



**San Francisco
County Transportation
Authority**

BD072225

RESOLUTION NO. 26-10

RESOLUTION REAFFIRMING SUPPORT FOR SENATE BILL 63 (WIENER, ARREGUÍN), AS AMENDED; ADOPTING PRINCIPLES TO GUIDE CONTINUED ENGAGEMENT IN THE DEVELOPMENT OF A 2026 REGIONAL TRANSPORTATION FUNDING MEASURE; AND RECOMMENDING SAN FRANCISCO'S PARTICIPATION IN THE REGIONAL MEASURE AT A 1.0 PERCENT SALES TAX RATE

WHEREAS, Since the onset of the Covid-19 pandemic, San Francisco and the region have been grappling with the challenge of sustaining transit agency operating budgets, as the pandemic eroded fare revenue and also reduced other funding sources such as, in the case of SFMTA, the City's General Fund and parking revenues; and

WHEREAS, The Bay Area's major transit operators, including SFMTA, BART, Caltrain, and AC Transit, are confronting significant operating budget shortfalls starting in Fiscal Year (FY) 2026/27 with the combined operating deficits of the four aforementioned operators projected to amount to over \$800 million; and

WHEREAS, The San Francisco Controller's Office convened the Muni Funding Working Group (MFWG) from September 2024 to March 2025, to help address SFMTA's anticipated funding gap, which is estimated at \$322 million in FY 2026/27; and

WHEREAS, The final report of the MFWG describes numerous potential revenue generation and cost saving strategies, including both local and regional ballot measures, and notes that the MFWG indicated broad support for Package A, which contemplates both a regional ballot measure and a local ballot measure to generate new revenues, along with other strategies; and

WHEREAS, On April 22, 2025, through approval of Resolution 25-40, the Transportation Authority adopted a support position on Senate Bill (SB) 63 (Wiener, Arreguín), based on the initial language in the bill at the time, which would establish a Transportation Revenue Measure District (District) with jurisdiction extending



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throughout the boundaries of the Counties of Alameda and Contra Costa and the City and County of San Francisco; require the District to be governed by the same board that governs the Metropolitan Transportation Commission (MTC); and authorize a regional transportation funding measure to be placed on the ballots of a subset of Bay Area counties in November 2026, for voters to consider approving a sales tax program to support transit operating needs for a 10 to 15 year term, as well as other investments specified in the bill including using up to 10% of District revenues for regional transit rider benefits informed by the MTC's 2021 Bay Area Transit Transformation Action Plan or successor plans; and

WHEREAS, Under SB 63, the regional measure's geography would include, at minimum, San Francisco, Alameda, and Contra Costa counties, with San Mateo and Santa Clara counties given until August 11, 2025, to formally indicate their intent to participate in the measure; and

WHEREAS, Under SB 63, the regional measure's sales tax rate would be one-half of one percent in all participating counties, except San Francisco, for which the rate may be between one-half of one percent and one percent; and

WHEREAS, The Legislature subsequently published amendments to SB 63 on April 29, 2025, May 23, 2025, and July 9, 2025, which among other changes added several East Bay transit operators and the San Francisco Bay Area Water Emergency Transportation Authority as eligible recipients of District funds for transit operations and changed the amount of revenues available to the MTC for regional transit rider benefits from up to 10% to up to 5%; and

WHEREAS, At its July 22, 2025 meeting, the Transportation Authority Board was briefed on and discussed SB 63, as amended, and a set of principles recommended by staff to guide San Francisco's continued engagement in the development of the regional measure, including as the expenditure framework and legislation are finalized and brought forward:



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- *Passable measure* - the measure should be structured to maximize the likelihood of success, including consideration of regional transit affordability and accessibility investments that may build support;
- *Regional Transit Rider Benefits* - the measure's expenditure framework should provide clear benefits to transit riders in the District, through both direct operating support and regional investments for service enhancements and affordability;
- *Sufficient funding for San Francisco's major transit operators* - the regional measure should substantially address the budget shortfalls for major transit operators serving San Francisco, particularly SFMTA and BART, which serve the most riders and face the deepest funding challenges; and
- *Efficient and transparent administration* - administrative provisions should enable the efficient allocation of regional measure funds, supported by appropriate and transparent oversight mechanisms;

and

WHEREAS, The Board also discussed the scale of San Francisco transit operators' fiscal needs, particularly Muni and BART, as the basis for San Francisco's participation in the regional measure at a sales tax rate of 1.0 percent; now, therefore, be it

RESOLVED, That the Transportation Authority hereby reaffirms its support position on SB 63 (Wiener, Arreguín), as amended on July 9, 2025; and be it further

RESOLVED, That the Transportation Authority hereby adopts the aforementioned principles to guide continued engagement in the development of a 2026 regional transportation funding measure; and be it further

RESOLVED, That the Transportation Authority hereby recommends San Francisco's participation in a 2026 regional transportation funding measure at a 1.0 percent sales tax rate; and be it further

RESOLVED, That the Executive Director is directed to communicate these actions to all relevant parties.



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The foregoing Resolution was approved and adopted by the San Francisco County Transportation Authority at a regularly scheduled meeting thereof, this 22nd day of July 2025, by the following votes:

Ayes: Commissioners Chan, Chen, Dorsey, Engardio, Fielder, Mandelman, Melgar, Sauter, Sherrill, and Walton (10)

Absent: Mahmood (1)

DocuSigned by:

Myrna Melgar
C3882B7D874248C...

7/29/2025

Myrna Melgar
Chair

Date

DocuSigned by:

Tilly Chang
FFD2528AB88E49B...

7/30/2025

ATTEST:

Tilly Chang
Executive Director

Date