



Memorandum

AGENDA ITEM 10

DATE: February 23, 2023
TO: Transportation Authority Board
FROM: Maria Lombardo - Chief Deputy Director
SUBJECT: 2/28/23 Board Meeting: Metropolitan Transportation Commission’s Transit Regional Network Management Update

RECOMMENDATION Information Action

None. This is an information item.

SUMMARY

In April 2021, the Metropolitan Transportation Commission’s (MTC) Blue Ribbon Transit Recovery Task Force (BRTF) adopted the Bay Area Transit Transformation Action Plan, which identified actions the Task Force believed were needed to reshape the region’s transit system into a more connected, efficient, and user-focused mobility network. A key overarching action that the BRTF identified in the plan was to advance the implementation of Regional Network Management, where certain transit planning, operations, and funding functions would be coordinated and executed at a regional, rather than operator-by-operator, level. MTC convened an advisory group to guide the development of a proposed governance structure for Regional Network Management. The advisory group concluded its work in December 2022, and in February 2023 the MTC Commission adopted its recommendations, which include: identification of six functional areas that could benefit from a regional approach; a governance structure, led by and reporting to the MTC Commission, by which the vision and actions for each functional area are set; and near-term implementation steps that are outlined for the first 180 days, pending funding availability. The six functional include fare integration policy; wayfinding and mapping; accessibility; bus transit priority; rail network management; and connect network planning. We

- Fund Allocation
- Fund Programming
- Policy/Legislation
- Plan/Study
- Capital Project Oversight/Delivery
- Budget/Finance
- Contract/Agreement
- Other:



<p>will track the regional network management work closely in coordination with San Francisco transit operators and will bring updates and seek input from the Board and our MTC Commissioners as topics warrant it.</p>	
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BACKGROUND

The onset of the COVID-19 pandemic in the Bay Area in March 2020 caused transportation patterns in the region to rapidly and radically shift. With the implementation of stay-at-home orders and travel reduced to only essential purposes, these new patterns significantly reduced transit ridership and threatened the long-term viability of transit. Many operators reduced service in the face of these ridership drops and reduced operating budgets.

In response to both these challenges and the immediate need to distribute significant federal relief dollars to support operating costs, in April 2020 the Metropolitan Transportation Commission (MTC) formed the Blue Ribbon Transit Recovery Task Force (BRTF). This task force, composed of MTC Commissioners, transit agency general managers, and state, labor, and advocacy stakeholders, was charged by the full MTC Commission to guide the future of the Bay Area’s public transportation network. The BRTF’s work culminated in the Bay Area Transit Transformation Action Plan in April 2021, which is intended to serve as a roadmap for transit’s recovery from the challenges posed by the COVID-19 pandemic and its ongoing effects.

The Transit Transformation Action Plan outlines initiatives with the intent to achieve a number of outcomes focused on making the Bay Area’s 27 transit systems easier to use and navigate as a unified network. In particular, the plan prioritizes outcomes in the areas described below:

- **Fares and Payment:** Simpler, consistent, and equitable fare and payment options attract more riders.
- **Customer Information:** Integrated mapping, signage and real-time schedule information make transit easier to navigate and more convenient for both new and existing riders.
- **Transit Network Planning and Operations:** Bay Area transit services are equitably planned and integrally managed as a unified, efficient, and reliable network.
- **Accessibility:** Transit services for older adults, people with disabilities, and those with lower incomes are coordinated efficiently.
- **Funding:** Ensure that the Bay Area’s transit system uses its existing resources more efficiently and secures new, dedicated revenue to meet its capital and operating needs

In order to achieve these outcomes, the Transit Transformation Action Plan identified the need to create a new transit governance framework, referred to as Regional Network



Management, to set policy, provide guidance and funding, and coordinate the region's 27 transit agencies to operate as a unified network. The plan anticipated benefits from this new management scenario ranging from rider focused benefits (such as easier connections, decreased travel times, and increased affordability), to network/operator benefits (increased ridership, reduced total operating costs, and increased regional fare revenue), to benefits that accrue to the region as a whole (reduced greenhouse gas emissions and traffic congestion).

In September 2021, MTC established an advisory group to guide the development of a Regional Network Management Governance Framework through a Business Case Evaluation process and recommend a preferred framework to achieve near-term and longer-range transit mobility goals. This advisory group included fourteen members representing transit operators (including SFMTA Director of Transportation Tumlin) and riders alongside representatives for equity, social justice, senior/disabled transit riders, business, and labor. In December 2022, the advisory group concluded its final meeting with consensus on a recommended Regional Network Management (RNM) governance framework to forward for consideration and adoption by the MTC Commission.

DISCUSSION

Recommended RNM Structure and Function. The goal of the RNM is to drive transformative improvements in the customer experience for regional Bay Area transit. The RNM Business Case Evaluation identified six functional areas that could be regionalized, or more effectively managed and addressed at a regional rather than operator-by-operator level and proposed a framework for a Regional Network Manager. In general, the RNM would set the regional vision, establish regional policies, and help identify and prioritize funding and support implementation planning for each of these proposed functional areas. The six functional areas recommended for the focus of the RNM are:

- **Fare Integration Policy:** Developing, funding, and managing the fare system, including all aspects of how and what riders pay to use the regional transit system.
- **Wayfinding and Mapping:** Funding, planning, development and delivery of infrastructure and services to deliver the information travelers use to plan and navigate their journey including signage, maps, schedules, travel times, and updates.
- **Accessibility:** Funding, planning and development of the accessibility of the fixed route network and planning for the complementary paratransit network, including the integration of paratransit with the fixed route network, and the effective coordination of services for older adults, and people with disabilities.
- **Bus Transit Priority:** Funding, planning, development, and delivery of infrastructure changes to enable public transit vehicles to achieve better travel times and reliability, including reserved lanes, queue jumps, roadway adjustments, and signal changes.



- **Rail Network Management:** Project planning, funding, policy, implementation, and management of the rail network.
- **Connected Network Planning:** Developing, funding, and prioritizing an integrated and coordinated regional transit system.

There have been ongoing efforts by the region's transit operators and MTC in some of these functional areas, such as wayfinding and mapping and piloting a regional multi-operator transit pass (BayPass). In other areas, like bus transit priority, the regional work program is not yet well defined. We have been providing input to MTC and through our MTC Commissioners that a valuable next step would be working to identify the potential work program in each of these areas and prioritizing efforts that appear to be the most cost effective.

Earlier this month, the MTC Commission adopted the recommended RNM framework structure – a governance structure for the RNM work. The structure is illustrated in Attachment 1 and includes:

- A **RNM Committee of MTC**, structured like other MTC committees, composed of eight voting members from MTC and three non-voting members: two transit agency board representatives and a state appointee. The committee would report to the full MTC Commission, like other MTC committees.
- A **RNM Council** comprising the MTC Executive Director, the region's seven largest transit agencies' general managers, and three representatives from the small transit operators. The RNM Council would advise the RNM Committee.
- A **"Voice of the Customer" Advisory Committee** composed of approximately 50% MTC Policy Advisory Council members and 50% other stakeholders. The advisory committee would also advise the RNM Committee.
- **Dedicated RNM support staff**, part of MTC staff reporting to the MTC Executive Director and supporting the work of the RNM Council.

With the recognition that there is a need and desire to be responsive to the existing challenges transit faces quickly while also accounting for the fact that important lessons will be learned as this structure is fully realized, the adopted recommendations also contain a roadmap for evaluation and evolution of this structure over the next three to five years. MTC staff recommendations include establishing key performance indicators early in the implementation process, formally evaluating progress against these indicators every two years, and potentially adjusting or evolving the governance framework (including the roles and responsibilities of each entity), the functional areas on which it is focused, or both to better respond to emerging needs or progress achieved.

Policy Considerations. We have tracked the progress of the RNM Advisory Group and subsequent MTC committee and commission meetings and support the identified



recommendations for both governance structure and for addressing important transit planning, operations, and funding issues and challenges at a regional level. As noted previously, SFMTA Director Tumlin participated as a member of the Advisory Group, and SFMTA staff support the recommendations. Staff at both agencies believe that the RNM effort has the potential to deliver benefits to both transit riders and operators.

Continued regional support and transparency, including in the prioritization of specific work program efforts to advance, monitoring effectiveness, and reporting on the progress towards the goals, will be critical to the effort's success. San Francisco is one of the key origins and destinations of regional trips, served by six of the Bay Area's seven largest transit operators, and home to Muni, the region's largest operator by ridership. As such, particularly relevant to San Francisco but valid across the region will be the need for the RNM governing and advisory bodies to tackle regionwide improvements without impacting the service that existing riders depend on. It will be critical to ensure that regional efforts be designed and implemented to do no harm to existing operations, both within each operator's individual budgets and how regional transit resources are distributed. This will be particularly challenging in areas like fare integration given the varying financial portfolios of the various operators and the fact that some like Muni are highly subsidized consistent with the City's Transit First policy, while other operators have a much lower level of local subsidy.

The status of San Francisco and the region's largest transit operator's operating budgets will be discussed in a separate item in today's agenda, and it is important to understand that, absent a significant new regional funding source, there will continue to be tradeoffs between resources that operators can spend on regional initiatives versus delivering service or making state of good repair or maintenance investments to keep their systems running reliably and safely.

Next Steps. As noted above, in the MTC adopted the recommended RNM Framework at its February 22nd meeting. In earlier MTC Committee meetings, several Commissioners expressed concerns about the source of funding for the implementation of the RNM Framework. MTC staff have identified a near-term funding need of \$1-2 million per year and discussed potentially diverting 1% of existing State Transit Assistance (STA) funding currently distributed by formula to operators and used for transit operations to pay for implementation of the RNM. Large and small operators alike are facing significant operating shortfalls, and diverting any operating resources away from providing transit service was a major concern. The February 22nd MTC Commission meeting's staff memo now reflects Commissioners' direction that funding for the RNM framework should not be detrimental to transit services, and that MTC itself should be making meaningful contributions to the cost of the work. Transportation Authority staff supported this revised position.

The adopted MTC staff recommendation outlines a 180-day implementation plan which is proposed to begin in parallel to the start of the new MTC executive director's term. Actions in the implementation plan include identification of near-term funding, hiring of dedicated RNM



support staff, and convening each body to outline responsibilities and prioritize near-term actions.

We will continue to track and engage in the RNM implementation work as it progresses and bring future updates to the Board at key milestones.

FINANCIAL IMPACT

None. This is an information item.

CAC POSITION

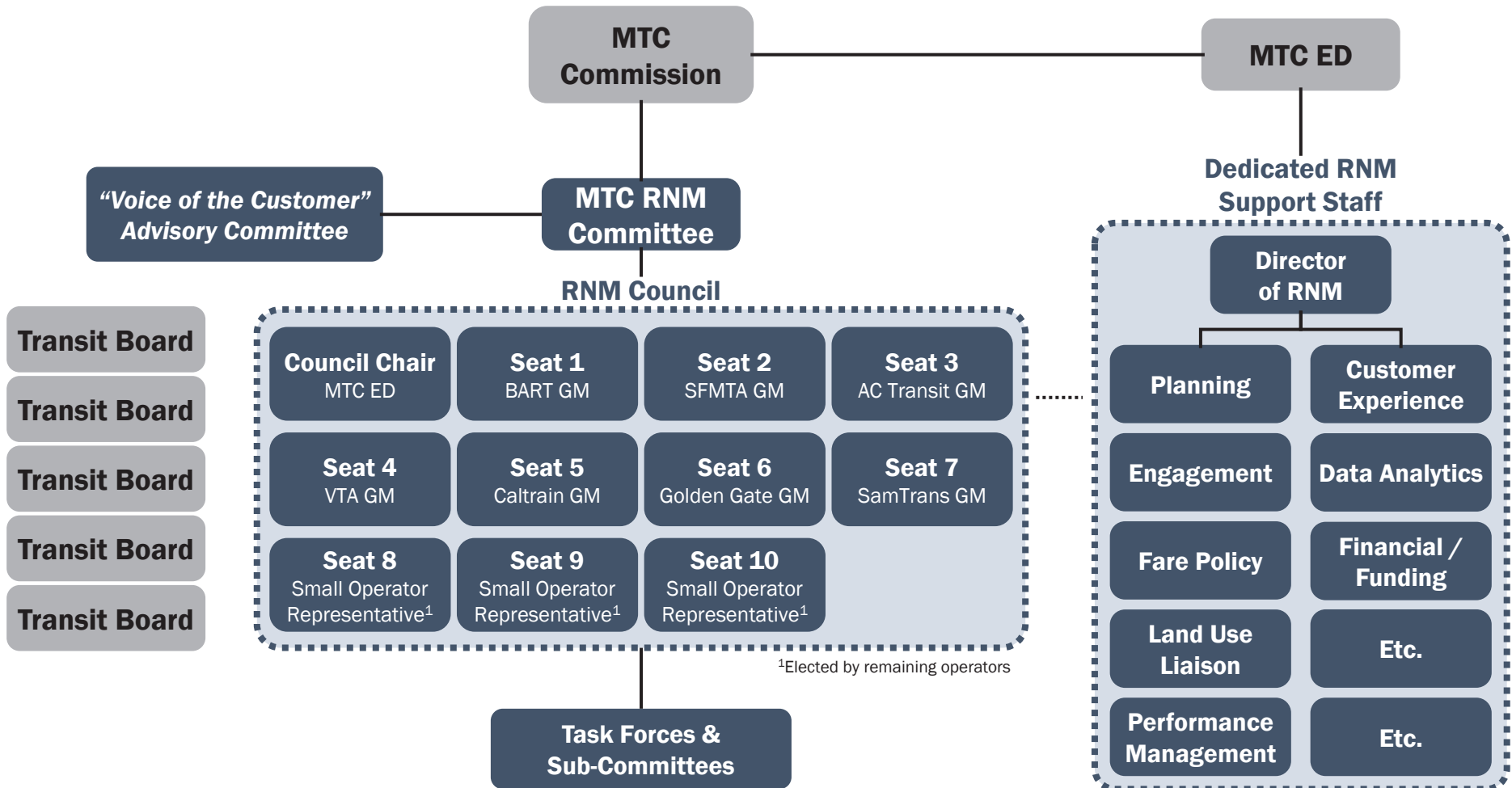
None. This is an information item. This update will be agendized at an upcoming CAC meeting.

SUPPLEMENTAL MATERIALS

- Attachment 1 - Regional Network Management Framework Structure
- Attachment 2 - Presentation

Attachment 1

Regional Network Management Framework Structure (Near-/Short-term)



Regional Network Management (RNM)

RECOMMENDED REGIONAL NETWORK MANAGEMENT (RNM) SHORT/NEAR-TERM FRAMEWORK

Presentation to SFCTA Board

February 2023

Background

BLUE RIBBON



TRANSIT RECOVERY
TASK FORCE

In May 2020, MTC created a 32-member **Blue Ribbon Transit Recovery Task Force** (“Task Force”) to support MTC in the development of a regional response to address the adverse impacts of the COVID-19 pandemic on transit systems in the Bay Area



In July 2021, the Task Force approved 27 specific near-term actions to re-shape the region’s transit system into a more connected, more efficient, and more user-focused mobility network across the entire Bay Area which formed the **Bay Area Transit Transformation Action Plan**

Network Management Evaluation



The Task Force requested that an independent assessment of network management alternatives be completed prior to the sunset of the Task Force to serve as the foundation for a more in-depth business case evaluation of these alternatives.

As a part of this plan, the Task Force requested that a study be completed to select a preferred alternative structure(s) for **Regional Network Management (RNM)** and recommend next steps to achieve implementation

Network Management Business Case Evaluation Project

Accordingly, MTC established a **Network Management Business Case Evaluation project** to assess and recommend a preferred regional network management framework to achieve near-term and longer-range transit mobility goals

Transit Transformation Action Plan – Desired Outcomes

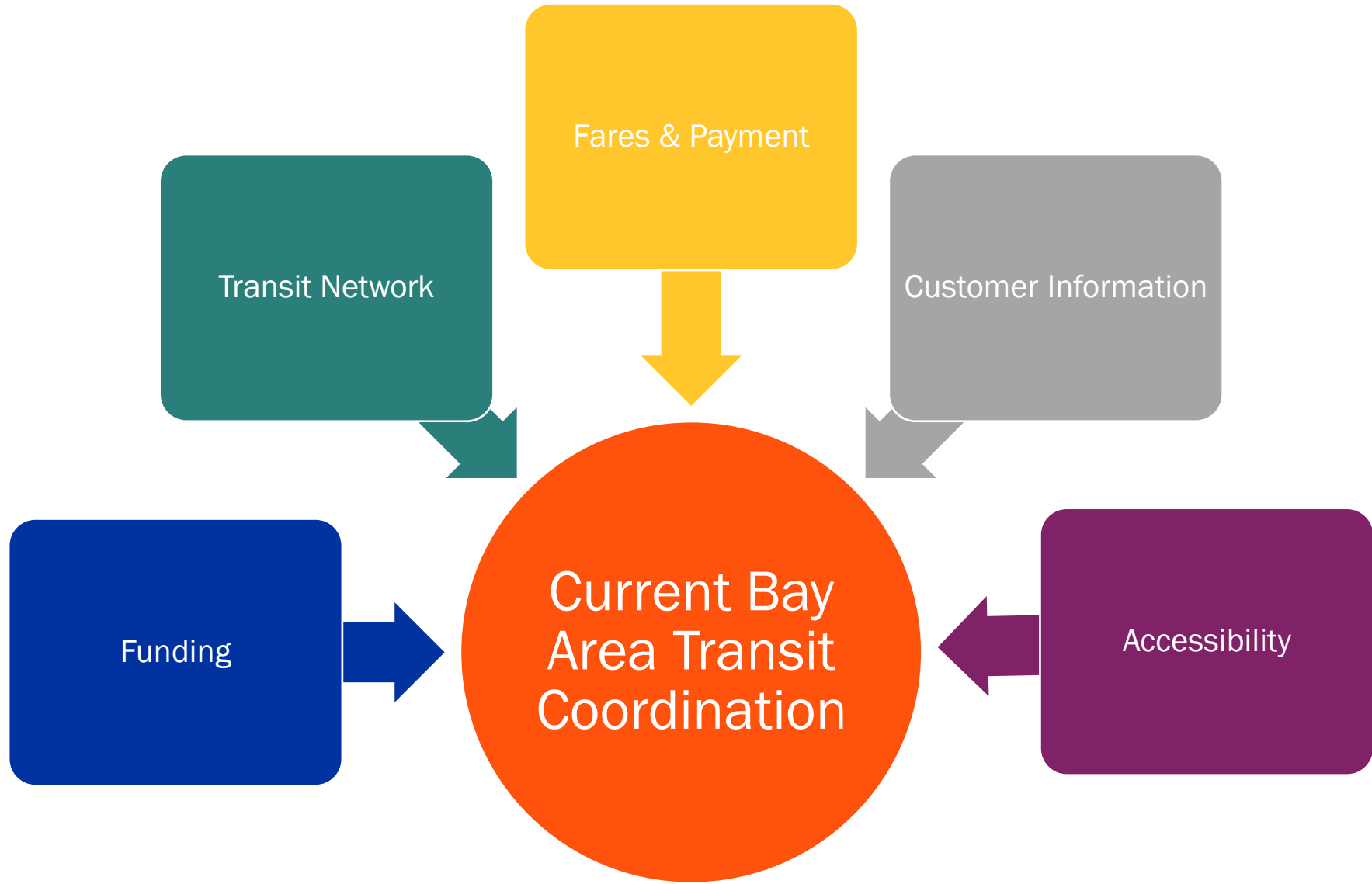
I. Fares and Payment	II. Customer Information	III. Transit Network	IV. Accessibility	V. Funding
<p>Simpler, consistent, and equitable fare and payment options.</p>   	<p>Make transit easier to navigate and more convenient.</p>  	<p>Transit services managed as a unified, efficient, and reliable network.</p>   	<p>Transit services for older adults, people with disabilities, and those with lower incomes are coordinated efficiently.</p>   	<p>Use existing resources more efficiently and secure new, dedicated revenue to meet funding needs.</p>  

Current Bay Area Transit Coordination

Regular weekly coordination by all operators on multiple facets and sharing of best practices

Progress on all five Transformational Outcomes outlined in the Transit Transformation Action Plan

Shared staffing & consultant support on topics



Recent regional transit coordination wins

- **Weekly General Manager meetings**
 - Coordinated funding advocacy
- **Fare Integration:**
 - Clipper BayPass Pilot launched August 2022 - unlimited transit pass at select institutions
 - Muni and Samtrans Route 122 Pilot – Muni pass accepted on part of Route 122 in SF
- **Service Reciprocity**
 - Eliminated regional restrictions on local routes (e.g. Golden Gate and SamTrans buses in SF)
- **Network legibility**
 - Renumbered bus routes to eliminate duplication (e.g. Golden Gate renumbering)
 - Station wayfinding upgrades have followed MTC standards (Castro, Church, Powell)
- **Schedule coordination**
 - Aligning sign-ups to regional schedule changes (e.g. BART)



Network Management Business Case Advisory Group

Purpose

- Established in September 2021 to guide and review the Business Case analysis and recommendations
- Business Case Evaluation: Assess and recommend a preferred regional network management framework to achieve near-term and longer-range transit mobility goals

Convenings

- 14 Advisory Group Members
- January – December 2022
- Met 8 times

Composition

7 Transit Agency Representatives

Denis Mulligan (Chair), GGBHTD
Michelle Bouchard, Caltrain
Bill Churchill, County Connection
Carolyn Gonot, VTA
Michael Hursh, AC Transit
Bob Powers, BART
Jeff Tumlin, SFMTA

7 Stakeholder Representatives

Alicia John-Baptiste (Vice-Chair), SPUR
Christine Fitzgerald, SVILC
Adina Levin, MTC Policy Advisory Council
James Lindsay, ATU
Therese McMillan, MTC
Suzanne Smith, SCTA
Jim Wunderman, Bay Area Council

Proposed Regional Network Management (RNM) Statements

Proposed Mission Statement

("Core Purpose")

To drive transformative improvements in the customer experience for regional Bay Area transit

Proposed Vision Statement

("Why")

To advance regional goals in equity, livability, climate, and resiliency through a unified regional transit system that serves all Bay Area populations

Regional Network Management Initial Focus Areas

Fare Integration Policy

- Set the regional vision
- Establish regional policies
- Establish policy implementation plans, including the identification of funding

Wayfinding & Mapping

- Set the regional vision
- Establish regional policies (e.g., design standards, compliance requirements)
- Establish policy implementation plans, including the identification of funding
- Deliver centralized procurement, where relevant

Accessibility

- Embed accessibility within each of the other functional area plans
- Define a regional vision for paratransit operations
- Identify improvements needs re: implementation of paratransit policies and requirements
- Establish a regional implementation plan

Bus Transit Priority

- Set the regional vision
- Define BTP corridors and identify needs / initiatives
- Serve as the central coordination point for state, county, and city stakeholders
- Establish policy implementation plans, including the identification of funding

Rail Network Mgmt.

- Set the vision for the regional rail network
- Translate regional vision into regional implementation plan (project prioritization, sequencing, integration points, project funding, delivery approach, etc.)

Connected Network Planning

- Identify critical regional transit gaps to create CNP
- Establish and create data tools for regional planning
- Identify funding priorities and establish service standards
- Draft changes to Countywide Transportation Plan guidelines, as needed

The proposed RNM structure will need three key elements

Regional Visioning Element

MTC RNM Committee: Leverage existing regional purview and planning capabilities to help set the regional vision for transit in the Bay Area and drive the direction of the RNM

“Voice of the Customer” Advisory Committee: Group of stakeholders who represent the customer and can help inform decision-making with the customer in mind

Steering Element

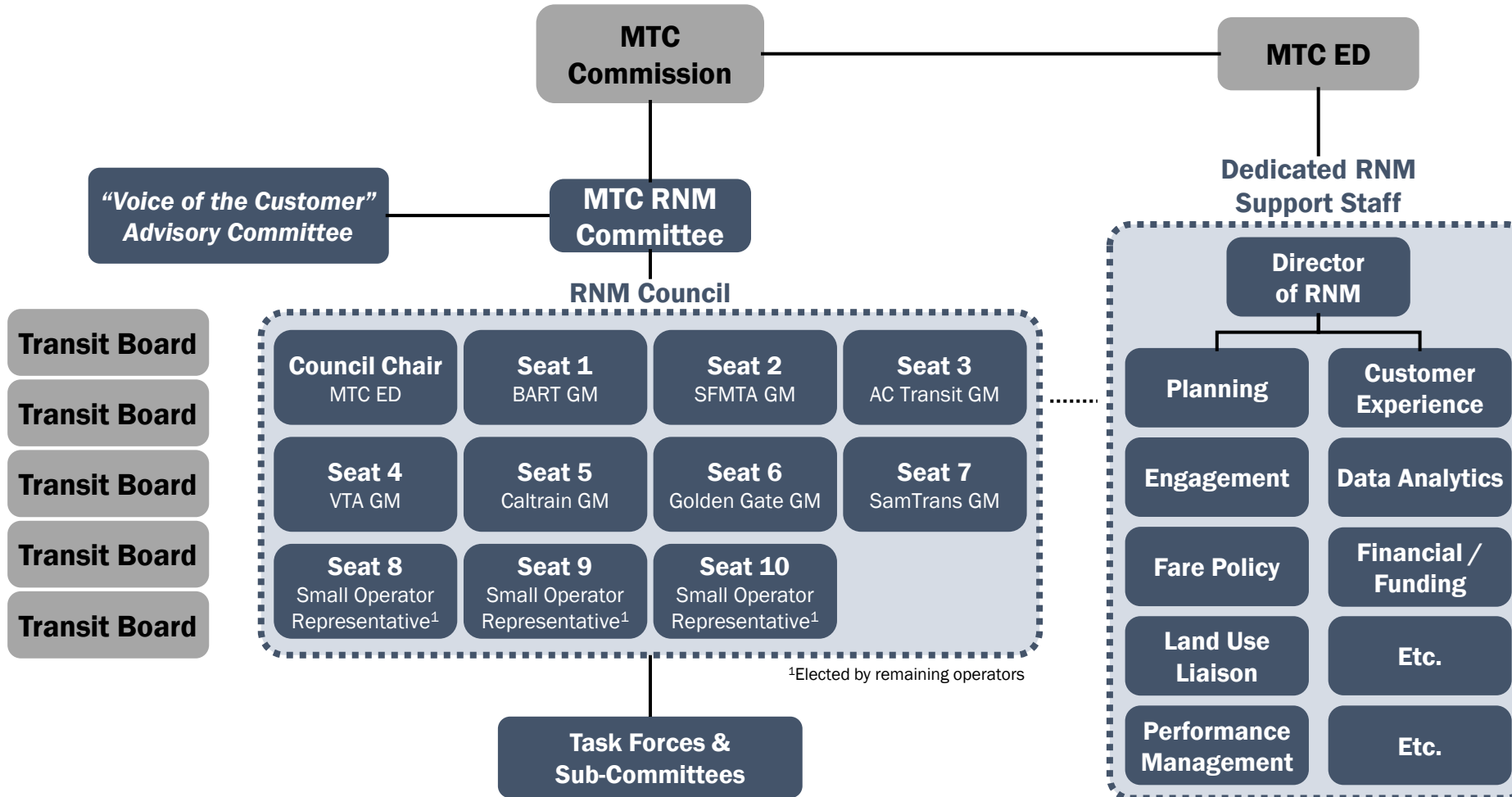
RNM Council: Council comprised GM-level Operator and MTC representatives who understand transit operations and can represent the interests of their stakeholders, make critical decisions on regional policies, and provide leadership

Administrative / Operational Element

Dedicated RNM Support Staff: Group of dedicated staff (potential opportunity for transit agency staff support as well) with a broad range of capabilities and expertise to support the operations and analysis of the RNM

Task Forces & Sub-Committees: Temporary (Task Forces) or longer-term (Sub-Committees) groups comprised a broad range of representatives, including Operators, stakeholders, and subject matter experts, that will help complete analysis and develop policy recommendations / options for topics

Recommended Short / Near-Term RNM



✓ Customer Focused:

- Enables highly inclusive decision making to bring a broad range of perspectives
- Multiple engagement points for the "Voice of the Customer" to prioritize customers in decision making

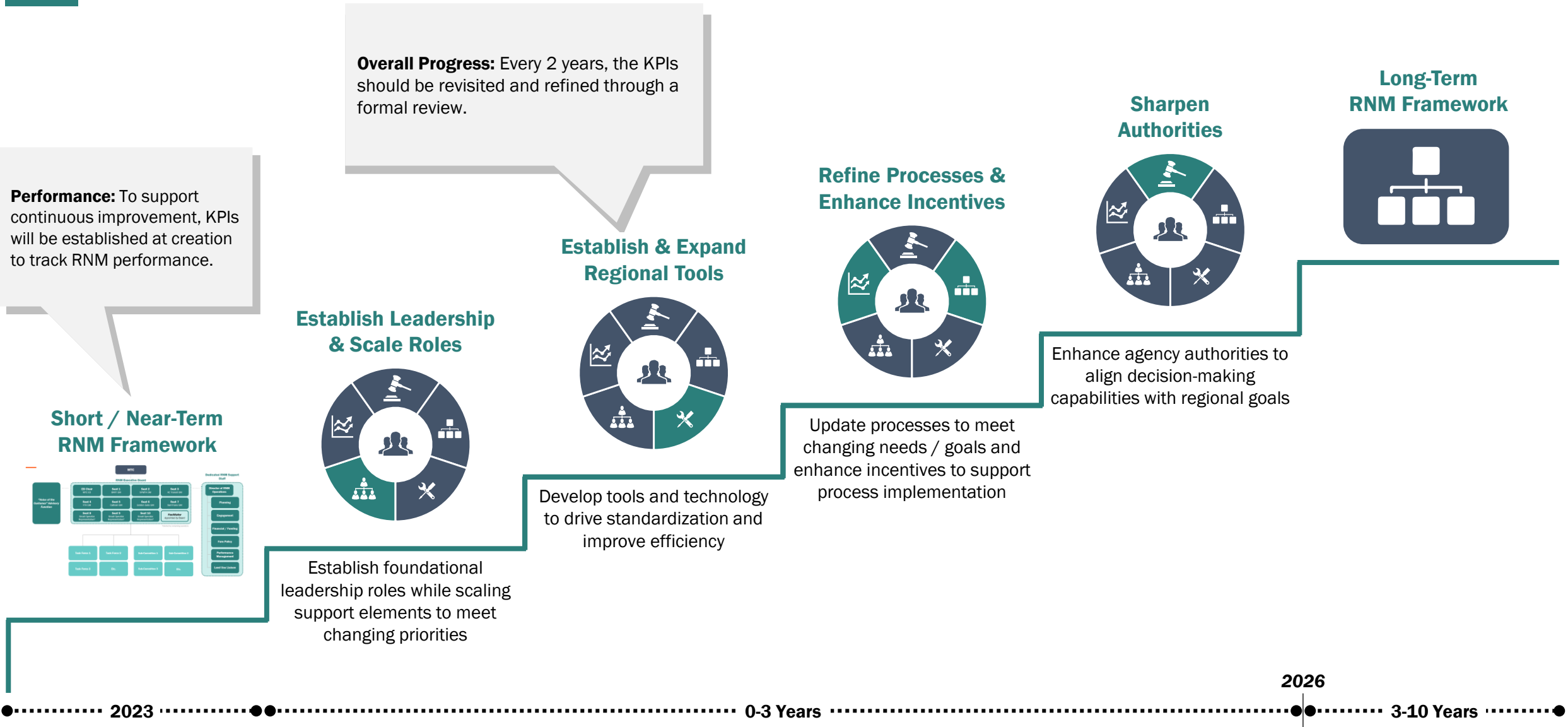
✓ Structured for Scale:

- Team of Dedicated Support Staff can grow over time to provide needed capacity to Operators
- Joint teams, with potential opportunities for transit agency support staff, enable high quality proposals to reach the Council, driving effective use of GM time
- Task Forces and Sub-Committees can be added or subtracted as regional priorities shift

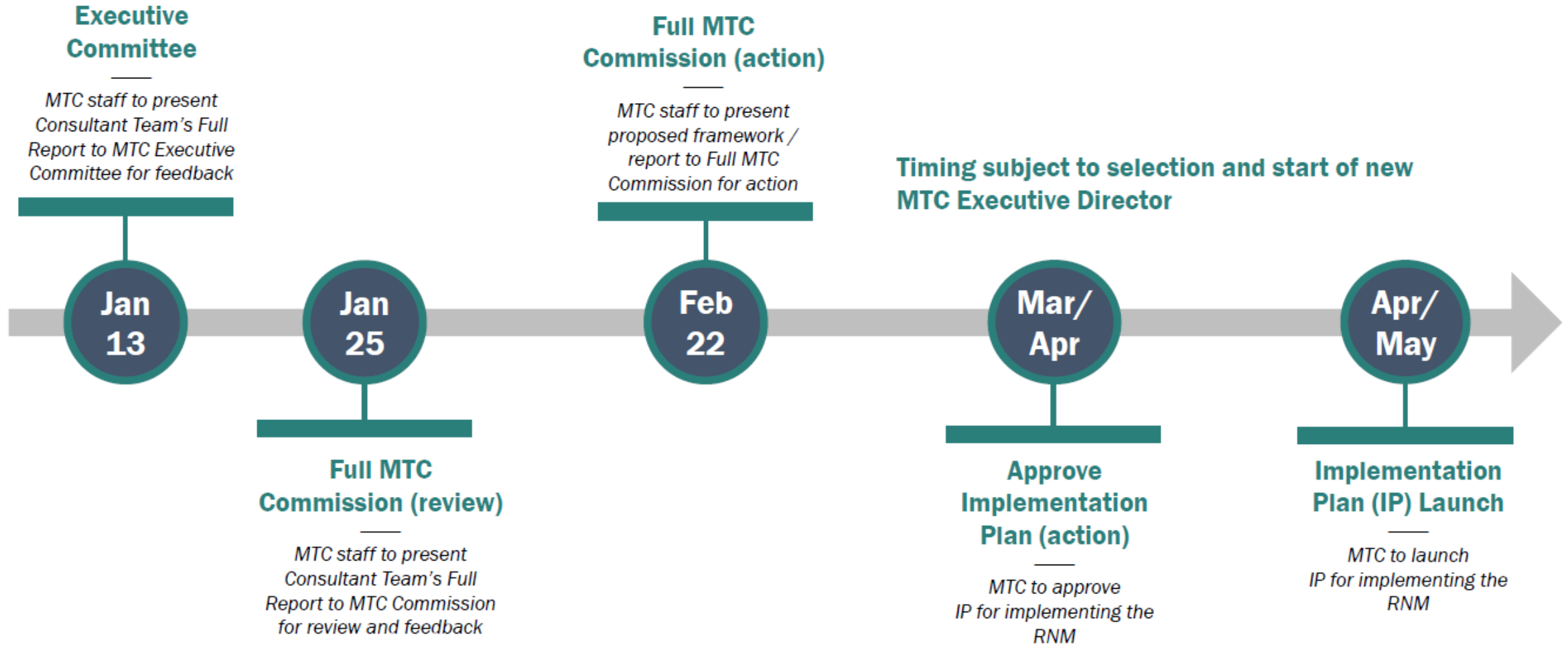
✓ Balances Short-Term Momentum with Long-Term Transformation:

- Allows RNM to be stood up quickly to begin working on priority items, but also allows continuous evolution
- Seeks to drive cost and time effectiveness
- Feasible within current legislative constraints

How the Operating Model will Drive Long-Term Evolution of the RNM



Key Milestones & Next Steps



THANK YOU.