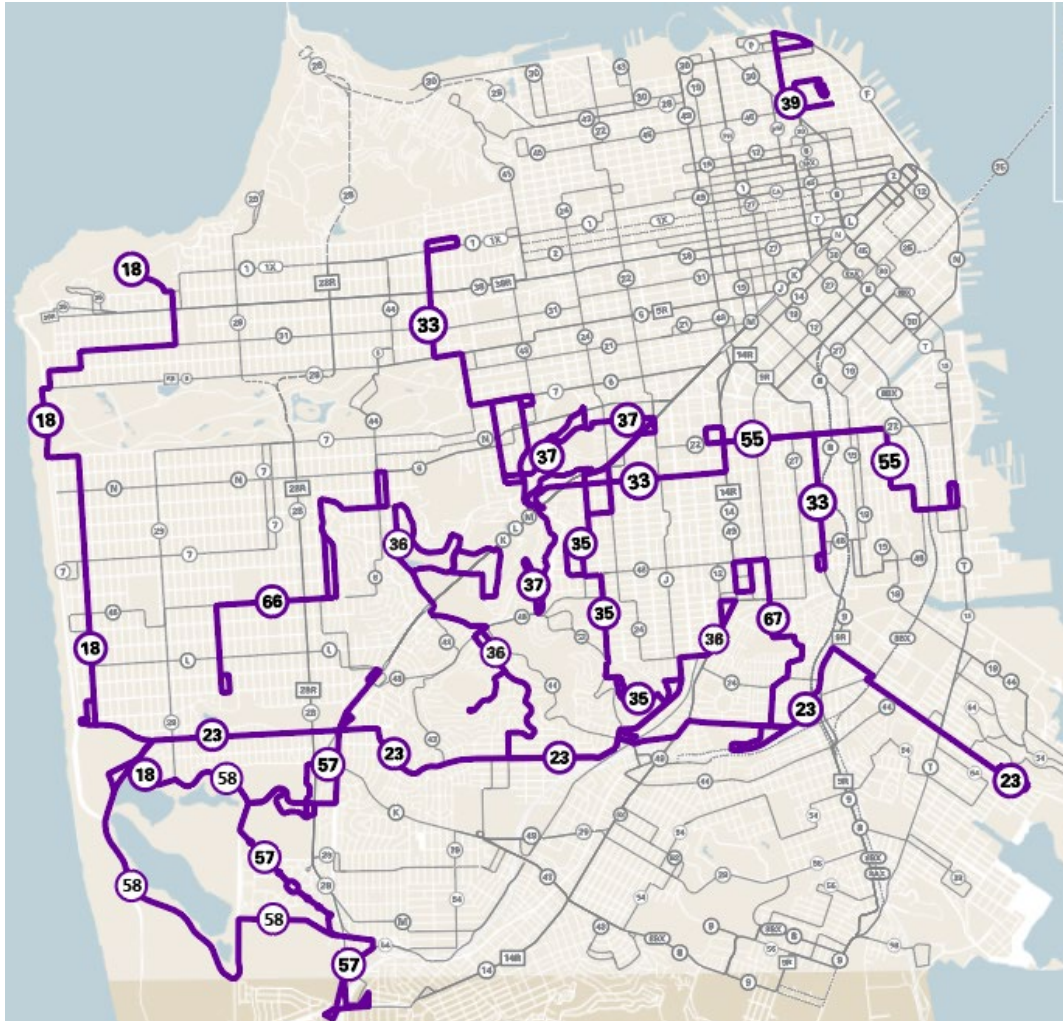
- More crowded buses
- Longer walks to bus stops

Citywide Policy Impacts

- Equity

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Service Cut Scenario Category: Suspend Lower Utilized Routes



Without Parallel Service

Impacted Populations

- 18,100 daily riders
- 303,400 residents

Customer Experience

- Longer and more steep walks to bus stops
- Some customers isolated from transit

Citywide Policy Impacts

- Equity

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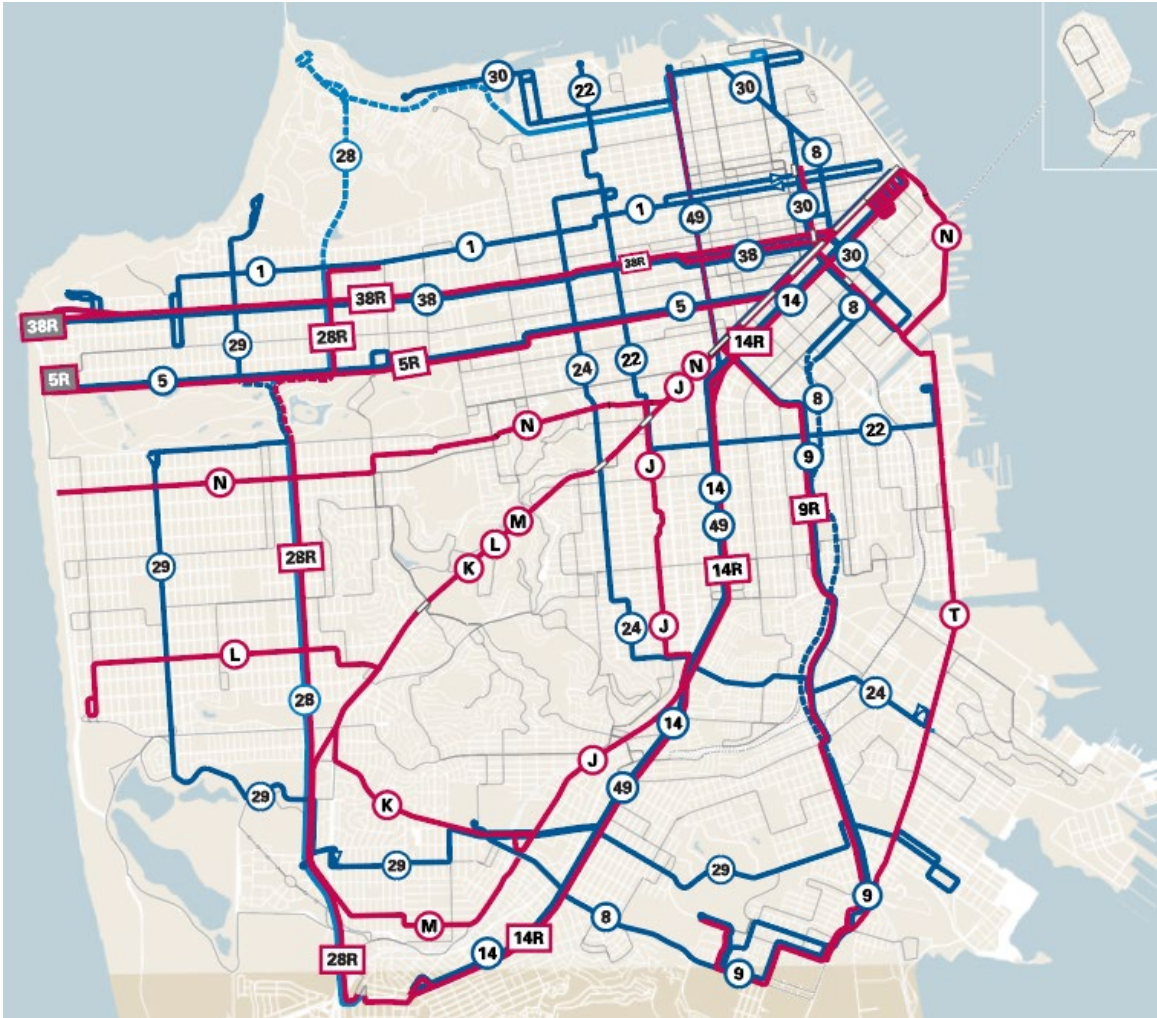
Service Cut Scenario Category: Reduce Frequency up to 50%

- Decrease frequency on the most frequent, highest ridership routes
- Up to 23 route frequency changes, **18 equity routes**
- **Estimated Net Total Savings \$71 million**

Change	Details	Estimated Net Savings (millions)
Reduce on Bus Routes	Shift from a bus every 5-6 min to every 10 min <ul style="list-style-type: none"> • Impacted Routes: 1, 5/5R, 8, 9/9R, 14/14R, 22, 24, 28/28R, 29, 30, 38/38R, 49 	\$71
Reduce on Metro Routes	Shift from a train every 10-15 min to every 12-20 min <ul style="list-style-type: none"> • Impacted Routes: J, K, L, M, N, T 	

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Service Cut Scenario Category: Reduce Frequency up to 50%



Impacted Populations

- 385,000 daily riders
- 713,100 residents

Customer Experience

- Longer wait times
- More crowded buses
- Increased pass-ups

Citywide Policy Impacts

- Equity
- Economic Vitality
- Environmental Stewardship

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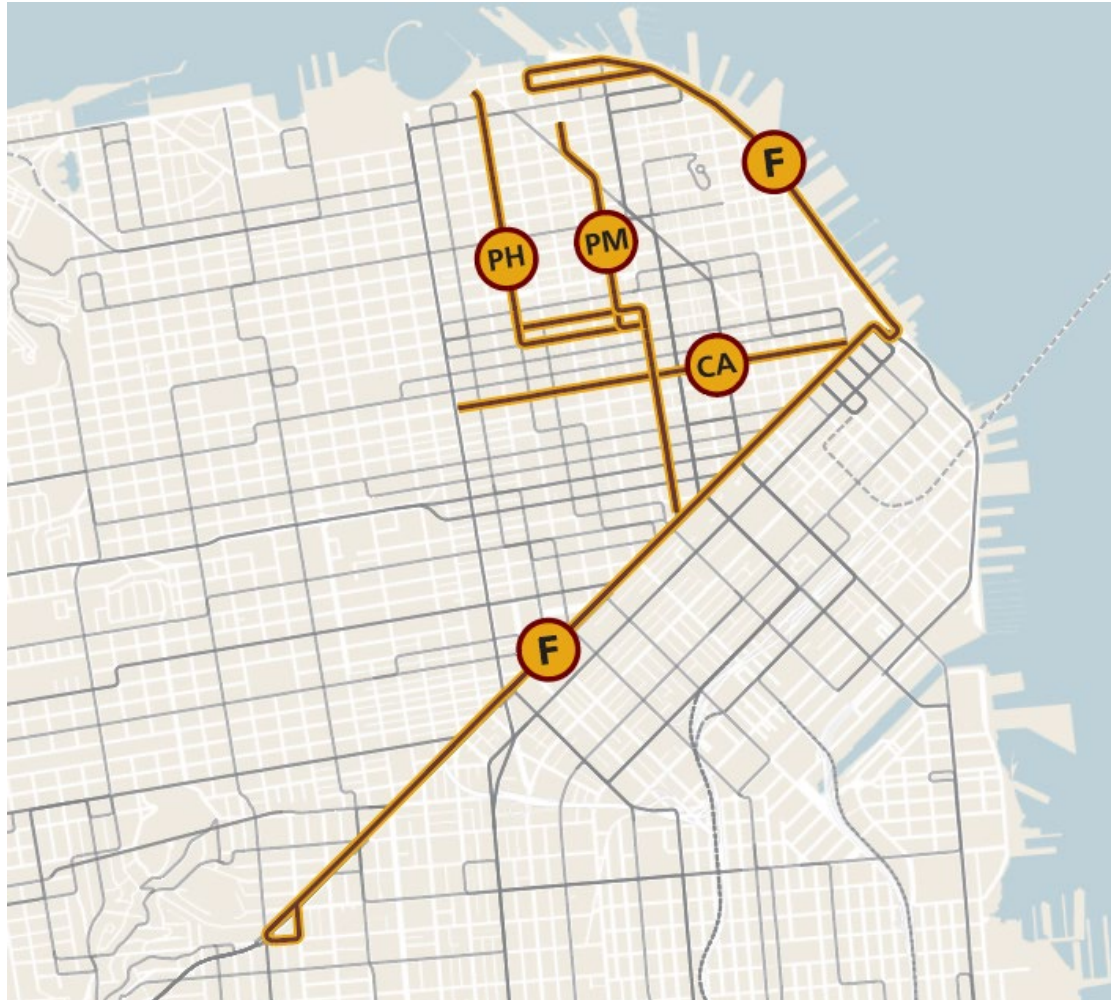
Service Cuts Category: Suspend Historic Train & Cable Car Service

- Suspend all historic service including F line and cable car service
- 4 routes impacted, 0 equity routes
- **Estimated Net Total Savings \$33 million**

Service Cuts Category	Details	Estimated Savings (millions)
Suspend Historic Service	Suspend 4 historic service routes <ul style="list-style-type: none">• California, Powell Mason, Powell Hyde Cable Car lines• F Market Street Car lines	\$33

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Service Cut Scenarios Category: Suspend Historic Train & Cable Car Service



Impacted Populations

- 22,998 daily riders
- 128,800 residents

Customer Experience

- Suspends tourist attraction that supports local businesses and economy

Citywide Policy Impacts

- Economic Vitality, specifically downtown and tourism recovery perception

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Service Cut Scenarios Category: Owl Service Only from 9pm-6am

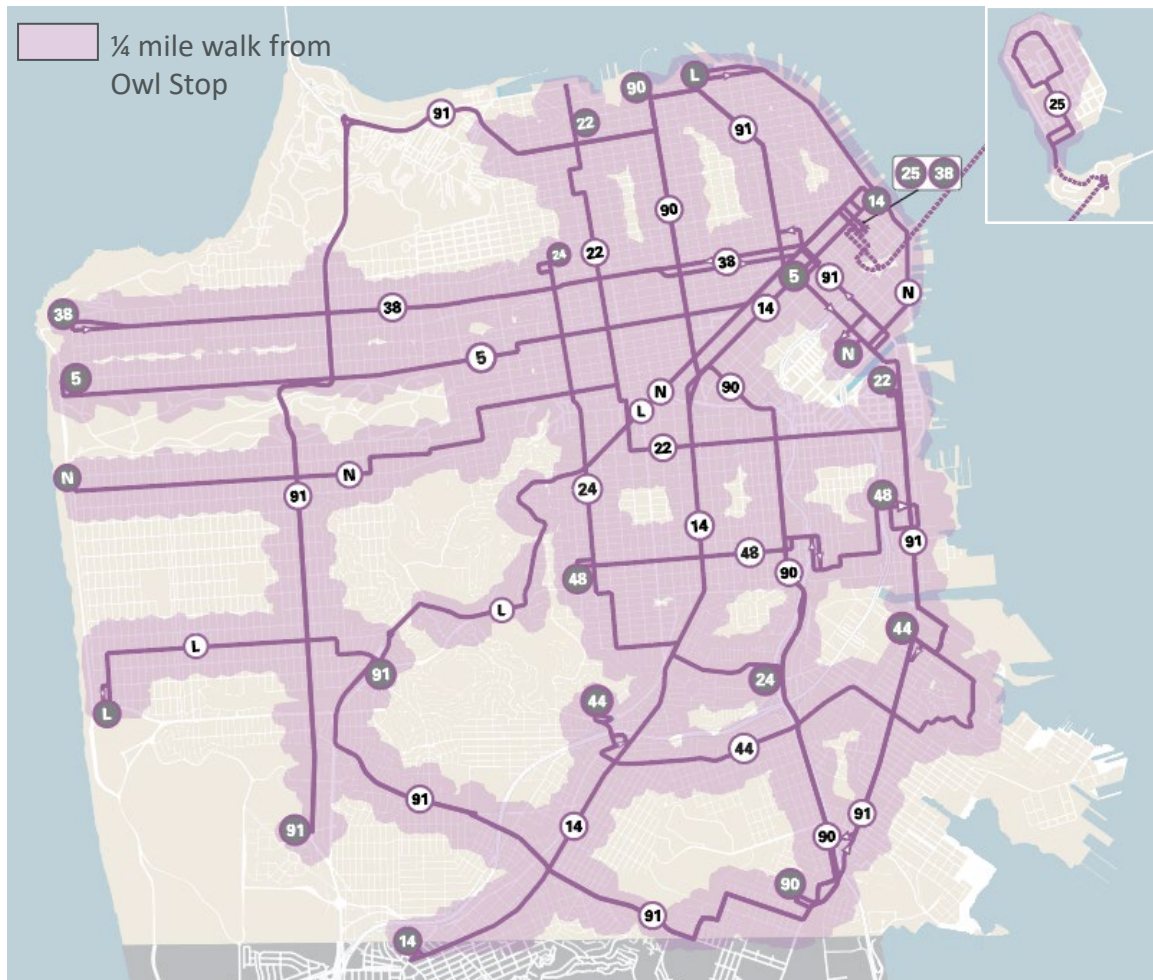
- Suspend all service at 9pm and replace with owl service from 9pm-6am
- Up to 28 daytime routes impacted,* 18 equity routes
- **Estimated Net Total Savings \$14 million**

**does not include routes covered by Owl Network*

Service Cuts Category	Details	Estimated Savings (millions)
Owl Service from 9pm-6am	Start Owl Service at 9pm until 6am instead of 12am until 5am <ul style="list-style-type: none"> • Impacted routes: 1, 6, 7, 8, 12, 18, 19, 21, 23, 27, 29, 31, 33, 35, 36, 37, 43, 45, 52, 54, 55, 56, 57, 58, 66, 67, J, M 	\$14

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Service Cut Scenario Category: Owl Service from 9pm-6am



Impacted Populations

- 21,000 daily riders*
- 806,900 residents

Customer Experience

- Longer wait times
- Longer walks to bus stops at night
- Late evening jobs less accessible
- Discourages transit during late evening hours

Citywide Policy Impacts

- Equity
- Economic Vitality

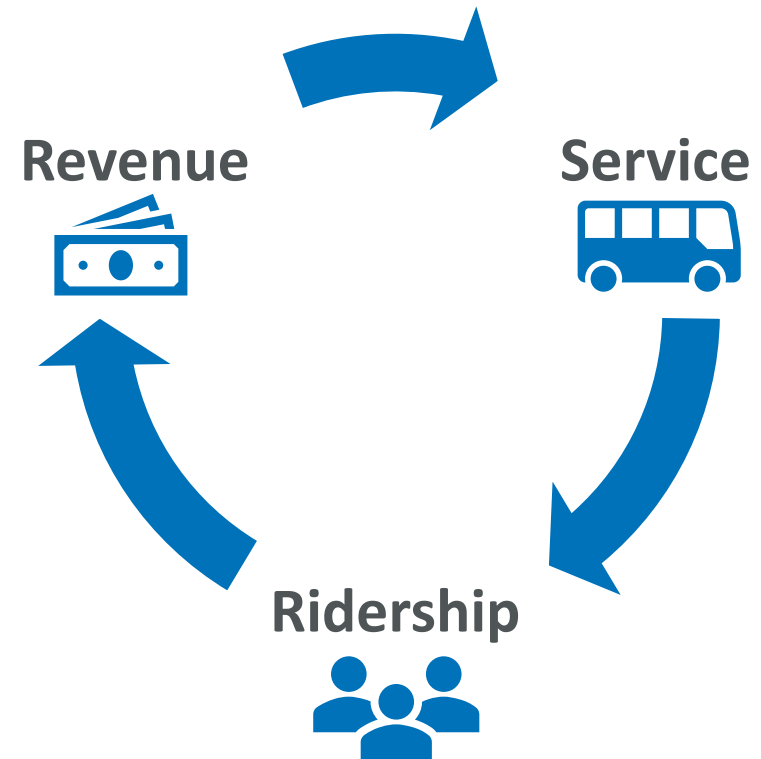
**estimated boardings between 9pm and 12am*

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Recovery Outlook

To consider if service cuts are made...

- **Citywide Perception** - Drastically slows both actual and perceived economic recovery
- **Customer Satisfaction** - Will take time and effort to get riders back on Muni
- **Operator Hiring** - Takes time to catch-up with hiring and training (6 month pause takes 18 months to recover)
- **Infrastructure & Equipment** - Suspending use of track, overhead and vehicles may never return to its current state of good repair



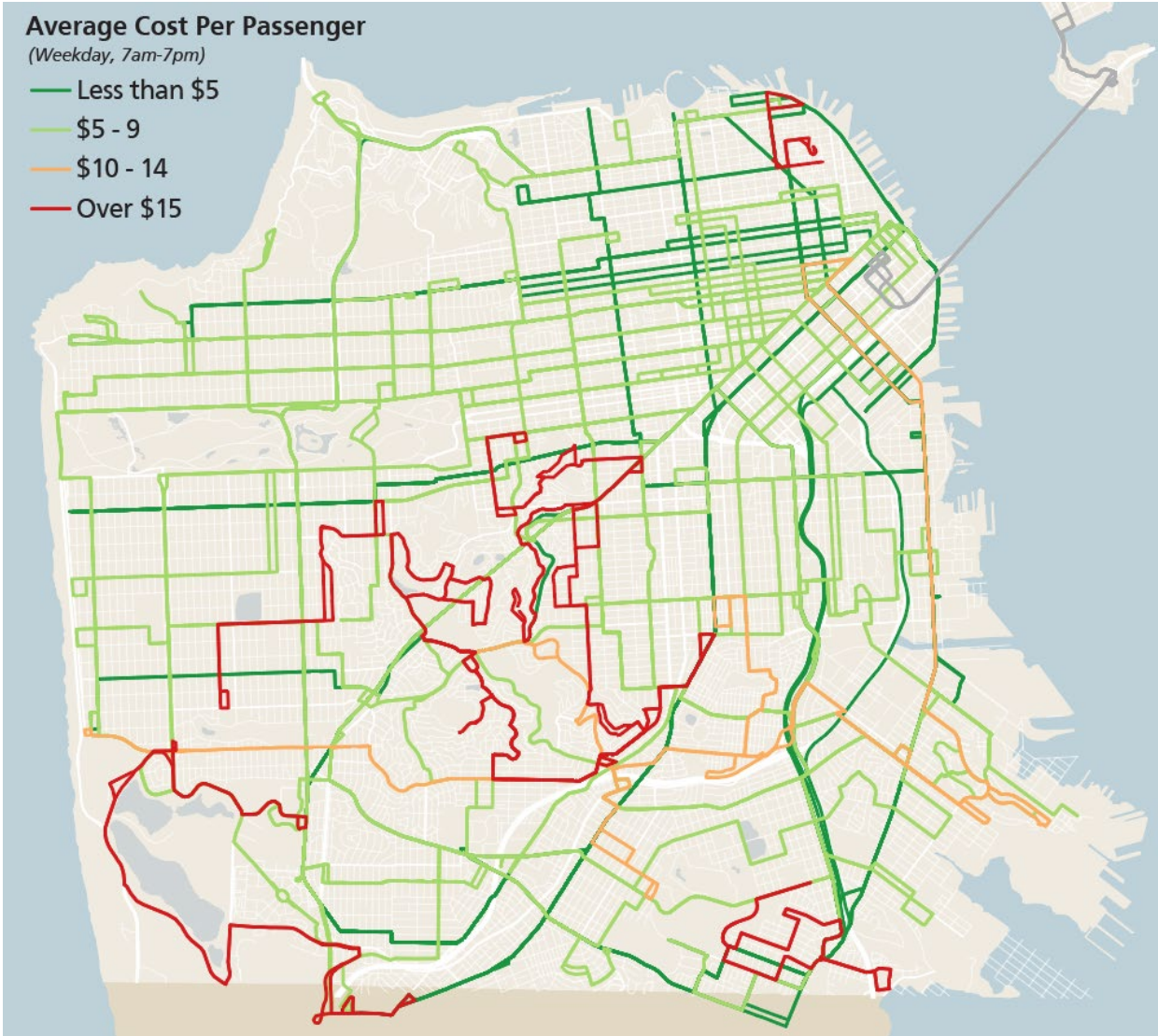
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Transit Service Cut Scenarios: Financial Impact

Financial impact	
Source	Decreases expenditures
Is this scalable?	Yes, scalable
Projected annual deficit reduction	Up to \$200 million
Other?	<ul style="list-style-type: none">• Degradation of Citywide Perception and Customer Satisfaction, Operator Hiring Impacts, State of Good Repair of Infrastructure & Equipment• Lost revenue and capital funds

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Cost Per Rider



Under \$5

49	VAN NESS-MISSION
14	MISSION
N	JUDAH
M	M OCEAN VIEW
38R	GEARY RAPID
22	FILLMORE
30	STOCKTON
8	BAYSHORE
14R	MISSION RAPID
1	CALIFORNIA
45	UNION-STOCKTON
8BX	BAYSHORE B EXPRESS
T	THIRD
K	INGLESIDE
5R	FULTON RAPID

Over \$15

35	EUREKA
36	TERESITA
37	CORBETT
56	RUTLAND
66	QUINTARA
58	LAKE MERCED
39	COIT

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Transit Service Cut Scenarios: Community Impact



Communities impacted

Muni riders, equity priority communities, seniors and people with disabilities, youth.

*Impacted Riders**

- 70% are people of color
- 38% live in low-income households
- 5% are seniors
- 5% are people with disabilities

Magnitude of impact

100,000s of people per day

Alignment with SFMTA values

Detracts from SFMTA values of equity, economic vitality of the city, environmental stewardship

**preliminary data from 2024 Muni On-Board Survey*

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Transit Service Cut Scenarios: Implementation landscape

Implementation considerations	
Benefits	Decrease expenditures, potential revenue losses
Challenges	Ridership in September 2024 was the highest it's been since the start of the pandemic. Service cuts will not meet riders needs and will draw potential riders away from transit.
Likely supporters	No supporters 😞
Likely opponents	Muni Riders, Transit, Social Justice and Environmental Advocates, Neighborhood Associations
Political considerations	Systemwide impacts vs specific groups of vulnerable users
Implementation requirements	SFMTA Board approval of FTA mandated Title VI Service Equity Analysis. Board of Supervisor approval for permanent route abandonments. CEQA review.
Earliest possible start date	TBD
Other	Facility closures would require more planning for facility shutdown and staffing

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San Francisco Municipal Transportation Agency

Scenarios That Reduce Subsidies for Fares

Muni Funding Working Group

Diana Hammons

November 13, 2024

Scenarios That Reduce Muni Fare Subsidies for People with Low and Moderate Incomes

- SFMTA currently offers free and reduced transit fares for:
 - People experiencing homelessness
 - People with low incomes
 - Seniors
 - Youth
 - People with disabilities
- The total value of these subsidies is approximately \$18 million per year
- Eligibility and subsidy level for some programs is inconsistent.

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Program Summary

Program	Eligibility	Eligible Income	Subsidy (\$M)	Current Fare
Free Muni for Seniors/People with Disabilities	<ul style="list-style-type: none"> 100% Bay Area Median Income Limited to SF residents 	\$149,850	7.3	Free
Free Muni for Youth	<ul style="list-style-type: none"> All youth 18 years of age and under Residency not required 	NA	4.5	Free
Lifeline	<ul style="list-style-type: none"> 200% Federal Poverty Level Residency not required 	\$62,400	3.8	\$40.00 Monthly Pass
Clipper START*	<ul style="list-style-type: none"> 200% Federal Poverty Level Residency not required 	\$62,400	0.8*	\$1.25 Single Ride
Access Pass	<ul style="list-style-type: none"> Adults experiencing homelessness 	NA	2.0	Free
TOTAL			18.4	

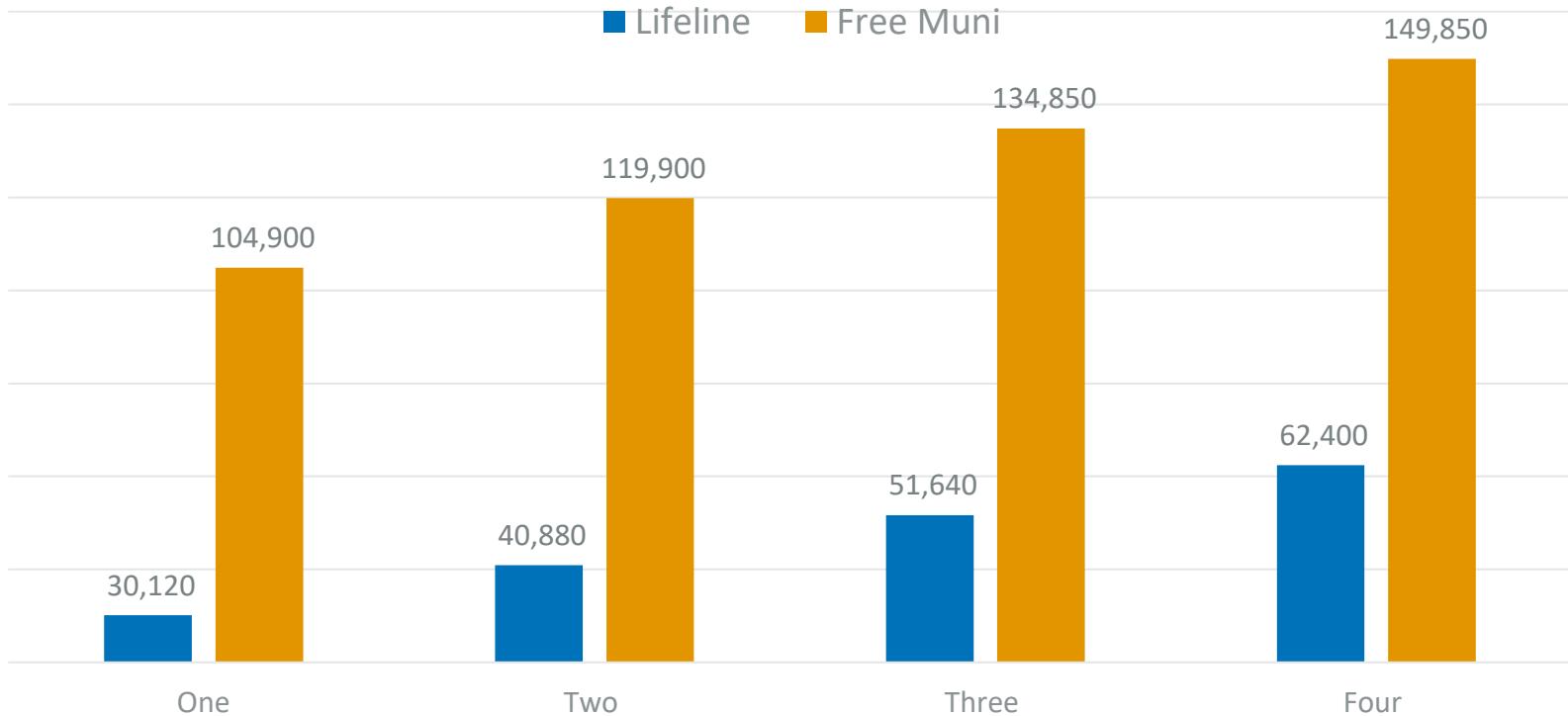
*Estimated additional revenue recovered. Income eligibility for four-person household.

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Income Eligibility by Program

4 person households with \$149,850 income ride free, while 4 person households with \$62,400 pay 50% of full fare.

Income Limit by Household Size



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Financial Impact

Reducing subsidy for Free Muni for Seniors/People with Disabilities and Free Muni for Youth programs would increase equity and establish consistency Lifeline and Clipper START subsidy levels.

Financial impact	
Source	Increases revenue
Is this scalable?	Yes
Projected annual deficit reduction (\$M)	\$11.8

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Scenarios for Consideration

Program	Eligibility	Subsidy (\$M)	Current Fare	Proposed Change
Free Muni for Seniors/People with Disabilities	<ul style="list-style-type: none"> 100% Bay Area Median Income Limited to SF residents 	7.3	Free	<i>50% Discount off full fare</i>
Free Muni for Youth	<ul style="list-style-type: none"> All youth 18 years of age and under Residency not required 	4.5	Free	<i>50% Discount off full fare</i>
Lifeline	<ul style="list-style-type: none"> 200% Federal Poverty Level Residency not required 	3.8	\$40.00 Monthly pass	None
Clipper START*	<ul style="list-style-type: none"> 200% Federal Poverty Level Residency not required 	0.8*	\$1.25 Single ride	None
Access Pass	Adults experiencing homelessness	2.0	Free	None
TOTAL		18.4		11.8*

*Estimated additional revenue recovered

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Implementation Landscape

Implementation considerations

Benefits	Increases operating revenue that can support Muni service and safe streets
Challenges	Could reduce Muni ridership if some riders can't afford the fares.
Likely supporters	Supporters of maintaining transit service and street safety levels
Likely opponents	Poverty rights groups, groups that advocate for seniors, people with disabilities, and youth, and parents of youth who take Muni
Implementation requirements	MTAB approval, submission of budget amendment to the BOS (option to reject or let go into effect)
Earliest possible start date	July 1, 2025

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San Francisco Municipal Transportation Agency

Scenarios That Reduce Subsidies for Tow Fee and Fare Discounts

Muni Funding Working Group

Rob Malone
November 13, 2024

Scenarios That Reduce Tow and Storage Fee Discount Subsidies

- The SFMTA offers several tow and storage fee waivers and discounts, including:
 - Waivers for people experiencing homelessness
 - Discounts for people with low incomes, recovered stolen vehicles, and individuals having their vehicle towed for the first time.
- The SFMTA could consider changes, including:
 - Reducing free and reduced discounts to recover, at minimum, the actual costs paid to third-party vendors for towing of vehicles.
 - Limiting the number of discounts for people with low incomes to once per year
 - Eliminating the discount for vehicles towed for the first time.

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Tow Fee and Storage Discounts – Fiscal Impact (FY24)

Total subsidies for tow and storage fee waiver discounts: \$11.4M per year.

Program	Description	Reduction	Cases (#)	Impact (\$M)
First Time	Discount for first time vehicle towed	- \$56 tow fee	16,128	\$0.9
Low-Income	\$100 tow fee and up to 15 days' storage	- \$553 tow fee - Up to \$1,142 storage	7,647	\$5.6
Stolen Vehicle	Waiver for tow fees and up to 3 days' storage	- \$657 tow fee - Up to 218 storage	1,588	\$1.4
SFPD	Tows related to crime	Varies	684	\$3.0
Homelessness	One-time tow and storage (30 days) waiver	- \$657 tow fee - Up to \$2,297 storage	348	\$0.5
			TOTAL	\$11.4

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Financial Impact

Financial impact	
Source	Increases revenue
Is this scalable?	No
Projected annual deficit reduction (\$M)	\$3.2

Program	Description	Revenue Increase (\$M)
First Time	Eliminate first time tow discount	\$0.9
Low-Income	Increase fee to \$293 to cover towing pass-through costs	\$1.5
Low-Income	Limit discount to one time per year	\$0.6
Stolen Vehicle	Increase fee to \$293 to cover towing pass-through costs (most insurances companies will reimburse depending on coverage)	\$0.2
TOTAL		\$3.2

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Community Impact



Communities impacted

Drivers who have their vehicles towed for parking violations.

Magnitude of impact

Approximately 24k of the 38k individuals who have their cars towed for parking violations or for recovered stolen vehicles would be impacted, with 8k being people with low-incomes.

Alignment with SFMTA values

Reductions in discounts would be counter to SFMTA's efforts to reduce the impacts of fees and fines on people with low incomes.

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Implementation landscape

Implementation considerations

Benefits	Increases operating revenue that can support Muni service and street improvement projects
Challenges	Political opposition from likely opponents
Likely supporters	Transit and Vision Zero advocates
Likely opponents	Coalition to End Poverty Tows and other advocacy groups opposed to fees and fines
Implementation requirements	30 days after MTAB approval
Earliest possible start date	July 1, 2025

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