



SB 63 Financial Efficiency Review Early Action Strategies

For Action: BART Board, June 11, 2026



SB 63 Accountability Requirement



SB 63 requires that MTC must oversee a Financial Efficiency Review of BART, SFMTA, Caltrain, and AC Transit in two phases:

Phase 1 (Spring/Summer 2026)

- **Cost saving measures** taken since 2020
- **Early-action strategies** for increasing or improving service/enhancing customer experience with existing resources
- **Analysis of operator's real property** assets and identification of potential redevelopment opportunities

Operator boards must commit to specific early action strategies by July 1

Phase 2 - If a measure passes (2027-2028)

- Menu of cost saving measures (admin, operating, capital)
- Regional development & financing strategy to maximize real property assets



Recommended Early Action Strategies: Revenue



- **Improve fare compliance and enforcement:** optimize fare gate performance to further reduce fare evasion and continue the station hardening program.
- **Enhance parking revenue:** pursue measures such as expanded days or hours of paid parking, rate adjustments, increased enforcement, and leasing or permitted parking at under-utilized facilities.
- **Lease fiber and communications assets:** further monetize fiber and other communications assets, primarily through additional leasing opportunities.
- **Expand retail and/or amenity partnerships:** conduct a study to assess the benefits, challenges, and opportunities of expanding retail and/or amenity partnerships at stations.



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Added by the FER Oversight Committee after mailout of the 5/28
BART Board information item



Recommended Early Action Strategies: Costs



- **Improve speed and reliability of service:** identify additional opportunities to improve transit travel time and reliability through changes to scheduling, operations, and/or investment in new systems or capital projects
- **Right-size fleet to serve demand:** run shorter trains during lower-demand periods to better match the cost of delivering service to the fare revenues generated at different times of the day and days of the week
- **Examine contracts for opportunities to reduce costs:** pursue one or all of the following:
 - Exploring terms of the San Francisco International Airport (SFO) Lease Agreement for possible renegotiation in order to more accurately reflect the benefits, costs, incentives, and risks to both parties with respect to BART service to/from the airport;
 - Identification of opportunities for renegotiation of various contracts such as insurance and paratransit contracts to improve contracting flexibility and achieve one-off and/or long-term cost savings.



Recommended Early Action Strategies: Ridership



- **Expand Clipper BayPass to more institutions and employers:** in consultation with MTC, identify internal resource requirements and supportive policies required or desired to expand Clipper BayPass to more institutions and employers.

Staff-Recommended Motion



The Board of Directors adopts the early action strategies identified for BART in the Phase 1 Financial Efficiency Review and listed herein.

Discussion

