

2023 TIP Financial Capacity Assessment

Regional Summary

Background

In the San Francisco Bay Area, there are over 25 public transit agencies consisting of bus, ferry boat, light rail, heavy rail, and paratransit service providers. The seven largest transit agencies represent 91% of the total transit operating costs in the Bay Area and carry 95% of the passenger trips. The table below provides a snapshot of operating and service statistics for Bay Area transit operators. Statistics below are from FY 2020-21 and as a result reflect the financial and service impacts of the COVID-19 pandemic which began in FY 2019-20. The below information is intended to provide an overview of the relative state of the Bay Area's transit operators after the onset of the COVID-19 pandemic.

Table 1. San Francisco Bay Area Transit Provider Statistics* <i>(1,000s)</i>				
Operator	Service Characteristics	Annual Operating Budget	Annual Revenue Hours	Annual Passengers
AC Transit	Motor Bus	\$436,417	2,496	56,632
BART	Heavy Rail	\$850,853	1,651	17,423
Caltrain	Heavy Rail	\$139,972	181	1,211
GGBHTD	Bus and Ferry	\$126,343	684	744
SamTrans	Motor Bus	\$176,684	684	4,710
SFMTA	Bus, Cable Car, Light Rail	\$882,692	2,268	60,237
VTA	Motor Bus and Light Rail	\$435,508	1,572	12,579
Small Operators	Motor Bus, Ferry, Heavy Rail	\$240,605	1,321	7,264
Total		\$3,289,074	10,857	160,800

*FY 2020-21 data from operator Transportation Development Act claims to MTC. Total may not sum correctly due to rounding.

Prior to the start of the COVID-19 pandemic in 2020, transit operators in the region had mostly experienced flat or even slightly declining levels of ridership. This ridership trend was likely the result of a variety of factors, including increased car ownership rates, the expansion of transportation network companies such as Lyft and Uber, and decreases in transit reliability due to increased traffic congestion.

The impacts of the COVID-19 pandemic on transit service, ridership, and revenue have been unprecedented. As of April 2022, transit ridership across all operators remains down approximately 51% compared to April 2019 levels on average. Transit operators that are reliant on passenger fare revenues for a significant portion of their budget have been particularly

impacted financially, while almost all transit operators face a highly uncertain operating financial outlook over the coming decade.

While emergency federal transit operations funding amounting to over \$4 billion in the Bay Area since early 2020 (provided by the Coronavirus Aid, Relief, and Economic Security Act (CARES) Act, the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA) and the American Rescue Plan (ARP)) has provided critical support to sustain transit operations, a clear path to long term financial and operational sustainability remains unclear at this time. Over the coming years, MTC and transit operators will continue to deliver on the recommendations of the Blue Ribbon Transit Recovery Task Force’s 2021 Transformation Action Plan to improve the transit system and build a strong foundation for ridership recovery.

Projections – Transit Operating and Capital

As part of the San Francisco Bay Area’s current long-range transportation plan—*Plan Bay Area 2050*—MTC estimated the total cost to operate and maintain transit services at pre-COVID-19 pandemic levels over the 30-year plan period (FY 2020-21 through FY 2049-50). Between Fiscal Year 2020-21 and FY 2049-50, operating and capital replacement costs for Bay Area transit providers are projected to total \$293 billion. This includes \$211 billion in operating costs plus \$82 billion for capital replacement needs necessary to achieve a state of good repair. The *Plan Bay Area 2050* work serves as a basis for the projected capital needs and revenues contained in this Financial Capacity Assessment. However, the projections developed for *Plan Bay Area 2050* were primarily developed before the COVID-19 pandemic. Given the significant uncertainty around the ongoing and long-term impacts of the pandemic on public transit, it remains unclear if the timing and scale of these capital needs will manifest as expected in the *Plan Bay Area 2050* forecast.

Estimates of operating needs for the Bay Area’s transit operators are based on a forecast developed using actual operating revenues and expenditures during FY 2020-21. The data for the operating needs forecast is derived from transit operators’ claims under the Transportation Development Act (TDA) as submitted to MTC. Because of the ongoing impacts of the COVID-19 pandemic on transit ridership, it remains uncertain how much revenue will be available to support transit operations over the coming years. Projected annual operating costs and estimated revenues for each of the region’s seven largest operators, and consolidated information for the region’s small operators, who combined, make up approximately nine percent of total operating costs in the region are included in this assessment.

The table below shows the consolidated rehabilitation and maintenance needs of the region’s transit operators for two key project categories (vehicle replacement and fixed guideway rehabilitation/replacement). Since needs vary significantly from year to year, MTC caps the annual investment in guideway elements for each operator at a calculated level. This allows for a steady funding stream so that operators can plan for anticipated guideway needs and it provides capacity for other needs in a given funding cycle.

**Table 2. San Francisco Bay Area Transit Capital Core Rehab/Replacement Needs
(1,000 YOES)**

Category	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	4-Year Total
Vehicles	\$242,390	\$115,050	\$202,030	\$320,640	\$880,110
Guideway Elements	\$1,075,000	\$1,179,360	\$1,118,860	\$1,027,150	\$4,400,370
Total	\$1,317,390	\$1,294,410	\$1,320,890	\$1,347,790	\$5,280,480

MTC estimates that approximately \$5.3 billion in transit capital maintenance needs exist within the 2023 TIP period. Projections developed for the MTC Transit Capital Priorities program indicate that sufficient revenue is anticipated to fully fund vehicle and fixed guideway needs.

Conclusion

Attachment A lists the major transit capital projects included in the 2023 TIP. Transit capital projects in the 2023 TIP show a total cost of approximately \$31.6 billion. Of the total capital project cost, about 20 percent is shown in the 2023 TIP period. Many operators have already assumed local match requirements within their projected operating expenses for a given fiscal year. It should be noted that funding to support some of the large-cost projects shown in Attachment A is expected to become available from future sources such as Federal Transit Administration (FTA) New Starts/Core Capacity grants or California’s Transit and Intercity Rail Capital Program (TIRCP).

The impacts of the COVID-19 pandemic on public transit operations and revenues make it challenging for MTC to forecast with a level of certainty that Bay Area transit operators will be able to continue to operate transit service at levels operated in FY 2020-21, much less the levels operated before the pandemic over the 2023 TIP period. Where deficits are shown, MTC will provide flexibility to operators to shift capital funding to operating as necessary and if feasible. The recovery of transit operating revenues to levels necessary to sustainably return to pre-pandemic operating service levels is contingent on numerous unknowns, including the state of the Bay Area economy, the prevalence of work from home/hybrid work policies, the level of domestic and international tourism, and the potential availability of new funding for transit from local, regional, state, and/or federal sources.

**Attachment A
2023 TIP Transit Capital Projects - Regional Summary**

Sponsor	Project Title	Total Project Cost	2023 TIP Cost
AC Transit	AC Transit: Purchase (10) 40' Buses-Fuel Cell ZEB	\$12,797,000	\$0
	AC Transit: AC Transit: Replace 50 40-ft Diesels	\$28,887,533	\$0
	AC Transit Replacement of Transbay Buses	\$16,019,200	\$13,125,000
	AC Transit: Replace 30-ft Diesel Buses	\$5,230,000	\$0
	AC Transit: Replace Articulated Buses	\$13,887,000	\$0
	AC Transit: Replace 40-ft Diesel Buses	\$27,700,000	\$0
	AC Transit: Paratransit Van Replacement	\$29,220,936	\$0
	Tempo Quick Build Transit Lane Delineation	\$440,000	\$0
	AC Transit: Quick Builds Transit Lanes	\$1,651,065	\$0
BART	Hayward Fleet Maintenance Facilities	\$910,000,000	\$9,500,000
	BART Transbay Core Capacity Improvements	\$3,510,700,000	\$174,110,000
	BART/MUNI Direct Connection Platform	\$3,000,000	\$0
	BART: Fare Collection Equipment	\$110,572,214	\$26,350,000
	BART-Elevator Renovation program	\$52,500,000	\$26,250,000
	DT Berkeley BART Station Elevator Modernization	\$10,000,000	\$1,000,000
	BART Train Control Renovation	\$315,168,188	\$38,400,000
	BART: Traction Power System Renovation	\$278,828,454	\$38,400,000
	BART: Rail, Way and Structures Program	\$384,057,833	\$65,272,500
	Concord BART Station Modernization	\$13,000,000	\$9,500,000
	BART Car Exchange (Preventive Maintenance)	\$674,384,612	\$0
	BART: Railcar Procurement Program	\$2,728,299,247	\$219,332,763
	Bay Fair Connection	\$150,000,000	\$47,059,000
	19th Street BART Station Modernization-GO Uptown	\$61,139,944	\$0
	Macarthur Station Mobility Hub Improvements	\$927,171	\$847,171
	Walnut Creek BART TOD Access Improvements	\$5,750,000	\$0
	Embarcadero Stn: New North-Side Platform Elevator	\$25,039,845	\$4,394,302
	BART: TOD Implementation	\$5,542,000	\$0
Caltrain	Peninsula Corridor Electrification Expansion	\$203,638,000	\$41,340,000
	Caltrain: Revenue Vehicle Rehab Program	\$14,846,186	\$0
	Caltrain: Systemwide Track Rehab & Related Struct.	\$244,044,758	\$28,750,000
	Caltrain: Signal/Communication Rehab. & Upgrades	\$54,321,323	\$2,750,000
	Caltrain TVM Rehab and Clipper Functionality	\$10,999,506	\$2,682,500
	Caltrain Positive Train Control System	\$258,100,000	\$0
	Caltrain Electrification	\$2,442,690,696	\$0
GGBHTD	Golden Gate Ferry: New Vessel	\$30,000,000	\$1,431,657
	GGBHTD: Fixed Guideway Connectors	\$66,545,992	\$0
	GGBHTD: Facilities Rehabilitation	\$39,163,986	\$0
	GGBHTD Ferry Major Components Rehab	\$29,599,869	\$0
	GGBHTD Ferry Propulsion Systems Replacement	\$12,419,433	\$0
	GGBHTD: Ferry Channel and Berth Dredging	\$40,319,027	\$6,687,500
	GGBHTD - Transit Systems Enhancements	\$3,604,214	\$0
	San Rafael Transit Center Relocation	\$63,000,000	\$0
SamTrans	SamTrans Bus Replacement	\$152,355,000	\$119,085,000



2023 TIP Financial Capacity Assessment (cont.)

Sponsor	Project Title	Total Project Cost	2023 TIP Cost
	SamTrans Paratransit Vehicle Replacements	\$7,832,489	\$3,025,589
SFMTA	SF Muni Third St LRT Phase 2 - New Central Subway	\$1,601,121,562	\$0
	Historic Streetcar Extension to Fort Mason	\$68,886,966	\$0
	Geary Bus Rapid Transit	\$300,000,000	\$0
	Van Ness Avenue Bus Rapid Transit	\$230,174,314	\$0
	Light Rail Vehicle Procurement	\$1,126,960,331	\$16,834,246
	Transit Center in Hunters Point	\$22,000,000	\$0
	Geneva Harney BRT Infrastructure: Central Segment	\$24,230,000	\$0
	Geneva Harney BRT Infrastructure - Eastern Segment	\$50,924,000	\$21,205,000
	SFMTA Zero Emission Bus Procurement	\$21,225,000	\$0
	SFMTA: Wayside Fare Collection Equipment	\$43,878,241	\$0
	SFMTA: Train Control & Trolley Signal Rehab/Replace	\$223,780,231	\$30,197,000
	SFMTA: Paratransit Vehicle Replacements	\$20,963,014	\$772,000
	SFMTA: Replacement of 40' Trolley Coaches	\$249,813,191	\$0
	SFMTA: Motor Coach Mid-Life Overhaul	\$84,525,674	\$7,952,000
	SFMTA: Rehab Historic Streetcars	\$37,829,108	\$0
	SF Muni Rail Replacement Program	\$302,877,938	\$1,527,640
	SFMTA: Cable Car Vehicle Renovation Program	\$32,807,675	\$0
	SFMTA: Overhead Line Recon. & Traction Power Prog	\$218,426,083	\$2,571,820
	Cable Car Traction Power & Guideway Rehab	\$102,661,977	\$9,760,828
	SFMTA - Core Capacity Program	\$56,691,000	\$42,507,000
VTA	BART - Berryessa to San Jose Extension	\$7,348,340,000	\$3,887,582,000
	Eastridge to BART Regional Connector	\$449,270,044	\$248,424,639
	LRT Extension to Vasona Junction and Double Track	\$256,000,000	\$0
	VTA: Standard & Small Bus Replacement	\$439,547,948	\$55,027,606
	VTA: Rail Replacement Program	\$113,446,465	\$26,200,250
	VTA: TP OCS Rehab & Replacement	\$63,459,940	\$14,250,000
	VTA: Light Rail Bridge and Structure - SG Repair	\$7,580,000	\$1,090,000
	VTA: Paratransit Vehicle Procurement	\$18,794,979	\$1,806,934
	VTA: Non-Revenue Vehicle Procurement	\$400,000	\$0
	VTA: SCADA Control Center System Replacement	\$6,619,000	\$2,850,000
	VTA: HVAC Replacement	\$5,301,095	\$1,462,513
	VTA: Light Rail Station Rehabilitation	\$970,000	\$0
	VTA: Guadalupe Steam Rack Improv & Liner Replace	\$3,200,000	\$0
	VTA Rail Substation Rehab/Replacement	\$9,550,000	\$0
	VTA: Security Enhancement at Chaboya Parking Lot	\$600,000	\$0
	Guadalupe Signal Improvements/SCADA System Replacement	\$26,589,963	\$21,414,963
	VTA Electronic Locker Upgrade and Replacement	\$2,187,000	\$0
	VTA Network Switch Replacement Upgrade	\$4,600,000	\$0
	VTA Axle Press Replacement	\$2,170,375	\$0
	VTA North Yard Tire Awning	\$400,000	\$400,000
	VTA Track Intrusion Abatement	\$16,107,750	\$2,323,750
	VTA: Facilities ADA Upgrades	\$3,200,000	\$0
	N 1st/Tasman EB Track Switch Modernization - TSP Enhancement	\$2,050,000	\$0



2023 TIP Financial Capacity Assessment (cont.)

Sponsor	Project Title	Total Project Cost	2023 TIP Cost
Large Operator Total		\$26,647,934,650	\$5,275,453,171
Other Transit Operators Total		\$4,945,953,879	\$888,564,665
Total		\$31,593,888,529	\$6,164,017,836

Note: Includes rehabilitation/maintenance and expansion projects.



Alameda Contra Costa Transit District (AC Transit)

Operator Background & Budget

The Alameda-Contra Costa Transit District, the third-largest public bus system in California, and before the COVID-19 pandemic it operated a fleet of 639 vehicles on 77 local and 34 Transbay routes that serve 13 East Bay cities and adjacent unincorporated areas in Alameda and Contra Costa counties. The routes connect with 16 other public and private bus systems, 25 Bay Area Rapid Transit stations, six Amtrak stations, three ferry terminals, and Oakland International Airport.

East Bay Paratransit Consortium provides ADA paratransit service in the East Bay. The consortium has entered into a contract with a broker to provide the necessary paratransit services. Operating costs are split between AC Transit and BART.

In the summer of 2020, AC Transit opened its first Bus Rapid Transit (BRT) service, branded as Tempo. Tempo service connects downtown Oakland with San Leandro provided transit service with dedicated lanes and center boarding stations along much of the corridor. AC Transit also operates Transbay bus service to the Salesforce Transit Center in downtown San Francisco. However, given the decreased demand for peak hour travel to/from downtown San Francisco as a result of remote and hybrid work policies it remains unclear at this time what level of service AC Transit will operate over the longer term to the Salesforce Transit Center.

Prior to the COVID-19 pandemic, AC Transit's budget projections showed that revenues were keeping pace with expenses. In 2014, Alameda County voters passed Measure BB, which renewed and augmented the existing county-wide sales tax. The measure is expected to provide over \$1 billion in revenue for transit operations over the duration of the measure. In 2016, Alameda County voters also approved Measure C1, a \$96 a year parcel tax to support AC Transit for a 20-year period, generating around \$30 million per year.

Assessment

Forecasting revenue, service levels, and operating expenses over the 2023 TIP period is challenging due to the impacts of the COVID-19 pandemic. A summary of the expected operating financial capacity assessment is provided in the table below. The local matching funds from non-federal or state sources that are required for projects listed in the 2023 TIP have been accounted for within AC Transit's operating costs.

**TIP Financial Capacity Assessment –Transit Operations & Maintenance
Forecast Based on FY 2020-21 Actual Reported Financial Information
AC Transit
(1,000s, YOES)**

	Year 1	Year 2	Year 3	Year 4	4- Year
CATEGORIES	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026	Total
Costs					
Existing + Planned Committed Projects	\$455,831	\$465,859	\$476,108	\$486,582	\$1,884,380
Total Operational Needs	\$455,831	\$465,859	\$476,108	\$486,582	\$1,884,380
Revenue					
Fare Revenue	\$30,509	\$39,661	\$47,593	\$49,973	\$167,736
Non-Fare Operating Revenue	\$13,666	\$13,967	\$14,274	\$14,588	\$56,494
TDA	\$78,677	\$80,408	\$82,177	\$83,984	\$325,246
STA	\$24,591	\$25,132	\$25,685	\$26,250	\$101,658
AB1107	\$45,039	\$46,030	\$47,042	\$48,077	\$186,188
Local Sales Tax (non-TDA)	\$95,120	\$97,213	\$99,352	\$101,537	\$393,222
Property Tax	\$166,369	\$170,029	\$173,769	\$177,592	\$687,759
Other	\$19,305	\$19,730	\$20,164	\$20,608	\$79,806
Total Revenue	\$473,275	\$492,169	\$510,056	\$522,610	\$1,998,110

Bay Area Rapid Transit District (BART)

Operator Background & Budget

BART operates rail service on four Transbay routes and one route in the East Bay/Santa Clara County. The system operates on 131 miles of track and serves 50 stations. BART’s latest extension, the first to serve Santa Clara County, opened in 2020, extending BART by adding two stations, Milpitas and Berryessa/North San Jose. In early 2020 before the COVID-19 pandemic, BART carried an average of over 405,000 weekday riders. As of June 2022, BART is carrying approximately 140,000 weekday riders or about 35% of its pre-pandemic ridership baseline.

The COVID-19 pandemic has had a significant impact on BART’s operating revenues due to the ongoing decline in ridership experienced by the agency. Because BART relied on passenger fare

revenue for over 60% of its operating costs before the pandemic the loss of ridership has created uncertainty about the level of funding that will be available to BART over the coming years.

Assessment

Forecasting revenue, service levels, and operating expenses over the 2023 TIP period is challenging due to the ongoing impacts of the COVID-19 pandemic on demand for travel to job rich areas like downtown San Francisco and Oakland. A summary of the expected operating financial capacity assessment is provided in the table below. The local matching funds from non-federal or state sources that are required for projects listed in the 2023 TIP have been accounted for within BART’s operating costs.

**TIP Financial Capacity Assessment –Transit Operations & Maintenance
Forecast Based on FY 2020-21 Actual Reported Financial Information
BART
(1,000s, YOES\$)**

	Year 1	Year 2	Year 3	Year 4	4- Year
CATEGORIES	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026	Total
Costs					
Existing + Planned Committed Projects	\$888,703	\$908,254	\$928,236	\$948,657	\$3,673,849
Total Operational Needs	\$888,703	\$908,254	\$928,236	\$948,657	\$3,673,849
Revenue					
Fare Revenue	\$222,534	\$255,914	\$281,506	\$281,506	\$1,041,460
Non-Fare Operating Revenue	\$35,643	\$36,427	\$37,228	\$38,047	\$147,344
STA	\$32,306	\$33,017	\$33,744	\$34,486	\$133,553
AB1107	\$200,143	\$204,546	\$209,046	\$213,645	\$827,380
Local Sales Tax (non-TDA)	\$5,199	\$5,313	\$5,430	\$5,549	\$21,491
Property Tax	\$52,874	\$54,037	\$55,226	\$56,441	\$218,579
Other	\$127,087	\$129,883	\$132,741	\$135,661	\$525,372
Federal Relief	\$313,600	\$273,400	\$0	\$0	\$0
Total Revenue	\$989,386	\$992,538	\$754,920	\$765,335	\$2,915,178

Peninsula Corridor Joint Powers Board (Caltrain)

Operator Background & Budget

The Peninsula Corridor Joint Powers Board (JPB) — consisting of representatives from San Francisco, San Mateo, and Santa Clara counties — operates Caltrain, which provides commuter rail service between San Francisco and San Jose with additional service to Gilroy in southern Santa Clara County. Under contract with TransitAmerica Services Inc., Caltrain operates 134 heavy rail vehicles and 29 locomotives operating approximately 50 trips in each direction along the Peninsula.

Ridership on Caltrain reached a record high in 2016 with almost 67,000 daily riders on average. Before the COVID-19 pandemic fare revenues accounted for nearly 70% of Caltrain's operating revenue. In November 2020 voters in San Francisco, San Mateo, and Santa Clara counties approved Measure RR, a 1/8 cent sales tax in the three counties and the first dedicated source of operating revenue in the history of Caltrain. Revenue from Measure RR is expected to provide approximately \$100 million per year for the agency. Caltrain has also traditionally relied on JPB member contributions to fund a portion of its operating costs, however the approval of Measure RR has led to a reduction in contributions from the JPB member counties.

The principal capital project Caltrain has been engaged in over recent years is the Caltrain Modernization Program (CalMod), which includes electrification and other projects that will upgrade the performance, efficiency, capacity, safety and reliability of Caltrain's service. Electrification provides the foundation that future CalMod improvements are based on, including full conversion to an electric fleet as well as platform and station improvements. Electrification of the system between San Francisco and San Jose will improve Caltrain's limited capacity to run additional trains and carry more passengers and operate a more frequent and reliable service.

As of June 2022 Caltrain ridership remains approximately 75-80% below levels seen before the COVID-19 pandemic. Because Caltrain relied on passenger fare revenue for nearly 70% of its operating costs before the pandemic the loss of ridership has created uncertainty about the level of funding that will be available to Caltrain over the coming years. However, the approval of Measure RR has provided a lifeline of dedicated revenue which the agency can count on over the coming years.

Assessment

Forecasting revenue, service levels, and operating expenses over the 2023 TIP period is challenging due to the ongoing impacts of the COVID-19 pandemic. Given Caltrain's reliance on passenger fares from a pre-pandemic ridership focused on trips to major employment centers on the Peninsula, in San Francisco and in San Jose it remains uncertain at this time how much

ridership will recover and the corresponding fare revenue that will be available to support Caltrain’s operations.

**TIP Financial Capacity Assessment –Transit Operations & Maintenance
Forecast Based on FY 2020-21 Actual Reported Financial Information
Caltrain
(1,000s, YOES\$)**

	Year 1	Year 2	Year 3	Year 4	4- Year
CATEGORIES	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026	Total
Costs					
Existing + Planned Committed Projects	\$179,192	\$183,135	\$187,164	\$191,281	\$740,772
Total Operational Needs	\$179,192	\$183,135	\$187,164	\$191,281	\$740,772
Revenue					
Fare Revenue	\$46,479	\$53,451	\$58,796	\$58,796	\$217,522
Non-Fare Operating Revenue	\$4,508	\$4,607	\$4,708	\$4,812	\$18,634
Measure RR	\$114,300	\$116,815	\$119,385	\$122,011	\$472,510
Other	\$11,328	\$11,577	\$11,832	\$12,092	\$46,830
Total Revenue	\$176,615	\$186,450	\$194,721	\$197,711	\$755,496

Golden Gate Bridge Highway and Transit District (GGBHTD)

Operator Background & Budget

The Golden Gate Bridge, Highway and Transportation District (GGBHTD) is a special district of the State of California that operates and maintains the Golden Gate Bridge and provides transit service between and within Marin, Sonoma and San Francisco Counties. GGBHTD operates two primary transit services: Golden Gate Transit and Golden Gate Ferry. Before the COVID-19 pandemic its fleet of transit vehicles consisted of seven ferry boats and 181 buses. Golden Gate Transit bus services include regional and local routes. Regional routes are controlled and operated by GGBHTD, and local routes are operated by GGBHTD under contract with Marin Transit. GGBHTD sets fare policy and service levels for regional service, and Marin Transit sets fare policy and determines service levels for all service that begins and ends within Marin County.

Prior to the COVID-19 pandemic approximately 50% to 60% of the annual cost of operating Golden Gate Transit was subsidized by tolls collected on the Golden Gate Bridge. As of June 2022

toll revenue from the bridge remains down by 20% from pre-pandemic levels, resulting in a significant decrease in the available operating subsidy to transit. In addition, because GGBHTD relied on passenger fare revenue to cover around half of the costs of operating its ferry service continuing reduction in ferry ridership (down by about half compared to pre-pandemic levels as of June 2022) has created uncertainty about the level of funding that will be available to Golden Gate Ferry over the coming years.

Assessment

Forecasting revenue, service levels, and operating expenses over the 2023 TIP period is challenging due to the COVID-19 pandemic. A summary of the expected operating financial capacity assessment is provided in the table below. The local matching funds from non-federal or state sources that are required for projects listed in the 2023 TIP have been accounted for within GGBHTD’s operating costs.

**TIP Financial Capacity Assessment –Transit Operations & Maintenance
Forecast Based on FY 2020-21 Actual Reported Financial Information
GGBHTD
(1,000s, YOES\$)**

	Year 1	Year 2	Year 3	Year 4	4- Year
CATEGORIES	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026	Total
Costs					
Existing + Planned Committed Projects	\$131,963	\$134,866	\$137,833	\$140,865	\$545,527
Total Operational Needs	\$131,963	\$134,866	\$137,833	\$140,865	\$545,527
Revenue					
Fare Revenue	\$222,534	\$255,914	\$281,506	\$281,506	\$1,041,460
Non-Fare Operating Revenue	\$35,643	\$36,427	\$37,228	\$38,047	\$147,344
TDA	\$32,306	\$33,017	\$33,744	\$34,486	\$133,553
STA	\$200,143	\$204,546	\$209,046	\$213,645	\$827,380
Other	\$5,199	\$5,313	\$5,430	\$5,549	\$21,491
Bridge Toll	\$52,874	\$54,037	\$55,226	\$56,441	\$218,579
Total Revenue	\$548,699	\$589,254	\$622,179	\$629,674	\$2,389,806

San Francisco Municipal Transportation Agency (SFMTA)

Operator Background & Budget

Before the COVID-19 pandemic the San Francisco Municipal Transportation Agency (SFMTA) operated 77 transit lines throughout San Francisco using a fleet of cable cars, streetcars, motor coaches, trolley coaches, and light rail vehicles. Prior to the pandemic SFMTA carried over 700,000 passengers each weekday, representing approximately 43% of the total transit passenger trips within the Bay Area.

As of June 2022, SFMTA's ridership is still approximately 40% below its pre-pandemic baseline. While SFMTA has taken a measured approach to restoring transit routes that were suspended during the course of the pandemic, the agency has steadily restored most of its pre-pandemic service.

SFMTA relies on funding from the City and County of San Francisco General Fund, parking fee/fine, and land development impact fee revenues for the majority of its funding. Because of the negative impacts of the COVID-19 pandemic on the General Fund as well as reduced parking revenues the SFMTA is facing significant operating budget challenges over the coming years. Before the pandemic passenger fare revenues provided approximately 20% of SFMTA's annual operating budget.

Assessment

Forecasting revenue, service levels, and operating expenses over the 2023 TIP period is challenging due to the COVID-19 pandemic. A summary of the expected operating financial capacity assessment is provided in the table below. The local matching funds from non-federal or state sources that are required for projects listed in the 2023 TIP have been accounted for within SFMTA's operating costs.

TIP Financial Capacity Assessment –Transit Operations & Maintenance
Forecast Based on FY 2020-21 Actual Reported Financial Information
SFMTA
(1,000s, YOY\$)

	Year 1	Year 2	Year 3	Year 4	4- Year
CATEGORIES	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026	Total
Costs					
Existing + Planned Committed Projects	\$921,957	\$942,240	\$962,970	\$984,155	\$3,811,322
Total Operational Needs	\$921,957	\$942,240	\$962,970	\$984,155	\$3,811,322
Revenue					
Fare Revenue	\$112,000	\$140,000	\$168,000	\$176,400	\$596,400
Non-Fare Operating Revenue	\$12,169	\$12,436	\$12,710	\$12,990	\$50,304
TDA	\$33,505	\$34,242	\$34,995	\$35,765	\$138,507
STA	\$54,700	\$55,904	\$57,134	\$58,391	\$226,128
AB1107	\$43,346	\$44,300	\$45,274	\$46,270	\$179,190
Local Sales Tax (non-TDA)	\$5,471	\$5,592	\$5,715	\$5,840	\$22,618
Other	\$36,315	\$37,114	\$37,930	\$38,765	\$150,124
General Fund	\$307,392	\$314,154	\$321,066	\$328,129	\$1,270,741
Total Revenue	\$604,898	\$643,741	\$682,824	\$702,550	\$2,634,013

San Mateo County Transit District
(SamTrans)

Operator Background & Budget

SamTrans operates fixed-route bus service along the San Francisco Peninsula serving San Mateo County, with express routes providing service to San Francisco. SamTrans has a total fleet of 305 buses. SamTrans also owns a fleet of 93 demand-response vehicles that provide SamTrans’ ADA-compliant paratransit service. SamTrans is one of the three members of the PCJPB (Caltrain) and additionally is the managing agency responsible for the operation of Caltrain.

In November 2018 San Mateo County voters approved Measure W, a ½ cent sales tax increase which provided an additional \$40 million per year for SamTrans’ operating budget.

The agency has been spared the worst effects of COVID-19 pandemic as the sales tax is by far the most important source of operating funding for SamTrans. San Mateo County has contributed financially towards SamTrans operations. As a result of more stable core operating funding (as

compared to other operators), SamTrans has been able to operate a high level of service throughout the COVID-19 pandemic.

Assessment

SamTrans expects a balanced budget over each year of the 2023 TIP period, however forecasting revenue, service levels, and operating expenses over the 2023 TIP period is challenging due to the COVID-19 pandemic. A summary of the expected operating financial capacity assessment is provided in the table below. The local matching funds from non-federal or state sources that are required for projects listed in the 2023 TIP have been accounted for within SamTrans’ operating costs.

**TIP Financial Capacity Assessment –Transit Operations & Maintenance
Forecast Based on FY 2020-21 Actual Reported Financial Information
SamTrans
(1,000s, YOES\$)**

	Year 1	Year 2	Year 3	Year 4	4- Year
CATEGORIES	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026	Total
Costs					
Existing + Planned Committed Projects	\$184,544	\$188,604	\$192,753	\$196,994	\$762,894
Total Operational Needs	\$184,544	\$188,604	\$192,753	\$196,994	\$762,894
Revenue					
Fare Revenue	\$11,791	\$15,328	\$18,394	\$19,314	\$64,826
Non-Fare Operating Revenue	\$5,090	\$5,202	\$5,316	\$5,433	\$21,041
TDA	\$41,151	\$42,056	\$42,981	\$43,927	\$170,114
STA	\$4,221	\$4,314	\$4,409	\$4,506	\$17,450
Local Sales Tax (non-TDA)	\$146,657	\$149,883	\$153,181	\$156,551	\$606,271
Other	\$46,619	\$47,645	\$48,693	\$49,764	\$192,722
Total Revenue	\$255,528	\$264,428	\$272,974	\$279,494	\$1,072,424

Santa Clara Valley Transportation Authority (VTA)

Operator Background & Budget

Prior to the COVID-19 pandemic VTA operated 493 motor bus coaches and 99 light rail vehicles on 77 routes throughout Santa Clara County. VTA operates three light-rail transit lines that total 42 miles in length, serving 62 stations.

VTA is a member of the Peninsula Corridor Joint Powers Board. VTA also contracts with the Altamont Commuter Express (ACE) for service. Each provides commuter rail service to Santa Clara County from adjacent counties, and shuttle vans from their stations to destinations within Santa Clara County. VTA belongs to the Highway 17 Express and Dumbarton Express consortiums that provide express bus service into Santa Clara County from other adjacent counties. In the summer of 2020 VTA and BART jointly opened the first phase of the BART Silicon Valley Extension, providing service to two new BART stations (Milpitas and Berryessa/North San Jose), the first in Santa Clara County. VTA is responsible for the capital construction costs of the extension and will retain ownership of the capital assets and provide BART with an annual operating subsidy for BART's operating of the service.

VTA is reliant on sales tax revenues for more than 75% of its operating. Because of its reliance on the sales tax, VTA has taken a very cautious budgeting approach during the COVID-19 pandemic because of the concern about how the sales tax will perform in Santa Clara County. Fortunately, sales tax revenues have performed relatively well which have provided VTA with a relatively strong operating financial position relative to other operators which are more reliant on passenger fare revenue.

Assessment

Forecasting revenue, service levels, and operating expenses over the 2023 TIP period is challenging due to the COVID-19 pandemic. A summary of the expected operating financial capacity assessment is provided in the table below. The local matching funds from non-federal or state sources that are required for projects listed in the 2023 TIP have been accounted for within VTA's operating costs.

**TIP Financial Capacity Assessment –Transit Operations & Maintenance
Forecast Based on FY 2020-21 Actual Reported Financial Information
VTA
(1,000s, YOES)**

	Year 1	Year 2	Year 3	Year 4	4- Year
CATEGORIES	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026	Total
Costs					
Existing + Planned Committed Projects	\$454,881	\$464,889	\$475,116	\$485,569	\$1,880,455
Total Operational Needs	\$454,881	\$464,889	\$475,116	\$485,569	\$1,880,455
Revenue					
Fare Revenue	\$28,445	\$36,979	\$44,375	\$46,594	\$156,393
Non-Fare Operating Revenue	\$2,234	\$2,283	\$2,333	\$2,385	\$9,235
TDA	\$122,460	\$125,154	\$127,907	\$130,721	\$506,243
STA	\$36,463	\$37,266	\$38,085	\$38,923	\$150,738
Local Sales Tax (non-TDA)	\$255,729	\$261,355	\$267,105	\$272,981	\$1,057,170
Other	\$23,847	\$24,372	\$24,908	\$25,456	\$98,582
Total Revenue	\$469,179	\$487,408	\$504,714	\$517,060	\$1,978,361

San Francisco Bay Area Small Operators

Collectively, the San Francisco Bay Area’s 17 smaller transit operators account for only nine percent of the total transit operating costs in the region and carry about five percent of fixed route transit passengers in the region as of June 2022.

The small operators contained in this summary include Altamont Commuter Express, County Connection, Fairfield-Suisun Transit, Livermore Amador Valley Transit Authority, Marin Transit, NVRTA, Petaluma Transit, Rio Vista Delta Breeze, San Francisco Bay Ferry, Santa Rosa CityBus, SMART, SolTrans, Sonoma-County Transit, Tri Delta Transit, Union City Transit, Vacaville City Coach, and WestCAT.

The COVID-19 pandemic has impacted the smaller transit operators in very different ways. Operators like San Francisco Bay Ferry (WETA) and SMART, which primarily serve a commute-oriented passenger market have seen significant ridership decreases, similar to larger operators like BART and Caltrain. On the other hand, some bus operators like Marin Transit which primarily serve passengers with limited alternative forms of transportation have seen their ridership levels

rebound to approximately 80% of pre-pandemic levels. Due to the varied nature of the operating revenue sources for the smaller operators it is difficult to generalize performance among them.

Assessment

The financial capacity assessment for the seventeen San Francisco Bay Area small operators, combined, is shown in the table below. Forecasting revenue, service levels, and operating expenses over the 2023 TIP period is challenging due to the COVID-19 pandemic. A summary of the expected operating financial capacity assessment is provided in the table below.

**TIP Financial Capacity Assessment –Transit Operations & Maintenance
Forecast Based on FY 2020-21 Actual Reported Financial Information
San Francisco Bay Area Small Operators
(1,000s, YOES)**

	Year 1	Year 2	Year 3	Year 4	4- Year
CATEGORIES	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026	Total
Costs					
Existing + Planned Committed Projects	\$251,308	\$256,837	\$262,487	\$268,262	\$1,038,895
Total Operational Needs	\$251,308	\$256,837	\$262,487	\$268,262	\$1,038,895
Revenue					
Fare Revenue	\$23,735	\$30,856	\$37,027	\$38,878	\$130,496
Non-Fare Operating Revenue	\$4,600	\$4,702	\$4,805	\$4,911	\$19,018
TDA	\$70,114	\$71,656	\$73,233	\$74,844	\$289,847
STA	\$29,200	\$29,842	\$30,499	\$31,169	\$120,710
Local Sales Tax (non-TDA)	\$65,459	\$66,899	\$68,370	\$69,875	\$270,602
Other	\$100,000	\$102,200	\$104,449	\$106,746	\$413,395
Bridge Toll	\$13,313	\$13,606	\$13,905	\$14,211	\$55,034
General Fund	\$5,072	\$5,183	\$5,297	\$5,414	\$20,966
Total Revenue	\$311,492	\$324,943	\$337,584	\$346,048	\$1,320,068