[Urging the Governor and State Legislature to Provide Multi-Year Operations Funding and to Develop Long-Term Funding Plans to Support Bay Area Transit Agencies]

Resolution urging Governor Gavin Newsom and the State Legislature to provide multiyear operations funding to assist California's transit systems as they recover from the pandemic and to develop long-term funding plans to serve the millions of Californians who rely on public transit.

WHEREAS, Based on current ridership, service levels, and cost trends, Bay Area operators forecast annual budget shortfalls in the tens of millions of dollars in Fiscal Year (FY) 2023-2024, growing to almost four hundred million dollars beginning in FY 2024-2025 and growing to over seven hundred millions of dollars in the subsequent years; and

WHEREAS, San Francisco Municipal Transportation Agency (SFMTA) is predicted to face a \$130 million budget deficit by FY 2024-2025; and

WHEREAS, Over five years, SFMTA's cumulative budget shortfall will total \$796 million; and

WHEREAS, Golden Gate Transit will possibly face a \$423 million budget deficit over five years and ridership is still 45% of pre-pandemic levels; and

WHEREAS, BART's projected deficit for the 2025 fiscal year is \$78 million, growing to \$316 million in FY 2025-26 and totaling \$1 billion over five years; and

WHEREAS, Caltrain's annual deficit based on projected service and ridership is expected to eclipse \$33 million per year as soon as the 2026 fiscal year and reach as high as \$97 million by the 2033 fiscal year; and

WHEREAS, Other transit operators, such as the San Francisco Bay Area Water

Emergency Transportation Authority (WETA) depends on SFMTA, BART, Caltrain and

Golden Gate Transit to provide first and last mile connections for its ferry passengers and will

suffer ridership and fare revenue declines if connecting transit options are not offered or not reliable; and

WHEREAS, Funding gaps of this enormity could lead to significant cuts in the already limited service levels that would harm or even cut off access to critical destinations for those who rely on it most; and

WHEREAS, In San Francisco, hundreds of thousands of people rely on Muni buses and trains to get them to their jobs, to school, to the grocery store, to the senior center to recreation, and everywhere else people need to go; and

WHEREAS, 57% of Muni riders are people of color, and 70% make less than \$50,000 per year; and

WHEREAS, Ridership and revenue have not recovered to pre-pandemic levels, and any service cuts due to a decrease in funding will further cause ridership and revenue to fall; and

WHEREAS, Though transit ridership is down in most cities and not expected to return to pre-pandemic levels quickly, millions of people still rely on public transit daily and with the current transit operators already struggling to restore service, cutting service even further would continue to harm riders; and

WHEREAS, Governor Gavin Newsom released his proposed budget for the 2023-2024 fiscal year in January 2023, which included a \$2 billion cut to the Transit Intercity Rail Capital Program and no supplemental funding for transit operations to address the fiscal cliff facing transit agencies; and

WHEREAS, Transit agencies are advocating for the state to provide "bridge funding" for operations in the state budget to provide them additional time to implement ridership enhancement strategies and to pursue enabling legislation to authorize a future regional ballot measure that funds transit; and

WHEREAS, Transit agencies also need ongoing and reliable funding from the state to support Bay Area transit systems to serve the millions of Californians that rely on public transit every day; and

WHEREAS, The state has a vital interest in the long-term financial stability of public transit agencies and therefore should begin planning for how the state's funding system can support public transit in the future; and

WHEREAS, Muni carries more passengers than any other San Francisco Bay Area transit operator; during the pandemic, that number has risen to represent half of all transit trips in the Bay Area; and

WHEREAS, Multi-year operations funding from the state could protect public transit from looming cuts to critical transit service that millions of Californians rely upon and is key to the state's climate strategy; and

WHEREAS, Multi-year operations funding from the state is critical to San Francisco's downtown economic recovery; and

WHEREAS, The economic recovery of downtown San Francisco depends on a thriving transit system, particularly as the city continues to have the weakest recovery from the pandemic out of 62 North American cities as of November 2022, with only 31% of its fall 2019 activity based on mobile phone data, according to a recent study by the University of Toronto; and

WHEREAS, Transportation is one of the largest sources of greenhouse gas emissions in San Francisco (44%), and private cars and trucks produce three quarters (68%) of those emissions; and

WHEREAS, Without significant funds from the state for public transit, San Francisco will not reach its climate action goals related to transportation and carbon emissions; and

19

16

20 21 22

23 24

25

WHEREAS, San Francisco's climate action goals call for at least 80% of all San Francisco trips to be low-carbon trips—trips by transit, walking or biking—by 2030, and by 2040 the city has a goal of net zero emissions; and

WHEREAS, Traffic congestion in San Francisco reached pre-pandemic levels in 2022; and

WHEREAS, Helping San Franciscans transition away from reliance on cars and trucks, the largest single source of GHG emissions in the city, means making sure Muni is affordable, convenient, and reliable; and

WHEREAS, California cannot meet it's GHG reduction goals without BART's clean trains; and

WHEREAS, Pre-pandemic, BART was pivotal to the state and region's Vehicle Miles Traveled (VMT) reduction, accounting for half of regional transit passenger miles and a quarter of statewide transit passenger miles; and

WHEREAS, Without serious commitments from the state, San Francisco cannot meet the challenge of the climate crisis without significant funding to ensure Muni is a viable option for the general public; and

WHEREAS, Public transit is essential to San Francisco's livability, vitality, climate and air quality goals, equity goals, and economic recovery; and

WHEREAS, San Franciscan's deserve a transit system that is thriving with better frequency, more affordable, improved reliability, comprehensive geographic coverage, and better connections to key destinations and between systems; and

WHEREAS, San Francisco needs safe, clean, affordable, and reliable public transit now more than ever to advance the core values of what it means to live and thrive in the region; and

WHEREAS, If the Governor and the State Legislature want to truly prioritize equity, the environment, and San Francisco's economic recovery then they should prioritize local transit agencies with enough funding to ensure that there are no cuts to service, but also enough funding to support increased service to draw riders back to public transit; and

WHEREAS, The Governor, Assembly and Senate could consider multiple state funding sources that can be included in the state budget and dedicated to public transit operations this year, and in future years; and

WHEREAS, The Governor could include significant public transit funding in the May revision to the budget, and the Assembly and the Senate can make their own revised versions by June, 2023; and

WHEREAS, Transit operators across the country sent a letter requesting the U.S. Department of Transportation's FY 2024 budget to include a transit recovery assistance program that would serve as a federal safety net to support transit systems across the country, and the funding would be given on a needed basis and agencies would have to demonstrate their needs to obtain funding; and

WHEREAS, President Biden in his proposed Budget encouraged states to support their transit systems by transferring available Federal Aid Highway funding for transit operating needs; and

WHEREAS, Bay Area Transportation agencies and advocates from across California also sent a letter to the California Budget and Fiscal Review Committee and asked that the state budget provide transit operations funding to help agencies recover post-pandemic; now, therefore, be it

RESOLVED, The Board of Supervisors urges Governor Gavin Newsom and the State Legislature to provide multi-year operations funding to assist California's transit systems as

they recover from the pandemic and to also develop long-term funding plans to serve the millions of Californians that rely on public transit; and, be it

FURTHER RESOLVED, The Board of Supervisors urges Governor Gavin Newsom and the State Legislature to prioritize public transit funding to not only ensure there are no cuts to service but enough funding to support increased service to draw riders back to public transit; and, be it

FURTHER RESOLVED, The San Francisco Board of Supervisors requests the Clerk of the Board to submit a copy of this Resolution to Assembly Members Matt Haney and Phil Ting, State Senator Scott Wiener, and Governor Gavin Newsom.



City and County of San Francisco Tails

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

Resolution

File Number: 230424 Date Passed: April 18, 2023 Resolution urging Governor Gavin Newsom and the State Legislature to provide multi-year operations funding to assist California's transit systems as they recover from the pandemic and to develop long-term funding plans to serve the millions of Californians who rely on public transit. April 18, 2023 Board of Supervisors - ADOPTED Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton File No. 230424 I hereby certify that the foregoing Resolution was ADOPTED on 4/18/2023 by the Board of Supervisors of the City and County of San Francisco. Clerk of the Board Unsigned 04/28/2023 London N. Breed **Date Approved** Mayor I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, or time waived pursuant to Board Rule 2.14.2, became effective without her approval in accordance with the provision of said Section 3.103 of the Charter or Board Rule 2.14.2. 04/28/2023 **Date**