Survive & Thrive: Roadmap to a Sustainable Business Model for Bay Area Public Transit

May 24, 2023

Preface

The purpose of this document is to provide a high-level framework for describing the actions and investment strategies that are underway and anticipated over the next decade to help transit agencies across the Bay Area survive an impending fiscal crisis, adapt to post-pandemic realities, grow ridership and successfully transition to a new, financially sustainable business model. The document presents a structured plan of action that sets realistic, time-bounded expectations for how recovery and adaptation of the transit system could occur. The purpose is not to commit to each of the discrete actions referenced herein, but rather to describe strategies under consideration and lay out a plausible scenario for how they can be phased in through 2030 and beyond and lay the foundation for a sustainable transit business model. This is a living document which will be regularly updated to incorporate new ideas and feedback.

This framework is intended to build on the work and commitments developed in the Transformation Action Plan (the TAP). However, it expands upon and differs from the TAP in three key aspects:

1. It reframes the objective of transit recovery and transformation actions toward the overarching goal of achieving a business model for transit that is both financially sustainable <u>and</u> sufficiently scaled to serve local, regional and state mobility needs and policy goals.
2. It outlines a narrative relative to state provision of operating relief funding that frames the state as a long-term investor in the region's transit system.
3. It offers a framework to help situate individual operator efforts, regional TAP actions and state support as part of a coherent strategy towards a more financially sustainable, equitable, and affordable Bay Area transit system.

Assumptions:

- Operating relief funding from the state is likely to be limited relative to the significant deficits being currently projected (about $2.5 billion over the next five years with annual deficits in FY 2027–28 and beyond estimated at over $700 million among Bay Area operators).
- The phrase "fiscal cliff" is used to describe cumulative financial outcomes across individual agencies that are driven by several different factors including:
    - Enduring fare revenue losses caused by pandemic ridership declines driven largely by changed travel patterns.

  - Loss or reduction in other (non-fare) sources of operating funds, such as tolls and parking proceeds & traffic fines.
  - Increased operating costs that exceed underlying growth in revenue.
- Increased fare revenue resulting directly from policies and programs intended to increase ridership through improved customer experience (including many of the actions in the TAP) are anticipated to be modest in the near term (in the 2–5 % range based on the Mapping & Wayfinding Business Case and the Fare Coordination Study), but are nonetheless a priority to improve the region's transit system and will require upfront investment that will pay off over the long-term.

Goal: A New, Sustainable Business Model for Transit

What is a Sustainable Business Model?

Achieving a sustainable business model for transit describes a state in which the mobility goals and policy objectives for transit (what we need and want transit to "do") are sustainably aligned with the financial resources available to the system and its capacity to deliver results. Without new revenue, the Bay Area's transit system (as well as much of the state's) will be unable to sustain current service levels, let alone provide service at the level required to meet the state's ambitious policy targets and mandates. This document outlines a path supported by MTC and the region's transit operators to adapt the Bay Area's transit system to a new, sustainable business model.

Transit's Finances Are Heavily Impacted by External Forces

A significant challenge for transit is the extent to which ridership is affected by external factors, such as the economy, land uses and urban form, gas prices, homelessness, and — most relevant to the current moment — remote work policies. Transit must constantly react and adapt to a changing external business environment. As we've seen all too clearly over the last several years, transit's business environment can be quite unpredictable, with pandemics, natural disasters, competition with new transportation options (e.g., private employer shuttles, Lyft & Uber), policy mandates, inflation and labor market pressures imposing new costs and creating circumstances that undercut ridership growth and drive up expenses. To be truly sustainable, the new transit business model must be sufficiently resilient and have the adaptive capacity to respond to shifts in the business environment without constant risk of deficits leading to potential cuts in service and, at worst, existential crisis such as the industry faces today.

Overview of Bay Area Transit Finances

In 2019, according to the National Transit Database, Bay Area transit agencies operated more than 13 million revenue hours and collectively moved over 500 million people nearly 3.5 billion miles — reducing congestion on local roads and highways, providing affordable mobility for low-income residents and people without other options, improving air quality and reducing greenhouse gas emissions. This service cost about $3.2 billion and was paid for by about **$1 billion in fares**, over $1 billion in voter-approved sales taxes and bridge tolls, and an additional $1 billion in other funds, including the statewide quarter-cent Transportation Development Act (TDA) sales tax and State Transit Assistance.

Within California, the Bay Area's transit system was uniquely productive. In 2019, Bay Area counties were home to just under 20% of the state's population, but Bay Area transit agencies provided 29% of transit service hours statewide, accounting for 40% of the state's ridership and collecting an impressive 56% of all fare revenues in the state.

In 2020, this business model collapsed with the COVID-19 pandemic and resultant changes to travel and mobility. Collection of fares and self-generated revenues fell by more than 80% as many systems temporarily suspended fare collection due to health concerns associated with transmitting the virus while the cost to operate service stayed relatively constant and in some cases grew due to enhanced cleaning protocols. By fiscal year 2021, Bay Area transit agencies — like their counterparts across the nation — were able to continue essential service only thanks to a massive infusion of federal relief funds, totaling $4.5 billion through the third infusion of funds via the American Rescue Plan. Hours of service were reduced by 29% from 2019 (to about 9.5 million), but ridership and transit miles traveled fell by 75% and 82%, respectively. Agencies prioritized continuing service for essential service workers and retained their workforce (other than voluntary departures as a result of retirements or other reasons) to be ready for future expansion of service. A prohibition on layoffs was also a condition of federal relief funds as Congress sought to protect good-paying jobs. Many agencies face significant vacancies, however, as a lot of their staff left or retired during the pandemic.

Growth in Transit Capital and Operating Costs Are Also Difficult to Control

As of February 2023, ridership regionwide is about 56% of pre-COVID levels, fares are estimated to generate only 49% of 2019 levels while operating expenses are up an average of 30%. This growth in costs has increased by an average of 30% since FY 2019, which significantly outpaces overall Bay Area inflation and further constrains the ability of transit operators to increase the level of transit service. The key drivers of this increase are labor contracts and fuel cost increases. Challenges in hiring and retention put additional pressures on wages and benefits. Public safety concerns as well as the need to respond to people who are mentally unwell and/or unhoused and riding on transit create additional staffing demands.

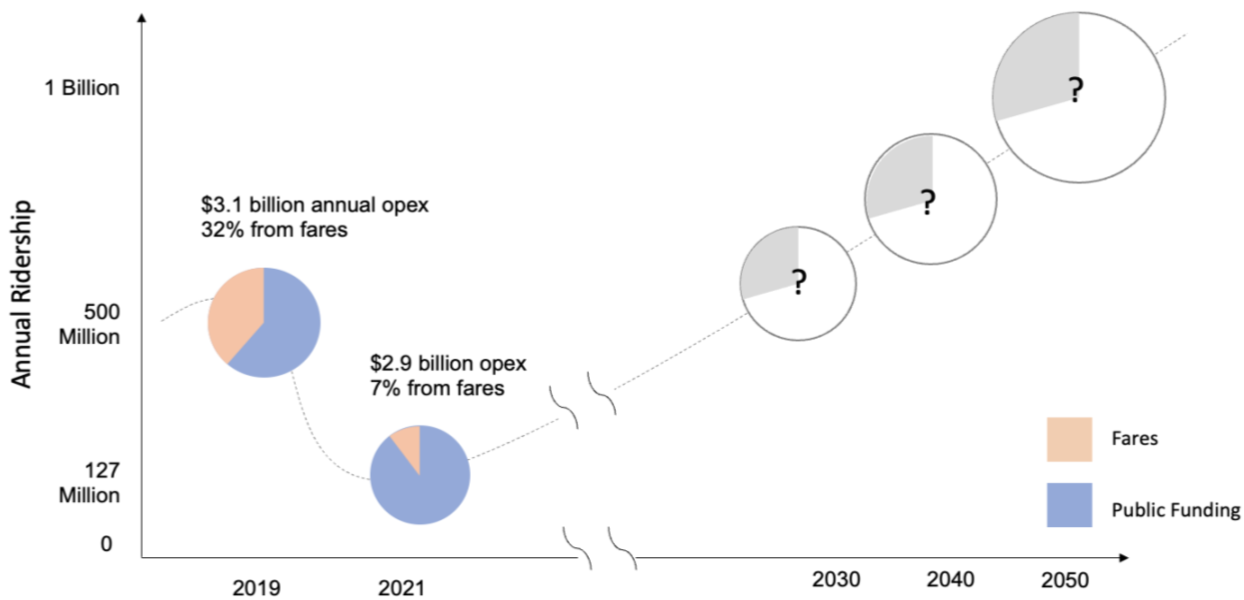
Capital expenses have also increased significantly, putting pressure on operating budgets to fill the gap. For example, the cost of bus parts and new zero emission buses have increased significantly due to inflation and supply chain disruptions and inflation continues to drive up prices overall. The buses AC Transit intends to purchase are now 35–40% more expensive, while the cost to build the infrastructure needed to power them continues to balloon, as well. MTC is working with Bay Area operators on a Regional Zero Emission Bus Transition Strategy to identify opportunities for collaboration and efficiencies across operators, such as shared charging infrastructure and joint procurements, and help the Bay Area compete for one-time federal grants. While these strategies may help generate efficiencies and attract future federal grants, cost escalation is eroding the benefit of prior grant awards by forcing transit systems to cut bus purchase orders or require additional non-federal funds to fill the gap.

State's Policy Goals Depend on a Robust Transit System

Starting with the passage of Assembly Bill 32 in 2006, the State of California along with MTC and many Bay Area localities enacted a series of laws, plans and programs aimed at reducing the state's carbon footprint, supporting infill housing development and providing better alternatives to driving. Laws such as SB 375 (Steinberg, 2008), SB 35 (Wiener, 2017), and AB 2334 (Wicks, 2022), and plans like the California Air Resources Board (CARB)'s 2022 Scoping Plan, the 2023 State Rail Plan and Plan Bay Area 2050 (the region's state-required Sustainable Communities Strategy) envision a future that depends on a healthy and growing transit system. Collectively, these laws and plans go well beyond what has previously been asked of transit. They assume and envision transit network *expansions, increases* in frequency of service, investments in transit priority improvements to ensure reliable and efficient service, all with an aim of *growing ridership*. For example, the CARB 2022 Scoping Plan (which outlines how the state can achieve the greenhouse gas reduction targets required by SB 32) calls for a 25 % reduction in VMT by 2030 and 30 % by 2045 and assumes a *doubling* of existing transit capacity and service frequencies.

The transit vision set forth in these laws and policies was ambitious even before the pandemic. While Bay Area transit boasted the highest commute mode share of any region in the state at about 14 %, the share of *all trips* taken on transit in 2017 was only 5 % and per-capita transit ridership in the region actually fell by 12 % between 1991 and 2016. If current state and regional goals related to climate, equity and land use are to be achieved, every aspect of the Bay Area's transit system — including its underlying finances and operating model — will need to transform and evolve to attract far more riders. Next, we discuss a framework for that transformation.

Figure 1*: Transit's Business Model Will Need to Evolve to Support the Scale of Operation Required by State and Regional Policies*



A Framework for Transformation

In order to fully recover from the impacts of the pandemic and provide the type of transit experience that will attract significantly more riders (as required by the state's ambitious policy directives), Bay Area transit agencies, along with most large systems across California and the nation, will need to reinvent their business models. In the Bay Area, this includes a focus on policies and programs to retain and grow ridership through implementation of rider-focused initiatives already underway, reorganizing for efficiency and capacity, and cultivating new sources of funding at the local, regional and state levels. This transformation may take a decade to fully implement, but many aspects of this transformation have already begun in the Bay Area.

Bay Area Transit Transformation Action Plan

In 2020, MTC convened the Blue-Ribbon Transit Recovery Task Force, a 32-member committee charged with determining how federal transit relief funds would be distributed, coordinating operator health and safety protocols, and laying the groundwork for recovery and transformation. In 2021, the Task Force's work resulted in the adoption of the Transit Transformation Action Plan (the TAP) committing transit operators and MTC to 27 actions. Many of these initiatives are in progress and are being closely monitored by both policy makers and advocates. MTC and transit operators are aggressively pursuing design and implementation of the customer-oriented improvements and organizational reforms identified in the TAP, but it will take several years at least before the results of these efforts reach their full, effective scale across the region's transit system and are fully reflected across the system's ridership counts and balance sheets.

The narrative and tables below provide an optimistic description of the overall process that we hope (and are working to ensure) unfolds over the next decade for the Bay Area's transit system to transition from a "survival" posture (characterized by significant dependence on one-time emergency funds) to a long-term, thriving business model that is supported by a sustainable set of revenues and organized and scaled to deliver on regional and state policy objectives. The tables are grouped by time frame and describe expected outcomes for the transit system as a whole. MTC and transit operators will need to regularly update this narrative based on progress made to implement the TAP, Network Management, development of Transit 2050+ (the Bay Area's first regional transit plan that builds on the TAP) and a regional transportation measure.

Adjusting Transit Service to Meet Demand

The Bay Area's transit operators have already made considerable adjustments to service to respond to the pandemic's changing travel patterns and conserve operating resources. Every single transit operator reduced service dramatically during the early days of the pandemic and most are still operating less frequent service than pre-pandemic in order to preserve operating resources and match current levels of ridership demand. Transit agencies have also championed equity-driven service decisions such as boosting frequency in high-traveled routes used primarily by low-income essential service workers to improve travel to and from jobs that cannot be done remotely. These boosts in frequency on routes that showed strong demand have, in turn, resulted in significant increases in ridership.

At the same time, it is important for operators to implement service adjustments and transit priority improvements to retain and attract new riders, particularly as demand for some transit trips grows. Across the region, more residents are traveling *within* their counties than outside so it is increasingly important for local transit options to offer fast and reliable service. San Francisco is seeing increased demand for neighborhood-to-neighborhood trips (as compared to neighborhood-to-downtown trips) and is seeing ridership higher than pre-pandemic on corridors where transit priority investments have been made. In the East Bay, AC Transit will soon begin an assessment (a comprehensive operations analysis) of each bus line in its service network and decide if existing lines require realignment. They want to know how well their service operates in the post-pandemic environment, where they underperform, and ultimately how to make changes with fiscal responsibility. This top-to-bottom evaluation of the transit network will review every bus line and may result in service cuts where it is clear resources could be used better elsewhere. A realigned system rollout is planned for August 2024.

The next portion of this document presents a structured plan of action that sets realistic, time-bounded expectations for how recovery and adaptation of the transit system could occur. The purpose is not to commit to each of the discrete actions referenced herein, but rather to describe strategies under consideration and lay out a plausible scenario for how they can be phased in through 2030 and beyond and lay the foundation for a sustainable transit business model.

2023–2026: Survival and Reorientation

For the next several years, Bay Area transit's overall business model will remain heavily dependent on one-time relief funding to backfill the enduring losses of fare revenue stemming from changed travel patterns induced by the pandemic and playing catch-up with rising costs. A major focus for Bay Area transit during this time frame will be to avoid a "death spiral" — a condition where funding scarcity drives service cuts, resulting in further ridership loss and spiraling decline. To avoid this outcome, Bay Area transit must sustain reasonable levels of service frequency across key systems and routes, progress must be made on customer-facing improvements aimed at making transit fast, frequent, and reliable, and concerns among Bay Area residents about safety and security on transit must be addressed.

<table>
<tr><th>Strategy</th><th>Expected Outcomes from 2023–2026</th></tr>
<tr><td>Retain and Grow Ridership</td><td>Operators sustain service across the core regional transit system with continued adjustments to better serve emerging and underserved markets and new travel patterns.

Operators make progress to address customer experience issues related to cleanliness, safety and security on transit.
Inter-operator schedule coordination and wayfinding at key hubs throughout the region improves.
Initial fare coordination initiatives including all-agency passes (Clipper BayPass, currently in pilot phase with affordable housing developments and educational institutions) and free and discounted transfers between operators are deployed and scaled.
Aggressive deployment of transit priority, including dedicated transit lanes, signal upgrades and accessible stations on state highways and local streets and roads to speed up bus travel and improve reliability and efficiency.
Local jurisdictions and state agencies commit to support transit priority on local streets and roads in coordination with transit operators.
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Strategy	Expected Outcomes from 2023–2026
Reorganize for efficiency and capacity	• A **Regional Network Management** (RNM) structure reporting to MTC is established and begins work to oversee coordination and transformation of the regional transit system. (The RNM provides a formal venue for transit policy decisions to be made at the regional level, subject to MTC and transit agency board approval.) • Operators, labor and educational institutions partner to ensure ongoing transit labor force pipeline. • Operators make strides in their efforts to hire and retain transit workers and ensure that labor supply challenges do not compromise ability to operate and grow services. • Operators continue to evaluate underutilized services relative to changing travel markets and policy goals and redeploy resources where possible. • MTC and operators complete the region's first **Connected Network Plan** (**Transit 2050+**), identify transit's role in meeting state GHG reduction targets, and develop a clear plan for how regional transit service can evolve toward financial sustainability and scale. • Operators and MTC engage city and county partners to improve coordination and shape policies that encourage, incentivize, and grow transit ridership, and illustrate transit's ability to reduce municipal costs, enhance economic development, reduce emissions and improve the quality of life.
Cultivate new sources of funding	• State provides bridge funds over multiple years to avert major cuts in service as operators fully spend down their federal COVID relief funds. • MTC, transit operators and advocates pursue enactment of enabling legislation for a future regional transportation measure (2024). • MTC, transit operators, policy makers and a broad coalition pursue and secure a regional transportation ballot measure in 2026.

Strategy	Expected Outcomes from 2023–2026
	• Seek partnership and funding opportunities for transit operations with employers, educational institutions and city and county partners. • As needed, MTC, operators and local funding authorities explore options to repurpose existing local, state and regional fund sources to sustain essential transit service.

2026–2030: Transition

During the latter half of the decade, the transition to a new business model for Bay Area transit will be well underway. At this point, transit in the Bay Area will have regained some of its market share as new travel patterns stabilize and as customer-facing improvements to the transit system are implemented and reach scale. Fare revenues and the system's capacity to self-fund a portion of its operating costs will grow but will likely remain significantly below 2019 levels. Voter approval of new regional funding is needed to support transit operations and help fund the next wave of system transformation. Depending on the scale of the regional funding, other sources of local funding (operator or county-specific), and/or new, ongoing state or federal funding may be needed as well.

Strategy	Expected Outcomes 2026-2030
Retain and Grow Ridership	• Operators implement key near-term investments and improvements identified in Transit2050+. • Operators, Caltrans and cities complete an initial wave of transit priority improvements, increasing speed, reliability and efficiency on key routes. • MTC and operators deploy a fully integrated fare structure across regional services and continue with universal transit pass and transfer discount programs for all operators. • MTC and operators substantially complete deployment of regionally integrated mapping & wayfinding to harmonize the transit rider experience. • Operators sustain efforts to improve (as well as improve public *perception* of) safety, security and cleanliness on transit.

Strategy	Expected Outcomes 2026-2030
	• MTC and local jurisdictions continue to support the market for transit through implementation of parking reforms, all-lane tolling or other decongestion pricing, and transit supportive land use policies. • MTC, local jurisdictions and employers support the market for transit by piloting regionally coordinated approaches to Transportation Demand Management. • New infill housing is planned and built, aligning with higher density and parking requirements in MTC's Transit Oriented Communities Policy, helping to grow transit ridership.
Reorganize for Efficiency and Capacity	• MTC and operators continue to evolve RNM structure to accelerate improved customer outcomes and integrated regional transit. • Operators engage in mutually agreed upon targeted consolidation of functions and systems and pursue strategies to control cost growth and increase efficiency. • Operators continue to evaluate and adjust transit service to best align with ridership, mode-shift and equity goals. • Operators and MTC coordinate on the implementation of the Innovative Clean Transit (ICT) zero emission fleet rule consistent with the Regional Zero Emission Bus Transition Strategy, pursuing coordinated strategies for procurement and charging/fueling infrastructure.
Cultivate new sources of funding	• Transit begins utilizing new, local and regional fund sources to support operations and fund transit transformation. • MTC, operators and local funding authorities continue (as needed) to repurpose existing local and regional funding sources to better align with evolving market needs, policy goals and plans. • MTC and operators establish long-term farebox revenue expectations for the system relative to policy goals and identify future funding needs and revenue-generating strategies. • MTC and operators secure revenue through new state and federal funding to replace the bus fleet and develop charging infrastructure in compliance with the ICT rule.

2030 and Beyond: Thriving at Scale

By 2030, the Bay Area's Transit system will have a substantially new business model in place. Ridership will continue growing as new and improved transit services come online and as policy reforms concentrating growth near transit and disincentivizing private auto use reach maturity and scale. The region will have years of experience with network management. Some transit functions — such as fare integration policy, bus transit priority, mapping & wayfinding, rail network management and accessibility — may now be consolidated and regionalized. Farebox recovery may have recovered significantly at this point, but to improve equity, grow ridership in particular markets and address ambitious climate goals, regional funds are needed and significant further support from state or federal funds may also be required. Increasingly, transit will be focused on expanding its reach and capacity to meet long term demand and policy targets while ensuring that growth in costs and funding remain in sustainable alignment.

Strategy	Expected Outcomes 2030 and Beyond
Retain and Grow Ridership	• RNM works with operators to continue to deepen integration of transit services to achieve a fully seamless customer experience. • Operators deliver improved high frequency services taking advantage of a second wave of transit priority improvements and fully leveraging previous and planned completion of major transit expansion projects (bus rapid transit projects, Caltrain Electrification, BART Core Capacity, BART to Silicon Valley, the Portal and Valley Link). • MTC and local jurisdictions continue to strengthen implementation of transit supportive land use policies and parking reforms. • MTC and employers expand the Commuter Benefit Program to provide enhanced incentives, including universal transit passes building on the Clipper BayPass, for employees to take transit. • MTC and Caltrans pilot and expand road pricing initiatives to further incentivize transit usage.

Strategy	Expected Outcomes 2030 and Beyond
Reorganize for efficiency and capacity	• As needed, MTC and operators pursue legislation to improve the effectiveness of Regional Network Management to deliver a seamless Bay Area transit experience. • Mutually agreed-upon consolidation of transit services and systems are implemented. • MTC and operators establish and implement long term strategies to contain cost growth and keep expenditures aligned with revenue sources. • Operators and educational institutions continue workforce development strategies and expand pipeline of talent to meet increased scale of operations.
Cultivate new sources of funding	• MTC and operators work with the state to ensure that existing funding streams for transit are secure, aligned with current policy needs and sustainable over the long term (e.g., TDA, STA). • Local and regional policy makers advance and reauthorize local and regional sources of funds, as necessary. • The RNM and operators incorporate additional revenues from pricing initiatives, TOD, vehicle miles traveled (VMT) mitigation (SB 743) and other enterprise and user-fee sources as programs reach maturity.

ATTACHMENT A:
Adjustments Operators Have Made Since the Pandemic

Below are examples of actions taken by Bay Area operators since 2020 to respond to changes in demand and adjust fares to attract more riders and advance equity. The largest operators, SFMTA and BART, are listed first; the balance are alphabetical.

SFMTA

- Reduced hiring and shrank the agency by 1,200 staff through attrition.
- Adjusted service more than nine times to improve efficiency.
- Made service faster and more reliable with the implementation of over 21 miles of new transit lanes, bringing the transit lane network to more than 70 miles.
- Reduced subway delays by more than 80% through quarterly subway shutdowns to do maintenance and upgrades in the subway system.
- Made service more equitable thru the Muni Equity Strategy to improve the transit routes most critical to households with low incomes, people of color, seniors and people with disabilities.
- Launched a new customer information system providing customers with more accurate real-time information.
- Riders have noticed that improvements to the busiest Muni lines are making service faster and more reliable: two-thirds (66%) of riders who took the Annual Muni Rider Survey in Fall 2022 rated Muni service as “good” or “excellent” — a 9% increase from 2021 and the strongest increase since 2018.

BART

- Significantly reduced service during height of pandemic but brought back close to full pre-pandemic levels in 2021, initiating a schedule in September 2022 that included more evenly spaced trains and better connections to Caltrain.
- In April 2023, unveiled a new “reimagined service plan” that responds to new non-commute ridership trends by improving evening and weekend service. The changes will go into effect September 2023. The proposed service plan:

    - Significantly increases service on the Yellow Line (Antioch–SF), its highest ridership line.
    - Provides a maximum scheduled wait time of 20 minutes during all hours of service seven days/week, whereas wait times can be 30 minutes during the night and weekend currently.
    - Aims to improve on-time performance and improve reliability during the peak commute because there will be less train traffic and congestion through the core of the system. Trains won't stack up as frequently as they will be better spaced apart, allowing faster recovery from delays.
- Clipper START fare discount increasing to 50%.

AC Transit

- Restored service to 88 % of pre-pandemic levels (as of March 2023).
- Developed equity-based service recovery standards and adjusted Transbay service to match Bay Area commute patterns across the region's bridges.
- Joined the Clipper START pilot program, which offers riders from low-income households a 20% discount on fares.
- Reactivated its supplementary service and prioritized service to schools in August 2021 resulting in approx. 30,000 school trips taken every school day and over 18,000 revenue hours annually.
- In August 2020, implemented the Tempo Bus Rapid Transit route, which now has higher than pre-pandemic ridership along same route.
- Launched new mobile app and mobile ticketing.
- Launched AC Transit Realign, an inclusive planning process to evaluate its existing service network and respond to changing travel patterns. The project includes a survey to gather rider feedback to develop a new network focused on riders and advancing equity. The Realign process will also require analyzing post-pandemic revenue losses, funding shortfalls, and bus operator workforce challenges to right-size its operations.

Caltrain

- In 2020, Caltrain reduced service levels to their minimum level, suspended fare increases and approved the system's first Framework for Equity, Connectivity, Recovery and Growth to ensure that COVID-19 pandemic recovery occurs in a way that expands access to low-income individuals and communities of color.

- Later implemented a new schedule aimed at improving service for essential workers and transit dependent individuals that includes more midday, evening and weekend service.
- The agency also discounted fares to incentivize riders and started the Go Pass Donation Program, bringing in a new, more diverse ridership by providing passes for low-income and historically disadvantaged community members.
- Caltrain is engaged in regional coordination to improve the rider experience, including better timing for transfers, improved signage, and meeting weekly with Bay Area transit partners.
- Other rider experience efforts include 300 new bicycle eLockers, new ticket options (mobile/in-person), and the creation of a taskforce dedicated to ridership growth.
- Caltrain is engaged in a massive Electrification Project. Launching in Fall 2024, Caltrain's electric trains will provide better performance, improved service and a better experience for commuters.

County Connection

- Scaled back commuter oriented express bus service to focus on preserving essential, lifeline service and increasing service along high ridership corridors that serve low-income and minority communities as well as students.
- Ridership recovery has been significantly higher on local, school, and weekend routes, with the latter two service types back to full recovery, whereas express routes are still at just 40%.
- Recently expanded (using Low Carbon Transit Operations Program funds) a free fare program in the Monument Corridor in Concord to include weekend routes. This is one of their highest ridership corridors and serves transit-reliant populations who are disproportionately low-income and people of color. As a result, ridership on these routes has now surpassed pre-COVID levels by over 30%.
- Forecasts that overall ridership levels could return to pre-pandemic by FY 2024–25, but operator shortages could limit their ability to expand service to meet increased demand.

Golden Gate Transit

- Improved weekday frequencies on Interstate 580 across the Richmond-San Rafael Bridge which carries a larger percentage of low-income riders to every 30 minutes during AM and PM peak periods.

SamTrans

- Over the course of several years, developed a new service vision designed to improve equity, efficiency, and connectivity and implemented network-wide service changes in August 2022.
- Launched a free bus program for low-income students in 2022 and has made it permanent with about 25,000 passes distributed to over 30 schools. As of February 2023, there have been over 500,000 individual rides using the pass, which represents 37% of total youth ridership.
- Is introducing microtransit/on-demand in East Palo Alto and Half Moon Bay, which will increase ridership in Equity Priority Areas as well as provide connections to nearby fixed route service.

SF Bay Ferry/Water Emergency Transportation Agency (WETA)

- In July 2021, WETA launched its Pandemic Recovery Program including a restructured service plan that uses the same number crews/operators but provides more service than the pre-pandemic schedule, mainly from redeploying some trips from peak periods (typically catering to office commuters) to other non-peak periods that fit the needs of a broader market of travelers, including those working in the service and construction industry, office workers with newly flexible schedules, and passengers traveling for non-work purposes.
- Fares were reduced about 30% across all routes to be comparable with other travel options.
- Overall, WETA is providing 30% more weekday departures than ever with enhanced midday service levels to boost flexibility for essential workers and those working shift schedules and robust weekend service year-round on three routes to lean into faster recovery of non-commute ridership. Mass marketing campaign to highlight enhancements, fare cuts, and the comfort and safety of ferry service.

- System interlining and other schedule adjustments (especially on weekends) were implemented to increase the total amount of service without expanding the number of crews or vessels required to support the services.

Santa Clara Valley Transportation Authority (VTA)

- Sharply reduced transit service levels during COVID-19 shelter orders but began restoring at least some service on all bus and light rail routes by the end of 2020.
- Since then, VTA made a series of route adjustments in frequency, span, and alignment to respond to post-pandemic travel changes, prioritizing the following for service restoration:
  - VTA's Frequent Network (core network of frequent, all-day service) which serves a higher share of low-income and non-white communities in the county.
  - Midday and evening service utilized particularly by essential, frontline shift workers.
- Bus ridership has recovered to approximately 75% of pre-pandemic levels whereas light-rail (which serves markets with greater work-from-home workers) ridership is at approximately 50% of pre-pandemic levels.