



Credit: Karl Nielsen

FY 2025-26 Productivity Improvement Program and SB 125 Regional Accountability Measure Final Update



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MTC Programming and Allocations Committee
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SB 125 Recap

- SB 125 provides \$1.2B in state support for Bay Area transit operations and/or capital projects over 5 years
 - \$665M for capital projects
 - \$535M for operating support
- Complemented by \$300M regional contribution
- SB 125 operating funds support continued service provision
- SB 125 operating funds do not fund operator capital commitments



SB 125 State and Regional Funding Summary

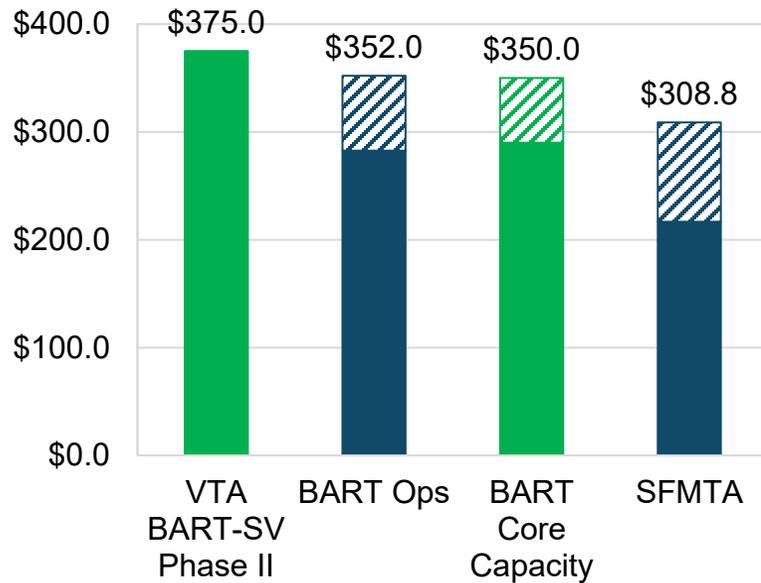
SB 125 (\$1.2B)



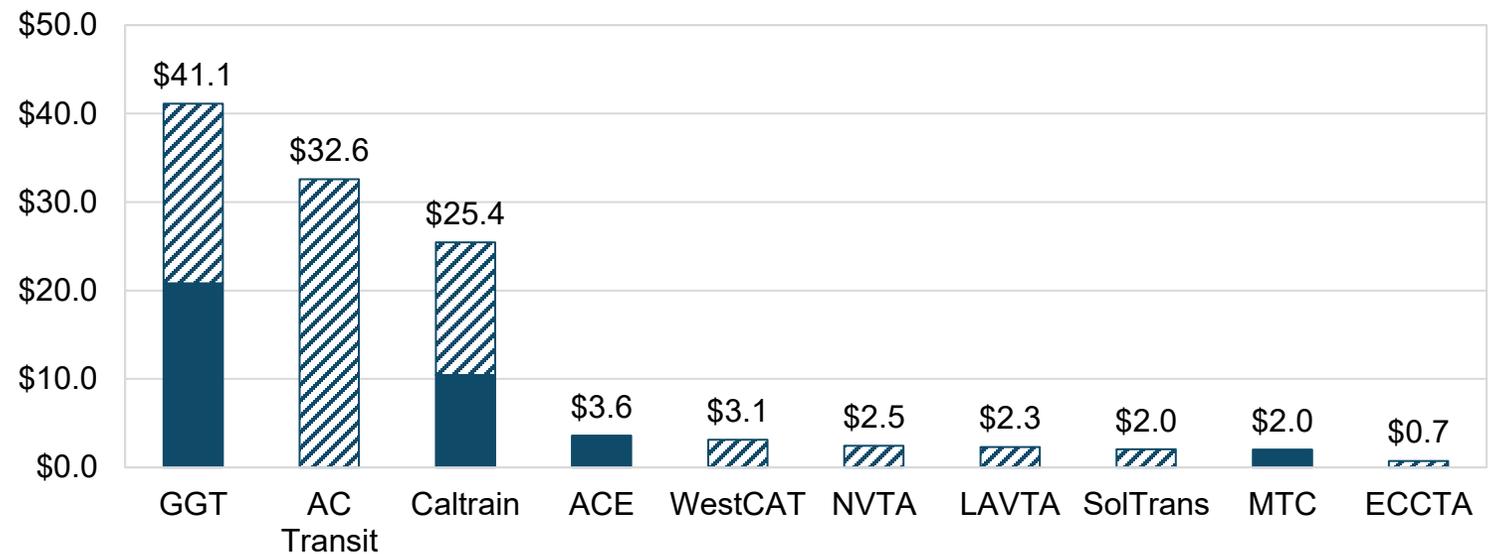
Regional Funds (\$300M)



SB 125 Recipients >\$100M



SB 125 Recipients <\$100M



SB 125 State and Regional Funding Summary

Current Status

- \$728M in SB 125 funds received from state
 - All \$535M in operating funds allocated and disbursed
- \$300M regional funding framework fully programmed
 - All \$75M in regional funds (RM3, STA) allocated
 - All \$225M in federal funds (TCP, STP/CMAQ) are progressing through grants process

Near-Term Milestones

- MTC to submit the region's SB 125 Long-Term Financial Plan to the state in June 2026
- MTC to receive third tranche of SB 125 funds in Spring 2026
- MTC will advocate to secure remaining ZETCP funding through state budget process

Future Decisions

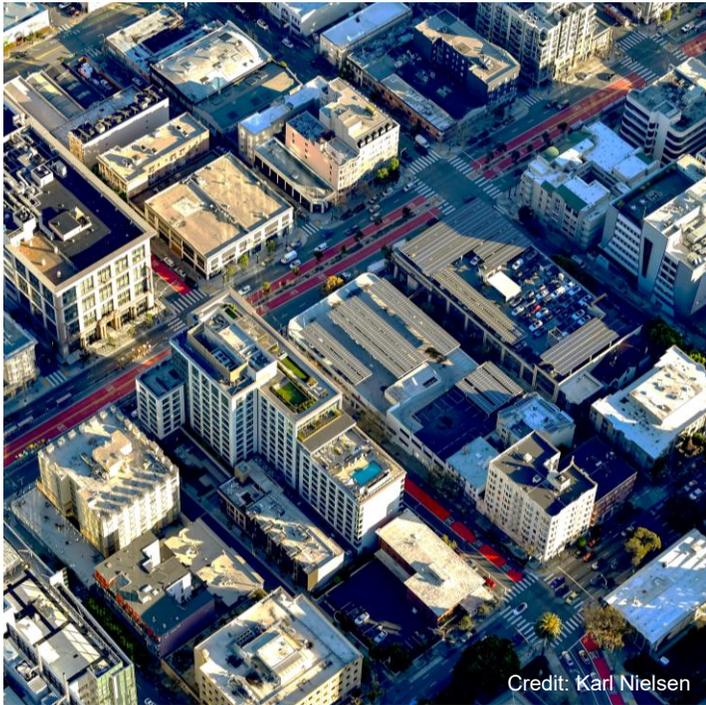
- MTC to continue working with capital funding recipients (BART, VTA) to determine cash flow needs in advance of allocation

Regional Accountability Measures

MTC Resolution No. 4619, Revised, adopted the following accountability measures that operators must advance in exchange for SB 125 operating funds. With all operating funds now disbursed, all measures have been fulfilled.

| Regional Accountability Measure Type | Assigned Operator(s) |
|---|---------------------------------|
| Participation in Regional Initiatives ✓ | All |
| Schedule Coordination ✓ | All |
| GTFS Best Practices ✓ | All |
| Ambassador Programs ✓ | BART, SFMTA |
| Crisis Prevention Program ✓ | Caltrain |
| Efforts to Curtail Fare Evasion ✓ | BART, SFMTA |
| Service Optimization ✓ | AC Transit, Golden Gate Transit |

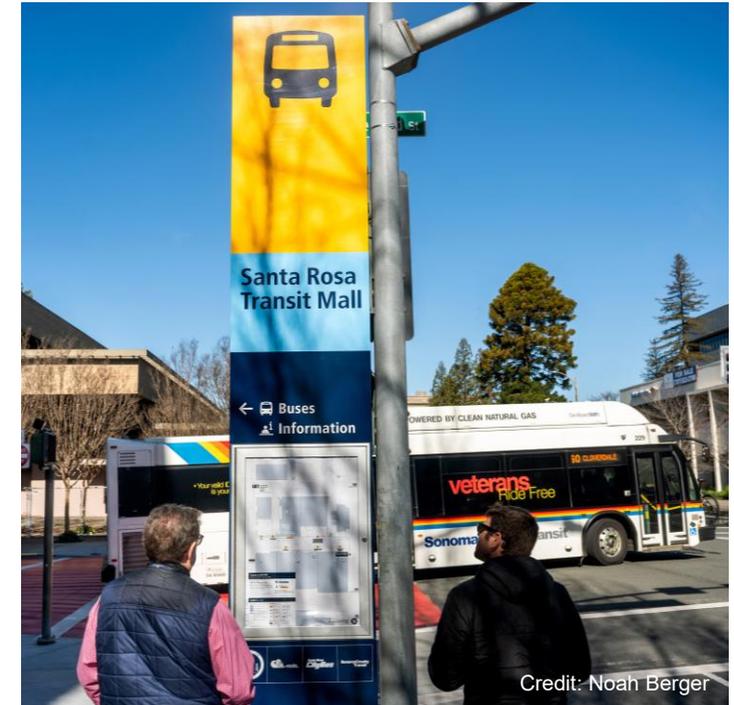
Participation in Regional Initiatives



- ▲ Regional Network Management Council and staff working groups for transit priority, subregional integration, access and mobility



- ▲ Transit fare integration efforts including Clipper START and Clipper BayPass pilot programs

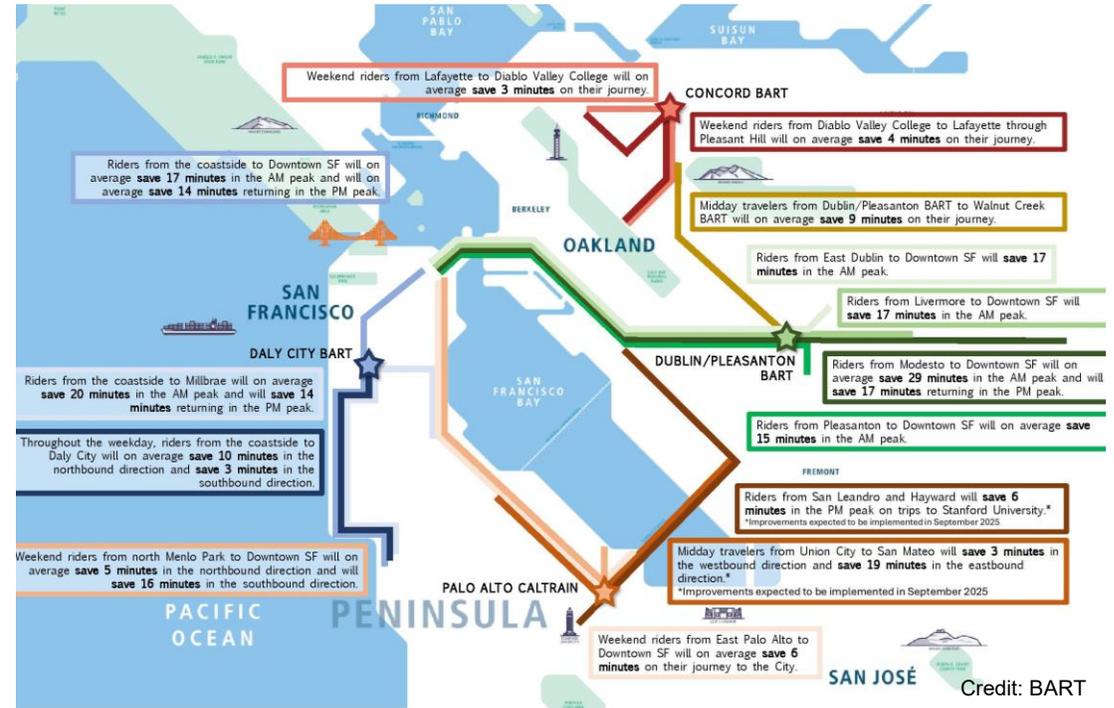


- ▲ Regional Mapping and Wayfinding pilot projects at transit centers throughout the Bay Area

Schedule Coordination



Credit: MTC

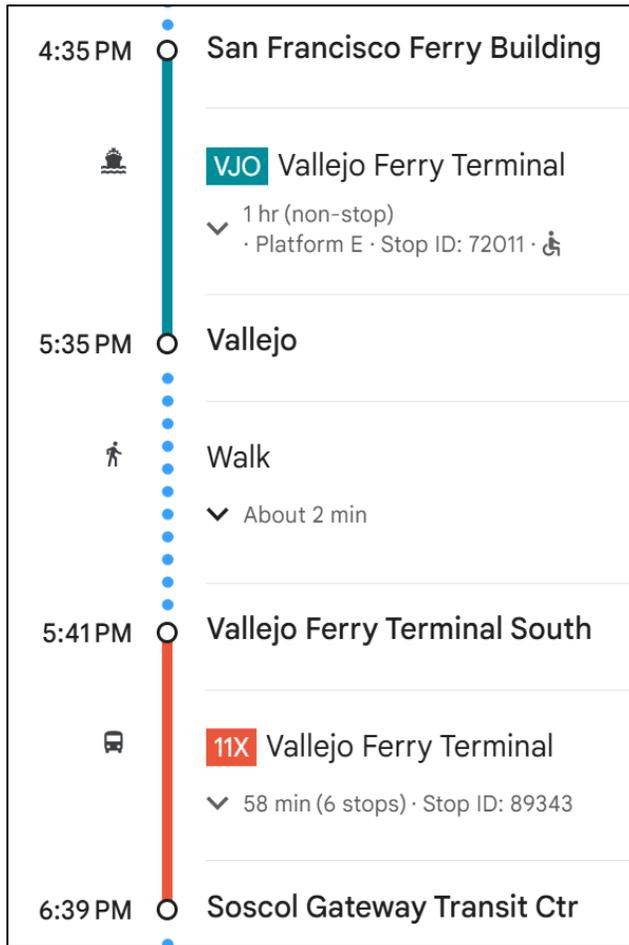


Credit: BART

▲ All agencies shifted to a common operator sign-up schedule where possible, enabling alignment of service changes

▲ The Bay Area TRANSFER Plan coordinated the region's third "Big Sync" in August 2025 across 11 operators

GTFS Best Practices



Credit: Google

◀ All operators completed an audit of General Transit Feed Specification (GTFS) public-facing schedule data and are in compliance with most best practices. Operators have developed plans for implementing remaining best practices, where feasible

▶ All operators continue to participate in GTFS data sharing and real-time alerts with MTC's 511 program

| ⚠ Capitol Corridor Trains 549 and 540 are Canceled | |
|--|--|
| AC Transit | Marina Blvd. Detour |
| AC Transit | Bus Stop Installation Delayed |
| BART | BART.gov Alert |
| SolTrans | Service Alert: Route 5 Detour Stop Missed |
| SolTrans | Service Alert: Red Line Stops Missed on HWY 37 |
| SolTrans | Service Alert Yellow Line: P.M. Trips From Concord to Walnut Creek BART |
| VTA | Branham Escalator Out of Service |
| VTA | Routes 64A & 64B: Temporary Bus Stop Closure at McKee & White |
| Caltrain | Platform change: Train 143 northbound will depart off Track 2 at San Jose Diridon. |
| Capitol Corridor | - Trains 549 and 540 are Cancelled. |
| Capitol Corridor | - Delays Up to 15 Minutes Between Auburn and San Jose, 1/23 - 3/19 |

Credit: 511.org

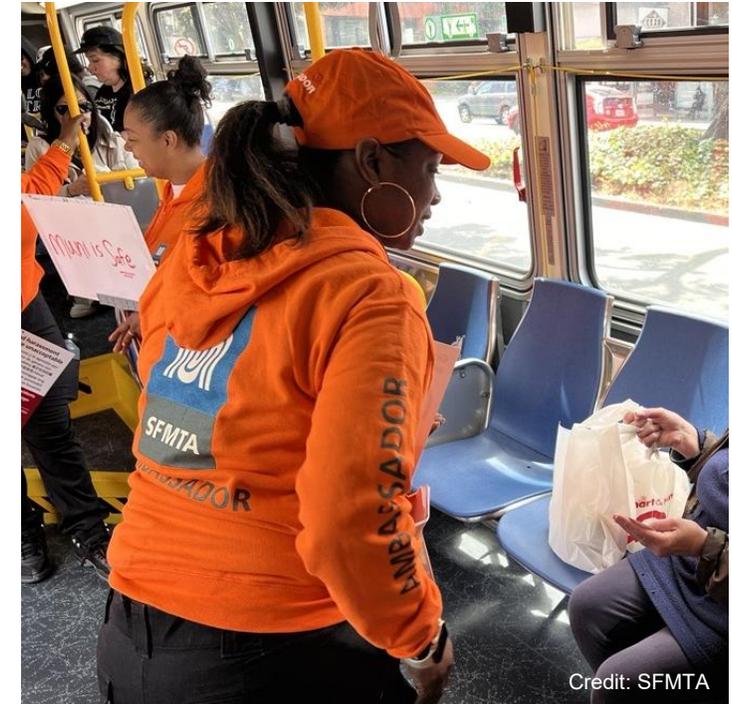
Ambassador and Crisis Prevention Programs



- ▲ **BART** currently employs ~34 safety ambassadors and crisis intervention specialists and has reported improved safety metrics



- ▲ **Caltrain** replaced all signage with 988 crisis hotline as part of ongoing trespasser prevention and safety education efforts



- ▲ **SFMTA** completed its 2024/2025 Rider Safety Survey and focus groups to measure effectiveness and identify safety improvements

Efforts to Curtail Fare Evasion



- ▲ **BART** completed Next Generation Fare Gate installation at all 50 stations in fall 2025



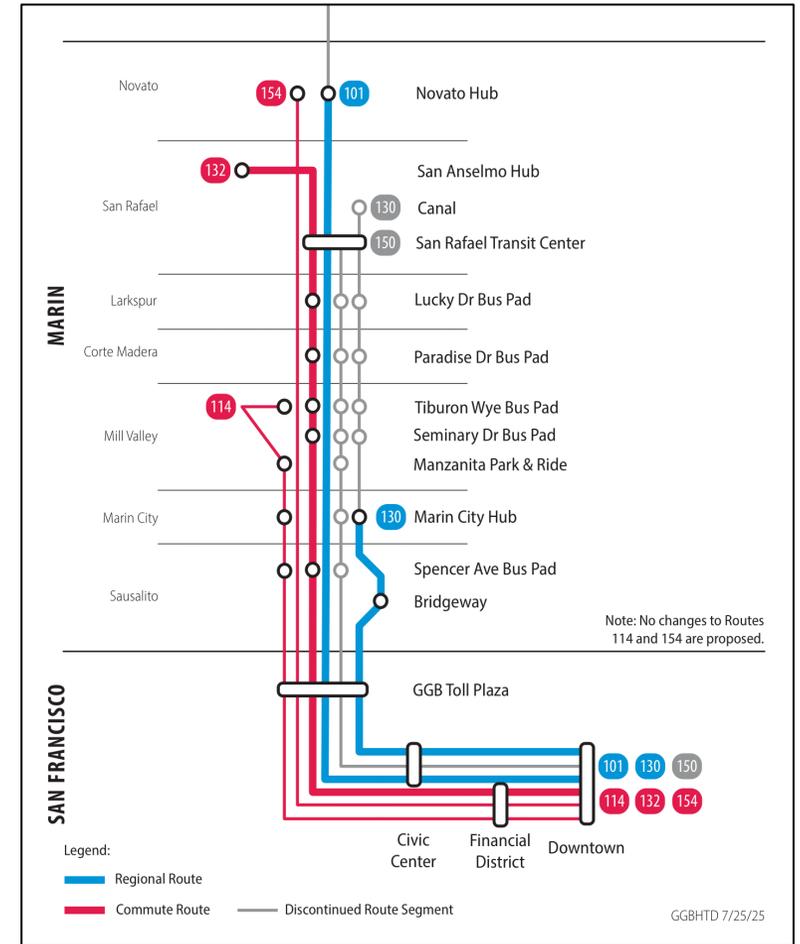
- ▲ **SFMTA** conducted two public education campaigns, hired more fare inspectors, and doubled fare inspections since 2024

Service Optimization



◀ **AC Transit** implemented the Realign bus network redesign in August 2025

▶ In fall 2025, **Golden Gate Transit** completed public outreach and adopted the MASCOTS plan to optimize service in coordination with other Marin and Sonoma operators



What's Next: Future Operating Assistance

SB 125

- Operating support from SB 125 and the Regional Funding Framework concludes with FY 2025-26
- In FY 2026-27 and beyond, some operators are projecting significant budgetary shortfalls

FY27 State Loan

- MTC and transit agency partners worked with the state to identify bridge funding for FY 2026-27 to sustain operations until SB 63 would take effect in 2027

SB 63

- Authorized a November 2026 ballot measure to provide operating funds for 14 years
- MTC is conducting Phase 1 of the SB 63 Financial Efficiency Review this spring to:
 - Summarize past cost-saving measures for AC Transit, BART, Caltrain, SFMTA
 - Identify early-action strategies for each operator to improve rider outcomes and cost effectiveness

Productivity Improvement Program (PIP)

- Each fiscal year, MTC adopts the PIP to ensure accountability for recipients of operating funds
 - The PIP provides specific projects for each operator to improve financial and operational efficiency
 - Operators must advance PIP projects to receive operating funds
- Typically, PIP projects are derived from the findings of each operator's Triennial TDA Performance Audit
- For FY24 and FY25, the PIP incorporated the SB 125 Regional Accountability Measures in place of the triennial audit

FY 2025-26 PIP

MTC Resolution No. 4743 details the proposed FY 2025-26 PIP projects for each operator

| Operators | FY 2025-26 PIP Projects |
|-----------------------------------|---|
| All Operators | <ul style="list-style-type: none">• Productivity-related findings from their most recent Triennial TDA Performance Audit (conducted in FY 2023-24 or FY 2024-25)• Active participation in advancement of regional initiatives |
| AC Transit, BART, Caltrain, SFMTA | <ul style="list-style-type: none">• The PIP will be revised to incorporate the operator-adopted recommendations from Phase 1 of the SB 63 Financial Efficiency Review• SB 63 requires operators to take action in response to the findings• The FY 2025-26 PIP will provide a streamlined framework for MTC to track progress and ensure accountability |

Recommended Action and Next Steps

Recommended Action

- Staff request referral of MTC Resolution No. 4743, FY 2025-26 Productivity Improvement Program (PIP), to the Commission for adoption

Next Steps

- In August, the Commission will revise the PIP to include the operator-adopted recommendations from Phase 1 of the SB 63 Financial Efficiency Review
- Operators will report on the status of PIP projects in their TDA/STA Claims throughout FY 2026-27