

Memorandum

To: EQUITY ADVISORY COMMITTEE MEMBERS

EAC Business Meeting:
September 5, 2025

From: STATE AGENCIES' EXECUTIVE MANAGEMENT

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Subject: Committee Member Reports

Summary:

Members of the Interagency Equity Advisory Committee (Committee) may provide written or verbal reports highlighting Committee or related activities they are participating in.

Attachments:

- Attachment A: Report Submitted by Member Howard Wong

SAN FRANCISCO/ BAY AREA TRANSPORTATION UPDATES

SF MUNI SERVICE CUTS---BIG DEFICITS AHEAD

By Howard Wong, AIA, Member Interagency EAC



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STATE BUDGET PROVIDES \$750 MILLION LOAN TO BAY AREA TRANSIT---TEMPORARY HELP

Without state funding for 2026, SF Muni faced 30% service cuts, and BART 70% to 90% cuts---eliminating entire lines or dropping from 4,200 trains per week to just 500 trains per week. The last-minute State Budget includes a \$750 million loan to four Bay Area transit agencies: BART, Muni, Caltrain, and AC Transit---preventing big service cuts threatened by expiring COVID-funding and structural deficits. Also, the state budget restores \$1.1 billion in earlier proposed transit cuts from the Greenhouse Gas Reduction Fund. To pay off the loan and balance multi-year deficits, a Bay Area Regional Transportation Sales Tax Measure is being crafted for the November 2026 ballot. Multi-year sustainable funding will greatly address the \$800 million annual deficits of the Bay Area agencies---but not totally. Transit operators will need further budget efficiencies, as well as local funding. San Francisco is eyeing its own transit funding ballot measure (gross receipts tax, parcel tax or sales tax). With focus on service reliability, cleanliness and safety, Bay Area transit agencies have steadily regained ridership and trust---crucial elements for voter approval of new funding.

DEFICIT BECOMES REALITY---WITH FINANCIAL UNCERTAINTY LOOMING

SFMTA's (SF Municipal Transportation Agency) Board of Directors voted (4-3) to proceed with summer service cuts, opting not to tap \$7 million in reserve funds (10% of operating budget). At two previous board meetings, the Board had rejected service cuts of \$50 million for Fiscal Year 2025-26 (beginning July 1, 2025), directing staff to probe operating efficiencies and alternative funding. With Muni Funding Working Group input, Muni staff had whittled down service cuts to \$15 million and then to \$7 million. With huge \$320 million budget deficits looming in Fiscal Year 2026-27, 2027-28 and beyond, the Board's dilemma was either to start limited route changes now versus "kicking the [inevitable] can down the road", that is, sustaining service while pursuing nebulous funding/ ballot measures.

COUNTER-ARGUMENT TO SERVICE CUTS: LOSS OF PUBLIC CONFIDENCE

Three members of the Board of Supervisors and transit advocacy groups had endorsed zero service cuts, better unifying the electorate for a run at local/ regional/ state funding. Service cuts would decrease ridership, customer satisfaction and revenue---triggering further cuts and harming seniors/ low-income people. Temporary service cuts tend to become permanent. However, under federally-mandated Title 6, analysis of summer service cuts showed no disproportionate impacts on disadvantaged communities.

SUMMER SERVICE CUTS: LIMITED BUT IMPACTFUL TO NEIGHBORHOODS

Summer service cuts center on the transit-rich Market Street corridor, where bus lines overlap. From western SF, the 5 Fulton, 9 San Bruno and 31 Balboa buses would turn around and go back outbound once they reach Market Street on weekdays---requiring transfers onto other Market Street lines. The 6 Haight-Parnassus and 21 Hayes buses would be combined into one line, turning around at Hyde & Market/ Civic Center Station. For neighborhoods most affected, especially for seniors/ disabled/ low-income, their testimonies highlighted hardships in daily life---hard to see at the macro-planning level.

FISCAL CLIFF IS DEEP: NEW MINDSET IS NEEDED

In short, post-pandemic state and federal funds run out in July 2026. Work-at-home and new commute patterns dampen ridership numbers and fare revenue, especially for BART and Caltrain (falling a daunting 60% and 70% respectively). Muni ridership has steadily improved, but 25% below previous highs. Without new sustainable funding, Muni could cut bus lines, shorten routes, frequency, evening hours and maintenance---as much as 50% cuts. By no means is the SF Bay Area unique: Chicago transit faces a \$700 million deficit---equivalent to 40% service cuts, elimination of half its bus lines, ending of weekend buses and more. As in transit-rich countries around the world, public transit needs a national funding plan---if for no other reason than to compete economically and technologically.

POLITICOS AND TRANSIT ADVOCATES PRESS FOR NEW FUNDING

THREE MAJOR TRANSIT FUNDING EFFORTS IN THE WORKS. **First**, years in development across nine Bay Area counties, a MTC (Metropolitan Transportation Commission) Regional Transportation Funding Measure is advancing with SB 63, authorizing a 10-15 year sales tax measure on the November 2026 ballot. Specifically: a ½-cent sales tax in Alameda, Contra Costa, and San Francisco Counties---with up to 1-cent in San Francisco. San Mateo and Santa Clara Counties can opt into the measure by August 11, 2025. Partially solves Muni's structural deficits---not generating as much funds as a 30-year tax measure over nine counties---but best measure possible, given regional political constraints. Lots of political complexities: debate over funding fair share, return-to-source, competing local county tax measures, consolidation of transit agencies....

Second, More State funding is being sought by State Legislators, Board of Supervisors, and advocacy groups. Historically, California provides less funding to its largest transit agencies than the rest of the country---Muni/ BART less funding than other California cities/ regions. Although denied this year, Legislators had proposed \$2 billion in State budget funds over the next 2 years to address statewide transit operating deficits and capital projects. Particularly timely, given that California will be hosting the future Super Bowl, World Cup and Olympics---when cities/ states/ countries transform transit for practical/ political reasons.

Third, San Francisco Mayor Lurie is considering a 2026 transit ballot measure, starting a ballot fundraising committee. Lurie envisions a functional and robust transportation system, necessary to "fix" downtown and bolster foot traffic. The planned ballot measure will include reforms for Muni accountability and reliability. San Francisco has elections in June/ November 2026, and March/ November 2028. A concern: Too many funding measures on ballots. Polling shows close elections.

Other Funding: Although costlier in the long run, shift capital funds to operating funds---in local and state projects. Like in Pennsylvania, California can flex federal highway funds (billions of dollars) to transit operations---requiring political dexterity, given regional self-interests. Nationally too, California can argue for its fair share of transportation funds---as a donor state that gives more in federal taxes than it gets back (return to source). Public/ Private Partnerships can tap companies who economically benefit from robust public transit. Also, aside from new funding, big savings in operating costs can come from regional transit integration/ coordination---amongst 27 Bay Area transit agencies and 151 transit-related organizations/ providers. By example, three Bay Area state universities are considering merging administrative services to cut costs. Another example, Illinois' state legislature is proposing "no funding without reforms"--integrating regional transit agencies. Finally, best transit practices, from around the world, demonstrate the social/ economic benefits of sustained state/ provincial/ federal operating subsidies and integrated transit governance---think New York City, Singapore, Switzerland, Toronto....

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RIDE PUBLIC TRANSIT: TaTTT: Take a Transit Trip Today. Everywhere; All over the Bay Area. For instance, ride neighborhood bus routes, like the **Muni 39-Coit Bus** to boost ridership and revenue numbers. Muni is one the country's most robust transit systems---to explore culture, history, and neighborhoods. BART, Caltrain, Ferry and Buses connect unique regional destinations and events.

PARKING Meter/ Permit Fees going up, per a SFMTA proposal to generate an additional \$18 million annually---including a one-time meter rate increase of 25 cents/ hour, a base rate increase from 50 cents to a dollar, more parking officers, and new technology.

'DAYLIGHTING' parking tickets delayed---when parking within 20 feet of an approaching crosswalk (Assembly Bill-413). SFMTA planned \$40 citations (even for unmarked spaces)---but will instead accelerate the red painting of affected spaces, while issuing only warnings.

SPEED CAMERAS: After tests, traffic speed cameras will go into effect at 33 SF locations. Snapping pictures of cars going more than 11 mph over the posted speed limit, automatic tickets are sent to drivers in the mail (\$50-\$500). Testing had about 1,000 violations/ day.

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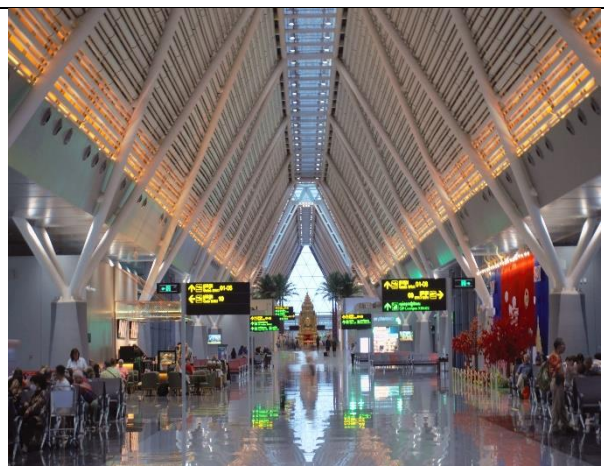
TRANSIT TRAVEL TIDBIT: Tuk Tuks are beloved three-wheeled motorized rickshaws, common in Thailand, Laos, Cambodia and gaining popularity elsewhere. Named for its engine sound, Tuk Tuks are cultural symbols, offering affordable/ efficient door-to-door service and jobs/ income for many families---a model for compact urban delivery of people and goods. Maneuvering through congested Southeast Asian streets, Tuk Tuks are sympatico with small stores, vendors, carts, and hawkers---a subculture of low-income peoples eking out a living. Bangkok alone has 9,000 registered Tuk Tuks and is adding more---demonstrating that one key to economic vitality is affordable/ diverse/ low-techy transit, while providing a lot of jobs and unique character to streets---with colorful decorations, art, lighting...



TRANSIT TRAVEL TIDBIT: Two-Wheels are better than four when cruising packed Southeast Asian cities. Parking is easy---motorbikes line up on sidewalks. Door-to-door everywhere. Ho Chi Minh City (Saigon) has a population of 9 million people and 8 million motorbikes---the dominant transportation mode, often carrying two (three if child) passengers and goods. For less pollution, Hanoi plans to ban gas-engines, converting to E-motorbikes. Streaming with motorbikes and other transport, Southeast Asia's vibrant streets are key economic drivers. Even in Bangkok, with its extensive subway/ skytrain system and 46% transit modal share, motorbikes are ubiquitous. While expanding public transit/ bicycling/ walking, planning for motorbikes (greener models) could cut larger cars' footprints on the environment.



TRANSIT TRAVEL TIDBIT: High-Speed Rail Station (Luang Prabang, Laos) is an architectural gem for a small city of 55,000 people---though Luang Prabang is a UNESCO World Heritage Site with traditional Lao architecture, European colonial buildings, and 30 Buddhist temples. Of greater significance is that the station is part of China's Belt and Road Initiative (BRI). Called the New Silk Road, BRI is China's massive infrastructure program, which aims to connect the globe with road/ maritime projects. The Luang Prabang Station is part of the Boten-Vientiane Railway, linking Laos, Thailand, and China. Albeit political, China has a trade/ economic vision, which is real. The U.S.A. needs a transportation vision too---to compete globally.



TRANSIT TRAVEL TIDBIT: New Siem Reap-Angkor International Airport (Cambodia) is a cooperation between Cambodia and China's Belt and Road Initiative (BRI). Under a build-operate-transfer agreement, a Chinese company received a concession to finance, design, construct, own and operate the facility for 55 years. Currently, the airport is underutilized, as post-pandemic tourism waned. As the gateway to the treasured Angkor Wat Temples, Siem Reap does warrant a great airport, striving for 7.5 million international tourists by 2035. Notable is the airport's architecture: simple, elegant, well-detailed and spatially powerful. For project delivery, build-operate-transfer agreements have benefits---potentially lowering cost/ schedule overruns.

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