



**SFMTA**

San Francisco Municipal Transportation Agency

# Muni Update Service & Priorities

TJPA Citizens Advisory Committee

July 7, 2026

# Summer Muni Service Planning

## Operational Savings

- Continued identification of schedule efficiencies that have no impact on customer experience
- Focus on Muni Metro schedules that reduce operating costs



# Summer Muni Service Changes

Effective: Saturday, June 6, 2026

## Crowding adjustments

5R Fulton Rapid  
14 Mission (Owl)

## Schedule improvements

to reduce travel times  
and improve reliability

5R Fulton Rapid  
12 Folsom  
37 Corbett  
54 Felton  
T Third

## Route and bus stop changes

to respond to operator  
feedback and improve  
the customer experience

14R Mission Rapid  
19 Polk  
28 19<sup>th</sup> Avenue  
30 Stockton  
31 Balboa  
35 Eureka  
37 Corbett  
48 Quintara/24<sup>th</sup> St  
58 Lake Merced  
91 3<sup>rd</sup> St/19<sup>th</sup> Ave Owl  
K Ingleside Bus  
L Owl





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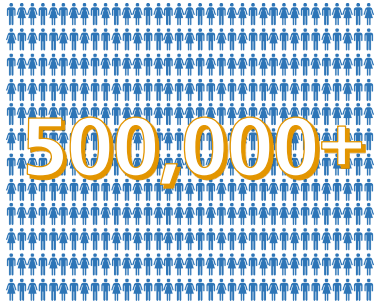
# SFMTA Budget Update

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# Muni is vital to San Francisco

Muni serves over



riders every weekday

Roughly

14,000



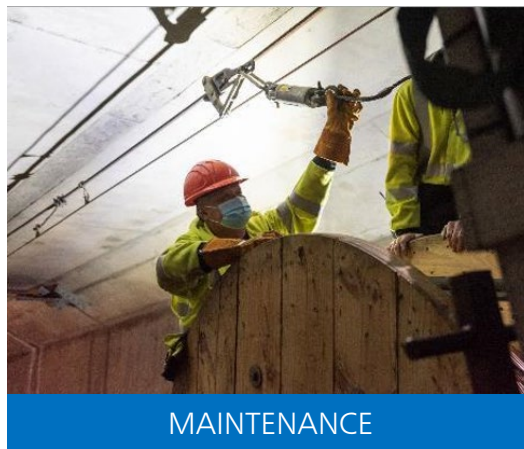
students take Muni  
to and from school

About 270,000  
people commute  
into the city for work.



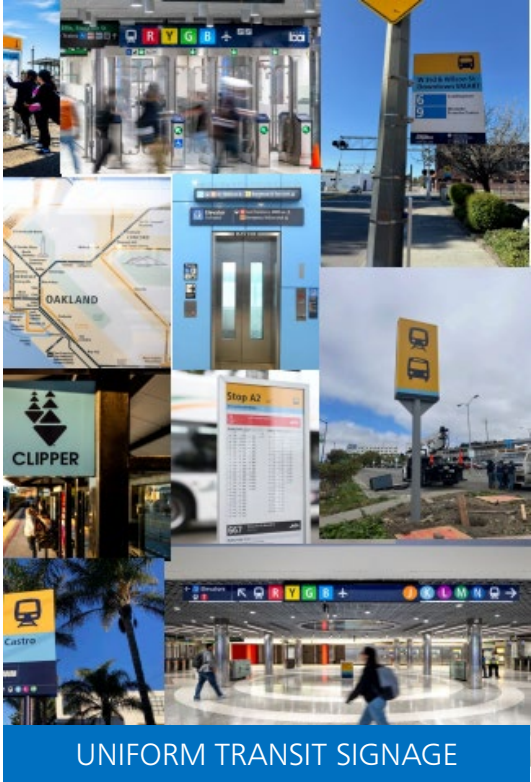
Muni accounts for  
almost **50%** of all  
transit trips within the  
nine-county Bay Area

# Investments in Muni service quality are paying off

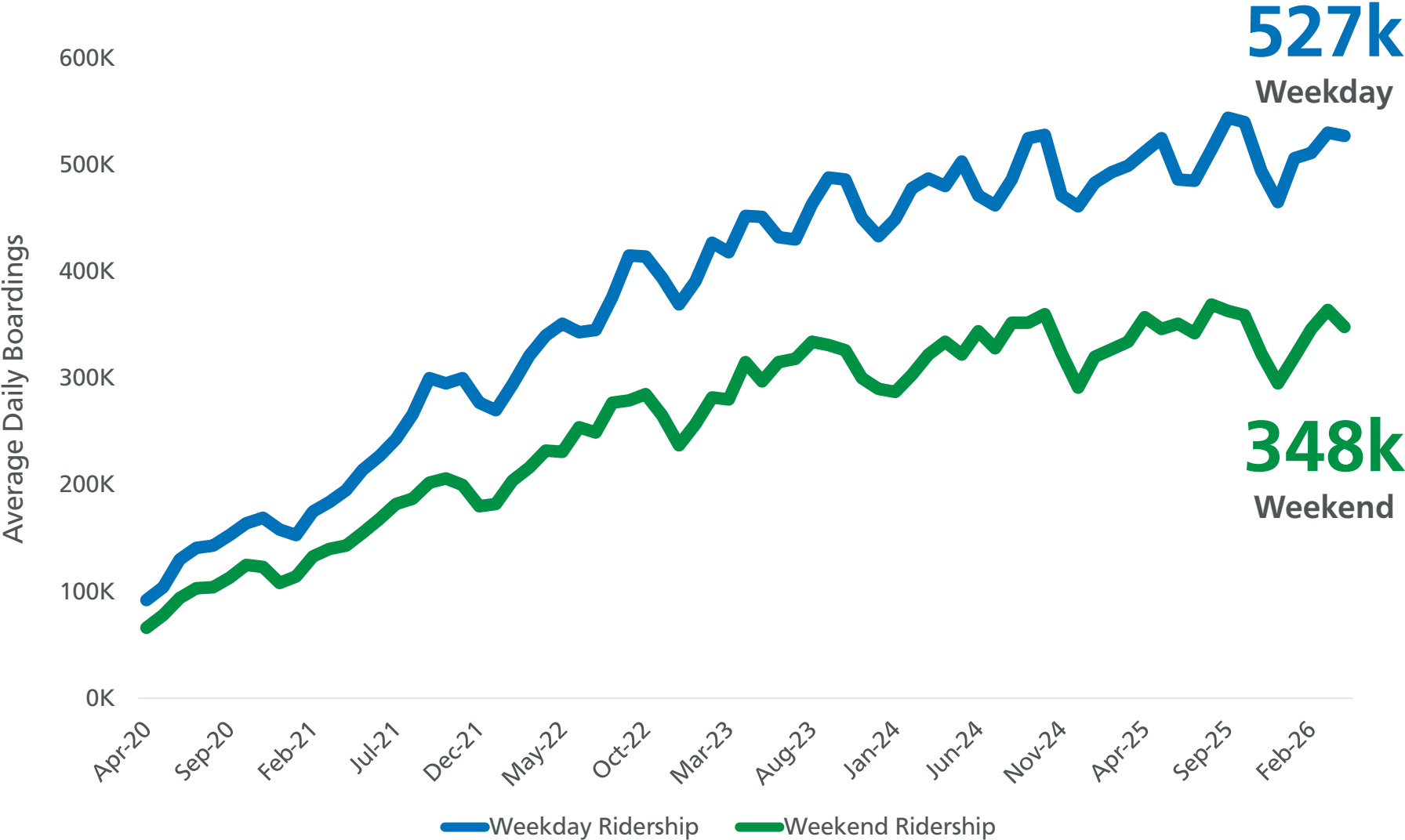


# Initiatives to make the Bay Area's transit systems feel like one seamless system

Working with the MTC and other operators to reshape the regional transit system into a more connected, more efficient and more rider-focused mobility network.



# April Weekday and Weekend Ridership



Note: Excludes cable car and streetcar.

# Transit funding is a local responsibility

In other countries with great transit, the national government pays for transit service.



 Vancouver



 Zurich



 Hong Kong



In other US states with great transit, the **state government pays for a large portion of transit service**



**In California**, transit is funded primarily by **local jurisdictions**

# Balanced Two-Year Budget

On April 21, the SFMTA Board of Directors unanimously passed a two-year budget for the agency.

| Revenue Type | FY 25-26 (\$M) | FY 26-27 (\$M) | FY 27-28 (\$M) |
|--------------|----------------|----------------|----------------|
| Revenue      | 1,452          | 1,515          | 1,616          |
| Expenditure  | 1,452          | 1,515          | 1,616          |

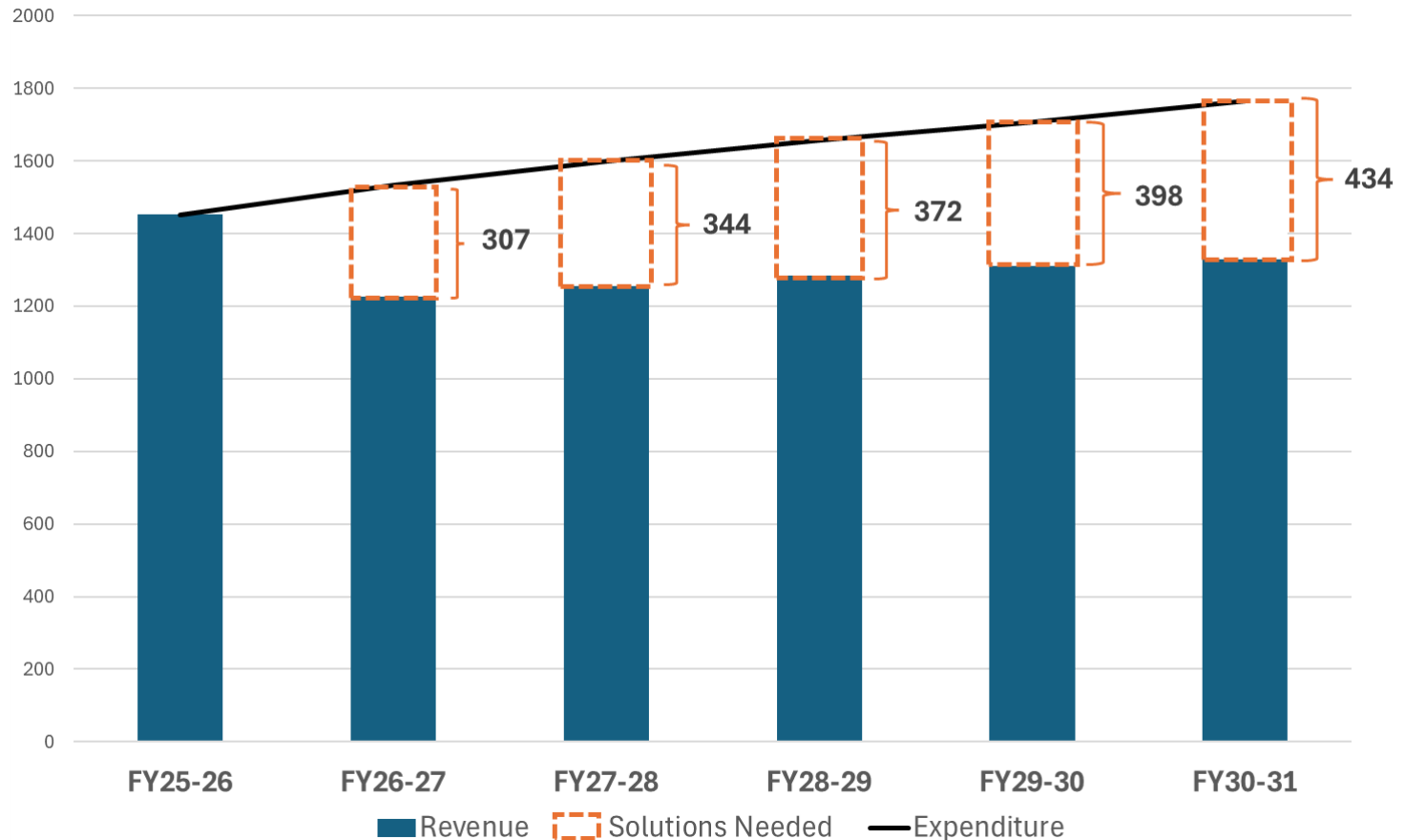
Source: Budget System Output (e-turn), April 14, 2026

## The budget protects:

- **Muni Service** - No Muni or paratransit service reductions in FY26-27
- **Discount Programs** - Maintains discount fare programs for youth, seniors, people with disabilities and people with limited incomes
- **Service Quality** - Small Muni increase funded in FY27-28 to address crowding/downtown recovery (*parcel tax commitment*)

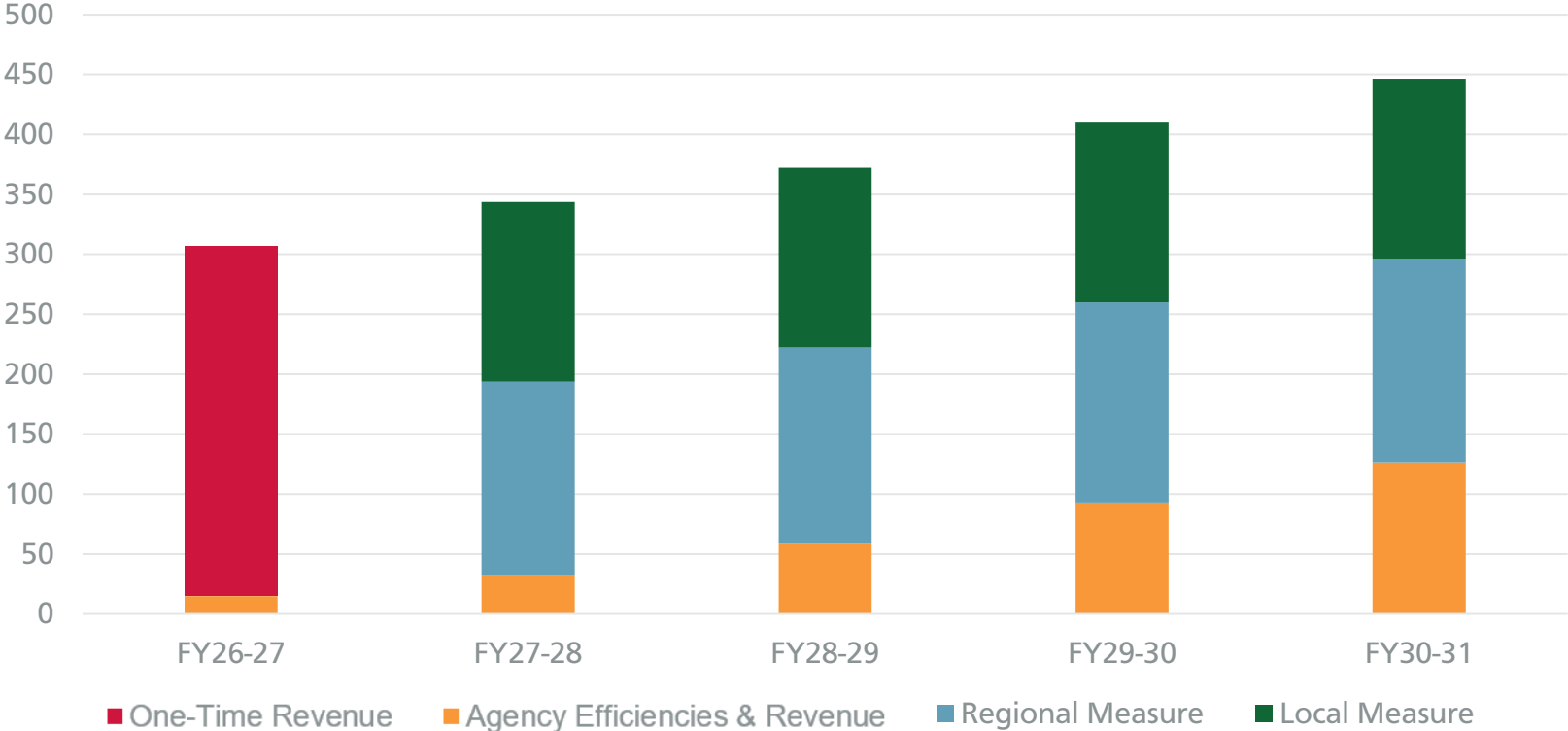
# 5-Year Deficit Forecast from July 2025

The budget approved by our Board of Directors closed a \$307M deficit projected for FY26-27 and a \$344M deficit projected for FY27-28. That's when pandemic relief funding ran out.



# Closing the Deficit

The approved budget closed the FY26-27 and FY27-28 budget deficit using a state loan, agency efficiencies and revenue, and new revenue from regional and local ballot measures.



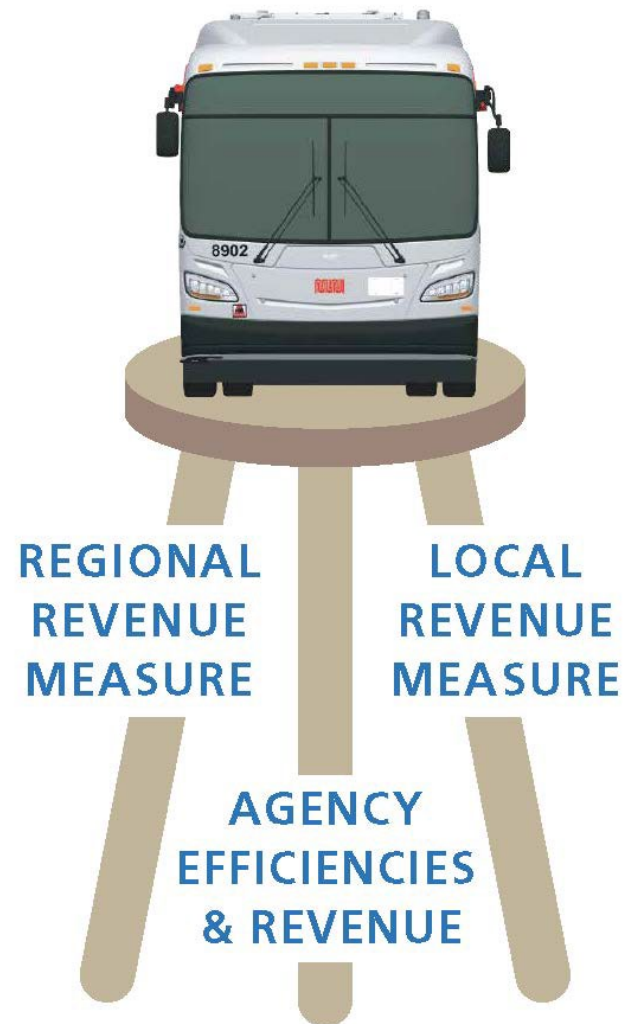
# FY26-27 and FY27-28 Budget Plan

**Regional Revenue Measure:** The Connect Bay Area Act allows San Francisco to pursue a one-cent sales tax increase to maintain Muni. If passed by voters, Muni will receive ~\$155M per year to address the structural deficit.

**Local Revenue Measure:** As the regional measure will not fully address the structural deficit, a local parcel tax has been proposed to further reduce the gap. If passed by voters, the Stronger Muni for All measure will generate ~\$150M annually to reduce the deficit and ~\$10M for service quality improvements.

**Agency Efficiencies & Revenue:** Building an efficiency culture and identifying new enterprise revenues in the out years will close the remaining structural deficit.

*In the short-term, one-time sources will close the budget deficit until regional and local revenue measures are implemented.*



# Regional Revenue Measure, Nov. 2026

## Participating Counties

The Connect Bay Area Act authorizes a regional sales tax for the November 2026 ballot in Alameda, Contra Costa, San Francisco, San Mateo and Santa Clara counties.

## Funding for Transit

The regional revenue measure would fund BART, Muni, Caltrain, AC Transit and other transit systems.

## Regional Benefits

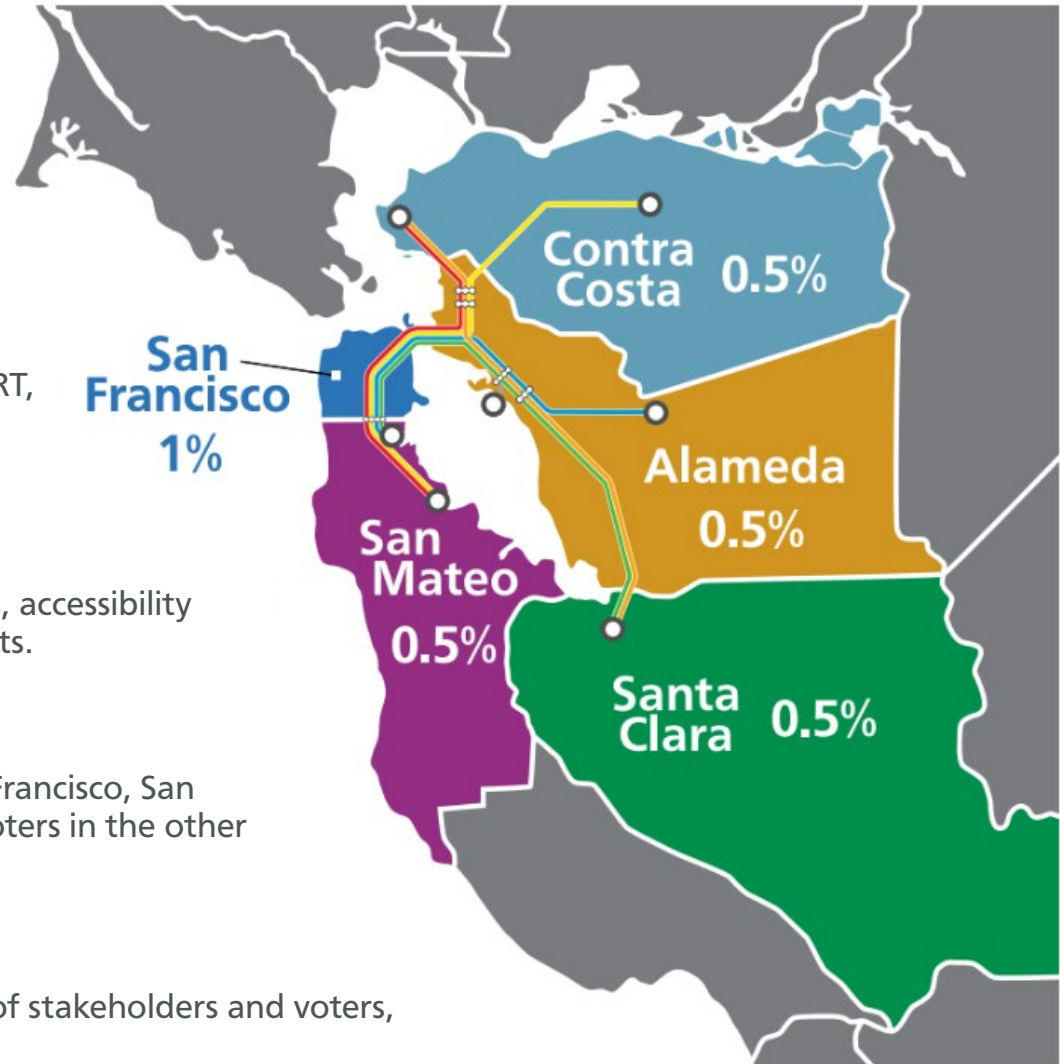
Fare programs for people with limited incomes, accessibility projects, wayfinding and transit priority projects.

## Rate

Due to the density of transit operating in San Francisco, San Francisco voters will consider a 1% sales tax. Voters in the other counties will consider a .05% sales tax.

## Ballot Placement

The measure is being advanced by a coalition of stakeholders and voters, the Connect Bay Area Transit Committee.






**If successful, the regional revenue measure will raise about \$1 billion annually for transit agencies in the region.**

**Of this, Muni would receive approximately \$155 million per year.**

# Local Revenue Measure

The Stronger Muni for All Measure would be an annual tax on parcels of real property in San Francisco beginning on July 1, 2027, and ending on June 30, 2042. The tax rates would be adjusted annually for inflation.

The proposed 2027 tax rates would be:

| Parcel Type   |                                  | Base Cost    | Additional Charges *   |
|---|----------------------------------|--------------|--|
|    | <b>SINGLE FAMILY RESIDENTIAL</b> | <b>\$129</b> | <ul style="list-style-type: none"> <li>• Parcels between 3,001 square feet and 5,000 square feet of building area, add \$0.42 per square foot over 3,000</li> <li>• For parcels over 5,000 square feet of building area, add \$1.99 per square foot over 5,000</li> </ul>  |
|    | <b>MULTI-FAMILY RESIDENTIAL</b>  | <b>\$249</b> | <ul style="list-style-type: none"> <li>• For parcels over 5,000 square feet of building area, add \$0.195 per square foot over 5,000</li> </ul>  |
|  | <b>NON RESIDENTIAL</b>           | <b>\$799</b> | <ul style="list-style-type: none"> <li>• Parcels between 5,001 square feet and 50,000 square feet of building area, add \$0.76 per square foot over 5,000</li> <li>• Parcels between 50,001 square feet and 250,000 square feet of building area, add \$0.84 per square foot over 50,000</li> <li>• For parcels over 250,000 square feet of building area, add \$.99 per square foot over 250,000</li> </ul> |

\* There is a cap of additional charges of \$50,000 for multi-family residential and \$400,000 for non-residential parcels.

# Local Revenue Measure

## Accountability and oversight provisions

- Dedicated use of funds for Muni service
- Establishment of a citizen's oversight committee
- Requires independent audits
- Ongoing reporting on how revenues are being used

## Tax applies to all property types in the city

### The parcel tax applies to:

- Single-family residential buildings
- Multi-family residential buildings
- Non-residential buildings such as retail, commercial offices and hotels



### Key Components of the Parcel Tax

## Exemptions, deductions and protections for differing needs

- Single Room Occupancy (SRO) units
- Qualifying seniors
- Owners of rent-controlled residential units could pass through up to 50% of the tax to their tenants, capped at \$65 per unit, if the initial base rent was set before June 1, 2027

## Tax is based on the square-footage of the building

- Owners of single family residences pay a flat tax of \$129
- Larger residential, multifamily and non-residential properties to contribute proportionally more based on their size

**If successful, the local revenue measure will raise approximately \$150 million annually for existing transit operations, plus at least \$10 million for service quality improvements.**

# Examples of Efficiency Work Completed

## Ongoing cost reductions

Eliminated vacant positions. If filled, these roles would have cost **\$170 million** annually.

## Cost avoidance

**\$30 million** savings from eliminating planned one-time investments

## Expenses to reduce future costs

**\$30 million** savings from implementing transit priority upgrades to provide more Muni service with the same resources

# New Agency Efficiencies and Revenue

- Eliminates 54 operating and 35 project positions. This is in addition to more than 500 vacancies that were previously eliminated.
- Offsets costs by approximately \$20M by reducing materials/supplies and work order costs and starting efficiency work.
- Increases agency-generated revenue by approximately \$30M in FY26-27 from improved fare compliance, cable car day pass, ridership growth and parking optimization.
- Minimizes overall use of one-time funding to balance ongoing expenditure: combination of state loan and prior year cost savings (fund balance).
- Reduces out-year budget deficit through early actions.

**This two-year budget captures initial efficiencies and lays the groundwork for the big moves to come. The overall goal of the work is to bring long-term costs into alignment with revenues, while protecting Muni service.**

# 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



## Muni Service Benefits

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

## Agency Benefits

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

# Muni Service Options for Cutting Costs

## Without Necessary Funding

**These cuts would have citywide impacts:** Slower downtown recovery, increased traffic congestion, less access and fewer opportunities for people who rely on Muni, major systemwide crowding.



**Cut up to  
20 Muni routes**

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

**\$70-150M**



**Double Wait Times**

Metro train service, Rapid and Frequent routes

**\$30-80M**



**End Regular Service  
at 9 p.m.**

Limited 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 streetcars

**\$70-140M**

# Timeline for Muni service cuts

## if one or both measures fail

### Pre-Election

*Present-November 2026*

- Refine scenarios for Muni service cuts in the event one or both measures fail

### Winter 2027

- Prepare service cut options for outreach
- Begin outreach and community briefings

### Spring 2027

- Share final Muni service cut options with public
- SFMTA Board approval (w/ Title VI Analysis)
- BOS approval (Route Abandonments and/or Fare Changes)

### Summer 2027

- Develop final service plan and schedule materials
- Conduct outreach to inform customers of coming service cuts

### Fall 2027

- Implement approved Muni service cuts

# In 2025, Muni riders gave us their highest satisfaction rating ever

- Despite our financial challenges, Muni riders gave us their highest satisfaction rating in the 25-year history of our customer satisfaction survey.
- **78% of riders rated Muni service as excellent or good.**
- This is six points higher than our 2024 overall satisfaction rating, which was already a historic high.



**Thank you!**  
**Questions?**



SFMTA

# Appendix

# Transit and Parking Revenue Changes

## Policy Changes

### Parking Revenue:

- Increase citation late penalties by 10%
- Increase meter rates \$0.25 in FY27-28
- Increased meter recovery construction/temp no-parking permits
- Pass-through online credit card fees
- Select fine reductions

### Tourism Revenue:

- Cable Car Plus - \$18 (up to 2 youth ride frees)
- Cable Car Single Ride Ticket - \$12 (through December 2027)

### Daily Rider Revenue:

- Eliminate Clipper Discount in FY26-27
- Index fares in FY27-28
- Implement Fare Capping



# Summer 2026 Service Changes

## Effective June 6, 2026

[List of service changes for implementation](#)

# Schedule Changes

| Route                         | Proposed Action  | Reason                              |
|-------------------------------|--|-------------------------------------|
| <b>5R Fulton Rapid</b>        | <ul style="list-style-type: none"> <li>Frequency modifications to address the current uneven crowding experienced depending on whether board a 40' or 60' bus</li> </ul> | Addressing crowding                 |
| <b>12 Folsom</b>              | <ul style="list-style-type: none"> <li>PM headway adjustment on the IB direction for more consistent headways</li> </ul>   | Headway reliability                 |
| <b>14 Mission/<br/>14 Owl</b> | <ul style="list-style-type: none"> <li>Targeted frequency increases in response to crowding (10:15 PM – 1:15 AM)</li> </ul>  | Addressing crowding                 |
| <b>37 Corbett</b>             | <ul style="list-style-type: none"> <li>Increase pull-out time in the PM</li> </ul>   | Reliability improvement             |
| <b>54 Felton</b>              | <ul style="list-style-type: none"> <li>Stagger schedule to minimize likelihood that coaches meet on Bridgeview/Topeka</li> </ul>   | Reliability/operational improvement |
| <b>T Third</b>                | <ul style="list-style-type: none"> <li>Incorporate stop-to-stop time savings from improvement project into schedule</li> </ul>   | Reliability/operational improvement |

# Route & Stop Changes

| Route                    | Proposed Action   | Type Of Change          |
|--------------------------|---|-------------------------|
| <b>14R Mission Rapid</b> | Add non-revenue route to Mission and Lowell   | Operational improvement |
| <b>19 Polk</b>           | Rename Beach & Polk to Beach & Larkin (13093)   | Customer improvement    |
| <b>28/30/91</b>          | Rescind stops on North Point at Larkin, IB & OB (15464, 15465)  | Operational improvement |
| <b>31 Balboa</b>         | Pull-in trips on the 31 will drop off at Geary & Masonic  | Customer improvement    |
| <b>35 Eureka</b>         | Terminal officially moves back to Market at Castro and becomes drop off only (17253). First outbound stop now on Castro at Market (14334) | Operational improvement |

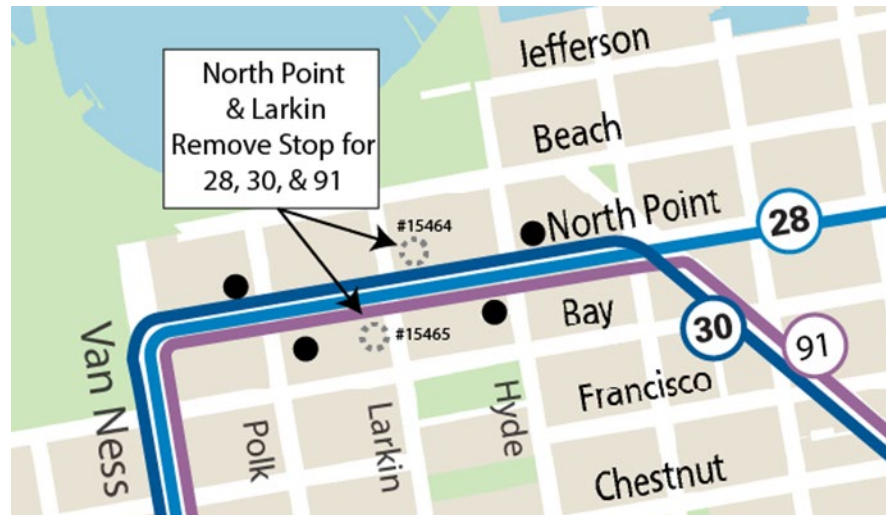
# Route & Stop Changes (Cont.)

| Route                           | Proposed Action  | Type Of Change   |
|---------------------------------|--|--|
| <b>37 Corbett, L Owl, K-Bus</b> | Official post-construction relocation on Market at Castro stop to near-side                          | Construction-related change                            |
| <b>48 Quintara</b>              | Consolidate redundant stops near SFGH, two stops in each direction on one block. Remove 13455, 13456 | Reliability improvement; response to operator feedback |
| <b>58 Lake Merced</b>           | Lake Merced stop relocations (to islands) built as part of Quick Build (14828, 14836, 14837, 14829)  | Customer service and operational improvement           |

# 48 Quintara Changes on 23<sup>rd</sup> & Vermont



# 30/28/91 Changes at North Point & Larkin



# Market & Castro Changes



# Lake Merced Stop Changes

