

Members of the Board

James Wunderman, Chair
Monique Moyer, Vice Chair
Pippin Dew
Rosanne Foust
Michael Henneberry

**SAN FRANCISCO BAY AREA
WATER EMERGENCY TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS MEETING**

Thursday, May 14, 2026 at 1:00 p.m.

**Bay Area Metro Center
Board Room – 1st Floor
375 Beale Street
San Francisco, CA**

and

Videoconference

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AGENDA

1. CALL TO ORDER
2. ROLL CALL/PLEDGE OF ALLEGIANCE
3. REPORT OF BOARD CHAIR **Information**
 - a. Chair's Verbal Report
4. REPORTS OF DIRECTORS **Information**

Directors are limited to providing information, asking clarifying questions about matters not on the agenda, responding to public comment, referring matters to committee or staff for information, or requesting a report to be made at another meeting.
5. REPORTS OF STAFF **Information**
 - a. Executive Director's Report on Agency Projects, Activities, and Services
 - i. Pilot Committee Update
 - b. Review of Financial Statements
 - c. Federal Legislative Report
 - d. State Legislative Report
 - e. Ridership Report
 - f. Service Reliability Report
6. CONSENT CALENDAR **Action**
 - a. Approve Board Meeting Minutes – April 9, 2026
 - b. Approve Amendment No. 2 to Clipper BayPass Pilot Program Participation Agreement
7. APPROVE AMENDMENT NO. 1 TO AGREEMENT 24-007 WITH JT MARINE TO EXERCISE OPTION FOR THIRD UNIVERSAL CHARGING FLOAT **Action**
8. APPROVE SALE OF THE MV BAY BREEZE **Action**

**San Francisco Bay Ferry / Water Emergency Transportation Authority
May 14, 2026 Meeting of the Board of Directors**

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|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| 9. <u>APPROVE VESSEL NAMES FOR FUTURE BATTERY-ELECTRIC FERRIES</u> | Action |
| 10. <u>REVIEW PROPOSED FISCAL YEAR 2026/27 BUDGET AND SALARY SCHEDULE;
AND ADOPT AMENDED RESERVE POLICY</u> | Information
/Action |
| 11. <u>TRANSPORTATION PLANNING INTERN CAPSTONE PROJECT: FERRIES FOR
GROWTH</u> | Information |
| 12. <u>RECESS INTO CLOSED SESSION</u>
a. Public Employee Performance Evaluation
Pursuant to Government Code Sections 54957
Title: Executive Director | To Be
Determined |
| 13. <u>PUBLIC COMMENTS FOR NON-AGENDA ITEMS</u> | |

ADJOURNMENT

All items appearing on the agenda are subject to action by the Board of Directors. Staff recommendations are subject to action and change by the Board of Directors.

PUBLIC COMMENTS WETA welcomes comments from the public.

If you know in advance that you would like to make a public comment during the meeting, please email BoardOfDirectors@sfbayferry.com with your name and item number you would like to provide comment on no later than 15 minutes after the start of the meeting. Comments will also be accepted in real time. During the public comment period, speakers will be allotted no more than 3 minutes to speak and will be heard in the order of sign-up. Said time frames may be extended only upon approval of the Board of Directors.

Agenda Items: Speakers on individual agenda items will be called in order of sign-up after the discussion of each agenda item.

Non-Agenda Items: A 15-minute period of public comment for non-agenda items will be held at the end of the meeting. Please indicate on your speaker card that you wish to speak on a non-agenda item. No action can be taken on any matter raised during the public comment period.

Upon request, WETA will provide written agenda materials in appropriate alternative formats to individuals with disabilities. In addition, WETA will arrange for disability-related modifications or accommodations including auxiliary aids or services to enable individuals with disabilities to participate in public meetings. Please send an email with your request to: contactus@sfbayferry.com as soon as possible and no later than 5 days prior to the meeting and we will work to accommodate access to the meeting.

AGENDA ITEM 1
CALL TO ORDER

AGENDA ITEM 2
ROLL CALL

AGENDA ITEM 3
REPORT OF BOARD CHAIR

AGENDA ITEM 4
REPORTS OF DIRECTORS

NO MATERIALS

TO: Board Members

FROM: Seamus Murphy, Executive Director

DATE: May 14, 2026

RE: Executive Director's Report

Whale Protection Efforts Recognized

Tony Heeter, who works for Blue & Gold Fleet (BGF) as SF Bay Ferry's North Bay Operations Manager, was recently recognized by the Passenger Vessel Association (PVA) with its Roger Murphy National Marine Safety Award for his work protecting whales in the San Francisco Bay. Mr. Heeter serves as the Vice Chair of the Harbor Safety Committee of the San Francisco Bay Region and has worked collaboratively with the Authority, the Marine Mammal Center, the U.S. Coast Guard, Golden Gate Ferry, and other partners to prioritize whale protection, establish ferry safety protocols, and educate ferry crews on best practices.

State of SF Bay Ferry Event

The Authority held its *State of San Francisco Bay Ferry* event on April 14. The event featured agency staff sharing updates with key stakeholders on the customer experience, capital and expansion programs.

Love Your Commute Campaign

The agency's Love Your Commute marketing campaign targeting commuters in the Downtown S.F. area who travel from ferry-adjacent areas in the East Bay wrapped up at the end of April. Staff will provide a verbal report on the campaign at the June Board meeting.

Vallejo Ferry Fest

Vallejo Ferry Fest, a celebration of SF Bay Ferry's connection to Vallejo and the waterfront communities of the Mare Island Strait, was held on Saturday, April 18, featuring free ferry rides, live entertainment, food trucks, a beer garden, children's activities, and booths staffed by local vendors and community groups. The Ferry Fest was well-attended and received positive media coverage and social media engagement.

FTA Ferryboat Grant

On May 11, staff submitted an application requesting \$17,955,000 for the expansion of the Central Bay Operating and Maintenance Facility. This funding would be used to add 6 berths to the facility adjacent to the existing 12 berths to prepare for the expansion of the fleet in the coming years. Federal funds would be matched by \$4.5 million in local funds to fund an anticipated \$22 million project. The FTA funding opportunity is anticipated to provide over \$100 million nationwide to successful ferry applicants.

Pilot Service Program

Last month staff met with the Pilot Service Committee (Directors Dew and Henneberry) to review the status of current and future pilot projects. The Committee provided input on the proposed FY 2027 work plan specific to this Program, including continued operation of the Oakland Alameda Water Shuttle beyond its original two-year term and development of a potential new project to demonstrate operation of a battery electric, zero emission, full foiling vessel in passenger service on San Francisco Bay. The Program work plan has been included in the proposed SF Bay Ferry annual operating and planning budgets for FY 2027.

Washington DC Advocacy and Bay Area Council Shipbuilding Trip

On April 20 SF Bay Ferry's Executive Director and Government & Regulatory Affairs Manager met with Bay Area congressional offices in Washington DC to request help with advocating for the Department of Transportation and the Trump Administration to release two grants totaling \$26M that have been held up since March 2025 in a review to ensure consistency with the then new presidential administration. Staff also advocated for the agency's BUILD application that would support the Oakland Ferry Terminal Modernization project. On Tuesday and Wednesday, SF Bay Ferry staff joined the Bay Area Council's Advocacy Trip and met with all of the Bay Area's congressional members as well as the Departments of Transportation and Commerce highlighting the need for a reliable and robust transportation system for the region and advocating for the revitalization of shipbuilding in the Bay Area. Finally, on Thursday, staff joined other maritime partners to tour the only US Coast Guard shipyard in the country, a defense contractor shipyard and the Maritime Institute of Technology and Graduate Studies facility in Baltimore.

SF Bay Ports Tour

On April 21 as part of kicking off SF Climate Week, SF Bay Ferry provided a SF Bay Ports Tour hosted by High Ambition Climate Collective. The tour highlighted zero emission initiatives at the Ports of San Francisco and Oakland and SF Bay Ferry's fleet decarbonization efforts and included representatives from Port of Seattle and regional maritime partners.

Public Ferry Coalition Meetings

On April 28, at the request of LA Metro, the Public Ferry Coalition (PFC) hosted a special meeting to discuss challenges and lessons learned on how best to structure a contract for procuring a private ferry operator. LA Metro is working to understand the feasibility, and appetite from the private sector, to set up a ferry service between Long Beach and San Pedro to support mobility during the 2028 Olympics. On May 12, the PFC will meet for its regular quarterly meeting to discuss capital project timeline, permitting and funding strategies for long-term projects.

Released Request for Proposals

There were no procurements posted in April.

- Contract Authorizations executed in the third quarter of FY2026 under the Executive Director's authority are as follows:
 - \$231,962.30 to All American Marine for the 150 Passenger REEF Vessels project
 - \$16,692.93 to Argos Construction for the North Bay Office Remodel project
 - \$121,329.85 to Bay Ship & Yacht for the Gemini Class Mid Life project
 - \$48,344.83 to Bay Ship & Yacht for the Lyra Repairs
 - \$71,250.00 to Maritime Consulting Partners for the new operating agreement and procurement project
 - \$76,929.58 to Northern Lights Power and Energy for the MAN Mid-Life Engine Overhauls project
 - (\$727,777.44) to Pacific Power Group for the Main Engine Preventative Maintenance
 - \$15,408.34 to Pacific Power Group for the Mare Island and Intintoli MCU Upgrades
 - (\$83,566.00) to The Dutra Group for the Vallejo Dredging project

END

MEMORANDUM

TO: Board Members

**FROM: Seamus Murphy, Executive Director
Lauren Gradia, Chief Financial Officer**

SUBJECT: Review of FY 2025/26 Financial Statements Ending March 31, 2026

Recommendation

There is no recommendation associated with this informational item.

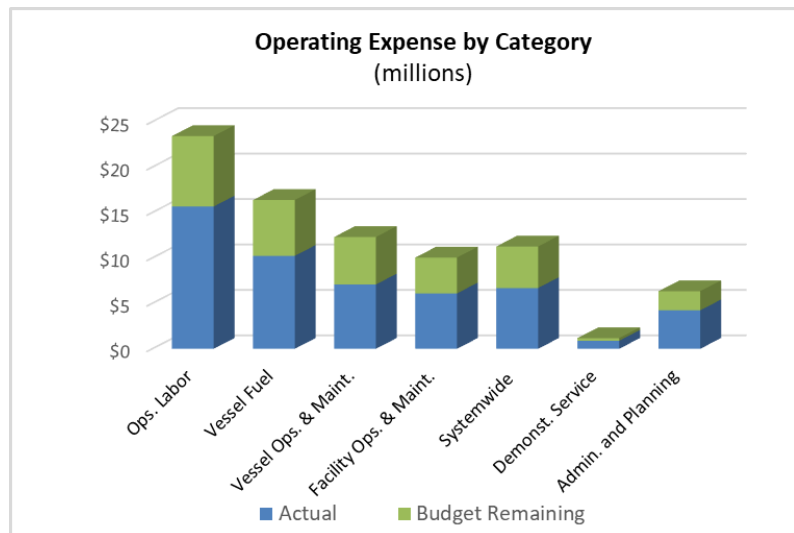
Financial Summary

Today's reports reflect financial activity against budget through March 31, 2026. Detailed financial charts are attached to this report.

Operating Budget:

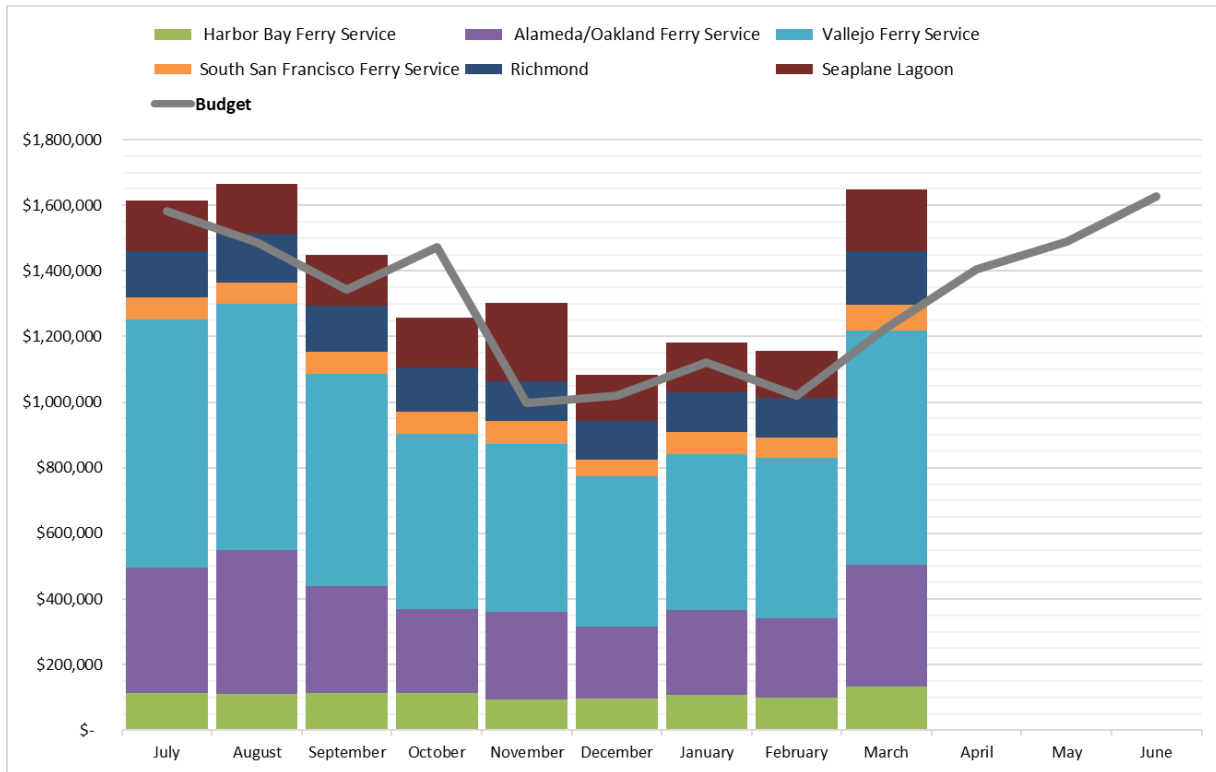
Authorized operating expenses for the year are within budgeted amounts with 63% spent or \$50.8 million. As shown in the chart to the right, expenses through March are trending below budget.

However, vessel fuel has increased significantly due to the Iran war and subsequent interruption of the international crude oil supply. March vessel fuel expenses were 46% higher than the monthly average.



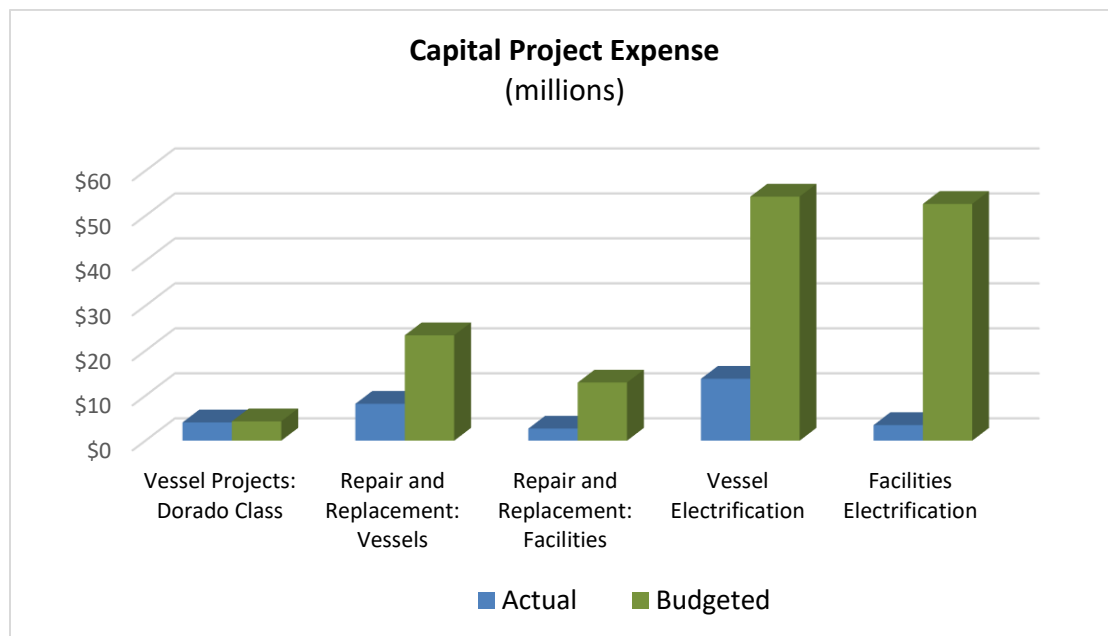
The Fiscal Year 2025/26 budget included authorization and funding for fuel at an average price of \$4.20/gallon, for a total budget of \$16.4 million. Prior to March 1st, it appeared that savings would accrue in that budget given that average prices during the first eight months of the year were \$3.31. Prices are now above \$5.70 per gallon. The average for the month of March was \$4.90. Even with the increases, it is anticipated that fuel expenses will be within the FY2025/26 budget.

Fare revenue for the year continues to be reliable, essentially equal to budget through the winter months. In March fare revenue exceeded the budget due to strong ridership. The figure below shows the monthly progress against budgeted levels.



Capital Program Expense

Capital Budget expenses through February were \$32.2 million. Significant expenses for the month included payments for the new 400 passenger electric vessels. More detailed capital project data is provided on the last page of this report. The figure below shows expense against budget by category of project to date.



Investment Report

The total monthly balance held in both the Local Agency Investment Fund (LAIF) and our commercial bank as of March 31 is \$12.6 million as shown below.

	March 2026
Bank of America (Checking)	\$ 1,650,805
Bank of America (Measure B/BB)	6,781,767
Local Agency Investment Fund (LAIF)	4,231,339
Total	\$ 12,663,912

Fiscal Impact

There is no fiscal impact associated with this informational item.

END

Attachment A – Monthly Financial Reports

San Francisco Bay Ferry (WETA)
Operating & Administration Monthly Budget Report FY 2025/26
Through the Month Ending 3/31/2026

% of Year Elapsed 75%

	Month Mar. 2026 Actual	Year - To - Date		Total FY2025-26 Budget	% Budget
		FY2024-25 Actual	FY2025-26 Actual		
OPERATING REVENUE					
Fare Revenue	\$1,648,458	\$10,267,049	12,356,852	\$15,790,355	78%
Revenue Transfer to Reserve		(5,916,541)	-	-	0%
Regional - Bridge Toll	3,980,660	28,689,904	31,709,075	57,064,302	56%
State Operating Assistance		11,955,635	3,000,000	3,000,000	100%
Local	320,448	3,318,463	2,884,035	3,845,380	75%
Other Revenue	89,769	32,544	892,482	1,170,130	76%
Total Operating Revenue	\$6,039,335	\$48,347,053	\$ 50,842,443	\$80,870,168	63%
OPERATING EXPENSE					
Harbor Bay Ferry Service					
Operations Labor	\$145,503	\$1,369,191	1,408,880	\$2,092,240	67%
Vessel Fuel	110,165	641,552	715,746	1,146,055	62%
Vessel Operations & Maintenance	54,480	571,755	556,501	1,276,676	44%
Facility Operations & Maintenance	71,917	498,900	365,541	723,138	51%
Systemwide Expense	65,583	553,942	586,753	1,005,573	58%
Total Harbor Bay Farebox Recovery	\$ 447,649	\$3,635,340	\$ 3,633,420	\$6,243,682	58%
	30%	23%	27%	20%	
Alameda/Oakland Ferry Service					
Operations Labor	\$371,842	\$3,194,838	\$3,600,471	\$5,381,783	67%
Vessel Fuel	299,019	1,833,430	1,942,738	3,110,721	62%
Vessel Operations & Maintenance	169,887	1,143,146	1,722,863	2,637,783	65%
Facility Operations & Maintenance	171,763	1,292,341	1,210,263	1,916,370	63%
Systemwide Expense	173,105	1,451,290	1,578,469	2,585,846	61%
Total Alameda/Oakland Farebox Recovery	\$ 1,185,616	\$ 8,915,046	\$ 10,054,804	\$15,632,503	64%
	31%	27%	27%	24%	
Vallejo Ferry Service (Vallejo)					
Operations Labor	\$452,677	\$3,753,585	\$4,383,182	\$6,673,614	66%
Vessel Fuel	660,989	4,033,546	4,294,473	\$6,876,330	62%
Vessel Operations & Maintenance	224,237	1,557,733	2,970,718	\$4,280,296	69%
Facility Operations & Maintenance	287,815	3,613,016	2,308,999	4,031,352	57%
Systemwide Expense	225,576	1,862,241	2,012,266	3,140,878	64%
Total Vallejo Farebox Recovery	\$ 1,851,294	\$ 14,820,121	\$ 15,969,639	\$25,002,470	64%
	39%	31%	33%	28%	
South San Francisco Ferry Service (SSF)					
Operations Labor	\$145,503	\$1,235,670	\$1,408,880	\$2,060,405	68%
Vessel Fuel	157,378	458,209	1,022,494	1,637,221	62%
Vessel Operations & Maintenance	42,028	652,362	401,989	1,127,413	36%
Facility Operations & Maintenance	68,306	533,378	507,077	792,046	64%
Systemwide Expense	58,674	412,924	528,736	1,059,093	50%
Total South San Francisco Farebox Recovery	\$ 471,890	\$ 3,292,544	\$ 3,869,175	\$ 6,676,177	58%
	17%	15%	15%	11%	
Richmond Ferry Service (Richmond)					
Operations Labor	\$307,174	\$2,492,161	\$2,974,302	\$4,392,511	68%
Vessel Fuel	220,330	1,283,549	1,431,491	2,292,110	62%
Vessel Operations & Maintenance	90,630	1,205,256	885,256	1,818,521	49%
Facility Operations & Maintenance	158,030	1,162,085	984,157	1,659,169	59%
Systemwide Expense	128,176	1,043,397	1,158,257	2,011,145	58%
Total Richmond Farebox Recovery	\$ 904,340	\$ 7,186,449	\$ 7,433,464	\$ 12,173,456	61%
	18%	13%	16%	12%	

(continued on next page)

San Francisco Bay Ferry (WETA)
Operating & Administration Monthly Budget Report FY 2025/26
Through the Month Ending 3/31/2026

% of Year Elapsed 75%

	Month Mar. 2026 Actual	Year - To - Date		Total FY2025-26 Budget	% Budget
		FY2024-25 Actual	FY2025-26 Actual		
OPERATING EXPENSE (continued)					
Seaplane Lagoon Ferry Service					
Operations Labor	\$194,005	\$1,799,894	\$1,878,507	\$2,802,985	67%
Vessel Fuel	125,903	916,863	817,995	1,309,777	62%
Vessel Operations & Maintenance	53,253	659,384	537,622	1,157,422	46%
Facility Operations & Maintenance	87,039	624,937	718,980	915,887	79%
Systemwide Expense	92,100	717,746	820,354	1,452,494	56%
Total Seaplane Lagoon	\$552,299	\$4,718,826	\$ 4,773,458	\$ 7,638,565	62%
Farebox Recovery	34%	23%	31%	18%	
Subtotal Operations (Regular Service)	\$ 5,413,089	\$ 42,568,324	\$ 45,733,961	\$ 73,366,852	62%
Farebox Recovery (exclud. Admin.)	30%	24%	27%	22%	
Alameda - Oakland Demonstration Project (Woodstock)	\$89,769	\$611,523	876,376	\$1,170,130	75%
Subtotal Ferry Operations (All)	\$ 5,502,858	\$ 44,741,282	\$ 46,610,337	\$ 74,536,982	63%
Planning and Administration					
Wages and Fringe Benefits	\$249,120	\$2,157,765	\$2,299,524	\$3,192,907	72%
Professional & Other Services	195,334	1,050,101	1,240,132	1,824,950	68%
Information Tech., Office, Supplies	10,702	63,029	72,421	227,815	32%
Utilities/Communications	1,364	20,799	16,271	31,204	52%
Insurance	5,234	19,122	45,714	79,893	57%
Dues, Memberships, Misc.	18,710	108,747	154,557	233,315	66%
Leases and Rentals	56,013	186,208	403,487	743,104	54%
Subtotal Planning & Administration	\$536,478	\$3,605,771	\$ 4,232,106	\$ 6,333,188	67%
Total Operating Expense	\$ 6,039,335	\$ 48,347,053	\$ 50,842,443	\$ 80,870,170	63%
Systemwide Farebox Recovery (Regular Service, incl. Admin.)		22%	25%		

San Francisco Bay Ferry (WETA)
FY 2025/26 Capital Revenue and Expense
Through the Month Ending 3/31/2026

	Total Project Revenue/Expense Budget	Prior Years	FY 2025/26 Budget	Year-To-Date FY2025/26 Actual	Total Future Year	% of Project Budget
CAPITAL REVENUE						
Federal Funds	\$ 193,075,107	\$ 37,935,840	\$ 72,403,025	\$ 19,112,205	82,736,242	30%
State Funds	91,811,845	6,539,594	28,723,962	\$ 7,448,757	56,548,289	15%
Regional - Bridge Toll	124,728,541	10,450,493	44,247,452	\$ 4,474,820	70,030,597	12%
Local /Other	6,718,698	951,448	1,778,854	\$ 1,140,455	3,988,396	31%
Pending/Unfunded	99,734,881	-	416,099	-	99,318,782	0%
Total Revenue	\$ 516,069,072	\$ 55,877,374	\$ 147,569,392	\$ 32,176,237	\$ 312,622,306	
CAPITAL EXPENSE						
Vessel Projects: Dorado Class						
Vessel Replacements (Karl, Zalophus)	37,636,402	33,332,396	4,304,006	4,053,766	-	99%
Repair and Replacement Program: Vessels						
Vessel Mid-Life Refurbishment - MV Gemini	4,488,000	235,912	4,252,088	3,771,176	-	89%
Vessel Mid-Life Refurb & Engine Overhaul - MV Pisces	4,679,000	53,485	4,625,515	32,699	-	2%
Engine Overhauls and Improvements	15,833,408	2,531,886	9,893,322	3,713,608	3,408,200	39%
Component Improvements/Dry Dock	4,666,500	-	4,666,500	687,288	-	15%
Repair and Replacement Program: Facilities						
Vallejo Terminal Reconfiguration	16,696,000	666,067	6,910,525	350,742	9,119,408	6%
Passenger Floats Rehabilitation - Pier 9	1,362,000	-	1,337,000	8,134	25,000	1%
Multiuse Emergency Float	200,000	-	200,000	119,674	-	60%
Vallejo Ferry Terminal Dredging	3,030,735	287,795	2,742,940	1,300,101	-	52%
North Bay Fuel Farm Upgrades	540,000	-	540,000	-	-	0%
Administrative Facility Improvements	1,149,830	51,299	769,500	807,978	329,031	75%
South SF Dredging & Dredging Program Work	3,922,000	-	430,000	100,352	3,492,000	3%
Electrification Program (REEF)						
Vessels						
New Electric Vessels (Three - 150 PX)	58,407,000	6,592,365	9,858,638	3,876,287	41,955,996	18%
New Electric Vessels (Two - 400 PX)	77,351,393	8,632,247	41,086,609	9,529,135	27,632,537	23%
Hydrus Conversion to Battery Electric Propulsion	14,085,302	-	3,312,060	360,027	10,773,242	3%
Facility Electrification						
Central Bay Terminal	3,106,250	41,895	2,141,750	143,058	922,605	6%
Downtown San Francisco	83,930,168	1,713,775	16,350,682	1,844,329	65,865,711	4%
Treasure Island	6,798,681	436,145	3,350,000	303,357	3,012,536	11%
Main Street	11,887,500	-	255,000	1,131	11,632,500	0%
Seaplane Lagoon	36,586,500	369,398	12,072,017	387,188	24,145,085	2%
Harbor Bay	36,731,737	525,503	4,999,471	293,288	31,206,763	2%
Richmond Terminal	4,235,853	-	302,713	-	3,933,140	0%
Mission Bay Project	52,050,519	100,651	12,500,000	36,235	39,449,868	0%
Berkeley Pier/Ferry Project	3,000,000	107,202	179,683	104,432	2,713,115	7%
Oakland Ferry Terminal	33,694,294	199,353	489,373	351,251	33,005,568	2%
Total Expense	\$ 516,069,072	\$ 55,877,374	\$ 147,569,392	\$ 32,175,237	\$ 312,622,306	

**San Francisco Bay Ferry (WETA)
Monthly Investment Report FY2025/26
Through the Month Ending 3/31/2026**

	March 2026
Bank of America (Checking)	\$ 1,650,805
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TO: SF Bay Ferry Board Members

**FROM: Ray Bucheger, Mana Shim, Madison Higginbotham and Meghan Flynn
SF Bay Ferry Federal Legislative Representatives**

SUBJECT: SF Bay Ferry Federal Legislative Board Report – May 2026

This report covers the following topics:

- Washington DC Meetings
- FY27 Federal Appropriations Process
- Surface Transportation Reauthorization
- Passenger Ferry Grant Support
- Public Ferry Coalition

Washington DC Meetings

In mid-April, Accelerate Strategies coordinated and attended DC meetings with Seamus Murphy and Lauren Gularte. Meetings included: House Transportation and Infrastructure Ranking Member Rick Larsen (D-WA), Department of Transportation, Office of the Secretary, Senator Padilla staff (D-CA), Senator Schiff staff (D-CA), Rep. Simon staff (D-CA), Rep. Mullin staff (D-CA), Rep. Garamendi staff (D-CA), Senator Murray staff (D-WA), Rep. Luna staff (R-FL), and Senator Moody staff (R-FL).

Meetings focused on Congressional outreach to the Department of Transportation regarding SF Bay Ferry's awarded FTA grants and necessary public ferry support during Surface Transportation Reauthorization.

Update on FY26 Federal Appropriations Process – Government Shutdown

The Fiscal Year 2027 appropriations cycle is off to the races with the House starting to hold markups for appropriations bills. The Senate has not started the markup process.

We worked with SF Bay Ferry staff to submit funding requests to Rep. Simon, Senator Padilla, and Senator Schiff for the *Harbor Bay ferry Facility Electric Float and Infrastructure Project*. We requested \$1,600,000 to procure and install an on-site battery energy storage system for vessel charging at Harbor Bay Ferry Terminal. We are waiting to hear if Senator Padilla or Schiff moved the project forward.

SF Bay Ferry also advocated for increased funding for the FTA 5307(h) ferry program, dedicated to public ferries:

- **FTA 5307(h) ferry program:** SF Bay Ferry has received numerous grants through this competitive grant program, which is funded at \$30 million per year. SF Bay Ferry has requested that the Appropriations Committee “plus-up” the FTA 5307(h) ferry program by at least \$20 million. The FY21, FY22, FY23, FY24, FY25, and FY26 Transportation-HUD Appropriations bills all provided additional money for the FTA program, thanks in large part to SF Bay Ferry’s advocacy.

Surface Transportation Reauthorization

Once again, the hopeful House markup timeline for surface transportation reauthorization slipped. The new anticipated markup date is mid to late May. We are tracking this closely. The current surface transportation reauthorization bill is set to expire on September 30th. We have been talking with the relevant Committees since early 2025 and mobilizing our Congressional champions.

We are working with other members of the Public Ferry Coalition and members of the Congressional Public Ferry Caucus to maximize our ability to attract political support for our positions. We are working to ensure the FERRIES Act is prioritized during bill drafting and markup.

Passenger Ferry Grant Support

We are working with the Congressional delegation to get letters of support for the Transbay Ferry Capacity and Reliability Enhancement Project. This funding request is through the Federal Transit Administration’s Passenger Ferry Grant Program. SF Bay Ferry is requesting \$17,955,000 to expand the operations and maintenance facility in the City of Alameda.

Public Ferry Coalition

The PFC, led by Lauren and Hadley Rodero of WSF, held a special meeting on the procurement of contracted operators. The PFC will also hold its quarterly meeting next week, which will include discussion of a new PFC newsletter, aimed at informing stakeholders about PFC policy goals and other initiatives.



1415 L Street
Suite 1000
Sacramento
CA, 95814
916-446-4656

May 4, 2026

TO: Board of Directors - San Francisco Bay Area Water Emergency Transportation Authority

FM: Matt Robinson, Partner
Michael Pimentel, Partner

RE: **STATE LEGISLATIVE UPDATE – May 2026**

General Update

On March 26, the Legislature broke for Spring Recess and reconvened on April 6. Upon their return, policy committees and budget subcommittees in both houses continue to review legislation introduced in the session and the Governor's budget proposals, with April 24 as the last day for policy committees to hear and report to fiscal committees fiscal bills introduced in their house; the last day for policy committees to hear and report to the Floor non-fiscal bills introduced in their house is May 1. On May 14, the pivotal suspense file hearing will take place, where all bills with a fiscal cost to the state over a certain threshold are either held or advanced, largely based on their fiscal impact on the state. All bills will then need to pass out of their house of origin by May 29.

Also on May 14, the Governor is expected to release the May Revise, the mid-year update to the proposed Fiscal Year 2026-27 budget. [A recent report](#) from the Legislative Analyst's Office paints a bleak picture as we head into the next stage of the budget negotiations, stating that our state spending has grown at an unsustainable rate over the last six years and suggesting legislators will be forced to make difficult choices about raising taxes or making cuts to reduce out-year deficits.

For information about key legislative and budget deadlines for next year, please see the 2026 Legislative Calendar [here](#).

Legislators Push Back on Governor's Proposed Budget

Last month, we reported that the Governor's proposed FY 2026-27 budget projected decreased funding for the Transit and Intercity Rail Capital Program and Low Carbon Transit Operations Program and zeroed out \$230 million in planned funding for the Zero-Emission Transit Capital Program.

In response to the Governor's proposed budget, 19 legislators across the Senate and Assembly submitted letters to budget leadership in their respective houses, urging the Legislature to include critical transit funding in the FY 2026-27 budget. These letters specifically call on the Legislature to:

- Appropriate the planned investment of \$230 million in Greenhouse Gas Reduction Fund (GGRF) dollars for the Zero-Emission Transit Capital Program in FY 2026-27;
- Reaffirm the state's commitment to appropriate \$460 million in GGRF dollars to the ZETCP in FY 2027-28; and,
- Establish greater funding certainty for the Transit and Intercity Capital Program and Low Carbon Transit Operations Program.

As noted above, budget and budget subcommittee hearings are just getting underway and no final decisions on the budget will be made until this summer.

CARB Releases Proposed Regulations to Cap-and-Invest Compliance Mechanisms

On April 14, the California Air Resources Board (CARB) released its [Proposed Amendments to the Regulation for the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms](#). The proposed amendments aim to implement the technical changes made to the Cap-and-Invest Program by [AB 1207 \(Irwin\) \[Chapter 117, Statutes of 2025\]](#), which largely focus on addressing industry leakage from California and the program's cost impacts to Californians.

The amendments propose, among other things, to significantly expand the number of free allowances provided to utility companies on the Cap-and-Invest auction market, in order to increase the size of the existing climate credit rebate returned annually to California's utility customers. Additionally, CARB is proposing to provide allowances to fund a new manufacturing incentive for industry. This, in turn, would in turn increase the number of allowances in the market and result in a significant reduction in Greenhouse Gas Reduction Fund (GGRF) revenues through at least 2030. Early assumptions predict this would reduce GGRF revenues *by half*, to approximately \$2 billion annually.

Given the changes to the GGRF Expenditure Plan approved last year in [SB 840 \(Limon\) \[Chapter 121, Statutes of 2026\]](#), this reduction would likely mean that, unless the regulations are further amended, or the new GGRF tiers reconsidered, the state will not have sufficient GGRF to fund Tier 3 programs (i.e. Affordable Housing and Sustainable Communities). WETA has joined a coalition of transportation agencies, metropolitan planning organizations, and regional transportation planning agencies to express concerns to CARB regarding these proposed amendments.

Local Taxpayer Protection Act Qualifies for November Ballot

On April 21, the California Secretary of State reported that the "[Local Taxpayer Protection Act](#)" qualified for the November 2026 ballot. The measure would raise the voter threshold for approving local special taxes from a simple majority to two-thirds and restrict charter cities' ability to impose real estate transfer taxes beyond the existing statutory documentary transfer tax rate (0.11%). The measure would also invalidate existing voter-approved taxes that do not meet these requirements two years after enactment. According to the Legislative Analyst's Office (LAO), the measure could result in an annual loss of up to several billion dollars to local governments and could further constrain future local revenue generation by increasing voting thresholds and limiting allowable tax structures. The measure could impact the Bay Area Regional Measure.

The LAO fiscal analysis is available [here](#). The initiative is associated with the "Local Taxpayer Protection Act" campaign led by taxpayer advocacy groups, including the California Business Roundtable, Howard Jarvis Taxpayers Association, and Kilroy Realty.

REMINDER: CalSTA Releases TIRCP Cycle 8 Guidelines and Call for Projects

On February 23, the California State Transportation Agency (CalSTA) released [final guidelines](#) and a [call for projects](#) for the Transit and Intercity Rail Capital Program (TIRCP) Cycle 8.

The call for projects details the application requirements and procedures to apply for funding under the program. TIRCP Cycle 8 will program projects starting with the Fiscal Year (FY) 2026-27 and ending with the FY 2030-31. The new program cycle will include previously awarded and active projects that have not been fully allocated by the end of the FY 2025-26 fiscal year, and projects selected from Cycle 8. The new capacity available for Cycle 8 is currently estimated to be at least \$950 million, but could be adjusted based on auction proceeds and changing cash flow requirements of already awarded projects between now and the September 2026 award announcement.

Bills with Positions

SB 1408 (Arreguin) Contra Costa Transportation Authority: Transaction and Use Tax – SUPPORT

This bill would authorize, until January 1, 2045, the Contra Costa Transportation Authority (CCTA) to impose or extend a transaction and use tax, as specified, for the support of countywide transportation programs at up to 1% event if it exceeds the tax cap in the county of 2%. ***This bill is on the Senate Floor.***

AB 2051 (Wicks) Coastal Resilience Permitting Working Group – SUPPORT

This bill directs the California Natural Resources Agency (CNRA), in consultation with the California Environmental Protection Agency (CalEPA), to convene an interagency Coastal Resilience Permitting Working Group to identify administrative actions and legislative recommendations to streamline and accelerate permitting for coastal resilience and sea level rise adaptation projects. ***In the Assembly Appropriations Committee.***

Bills of Interest

SB 1087 (Cabaldon) Sustainable Communities Strategy Modernization Bill – WATCH

This bill is co-sponsored by MTC-ABAG and seeks to modernize SB 375, the 2008 law that established the sustainable communities strategies regional planning framework. This bill makes numerous changes to existing Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) guidelines and requirements, including how greenhouse gas emissions (GHG) reduction targets are set, the timeline for updating the plans, and how GHG reduction strategies are evaluated. It also extends GHG reduction targets to 2045. ***This bill is set to be heard in the Senate Appropriations Committee.***

SB 1361 (Durazo) SB 79 Implementation: Transit-Oriented Developments – WATCH

This bill was heavily amended in April and now prohibits a local government with an existing or planned TOD stop from doing any of the following with respect to SB 79: (1) Requesting the transit

provider to reduce service provided to the stop so that SB 79 requirements do not apply, (2) Conditioning an approval or review of a transit project on the impacts of the additional height or density required by SB 79, or (3) Withholding support of an application for federal funding of a transit project on the basis of the additional height or density required by SB 79. ***This bill is on the Senate Floor.***

AB 1421 (Wilson) Road Usage Charge Technical Advisory Committee – WATCH

This bill would require the California Transportation Commission (CTC), in partnership with the Transportation Agency (CalSTA), to consolidate and prepare research and recommendations related to a road user charge or a mileage-based fee system. The report would be due to the Legislature by January 1, 2027. ***In the Senate awaiting referral.***

AB 1599 (Ahrens) California Transit Stop Registry – WATCH

This bill would require the Department of Transportation to create the California Transit Stop Registry as a centralized, statewide dataset of standardized information regarding transit stops by December 31, 2026. Additionally, this bill would require all transit operators that qualify for the funding under the Mills-Alquist-Deddeh Act to ensure that the name, location, of each of their transit stops are accurately reflected in the California Transit Stop Registry. ***In the Assembly Appropriations Committee.***

AB 2576 (Harabedian) SB 79 Implementation: Historic Sites Exclusion – WATCH

This bill was significantly amended and no longer delays implementation by a year for SB 79 (Wiener). Now, this bill expands the historic sites exclusion in SB 79 (Wiener) to include contributing sites within a historic district and parcels individually listed as a historical resource in the State Historic Resources Inventory designated before January 1, 2025. ***This bill is on the Assembly Floor.***

See SF Bay Ferry's online bill matrix [here](#) for additional information on legislation we are tracking for your agency.

MEMORANDUM

TO: Board Members

FROM: Seamus Murphy, Executive Director
Michael Gougherty, Director of Planning
Gabriel Chan, Transportation Planner

SUBJECT: Ridership Report – May 2026

Background

The agency's Pandemic Recovery Plan (Plan) began on July 1, 2021 with the enhancement of the Vallejo, Oakland & Alameda, and Richmond routes, the restart of the suspended Harbor Bay route, and the launch of the new Alameda Seaplane route. The following weekend also marked the relaunch of weekend service on the Vallejo, Oakland & Alameda, and Richmond routes. SF Bay Ferry relaunched the South San Francisco service in November 2021.

The Plan enhanced service during midday and weekend periods to reflect changing demands from regular commuters and recreational riders. Lower fares, more in line with parallel transit options such as BART or Transbay buses, are an additional feature of the Plan. With the introduction of the new ridership database in January 2023, staff were able to provide more in-depth insights about ridership data with greater precision and accuracy. In late 2025, staff recognized that a "new normal" for travel patterns in the region necessitated updates to the monthly ridership report to focus more on ferry capacity and utilization. This report provides a monthly update on ridership trends and comparisons to historical data.

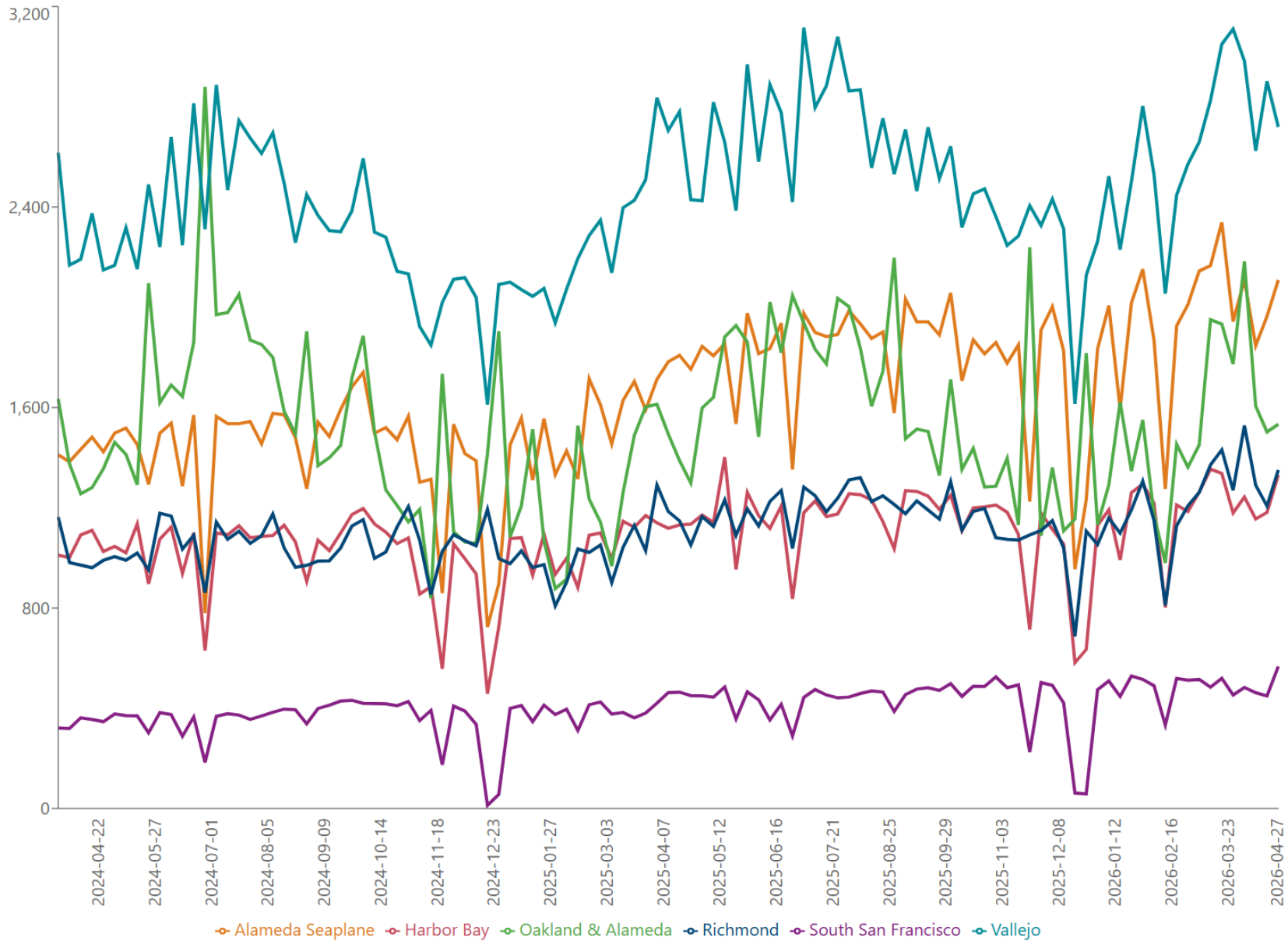
New this month, staff have adjusted the terminology used for ferry trips that exceed 80% and 99% occupancy respectively. Trips that exceed 80% occupancy are now "near full" and trips that exceed 99% occupancy are now referred to as "max outs." Previously, "max out" was used for 80% occupancy. These changes are now reflected in the graphs and tables in attachment A to this memo.

Discussion

This report includes ridership data, graphs, and tables for April 2026. SF Bay Ferry had just over 286,000 boardings in April. Compared to the same months in 2019, ridership recovery was 104% respectively. April 2026 is the fifth straight month that SF Bay Ferry ridership has exceeded 2019 levels. Year-over-year ridership was up 9% from April 2025 to April 2026. Despite some days of rain and gloomy weather, ferry ridership still exceeded 2019 levels, boosted by baseball and strong performance on weekends. June, July, and August of 2019 were exceptional months for ridership, and staff will continue to monitor and see if something similar materializes for 2026. SF Bay Ferry continues to outperform other regional transit operators with BART registering 55% of March 2019 ridership and Caltrain posting 75% of pre-pandemic March ridership.

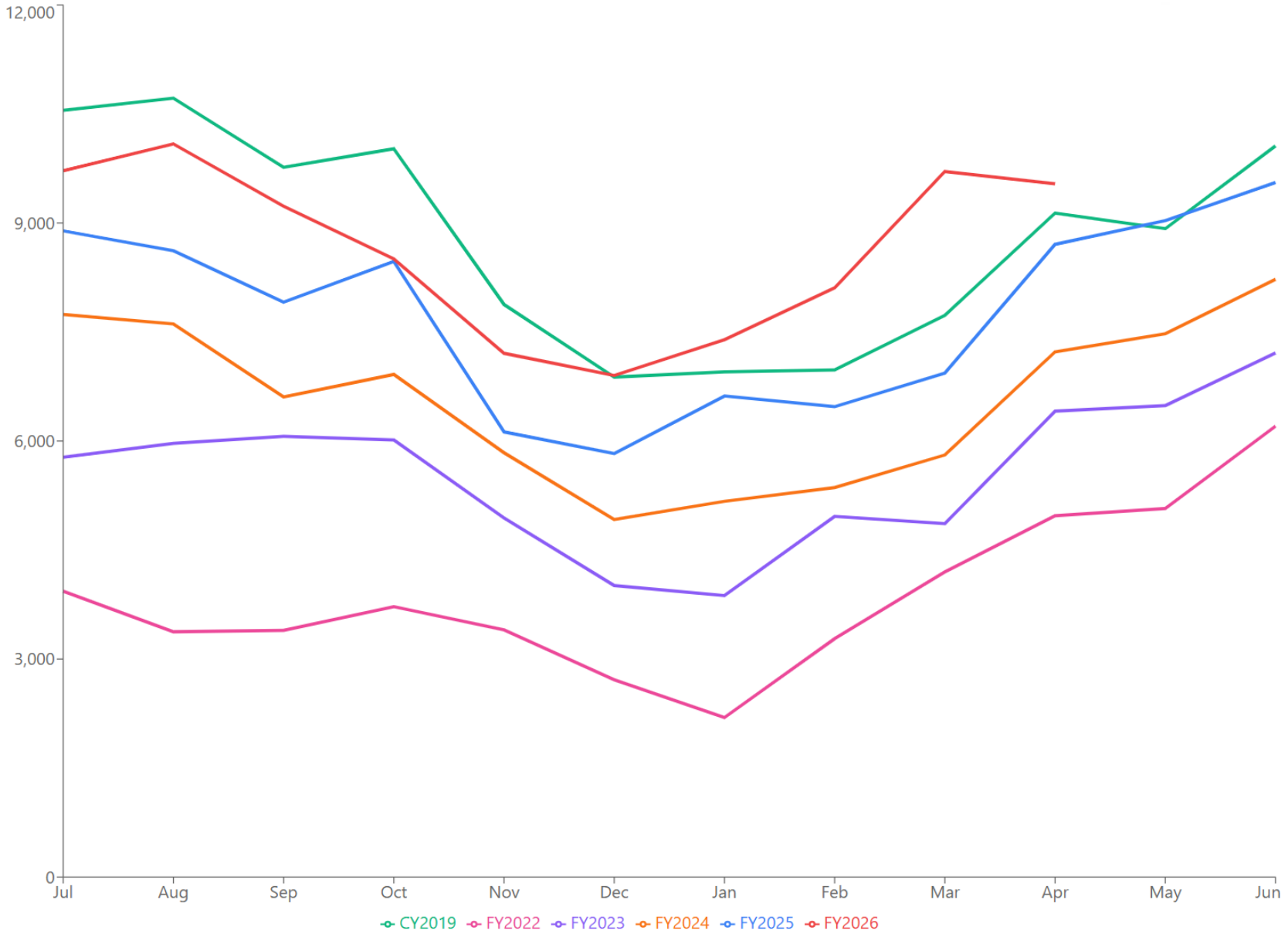
Appendix A. Ridership Data Summary

Weekday Average Ridership



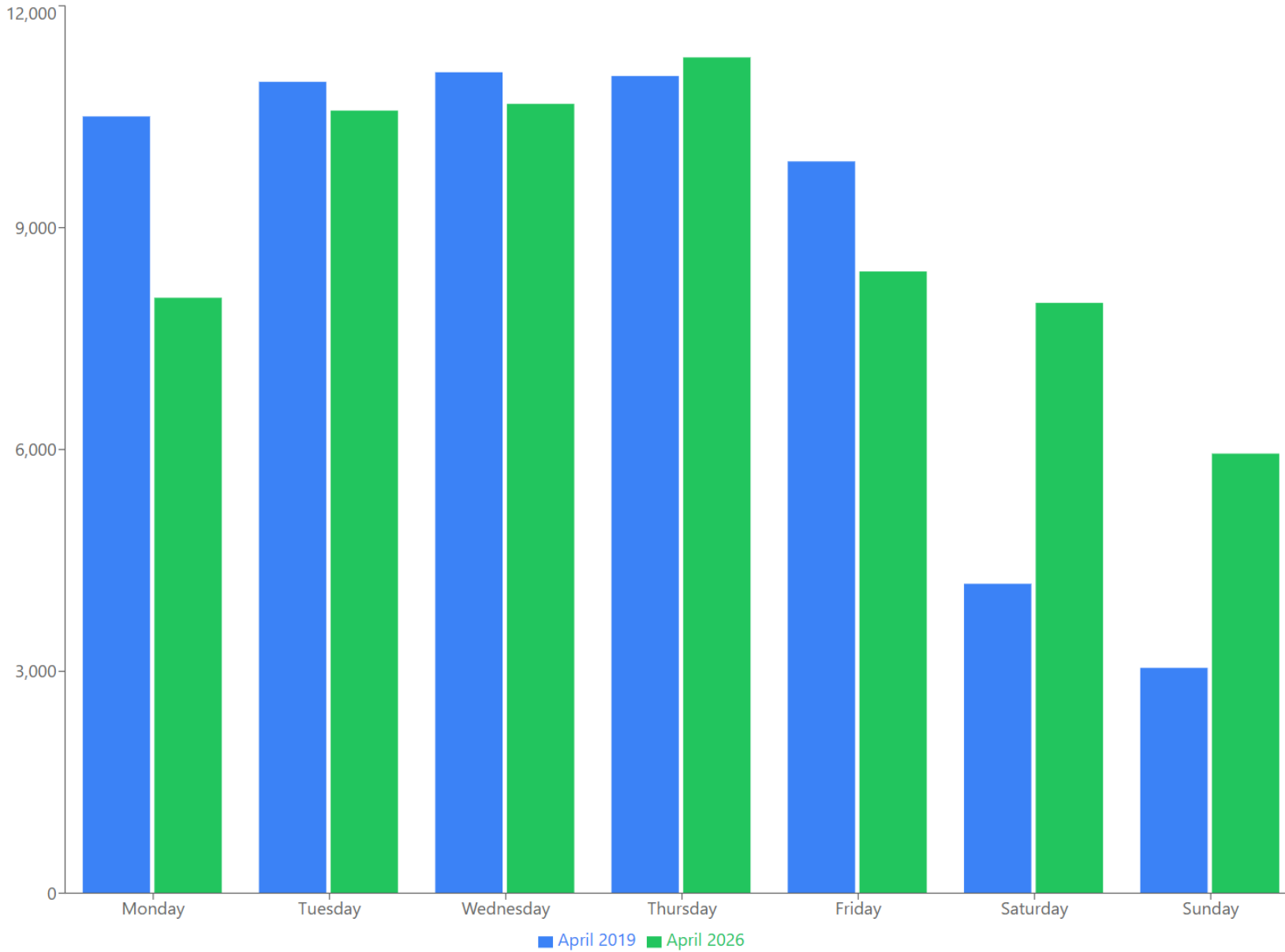
Ridership from other routes and event ridership is excluded.

Average Daily Ridership By Month



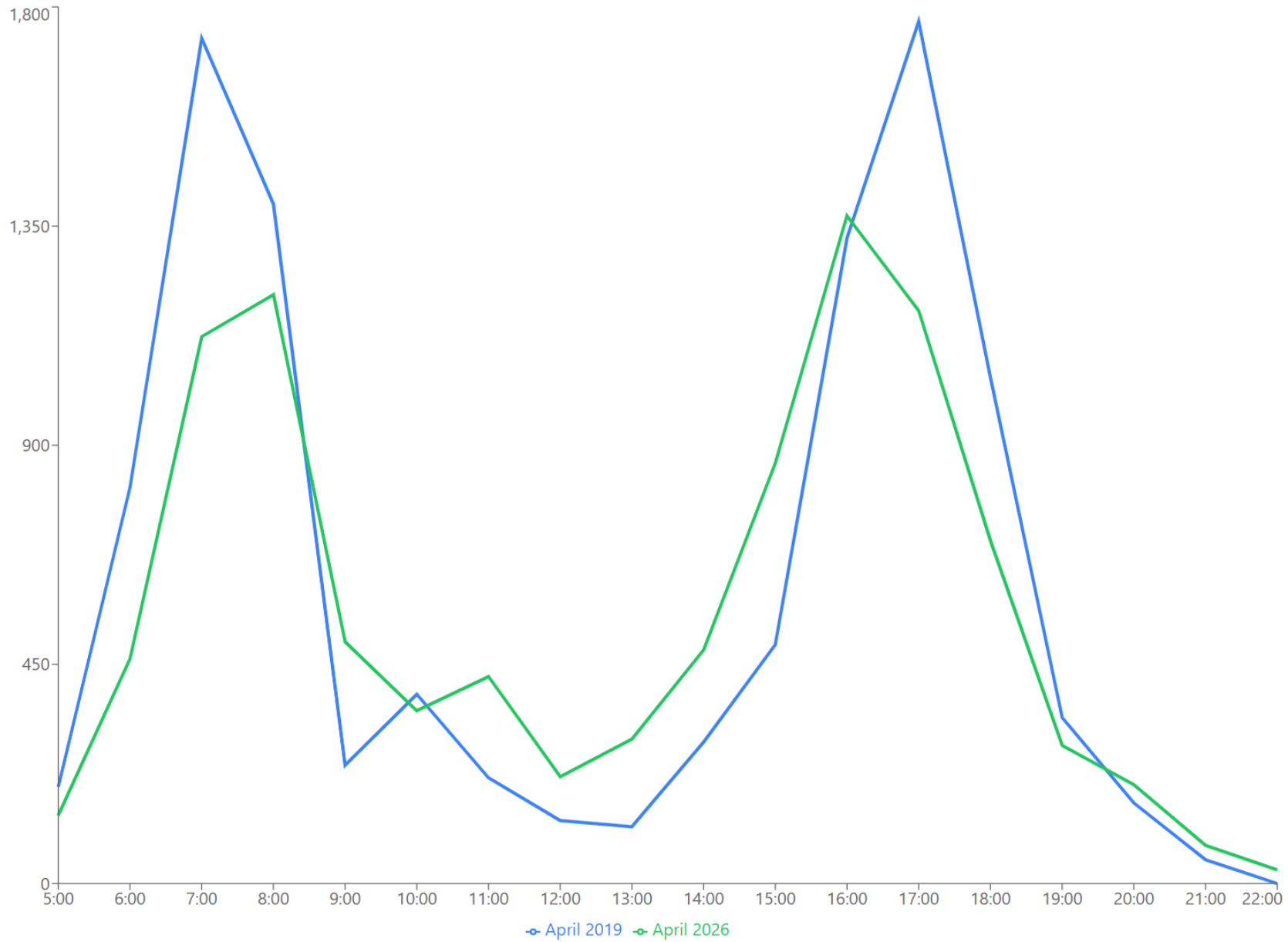
Event ridership is included.

Average Ridership by Day of Week Systemwide



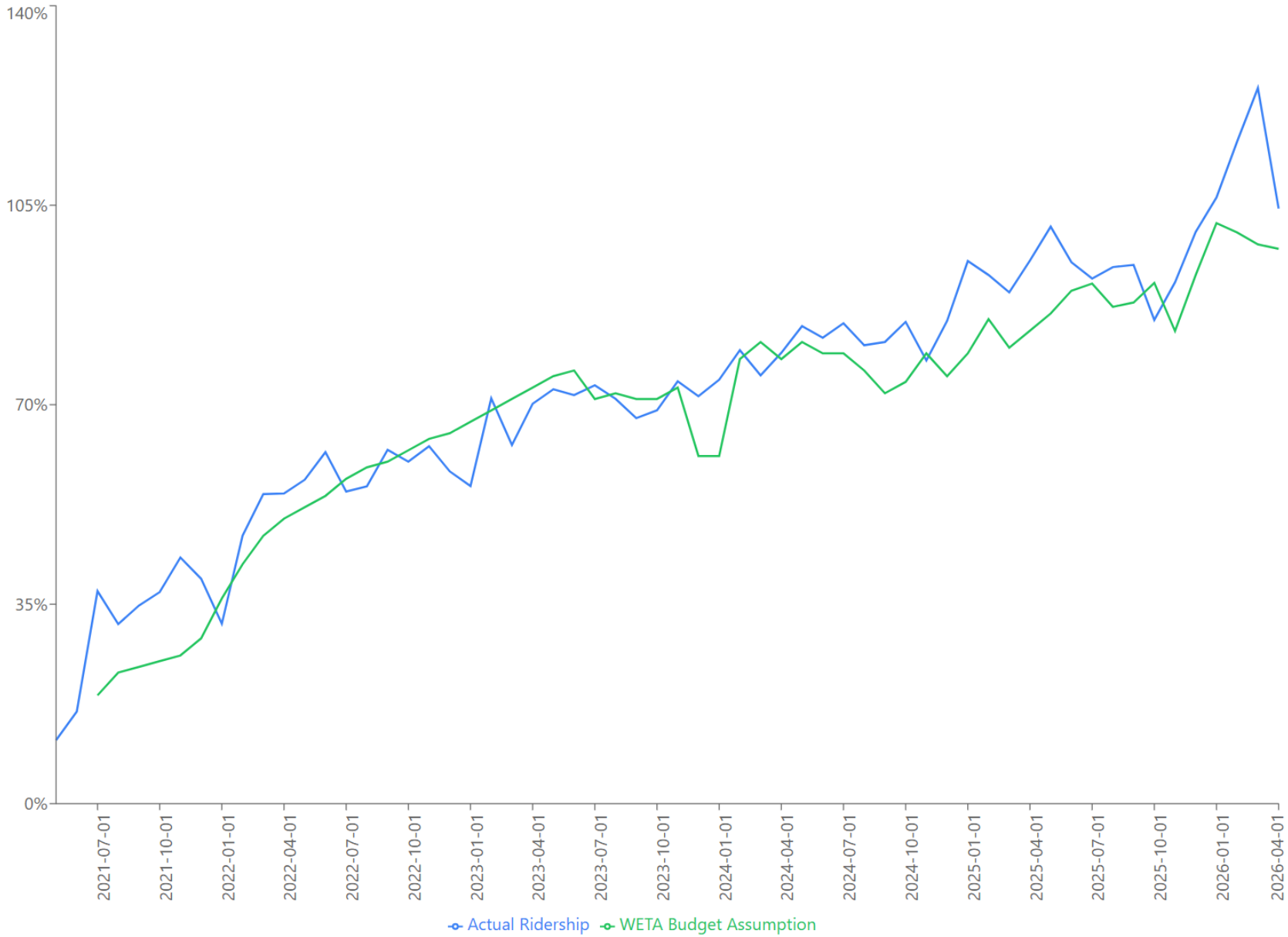
Event ridership is excluded. Holidays with no service are excluded.

Average Weekday Hourly Ridership



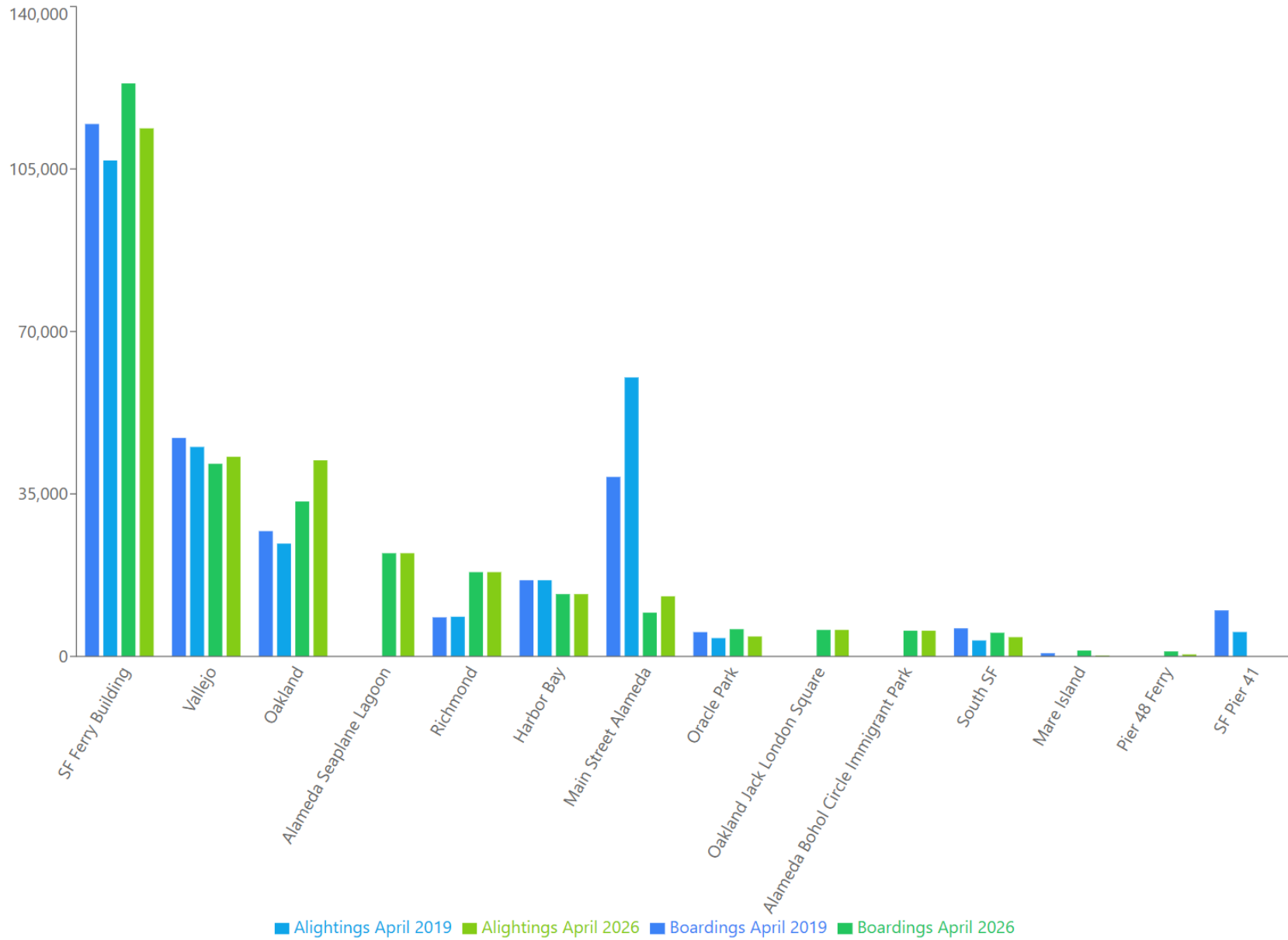
Event ridership is excluded. Scheduled trip segment start time is used.

Actual vs Budgeted Ridership



Event ridership is included.

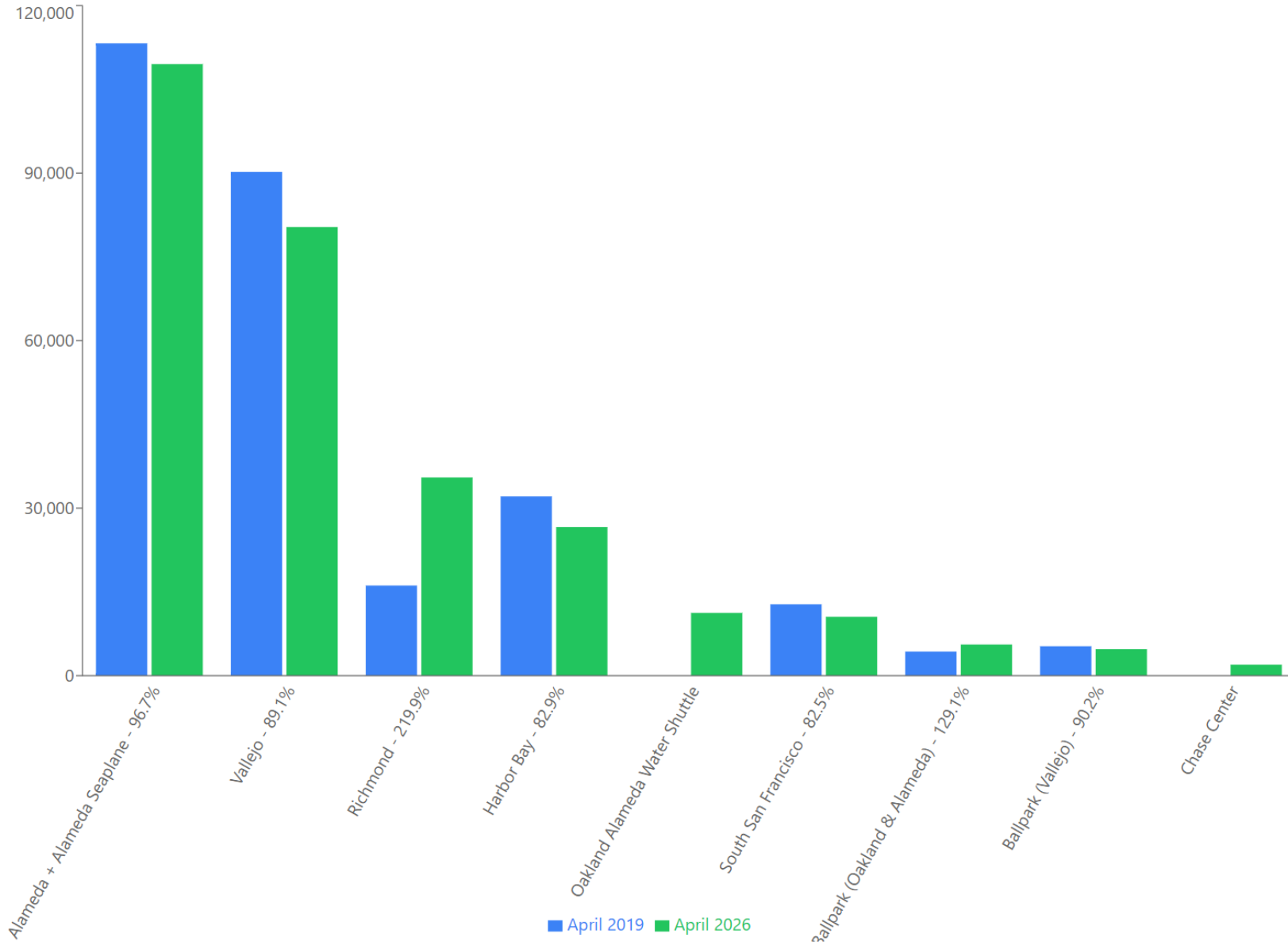
Boardings and Alightings by Terminal Systemwide



Event ridership is included.

Ridership Recovery by Route

Combine OA and SEA routes



Event ridership is included.

Top 10 Weekday Max Out Trip Segments

Origin - Destination	Departure Time	Average Daily Boardings	Trip Segment Count	Max Out % ⓘ	Mon Max Out Occupancy % ⓘ	Tue Max Out % ⓘ	Wed Max Out % ⓘ	Thu Max Out % ⓘ	Fri Max Out % ⓘ
SF → VJO	16:35:00	290	22	4.5%	0%	0%	20%	0%	0%
SF → VJO	15:40:00	243	22	4.5%	0%	0%	0%	20%	0%
SF → OAK	16:30:00	161	22	4.5%	0%	0%	20%	0%	0%
SF → SEA	16:30:00	212	22	4.5%	0%	0%	20%	0%	0%

Excludes OAS trip segments

Top 10 Weekend Max Out Trip Segments

Origin - Destination	Departure Time	Average Daily Boardings	Trip Segment Count	Max Out % ⓘ	Sat Max Out % ⓘ	Sun Max Out % ⓘ
SF → MSA	16:30:00	250	8	12.5%	0%	25%
SF → VJO	17:00:00	224	8	12.5%	25%	0%

Excludes OAS trip segments

ⓘ Max Out refers to the percentage of trip segments with occupancy greater than or equal to 99%.

Top 10 Weekday Near Full Trip Segments

Origin - Destination	Departure Time	Average Daily Boardings	Trip Segment Count	Near Full ⓘ	Mon Near Full ⓘ	Tue Near Full ⓘ	Wed Near Full ⓘ	Thu Near Full ⓘ	Fri Near Full ⓘ
GIA → MSA	21:45:00	281	3	33.3%		0%	0%		100%
SF → RCH	17:25:00	143	22	9.1%	0%	0%	20%	20%	0%
SF → RCH	16:00:00	94	22	9.1%	0%	0%	20%	20%	0%
SF → VJO	16:35:00	290	22	9.1%	0%	0%	20%	20%	0%
SF → VJO	15:40:00	243	22	9.1%	0%	0%	20%	20%	0%
VJO → SF	09:30:00	167	22	9.1%	0%	0%	20%	20%	0%
SF → RCH	15:00:00	106	22	4.5%	0%	0%	0%	0%	25%
SF → OAK	16:30:00	161	22	4.5%	0%	0%	20%	0%	0%
SF → SEA	16:30:00	212	22	4.5%	0%	0%	20%	0%	0%
SF → VJO	17:20:00	253	22	4.5%	0%	25%	0%	0%	0%

2 more trip segments not shown

Excludes OAS trip segments

i Near Full refers to the percentage of trip segments with occupancy greater than or equal to 80%.

Top 10 Weekend Near Full Trip Segments

Origin - Destination	Departure Time	Average Daily Boardings	Trip Segment Count	Near Full ⓘ	Sat Near Full ⓘ	Sun Near Full ⓘ
SF → MSA	16:30:00	250	8	37.5%	25%	50%
SF → VJO	18:30:00	243	8	25%	50%	0%
SF → VJO	20:40:00	172	8	12.5%	25%	0%
SF → VJO	17:00:00	224	8	12.5%	25%	0%
SF → MSA	20:30:00	162	8	12.5%	25%	0%
VJO → SF	11:35:00	224	8	12.5%	25%	0%
VJO → SF	10:20:00	232	8	12.5%	25%	0%
VJO → SF	09:15:00	217	8	12.5%	25%	0%
RCH → SF	10:20:00	141	8	12.5%	25%	0%

Excludes OAS trip segments

ⓘ Near Full refers to the percentage of trip segments with occupancy greater than or equal to 80%.

Operational Statistics - Core Services

	Oakland & Alameda	Richmond	Harbor Bay	South San Francisco	Alameda Seaplane	Vallejo	Total Core Services	Total Core and Non-Core Services
Total Ridership April 2026	65,830	35,500	26,625	10,543	43,739	80,394	262,631	286,160
Total Ridership March 2026	74,349	37,722	28,185	11,109	47,311	83,359	282,035	300,961
Percent Change	-11.5%	-5.9%	-5.5%	-5.1%	-7.6%	-3.6%	-6.9%	-4.9%
Total Ridership April 2026	65,830	35,500	26,625	10,543	43,739	80,394	262,631	286,160
Total Ridership April 2025	59,298	31,409	25,509	9,831	38,614	75,759	240,420	261,184
Percent Change	11%	13%	4.4%	7.2%	13.3%	6.1%	9.2%	9.6%
Total Ridership FY2026 to date [†]	641,590	325,016	247,404	96,980	400,269	726,073	2,437,332	2,628,188
Total Ridership FY2025 to date [†]	578,211	274,064	220,519	80,081	316,916	648,914	2,118,705	2,269,815
Percent Change	11%	18.6%	12.2%	21.1%	26.3%	11.9%	15%	15.8%
Average Weekday Ridership April 2026	1,748	1,330	1,210	479	1,988	2,861	9,616	10,247
Weekdays Operated in April 2026	22	22	22	22	22	22	22	22
Average Weekend Ridership April 2026	3,422	779				2,181	6,382	7,592
Weekend Days Operated in April 2026	8	8	0	0	0	8	8	8
Ridership Per Hour April 2026	134	92	145	91	169	107	120	120
Ridership Per Mile April 2026 [‡]	9.3	5	7	4.8	10.1	3.9	5.9	6.2
Revenue Hours April 2026	493	385	183	116	259	752	2,188	2,391
Revenue Hours FY To Date [†]	4,789	3,985	1,786	1,281	2,491	7,544	21,877	
Revenue Miles April 2026 [‡]	7,049.3	7,033.3	3,784	2,204	4,312	20,466.1	44,848.7	45,957
Revenue Miles FY To Date ^{†‡}	68,116.1	72,742.7	36,833.8	23,452.3	41,602.4	202,119.8	444,867.1	
% of planned trip segments April 2026	99.9%	99.8%	100%	100%	100%	100%	100%	100%
% of trip segments on time April 2026 [*]	97.8%	100%	100%	100%	99.6%	97%	98.6%	98.6%

[†]Total ridership, miles and hours for FY to date can include ridership from routes which were not operated this month.

[‡]Statute miles.

^{*}On time is less than 10 min of delay in arriving.

Operational Statistics - Non-Core Services

	Oakland Alameda Water Shuttle	Ballpark (Oakland & Alameda)	Chase Center	Ballpark (Vallejo)	San Francisco Pier 41 Short Hop	Ballpark (Richmond)	Total Non- Core Services	Total Core and Non-Core Services
Total Ridership April 2026	11,237	5,572	1,966	4,754	0	0	23,529	286,160
Total Ridership March 2026	14,203	1,317	1,767	1,639	0	0	18,926	300,961
Percent Change	-20.9%						24.3%	-4.9%
Total Ridership April 2026	11,237	5,572	1,966	4,754	0	0	23,529	286,160
Total Ridership April 2025	9,600	4,890	2,608	3,406	260	0	20,764	261,184
Percent Change	17.1%				-100%		13.3%	9.6%
Total Ridership FY2026 to date [†]	114,678	27,575	22,395	23,448	2,021	739	190,856	2,628,188
Total Ridership FY2025 to date [†]	83,116	21,233	16,763	13,618	14,940	0	151,110	2,269,815
Percent Change	38%				-86.5%		26.3%	15.8%
Average Weekday Ridership April 2026	387	457	399	309			1,552	10,247
Weekdays Operated in April 2026	17	7	4	8	0	0	18	22
Average Weekend Ridership April 2026	581	594	372	571			2,118	7,592
Weekend Days Operated in April 2026	8	4	1	4	0	0	8	8
Ridership Per Hour April 2026	67	489	302	257			116	120
Ridership Per Mile April 2026 [‡]	31.5	40.5	25.5	8.9			21.2	6.2
Revenue Hours April 2026	167	11	7	19	0	0	203	2,391
Revenue Hours FY To Date [†]	1,536	56	63	90	8	5	1,758	
Revenue Miles April 2026 [‡]	357	137.7	77.1	536.8	0	0	1,108.6	45,957
Revenue Miles FY To Date ^{†‡}	3,291.8	648.2	753.9	2,612.2	95.5	104	7,505.5	
% of planned trip segments April 2026	100%	100%	100%	100%			100%	100%
% of trip segments on time April 2026 [*]								98.6%

[†]Total ridership, miles and hours for FY to date can include ridership from routes which were not operated this month.

[‡]Statute miles.

^{*}On time is less than 10 min of delay in arriving.

MEMORANDUM

TO: Board Members

FROM: Seamus Murphy, Executive Director
Thomas Hall, Director of Operations & Customer Experience

SUBJECT: Service Reliability Report – March 2026

Background

The following metrics are included in this report:

- **On-Time Trips:** Trips arriving less than five minutes after the scheduled arrival time.
- **Late Trips:** Trips arriving five minutes or more past the scheduled arrival time.
- **Cancelled Trips:** Scheduled trips not completed for any reason.
- **On-Time Performance (OTP):** The percentage of total trips considered on-time.
- **Service Reliability:** The percentage of total trips not cancelled.
- **Max-Out Trips:** Trips with passenger counts at least 98% of the vessel's maximum capacity.

SF Bay Ferry's 2026 systemwide OTP goal is 95%. Its service reliability goal is 98%.

This report covers only regular SF Bay Ferry service. It does not include pilot or special event service. Staff will provide additional information on service reliability and OTP upon Board request.

Discussion

Through three months of 2026, SF Bay Ferry is performing at a service reliability of **99.9%** and an on-time performance of **97.0%**. Both metrics currently exceed agency goals for 2026.

Data for March 2026:

- **Service Reliability:** 99.9% (5 cancelled trips and 4,399 completed)
 - All routes exceeded the systemwide goal of 98%
 - All five March cancellations were due to mechanical issues (two early morning trips on Harbor Bay and three weekend trips on Richmond)
 - Neither Alameda Seaplane or South San Francisco have experienced any cancellations through the first three months of 2026
- **On-Time Performance:** 95.2%
 - OTP fell in March due to high ridership across midweek and weekend days
 - Oakland & Alameda and Vallejo fell short of OTP goals for the month
 - The systemwide goal was still met for March
- **Max-Outs:** 19 trips
 - Eighteen of these trips (95%) were on weekends
 - The single weekday max-out was the morning of March 3, where a peak Vallejo trip hit 98.8% of capacity. A smaller vessel was substituted into the slot at the last moment due to a mechanical issue on a larger vessel; the trip was still on time and had four empty seats.

Chart A: Service Reliability by Route, 2026

Service Reliability							
	Alameda Seaplane	Harbor Bay	Oakland & Alameda	Richmond	South San Francisco	Vallejo	Total
January	100.0%	99.7%	99.9%	99.9%	100.0%	99.8%	99.9%
February	100.0%	99.2%	100.0%	99.5%	100.0%	100.0%	99.8%
March	100.0%	99.5%	100.0%	99.6%	100.0%	100.0%	99.9%
April							
May							
June							
July							
August							
September							
October							
November							
December							
Year to Date	100.0%	99.5%	100.0%	99.6%	100.0%	100.0%	99.9%

Chart B: On-Time Performance by Route, 2026

On-Time Performance							
	Alameda Seaplane	Harbor Bay	Oakland & Alameda	Richmond	South San Francisco	Vallejo	Total
January	99.7%	98.1%	98.2%	98.1%	99.2%	95.0%	98.0%
February	98.7%	100.0%	97.5%	97.6%	99.6%	96.3%	97.9%
March	98.6%	98.8%	91.8%	98.7%	95.6%	93.1%	95.2%
April							
May							
June							
July							
August							
September							
October							
November							
December							
Year to Date	99.0%	99.0%	95.7%	98.1%	98.0%	94.7%	97.0%

*** END ***

SAN FRANCISCO BAY FERRY
SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY
MINUTES OF THE BOARD OF DIRECTORS MEETING

[April 9, 2026]

The Board of Directors of the San Francisco Bay Area Water Emergency Transportation Authority met in regular session at the Bay Area Metro Center at 375 Beale Street, San Francisco, CA and via videoconference.

1. CALL TO ORDER

Chair James Wunderman called the meeting to order at 1:01 p.m.

2. ROLL CALL/PLEDGE OF ALLEGIANCE

Directors Present in San Francisco:	Chair James Wunderman Vice Chair Moyer Director Michael Henneberry
Directors Present Remotely:	None
Absent:	Director Jessica Alba Director Pippin Dew

Chair Wunderman led the Pledge of Allegiance. He welcomed directors, staff, and meeting guests, noted that the meeting was being conducted in person and by videoconference and was being recorded, and explained how guests could provide public comment and sign up to speak during the meeting.

3. REPORT OF BOARD CHAIR

Chair Wunderman opened his report by highlighting the system's strong ridership performance well above pre-pandemic levels despite broader transit challenges. He attributed this success to service quality, strong leadership, high reliability, and public support.

Chair Wunderman reported that he had recently taken the opportunity to brief Governor Gavin Newsom on SF Bay Ferry's performance. He noted that Governor Newsom, who served on the original WTA board during his tenure as Mayor of San Francisco, expressed continued interest and enthusiasm for SF Bay Ferry's electrification efforts.

Chair Wunderman emphasized the importance of Bay Area shipbuilding as he has for many years. He said that he and Vice Chair Moyer had recently traveled to Washington State to visit electric vessels under construction and reiterated that building locally offers economic benefits and regional pride, with momentum continuing to grow. He referenced projects supporting this momentum.

Chair Wunderman expressed the view that a shipyard at California Forever could serve both naval and commercial purposes, and that WETA's leadership in electrification positions the region to produce vessels demanded by other regions.

Chair Wunderman concluded by raising economic and national security concerns in relying heavily on foreign shipbuilding production. He noted the economic challenges including recent job losses and expressed the view that diversification of the regional economy through shipbuilding could provide meaningful opportunities for the next generation of Bay Area residents.

4. REPORTS OF DIRECTORS

Vice Chair Moyer thanked staff for the *San Francisco Standard* article promoting ferry commuting and said she looked forward to the ridership report.

Vice Chair Moyer shared the recent passing of Rod Diridon, a longtime transit advocate, highlighting his public service and legacy, and proposed adjourning the meeting in his honor.

Director Henneberry said that he was pleased to have been part of two record-breaking weekends for system ridership and said the Maritime Trades are ready to advance shipbuilding efforts.

5. REPORTS OF STAFF

Executive Director Seamus Murphy said that the proposed shipyard could employ about 26,000 people daily and expressed enthusiasm for ferry service potential due to its waterfront location.

Mr. Murphy stated that high customer satisfaction has been largely driven by crew performance.

Director of Operations and Customer Experience Thomas Hall recognized Blue & Gold Fleet (Blue & Gold) crew members and the dispatch team for extraordinary actions taken during separate incidents in recent months.

First Incident: Captain Chris San Miguel, Gloria Freeman, Carl Carr-Johnson, Mark Merkuryev - rescued stranded boaters from a sinking boat.

Second Incident: Captain Jim Peeples, Lloyd Castillo, Kokou Khoudjou, Nyaradzo Mutuma - responded to onboard cardiac event.

Third Incident: Captain Dan Fickett, Ryan Fong, Bayyinah Jordan, Ruben Sevillano – responded to onboard overdose.

Mr. Hall noted that Blue & Gold, which operates the vessels, has its own employee recognition program and that management had indicated these crew members would be recognized through that program as well.

Chair Wunderman thanked the crews and the dispatch team. Director Henneberry added that he was on board during the overdose incident and confirmed that the situation was handled professionally.

Executive Director Murphy added that the crews' performance was a direct result of their training and Blue & Gold for ensuring crews are prepared for such incidents.

Senior Planner Arthi Krubanandh provided an update on SF Bay Ferry's participation in the Green Marine environmental certification program. She reported that SF Bay Ferry had achieved certification in the current year through self-evaluation and had achieved a higher level of performance in waste management aligning with SF Bay Ferry's sustainability policy objectives and the Rapid Electric Emission Free (REEF) Ferry Program.

Vice Chair Moyer confirmed her understanding of the advancement and expressed approval of the result.

Mr. Murphy introduced the fuel costs discussion noting that fuel price variability is accounted for in SF Bay Ferry's annual budget; however, the current market conditions present a level of volatility not typically anticipated. He introduced newly appointed Chief Financial Officer Lauren Gradia to present the analysis.

Ms. Gradia shared her presentation reporting that fuel expenditures account for approximately 20 percent of SF Bay Ferry's operation budget or approximately \$16,000,000 annually, creating significant exposure to price fluctuations.

Ms. Gradia explained that crude oil had spiked approximately 78 percent following the conflict in Iran and the closing of the Strait of Hormuz with R99 fuel prices following global crude oil pricing. With respect to the current fiscal year, Ms. Gradia presented a graph showing the running average fuel price at just under \$3.50 per gallon, compared to the budgeted price of \$4.20 per gallon. While recent prices had spiked significantly, staff expressed confidence that the annual fuel budget for the current fiscal year would not be exceeded.

Looking ahead to the next fiscal year, Ms. Gradia noted that staff were evaluating a budget assumption of \$5.00 per gallon average, representing approximately \$3,100,000 in additional annual cost over the current budget or approximately \$260,000 per month.

Mr. Hall outlined potential mitigation options: slowing midday Vallejo trips offered minimal savings, while consolidating Vallejo midday service produced greater savings but increased passenger impact.

Ms. Gradia presented a fuel surcharge option that would help offset fuel costs but could cause potential rider confusion with the current fare amendment and impact ridership. She outlined next steps, including monitoring fuel prices, consulting with partner agencies, and incorporating findings into the budget.

Chair Wunderman asked about prior fuel surcharges and rider input. Staff said a Vallejo surcharge had once been approved but never implemented, and no direct outreach had been conducted.

Chair Wunderman emphasized fuel as a major, uncontrollable cost driver with unenviable choices of a surcharge or service cuts and expressed reluctance to accept service reductions. He requested additional information and a sensitivity analysis and suggested making the public aware of the financial pressures.

Vice Chair Moyer said the analysis was not yet sufficient, calling for a fuller evaluation of trade-offs and being more creative about the service. She expressed strong opposition to surcharges, citing potential harm to ridership and affordability achievements.

Director Henneberry noted the service provides strong value and said fare increases may be justified, if necessary, while acknowledging fuel costs are beyond the SF Bay Ferry's control.

Mr. Murphy acknowledged the helpful information and said staff would continue to analyze and refine options. Mr. Murphy provided written reports and offered to answer any questions.

Transportation Planner Gabriel Chan reported strong ridership numbers in February and March 2026 citing favorable weather conditions combined with popular waterfront events and the start of the Giants and Warriors seasons.

Executive Director Murphy said strong ridership is bringing back pre-pandemic capacity constraints, including full vessels, limited bike space, and full parking lots. He noted that SF Bay Ferry's access study is reviewing each terminal to improve rider access.

Mr. Hall explained that a "max out" was defined as a vessel reaching 98 percent of capacity and that mitigation efforts included assigning appropriate sized vessels and early communication to riders.

Chair Wunderman acknowledged that overcrowding could begin to affect rider satisfaction and inquired how frequently riders were unable to board. Mr. Hall clarified that a “max out” does not necessarily prevent boarding but that service capacity is a growing concern. Mr. Hall reported ten “max out” events in February and said that March and the coming summer months are expected to yield higher numbers.

Chair Wunderman expressed disappointment that Senator Scott Wiener did not advance a “clean-up” bill to include ferry terminals to the preferential land use treatment provisions in Senate Bill (SB) 79.

Mr. Murphy said the practical benefit would have been limited mainly to a few Oakland Jack London Square parcels, since most San Francisco Bay Ferry terminals are not covered by the legislation or already covered by overlapping transit services. He noted the issue had become more controversial and less impactful for the agency and said that staff would instead work directly with the City of Oakland to ensure appropriate zoning for transit-adjacent parcels in collaboration with other stakeholders.

Chair Wunderman asked about the Federal Transit Administration (FTA) electrification grants under review. Mr. Murphy said most federal grants were finalized but that these two were paused before final certification as part of a broader FTA review of about 80 transit-related clean energy grants nationwide, with timing and outcome uncertain. Mr. Murphy noted that SF Bay Ferry is working with other program beneficiaries to secure release of the funds and is developing contingency plans to keep projects moving.

Chair Wunderman noted that an upcoming trip to Washington, D.C., organized by the Bay Area Council, presents an opportunity to advocate directly with legislators for the release of the grants. Mr. Murphy said that highlighting funding would be a top priority.

Chair Wunderman called for public comments, and there were none.

6. CONSENT CALENDAR

Chair Wunderman invited members of the Board to identify any items they wished to remove from the consent calendar. No items were removed.

Director Henneberry made a motion to approve the consent calendar:

- a. Approve Board Meeting Minutes – March 5, 2026
- b. Receive the Single Audit Report for the Fiscal Year Ending June 30, 2025
- c. Designation of Authorized Agents to Apply for Federal or State Disaster Assistance Funds

Chair Wunderman called for public comments, and there were none.

Vice Chair Moyer seconded the motion, and the consent calendar carried unanimously.

Yeas: Henneberry, Moyer, Wunderman. Nays: None. Absent: Alba, Dew.

7. PUBLIC HEARING ON PROPOSED FISCAL YEAR 2024-2028 FARE PROGRAM AMENDMENT

Chair Wunderman stated the purpose of, and opened, the public hearing on the proposed Fiscal Year 2024–2028 Fare Program Amendment. He noted that speakers would be asked to state their name and city of residence for the record and to limit comments to three minutes or less. He stated that written comments received in advance of the hearing would be entered into the record.

PUBLIC COMMENT

Daily ferry commuter Priyanka raised concern about a recent schedule change.

Chair Wunderman thanked the speaker for their comments and invited the speaker to submit written suggestions for review. He noted that the Board had received written comments and formally closed the public hearing at 1:57 p.m.

8. ADOPT FISCAL YEAR 2024-28 FARE PROGRAM AMENDMENT

Director of Planning Michael Gougherty introduced this item recommending adopting the amendment to the Fiscal Year 2024-28 Fare Program. He noted that Ms. Krubanandh designed her presentation to be responsive to the Board's direction from the prior month providing additional background and context for the recommended changes.

Ms. Krubanandh presented the background of the current fare program, regional context and peer comparison, proposed changes, fiscal impact, public outreach, and next steps. She said that the current fare program was designed to provide predictable, small-step increases through fiscal year 2028 with the goal of keeping fares comparable to other regional transit options while supporting financial sustainability, noting that other transit operators have been adjusting fares following COVID-related delays and higher than anticipated inflation.

Ms. Krubanandh summarized the proposed amendments by service corridor and included explanations for the short hop and special event fare changes. She said that the intent of the amendment was for structural alignment within the region and not revenue maximization, estimating annual revenue at approximately \$34,000. She said that no substantive comments were received that would warrant changes to the proposal, thus no changes to the proposal were recommended as a result of public outreach.

Director Henneberry commented that while most of the increases were modest, the short hop increase was more substantial. Ms. Krubanandh explained the rationale noting the small share of ridership that was affected. Mr. Murphy elaborated on the regional fare integration principles that SF Bay Ferry first adopted six years ago and on the broader Metropolitan Transportation Commission (MTC) fare integration study recommendation for a zone-based, mode-independent fare system. Director Henneberry commented that SF Bay Ferry offered the free Oakland Alameda Water Shuttle as an alternative.

Vice Chair Moyer requested a return to the slide comparing ferry fares to peer operators and raised questions about the total cost of transit to a commuter, including parking and last-mile costs. Mr. Murphy acknowledged the complexity of the analysis and noted that the regional fare studies have focused on the fare itself rather than total access costs, given the variability of first and last mile options.

Vice Chair Moyer expressed concern about labor costs and the affordability and comparables when discounts are applied. Mr. Gougherty explained that the approach was to make incremental adjustments without attempting to achieve alignments in a single year. He said that the original program assumed a flat three percent average annual inflation and that actual inflation has been higher. He added that SF Bay Ferry was indexing to agencies who were adjusting to actual inflation, effectively capturing higher than expected inflation rather than relying on original assumptions.

Chair Wunderman commented that the public hearing yielded no substantial pushback and that the outreach process was meaningful. He cautioned, however, that the true public response would likely come when the new fares are implemented and urged staff to be prepared. He noted that the complexity of route-specific increases as opposed to the simpler flat-rate approach previously used would require clear communication to the riding public.

PUBLIC COMMENT

The Board received written public comment not included in the agenda packet opposing fare increases from ferry riders Chris Noguera and Kate Eby.

Member of the public and former South San Francisco rider Isabelle Hodge spoke in support of ferry service and commented that rising gasoline prices represent a competitive opportunity with automobile commuting for new ridership.

Director Henneberry made a motion to adopt Resolution No. 2026-14 approving this item.

Vice Chair Moyer seconded the motion, and the item passed unanimously.

Yeas: Henneberry, Moyer, Wunderman. Nays: None. Absent: Alba, Dew.

Chair Wunderman commended Ms. Krubanandh for the quality of the presentation, noting that it effectively explained the rationale for a complex, differentiated set of fare changes. He reiterated the importance of communicating clearly with the public upon implementation.

9. AUTHORIZE AGREEMENT WITH SAN FRANCISCO PUBLIC UTILITIES COMMISSION RELATIVE TO DOWNTOWN SAN FRANCISCO TERMINAL ELECTRIC SERVICE

Chief Capital Program Officer Gary Griggs presented this item recommending authorizing an agreement with the San Francisco Public Utilities Commission (SFPUC) Relative to Downtown San Francisco Terminal Electric Service.

Mr. Griggs shared his presentation and provided context by noting that progress is being made across the system in securing power for the electrification program adding that the vessels are in production making it increasingly urgent that charging capabilities be established at terminals, particularly downtown San Francisco.

Mr. Griggs acknowledged and thanked SFPUC Development Executive Tom Marx and his team for their close collaboration with the capital program team in developing this approach.

Mr. Griggs said that the original plan contemplated drawing power from a 90-megawatt substation that the SFPUC had planned to construct in the Embarcadero area; however, the substation timeline remains uncertain, and its power source is unresolved. As a result, staff identified a dedicated 10-megawatt service line extending from a Pacific Gas & Electric Company (PG&E) substation. He noted that dealings with PG&E have been conducted through the SFPUC, consistent with standard practice for projects of this type.

Mr. Griggs said that PG&E had set April 17, 2026, after a 60-day extension, as the deadline for SF Bay Ferry to reserve the 10-megawatt capacity, stating that the power would be allocated to another customer if a commitment was not made. He said that PG&E's preliminary cost estimate for front-of-meter work is approximately \$5,584,000 and that PG&E requires a 20 percent engineering advance payment of approximately \$1,116,800 by April 17 to reserve the service.

Mr. Griggs clarified that the total front-of-meter cost including additional work was estimated at approximately \$10,000,000 and said that the item before the Board only addressed the first step of the engineering advance. He said that a second advance payment estimated at approximately \$4,500,000 would be brought to the Board prior to construction once PG&E had completed its design. He added that the deposit would be returned, less any amounts expended, if SF bay Ferry decided not to proceed.

Chair Wunderman asked whether the line would serve other entities along its route. Mr. Griggs confirmed that the line would be fully dedicated to SF Bay Ferry.

Chair Wunderman expressed concern about making a critical decision under significant time pressure and questioned the agency's negotiating position with the SFPUC before finalizing a service agreement. SF Bay Ferry Legal Counsel Steven Miller of Hanson Bridgett LLP said negotiations are ongoing and that no engineering advance to PG&E would be made without an agreement in place. He added that the item authorizes the Executive Director to execute the agreement, with future phases returning to the Board, and noted the April 17 deadline is driven by competing demand for the 10-megawatt service line.

Chair Wunderman acknowledged the limited options available to the Board, and that the decision is effectively a necessary one given SF Bay Ferry's commitment to electrification and the irreversibility of the path taken with vessel orders. He noted some discomfort with the process while acknowledging the practical realities.

Director Henneberry commented that electric vessels serve no purpose without a power supply and that the relevant parties would remain the same regardless of timing. With that, he made a motion to adopt Resolution No. 2026-15 approving this item.

Chair Wunderman called for public comments, and there were none.

Vice Chair Moyer seconded the motion, and the item passed unanimously.

Yeas: Henneberry, Moyer, Wunderman. Nays: None. Absent: Alba, Dew.

Chair Wunderman expressed appreciation for the work of Mr. Griggs, the capital program team, and SFPUC and noted that while the cost is significant, it is an investment that will serve well in establishing the nation's first battery-electric passenger ferry service.

10. SF BAY FERRY CLASSIFICATION AND COMPENSATION STUDY REPORTS

Mr. Murphy presented this informational item on the recently completed Classification and Compensation Studies by CPS HR Consulting noting that the study was paused during the organizational restructuring process conducted with assistance from the American Public Transportation Association (APTA).

Mr. Murphy outlined the process of the studies. He said that the revised classification structure was designed to provide growth opportunities and that the compensation study provided comparables with eight peer agencies using relevant labor market criteria.

Mr. Murphy summarized the results and emphasized that no employee's current salary would be reduced or immediately increased as a result of the study but rather that the ranges would be adjusted and any salary implications would be addressed through the budget process.

Mr. Murphy introduced SF Bay Ferry's Principal HR Consultant Deborah Gutman of CPS HR Consulting to respond to specific Board questions. Ms. Gutman affirmed that the proposed salary range and overall structure are standard for compensation studies and align with industry's best practices.

Chair Wunderman observed that the salary ranges were relatively broad and emphasized the importance of using the structure to support internal career advancement. Mr. Murphy confirmed that the unassigned pay grades were intentionally included to support future promotions.

Vice Chair Moyer said the report was thorough and valuable and highlighted the step increments as a strong tool for ensuring equitable compensation practices. She raised concerns about the financial impact of implementing the study's recommendations amid broader budget pressures and

thanked staff for their dedication after hearing that many employees were found to be below market compensation.

Director Henneberry expressed confidence that the study fulfilled the intent to establish objective standards for compensation and benefits.

Chair Wunderman called for public comments, and there were none.

Chair Wunderman concluded by expressing pride in both the administrative staff and vessel crews, voicing his hope that the studies will provide clear, meaningful growth opportunities.

11. PUBLIC COMMENTS FOR NON-AGENDA ITEMS

Chair Wunderman called for public comments for non-agenda items, and there were none.

Mr. Murphy noted that it was Senior Planner Arthi Krubanandh's last meeting with SF Bay Ferry as she was departing to join the San Mateo County Transit District. He commended Ms. Krubanandh for her contributions, including her management of the Green Marine Program and her work on the fare amendment, and congratulated her on the new opportunity. The Board joined in applause to recognize Ms. Krubanandh's service.

With all business concluded, Chair Wunderman adjourned the meeting at 3:11 p.m. in memory of Rodney Diridon Sr.

- Board Secretary

END

MEMORANDUM

TO: Board Members

FROM: Seamus Murphy, Executive Director
Lauren Gradia, Chief Financial Officer
Michael Gougherty, Director of Planning

SUBJECT: Approve Amendment No. 2 to Clipper BayPass Pilot Program Participation Agreement

Recommendation

Approve Amendment No. 2 to Clipper BayPass Pilot Program Participation Agreement and authorize the Executive Director to execute the amendment.

Background/Discussion

The Metropolitan Transportation Commission (MTC) and participating transit operators, including SF Bay Ferry, entered into a Participation Agreement (Agreement) in 2022 for the Clipper BayPass Pilot Program (Program). The Program provides unlimited rides on all participating Bay Area transit systems for Clipper BayPass holders. Phase 1 of the Program was offered to students enrolled at several regional universities and residents of three affordable housing properties. Phase 2 of the Program began in 2024 and extended participation to interested employers. Operators are reimbursed for trips based on actual passenger use through employer fees and up to \$5 million from MTC to address potential funding gaps in Program revenues.

Early analysis of the Program indicates a positive impact in terms of generating new transit trips. BayPass holders took 30% more transit trips and over 160% more inter-operator transfers during Phase 1. Phase 2 has specifically benefited SF Bay Ferry, as participating commuters affiliated with the Alameda Transportation Management Association and University of California San Francisco (UCSF) were 196% and 42% more likely to use the ferry, respectively. According to the most recent data available from July 2025 to December 2025, the Program provided nearly 4.2 million trips worth approximately \$10 million, including nearly 50,000 trips worth nearly \$300,000 on SF Bay Ferry services.

Amendment No. 1 to the Agreement was executed by SF Bay Ferry in 2024 to extend Phase 2 of the Program through June 30, 2027. The proposed Amendment No. 2 (Attachment A) would enact several changes deemed necessary by MTC and the transit operators, including extension of the term through June 30, 2030, longer contract durations with participating employers, consideration of existing Clipper discounts for reimbursements, procedures for disbursement of excess revenues, and clarification concerning MTC operation and maintenance expenses.

Fiscal Impact

There is no fiscal impact associated with this item. Staff anticipates that MTC will continue to fully reimburse SF Bay Ferry for revenue for trip made with the Clipper BayPass if Amendment No. 2 is approved.

END

Attachment A: Amendment No. 2 to Clipper BayPass Pilot Program Participation Agreement

**AMENDMENT NO. 02 TO CLIPPER® BAY PASS PILOT PROGRAM
PARTICIPATION AGREEMENT**

THIS AMENDMENT, effective as of [Placeholder for date effective] is Amendment No. 02 to the Clipper® BayPass Pilot Program Participation Agreement, dated November 1, 2023, as amended on August 15, 2024 and [Placeholder for date effective] (collectively, “Agreement.”).

WHEREAS, The Clipper BayPass Pilot Program (“Pilot”) was first launched in 2022 by the Metropolitan Transportation Commission (“MTC”) and the participating transit operators (“Operators”) as defined in Clipper® BayPass Pilot Program Participation Agreement. MTC and the Operators are referred to herein collectively as the “Parties” or individually as a “Party;” and

WHEREAS, Phase 1 of the Pilot commenced in August 2022 and Phase 2 of the Pilot commenced in January 2024; and

WHEREAS, Amendment No. 1 of the Clipper BayPass Pilot Program Participation Agreement extended Phase 2 of the Pilot through June 30, 2027.

WHEREAS, After Amendment No 1. of the Clipper BayPass Pilot Program Participation was amended in August 15, 2024 the Parties determined that several additional changes to the Agreement were necessary in order to allow the Pilot program to fully capitalize on opportunities to sell the Clipper BayPass Pilot product to institutional customers in the San Francisco Bay Area; and

NOW, THEREFORE, the Parties agree to modify the subject Agreement as indicated below. Where modifications have been made, added text is indicated in italics, deleted text is indicated in strikethrough format.

1. The ninth recital is updated to extend the duration of the Clipper BayPass Phase 2 Pilot to continue to allow for continued discussion amongst the Parties regarding programmatic structure:

WHEREAS, Phase 2 of the Clipper BayPass Pilot Program will begin on December 1, 2023 and continue to no later than June 30, ~~2026~~ 2030.

2. Article I (B), Operator Responsibilities, is updated clarify the term of the Clipper BayPass Phase 2 Pilot:

B. Participate in the Clipper BayPass pilot program for the entirety of the Phase 2 Pilot lasting from the Effective Date until no later than June 30, ~~2026~~ 2030.

3. Article II (B), MTC Responsibilities, is updated clarify the term of the Clipper BayPass Phase 2 Pilot:

B. Participate in the Clipper BayPass pilot program for the entirety of the Phase 2 Pilot lasting from the Effective Date until no later than June 30, ~~2026~~ 2030.

4. Article V, Term, is updated to clarify the term of the Clipper BayPass Phase 2 Pilot:

The term of the Agreement shall begin upon the Effective Date and continue until June 30, 2026 2030, unless terminated by written agreement of the Parties.

5. The eighth recital is updated to allow an “up to three-year” basis for contract duration to reduce administrative burden associated with annual contracts where applicable.

WHEREAS, Phase 2 of the Clipper BayPass Pilot Program will offer the Clipper BayPass product for sale to up to 10 employers and/or institutions in the Bay Area with a combined total of up to 20,000 individuals. Each employer/institutional customer of Phase 2, with the exception of Preexisting Institutional Pass Product customers, will enter into a ~~one-year~~ contract with MTC which will set forth the financial terms of the purchase of the Clipper BayPass product. Contracts will be subject to renewal on ~~an annual basis~~ *up to a three-year basis*, with financial terms subject to change. Preexisting Institutional Pass Product customers will maintain their existing contractual relationship with the Operator offering their Preexisting Institutional Pass Product with a separate additional contract with MTC for Phase 2 of the Clipper BayPass Pilot unless the Operator, MTC, and customer mutually agree to another contracting arrangement; and

6. A new recital is added after the [insert appropriate position here] to factor existing Clipper discounts into reimbursements to operators for trips made on Clipper BayPass.

WHEREAS, Clipper provides discounts to youth, seniors, individuals with qualifying disabilities (RTC) and individuals with qualifying incomes (START). These discounts will be applied to reimbursements paid to operators for trips made on Clipper BayPass consistent with the terms set forth in Article III, part A.

7. Article III (A), Program Revenues is updated to incorporate existing Clipper discount programs into reimbursements to operators for trips made on Clipper BayPass.
 - A. Any Phase 2 revenue generated by the sales of Clipper BayPass to an employer/ institutional customer that was not a customer of an Operator’s Preexisting Institutional Pass Product on either January 1, 2020 or on the Effective Date shall be allocated by MTC amongst the Parties based on actual passenger usage of the Clipper BayPass Phase 2 product at a rate equal to a regular Adult Clipper fare for each trip taken- *except when the employer / institutional customer provides reasonable substantiation to MTC for the share of its eligible employees / members who qualify for a Clipper discount program on the operators listed in Article III part A.1. In these cases, reimbursements to these operators will be discounted on a pro-rata basis according to the share of eligible employees / members who qualify for a Clipper discount program. Employers may provide substantiation for the shares of their employees that qualify for all Clipper discount programs other than Clipper START. Non-employers may provide substantiation for the shares of their population that qualify for all Clipper discount programs.*

A.1 Operators who have opted to participate in applying Clipper discounts to their reimbursements for trips made on BayPass are:

1. *Alameda-Contra Costa Transit District; Golden Gate Bridge, Highway and Transportation District; San Francisco Bay Area Rapid Transit District; City and County of San Francisco Municipal Transportation Agency; San Mateo County Transit District; Santa Clara Valley Transportation Authority; Peninsula Corridor Joint Powers Board; Central Contra Costa Transit Authority; City of Fairfield (FAST); City of Petaluma; Eastern Contra Costa Transit Authority; Livermore/Amador Valley Transit Authority; Marin County Transit District; Napa Valley Transportation Authority; Solano County Transit; City of Santa Rosa; Sonoma-Marin Area Rail Transit District; City of Vacaville (Vacaville City Coach); Western Contra Costa Transit Authority; San Francisco Bay Area Water Emergency Transportation Authority; Sonoma County Transit; City of Union City.*

8. Article III (C), Program Revenues is updated to decouple the requirement that program revenues exceed the amount necessary to reimburse operators from MTC's ability to receive reimbursement for operation and management of the Clipper BayPass Pilot program.

C. Should the Phase 2 revenue be in excess of the amount needed to reimburse Operators under the terms described in Article III, subsections A and B, these additional revenues ~~up to a limit of \$1,000,000 or whatever costs were incurred by MTC to establish the Phase 2 program, whichever is less, shall be available to reimburse MTC for the operation and management of the Clipper BayPass Pilot program subject to the approval of the Fare Integration Task Force or any designated successor body. All additional excess revenues, beyond the limit described above,~~ will be allocated to transit operators based on each operator's share of overall Phase 2 ridership.

9. An additional recital is added after recital 14 to clarify the work that MTC and Clipper BayPass project staff have done and continue to do to support program implementation.

WHEREAS, MTC and Clipper BayPass project staff have and will continue to support program implementation and administration. Their work includes outreach and sales, contract review and routing, Clipper institutional portal training for partner organizations, partner billing, partner headcount reporting, biannual partner surveys and survey analysis, ridership data reporting and analysis, contract renegotiation, and operator reimbursement calculation and administration.

10. Article III (G) is added to formalize a process for MTC to receive reimbursement for operation and management of the Clipper BayPass Pilot program.

G. On an annual basis, MTC and Clipper BayPass project staff shall propose, for approval by the Regional Network Management Council or any designated successor body, an annual Clipper BayPass administration budget to be drawn from Clipper BayPass program revenues. The cost of Clipper BayPass annual administration shall be included in the price of BayPass as an increment above the estimated cost of reimbursing operators for trips taken on BayPass. MTC and Clipper BayPass project staff will endeavor to maintain high standards of program administration efficiency and efficacy, which will be reflected in their proposed program administration budget.

11. Article III (F) is updated to remove the supplemental contract requirement, allow for greater flexibility in contract design (i.e., updated language does not prohibit a pass-through contract) and clarify that the option to enter into the contract is at the discretion of the operator that holds the pass to which the BayPass is being added (i.e., if the BayPass is being added to an existing AC Transit EasyPass, AC Transit decides whether they want to enter into a passthrough contract or keep separate contracts and so forth).

Should any existing employer/institutional customer of one of the Operators' Preexisting Institutional Pass Products express an interest in purchasing the Clipper BayPass product, the Clipper BayPass will only be offered to the existing employer/institutional customer as an upgrade to their Preexisting Institutional Pass Product. ~~MTC will manage a supplemental contract for the BayPass upgrade, and~~ The Parties will strive to align operational processes between the Clipper BayPass and the Preexisting Institutional Pass programs. *The decision to offer the employer/institutional customer a combined contract or maintain separate contracts is at the discretion of the transit operator that holds the Preexisting Institutional Pass agreement.*

12. An additional recital is added after [insert appropriate position here] to clarify any supplemental agreements between MTC and Operators with Preexisting Institutional Pass Products.

WHEREAS, MTC and Clipper BayPass project staff recognize that there may be supplemental agreements between MTC and Operators with Preexisting Institutional Pass Products. Any supplemental agreement would be signed by MTC and the affected operator. MTC will provide a copy of each supplemental agreement to all parties to the Participation Agreement once executed.

SIGNATURES ON SUBSEQUENT PAGES

IN WITNESS WHEREOF, this Amendment has been executed by the parties hereto as of the Effective Date written above.

Metropolitan Transportation Commission

Approved as to form:
Kathleen Kane, General Counsel

Name: Andrew B. Fremier
Title: Executive Director

Matthew Lavrinets, Deputy General Counsel

Date: _____

Alameda-Contra Costa Transit District

Approved as to form:

Name: Michael A. Hursh

Title: General Manager

Date: _____

Shayna van Hoften, Interim General
Counsel

**Golden Gate Bridge, Highway and
Transportation District**

Approved as to form:

Name: Denis J. Mulligan
Title: General Manager

Kimon Manolius, General Counsel

Date: _____

San Francisco Bay Area Rapid Transit District Approved as to form:

Name: Robert M. Powers

Title: General Manager

Date: _____

Jeana Zelan, General Counsel

**City and County of San Francisco
Municipal Transportation Agency**

Approved as to form:
David Chiu, City Attorney

Name: Jeffrey Tumlin
Title: Director of Transportation

Annie Smiddy, Deputy City Attorney

Date: _____

San Mateo County Transit District

Approved as to form:

Name: April Chan

Title: General Manager/CEO

Date: _____

Joan L. Cassman, General Counsel

Santa Clara Valley Transportation Authority

Approved as to form:
Evelynn Tran, General Counsel

Name: Carolyn Gonot
Title: General Manager/Chief Executive Officer

Ed Moran, Senior Associate Counsel

Date: _____

Peninsula Corridor Joint Powers Board

Approved as to form:

Name: Michelle Bouchard

Title: Executive Director

Date: _____

James Harrison, General Counsel

Central Contra Costa Transit Authority

Approved as to form:

Name: William Churchill

Title: General Manager

Date: _____

Julie Sherman, General Counsel

City of Fairfield
FAST

Approved as to form:

Name: David Gassaway
Title: City Manager

David Lim, City Attorney

Date: _____

City of Petaluma

Approved as to form:

Name: Peggy Flynn

Title: City Manager

Date: _____

Eric W. Danly, City Attorney

Eastern Contra Costa Transit Authority

Approved as to form:

Name: Rashidi Barnes
Title: Chief Executive Officer

Eli Flushman, General Counsel

Date: _____

Livermore/Amador Valley Transit Authority

Approved as to form:

Name: Christy Wegener
Title: Executive Director

Michael N. Conneran, General Counsel

Date: _____

Marin County Transit District

Approved as to form:

Name: Nancy E. Whelan

Title: General Manager

Date: _____

Kerry Gerchow, County Counsel

Napa Valley Transportation Authority

Approved as to form:

Name: Kate Miller

Title: Executive Director

Date: _____

Osman Mufti, General Counsel

Solano County Transit

Approved as to form:

Name: Beth Kranda
Title: Executive Director

Bernadette Shilts Curry, County Counsel

Date: _____

City of Santa Rosa

Approved as to form:

Name: Maraskeshia Smith

Title: City Manager

Date: _____

Samantha W. Zutler, Interim City Attorney

Sonoma-Marín Area Rail Transit District

Approved as to form:

Name: Eddy Cumins
Title: General Manager

Thomas Lyons, General Counsel

Date: _____

City of Vacaville
Vacaville City Coach

Approved as to form:

Name: Brian McLean
Title: Director of Public Works

Melinda C. H. Stewart, City Attorney

Date: _____

Western Contra Costa Transit Authority

Approved as to form:

Name: Robert Thompson

Title: General Manager

Date: _____

Michael N. Conneran, General Counsel

**San Francisco Bay Area Water Emergency
Transportation Authority**

Approved as to form:

Name: Seamus Murphy

Title: Executive Director

Date: _____

Steve Miller, General Counsel

Sonoma County Transit

Approved as to form:

Name: Bryan Albee

Title: Transit Systems Manager

Date: _____

Jeremy Fonseca, General Counsel

City of Union City

Approved as to form:

Name: Joan Malloy

Title: City Manager

Date: _____

Kristopher J. Kokotaylo, City Attorney

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2026-16

**APPROVE AMENDMENT NO. 2 TO CLIPPER BAYPASS PILOT PROGRAM
PARTICIPATION AGREEMENT**

WHEREAS, the Metropolitan Transportation Commission (MTC) and participating transit operators, including SF Bay Ferry, entered into a Participation Agreement (Agreement) in 2022 for the Clipper BayPass Pilot Program (Program), which provides unlimited rides on all participating Bay Area transit systems for Clipper BayPass holders; and

WHEREAS, Participating transit operators are reimbursed for trips based on actual passenger use through employer fees and up to \$5 million from MTC to address potential funding gaps in Program revenues; and

WHEREAS, early analysis of the Program indicates a positive impact in terms of generating new transit trips; and

WHEREAS, Amendment No. 1 to the Agreement was executed by SF Bay Ferry in 2024 to extend Phase 2 of the Program through June 30, 2027; and

WHEREAS, Amendment No. 2, a copy of which is attached to the staff report, extends the term through June 30, 2030, and implements several changes deemed necessary by MTC and the transit operators; and

WHEREAS, SF Bay Ferry staff anticipates that MTC will continue to remain capable of fully reimbursing SF Bay Ferry for its costs associated with the Program if Amendment No. 2 is approved; now, therefore, be it

RESOLVED, that the Board of Directors hereby approves Amendment No. 2 to Clipper BayPass Pilot Program Participation Agreement and authorizes the Executive Director to execute the amendment.

CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on May 14, 2026.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2026-16

END

MEMORANDUM

TO: Board Members

**FROM: Seamus Murphy, Executive Director
Timothy Hanners, Interim Chief Capital Program Officer
Jan Rybka, Senior Project Manager**

SUBJECT: Approve Amendment No. 1 to Agreement 24-007 with JT Marine to Exercise Option for Third Universal Charging Float

Recommendation

Authorize the Executive Director to enter into Amendment No. 1 to Agreement No. 24-007 with JT Marine Inc. to exercise an option for the third float at a price of \$6,166,392. This Amendment increases the total agreement amount from \$47,033,608 to \$53,200,000.

Background

On October 9, 2025, the Board authorized award of Agreement 24-007 for the procurement of two new Universal Charging Floats (UCFs). The Agreement includes an option for a third float subject to future Board authorization. Staff had previously analyzed JT Marine's price and found it fair and reasonable. The price of the Option Float is also fair and reasonable. The UCF design is a passenger float with a footprint comparable to SF Bay Ferry's existing standard floats, and when fully outfitted, houses electrical power conversion, energy storage, and vessel charging systems needed to support the Rapid Electric Emissions-Free Ferry (REEF) Program. If approved, SF Bay Ferry will modify the float design and then position the new float at the Vallejo Terminal as part of that terminal's reconfiguration project.

Discussion

Staff recommends exercising the option for a third float and configuring it for use at the Vallejo Terminal. The option float would be designed and constructed using the same baseline structural design, footprint, and marine interfaces of the other floats while omitting the electrical and charging equipment package.

The Vallejo Terminal Reconfiguration Project will replace and reposition the existing ferry landing float and access structures to move the float further offshore in the Mare Island Strait, reducing sediment accretion under the float and lowering the frequency of routine dredging. The Vallejo Terminal Reconfiguration Project is an already approved capital project intended to improve operations, passenger circulation, and long-term maintainability at Vallejo.

The original approach for the Vallejo Terminal Reconfiguration Project called for re-using the existing float, with an additional replacement float relocated from Pier 48 1/2. The recommended approach replaces that strategy with delivery of the third option float that is the subject of this item. While the recommended approach increases the overall budget of the Vallejo Reconfiguration Project, it eliminates the costs associated with modifying the Pier 48 1/2 float and procuring a new replacement float. As a result, the overall capital program cost

increase is minimal to the agency. In addition, this approach will avoid service disruption and risk associated with relocating the float at Pier 48 ½.

Fiscal Impact

The contract amendment will increase the awarded value by \$6,166,392. No changes are needed to the FY 2025/26 capital budget. The amendment is 80% funded with Federal Transit Administration (FTA) grant funding and Regional Measure 3 funding.

*** END ***

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2026-17

APPROVE AMENDMENT NO. 1 TO AGREEMENT 24-007 WITH JT MARINE TO EXERCISE OPTION FOR THIRD UNIVERSAL CHARGING FLOAT

WHEREAS, On October 9, 2025, the SF Bay Ferry Board of Directors authorized award of Agreement 24-007 (the Agreement) for the procurement of two new Universal Charging Floats (UCFs); and

WHEREAS, the Agreement includes an option for a third float (Option Float), subject to Board authorization; and

WHEREAS, SF Bay Ferry staff and JT Marine have agreed on terms for the Option Float, including some technical modifications, production and delivery schedule, and price, and

WHEREAS, the Executive Director considers the Option Float to be optimal for use at the newly reconfigured Vallejo terminal and therefore recommends that the Board authorize entering into an amendment to the Agreement to exercise the option for the Option Float in the not-to-exceed amount of \$6,166,392; now, therefore, be it

RESOLVED, that the Board of Directors authorizes the Executive Director to enter into Amendment 1 to Agreement No. 24-007 with JT Marine to exercise the option for an Option Float in an amount not to exceed \$6,166,392, and to take any other related actions necessary to give effect to this Resolution.

CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on May 14, 2026.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2026-17

END

MEMORANDUM

TO: Board Members

FROM: Seamus Murphy, Executive Director
Timothy Hanners, Interim Chief Capital Program Officer
Thomas Hall, Director of Operations & Customer Experience

SUBJECT: Approve Sale of the MV *Bay Breeze*

Recommendation

Authorize the Executive Director to negotiate and finalize the sale of the MV *Bay Breeze* to Pinellas Suncoast Transit Authority for the sale price of \$1,600,000.

Background

The 250-passenger MV *Bay Breeze* was built in 1994 by Nichols Brothers Boat Builders (NBBB) on behalf of the City of Alameda and the Port of Oakland for the Alameda/Oakland Ferry Service. It is the oldest vessel in the SF Bay Ferry fleet. The vessel operated in that service until its transition to the San Francisco Bay Ferry system in 2012. Following integration into the SF Bay Ferry fleet, MV *Bay Breeze* served multiple routes, including Oakland, Main Street Alameda, Harbor Bay, and later South San Francisco service.

The vessel provided consistent and reliable service for over three decades and played a key role in maintaining system capacity prior to the delivery of newer vessels, including the *Hydrus* and *Dorado* class vessels.

The MV *Bay Breeze* was retired from revenue service at the end of 2025 due to evolving California emissions regulations and increasing maintenance demands associated with aging propulsion and support systems. After 31 years of service, the vessel is well beyond the Federal Transit Administration recommended useful life of 25 years.

Following retirement, retaining the vessel does not provide operational or financial value to SF Bay Ferry. Accordingly, consistent with SF Bay Ferry past practices for the disposal of surplus vessels, SF Bay Ferry engaged a vessel broker, Pinnacle Marine, to facilitate the sale of the vessel. Pinnacle Marine will be compensated through a commission of five percent (5%) of the final sale price, with a not-to-exceed amount of \$200,000, and no fee is due unless a sale is completed.

SF Bay Ferry has previously engaged Pinnacle Marine to facilitate the sale of other surplus vessels, most recently the MV *Solano* in 2021.

Pinnacle Marine has marketed the vessel to domestic and international buyers, coordinating outreach within the marine industry, and presenting all offers to SF Bay Ferry for consideration. There has been strong interest from multiple potential buyers, indicating the vessel retains value in markets outside of California, where it no longer meets required emissions standards.

The Executive Director recommends that the Board authorize selling the MV *Bay Breeze* to the Pinellas Suncoast Transit Authority (PSTA) in St. Petersburg, Florida. PSTA plans to use the MV *Bay*

Breeze in its Tampa Bay ferry service, and the PSTA Board finally authorized purchasing the MV *Bay Breeze* at its meeting on April 29, 2026. Sale of the vessel to PSTA will allow the vessel to continue in public service. The purchase price of \$1,600,000 is inclusive of all delivery charges and taxes, and is a fair market price based on the opinion of Pinnacle Marine given the open and competitive vessel-listing process. The sale will be an “as-is” sale with no risk to SF Bay Ferry. The broker will be compensated through a commission of five percent (5%) of the final sale price.

If the Board approves this item, the Executive Director will negotiate the final terms of the sale, consistent with any applicable FTA rules and regulations and in a form approved by legal counsel.

Fiscal Impact

Proceeds from the sale will be returned to the general fund and increase the Authority reserves. While there is no restriction on how SF Bay Ferry spends the proceeds, funds from the sale of vessels are often prioritized for local matching funds on future vessel replacements.

*** END ***

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2026-18

APPROVE SALE OF THE MV *BAY BREEZE*

WHEREAS, the MV *Bay Breeze*, built at Nichols Brothers Boat Builders in 1994, has been in service for over 30 years, first for the City of Alameda and the Port of Oakland, and since 2012 for SF Bay Ferry; and

WHEREAS, the vessel is past the end of its useful life and retired from revenue service at the end of 2025 due to evolving California emissions regulations and increasing maintenance demands associated with aging propulsion and support systems; and

WHEREAS, Pinellas Suncoast Transit Authority (PSTA), an FTA grantee, operates transit service, including ferry service on Tampa Bay in Florida; and

WHEREAS, SF Bay Ferry and PSTA have agreed upon the terms of the sale of the MV *Bay Breeze* from WETA to PSTA at the all-inclusive, “as-is” amount of \$1,600,000; now, therefore be it

RESOLVED, that the Board of Directors hereby authorizes the Executive Director to negotiate and finalize a bill of sale, selling the MV *Bay Breeze* to Pinellas Suncoast Transit Authority in the all-inclusive, “as-is” amount of \$1,600,000, subject to compliance with all FTA rules and regulations and in a form approved by legal counsel.

CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on May 14, 2026.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2026-18

END

MEMORANDUM

TO: Board Members

FROM: Seamus Murphy, Executive Director
Thomas Hall, Director of Operations & Customer Experience
Alexis Matsui, Public Information & Marketing Manager

SUBJECT: Approve Vessel Names for Future Battery-Electric Ferries

Recommendation

Approve names for the five future SF Bay Ferry vessels currently under construction.

Background

In 2023, the Board approved a Vessel Naming Policy (Policy). A copy of the Policy is attached to this item. The policy was successfully used to name the third and fourth vessels in the *Dorado* class: MV *Karl* and MV *Zalophus*.

The Board has previously approved the purchase of three 150-passenger battery-electric ferries from All-American Marine and two 400-passenger battery-electric ferries from Nichols Brothers Boat Builders. These vessels are now under construction. The first of these five state-of-the-art ferries is slated to arrive in the Bay Area in 2027.

Discussion

The Policy calls for public participation in the naming process before Board review and approval. Accordingly, Staff engaged with the *San Francisco Chronicle* (*Chronicle*) to collaborate on a naming process for the five new ferries in order to help heighten public interest in ferries. *Chronicle* culture critic Peter Hartlaub is a frequent ferry rider and pens the publication's popular Total SF column, which celebrates Bay Area culture and history. Staff worked with Mr. Hartlaub and his editorial team to collect nominations from residents of the nine-county Bay Area, narrow the list down, and seek public votes to determine winners.

More than 1,400 submissions were made on the *Chronicle's* website over three weeks in March. These nominations were checked for compliance with the Policy and through an iterative process winnowed down to 27 finalists. The goal during the process of trimming 1,400 submissions to 27 finalists focused not only on meeting the Policy but also capturing the spirit of SF Bay Ferry's brand and connection to the community.

The finalists were:

- Aurelia (Latin for "golden one" and a species of jellyfish)
- Carlotta (Key character Alfred Hitchcock's *Vertigo*, set in S.F.)
- Chrysopylae (Greek for "Golden Gate")
- Cioppino (popular S.F. seafood dish)
- Cormorant (aquatic bird native to the Bay)
- Dahlia (official city flower for San Francisco)

- Doubtfire (nom de guerre of Robin Williams' alter ego in *Mrs. Doubtfire*, set in S.F.)
- Dungeness (species of crab popular with local diners)
- Farallon (name of uninhabited islands west of San Francisco)
- Frisco (nickname for San Francisco)
- Godmother (a pun when paired with the word "ferry")
- Gold Rush (the cause of S.F.'s historic 19th-century boom)
- Hella (East Bay lingo for "very")
- Humphrey (name given to a whale lost in the Bay and its environs in the 1980s)
- Hyphy (a world-famous Bay Area hip hop subgenre)
- Mission Blue (subspecies of butterfly native to the Bay Area)
- Paco (Spanish nickname for "Francisco")
- Painted Lady (architectural style famous in S.F.)
- Poppy (state flower of California)
- Ride the Lightning (album by S.F.-bred Metallica and double entendre given the battery-electric vessels under construction)
- Rocco (seafaring Klay Thompson's English bulldog)
- Rosie (a nod to the Rosie the Riveter persona representing female World War II factory workers)
- Say Hey (a saying made famous by Giants legend Willie Mays)
- The Sea-Wolf (a novel by Jack London that begins with an S.F. ferry ride)
- Sourdough (world-famous bread invented in S.F.)
- Starfleet (headquarters in the Star Trek universe, based in S.F.)
- Terrapin (a tortoise species and an album by Grateful Dead, a legendary S.F. band)

Public voting began on April 28 and concluded on May 8, after this Report was published. San Francisco Bay Ferry's social media posts about the contest garnered more than 40,000 views and high engagement rates across Facebook, Instagram, X, and LinkedIn.

The five winners chosen by voters and the final vote count will be shared during the Board meeting. The Policy requires Board approval for all vessel names.

Fiscal Impact

There is no fiscal impact associated with this item.

*** END ***

Attachment A: Vessel Naming Policy

WETA VESSEL NAMING POLICY

December 7, 2023

The San Francisco Bay Area Water Emergency Transportation Authority (WETA) establishes this Vessel Naming Policy to guide naming new ferries added to the San Francisco Bay Ferry fleet.

The purpose of the Policy is to build positive awareness of water transit in the Bay, encourage public participation in the naming of WETA vessels, and select names that support and further WETA's mission.

Vessel names will not be explicitly or implicitly political, religious, or obscene.

Vessel names will not refer to individual people, businesses, or organizations.

Vessel names are not available as a part of corporate sponsorship agreements.

Vessel names will be non-divisive in nature.

Vessel names should reflect regional history, marine science, or other areas of interest relevant to the San Francisco Bay and its surrounding environs.

In the event WETA purchases or leases a vessel for San Francisco Bay Ferry use that already operates under a name that does not otherwise violate this policy, the vessel name will not be changed in accordance with maritime tradition.

Proposed Vessel names will be recommended to the WETA Board of Directors only after public participation in the naming process.

All names are subject to the approval of the WETA Board of Directors.

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2026-19

NAME FIVE BATTERY-ELECTRIC FERRIES

WHEREAS, SF Bay Ferry has purchased five new battery-electric ferries that are scheduled for delivery beginning in 2027; and

WHEREAS, in keeping with SF Bay Ferry's Board-adopted vessel naming policy, SF Bay Ferry staff conducted extensive outreach with the public, in particular by conducting a poll in the *San Francisco Chronicle*; and

WHEREAS, more than 1,400 members of the public voted on their favorite names for SF Bay Ferry's new ferries, resulting in a list of 27 finalists that were presented to readers of the *Chronicle*; and

WHEREAS, from the list of 27 finalists, voters chose their five favorite vessel names; and

WHEREAS, based on the public involvement, the Executive Director recommends that the Board name the five battery-electric vessels [INSERT NAMES], with the exact pairing of name-to-vessel determined by the Executive Director; now, therefore, be it

RESOLVED, that the Board of Directors names SF Bay Ferry's five new battery-electric vessels [INSERT NAMES].

CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on May 14, 2026.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2026-19

END

MEMORANDUM

TO: Board Members

FROM: Seamus Murphy, Executive Director
Lauren Gradia, Chief Financial Officer

SUBJECT: Review Proposed Fiscal Year 2026/27 Budget and Salary Schedule;
and Adopt Amended Reserve Policy

Recommendation

The draft budget, including the salary schedule, is presented as an informational item for Board review and comment. The Board is requested to take action to adopt an amended Reserve Policy.

Background

Section 66540.41 of the Government Code and Section IV.E.c of the San Francisco Bay Area Water Emergency Transportation Authority's (SF Bay Ferry) administrative code requires preparation and implementation of an annual budget. This item contains the draft proposed FY 2026/27 SF Bay Ferry budget, which is divided into the Operating (including Ferry Operations and Planning/Administration) and Capital Budgets. This item provides an opportunity for the Board to review and comment on the budget prior to proposed adoption in June. In June, the budget will be accompanied by the required resolutions and other actions that are necessary for annual adoption.

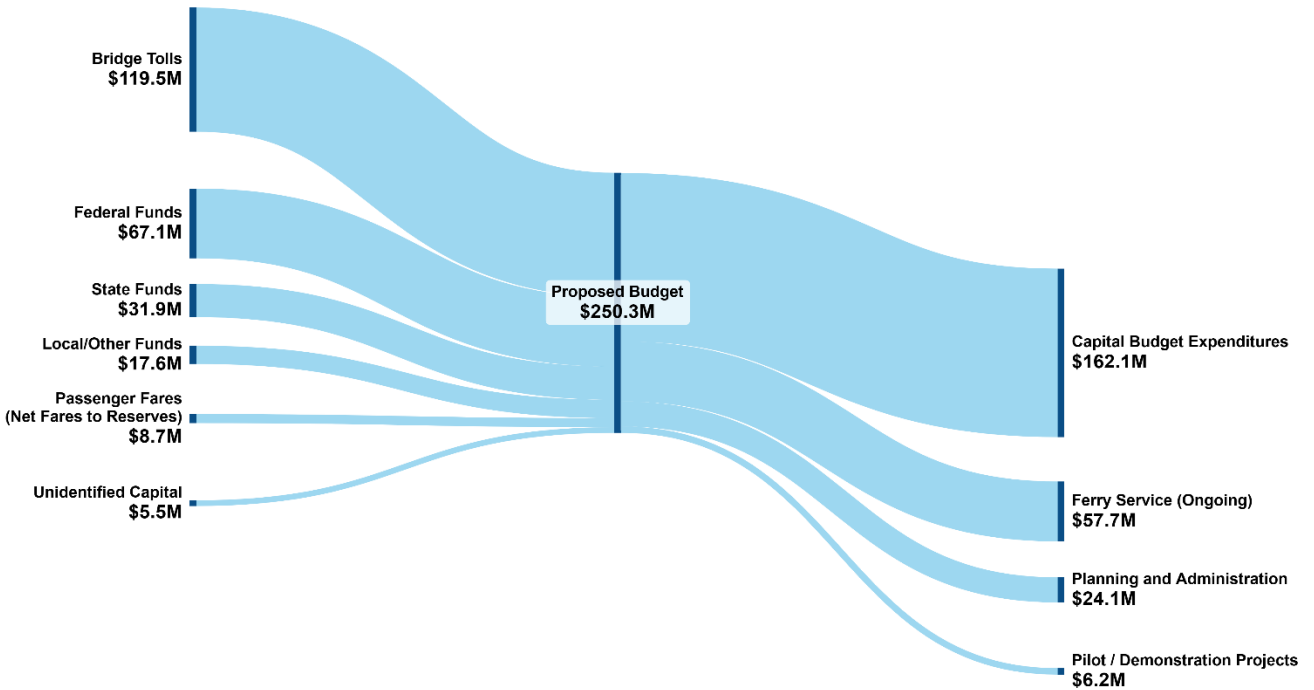
In anticipation of adoption of the annual budget in June, this item also requests that the Board adopt an amended Reserve Policy to create a minimum and maximum target reserve level and increase reserves to address increasing cash flow needed for large capital expenditures.

INTRODUCTION AND SUMMARY

The FY 2026/27 Budget proposes \$250 million in spending authority for Ferry Operations, Administration, Planning, and Capital Projects. Capital spending is more than 60% of the requested authority in the coming year, with multiple vessel and electrification projects driving the requested amount. Overall revenue and expense in the operating budget are based on providing a similar level of service and an assumption that ridership will grow 16% over FY 2025/26 budgeted levels, with the ridership projected to be 110% of pre-pandemic levels. The proposed budget requests approval of operating expenses that are 8% over the prior year budget. The total capital program is \$488 million, with up to \$160 million to be spent in the new Fiscal Year. The budget is balanced with revenue from multiple sources including fare revenue tied to ridership, Bridge Tolls (Regional Measure 1, 2, and 3), State Transit Assistance, Federal capital grants, and dedicated local sales tax revenue. Fare revenue is anticipated to grow 18%, however Bridge Tolls, the other primary operating revenue source, continues to lag pre-pandemic levels. Authority held reserves will be increased in the coming year to provide sufficient cash flow as well as resources to respond to revenue and expense fluctuations.

Revenue and Expenses are summarized in **Figure 1** (below). Detailed discussions of the budget components are included in the following pages.

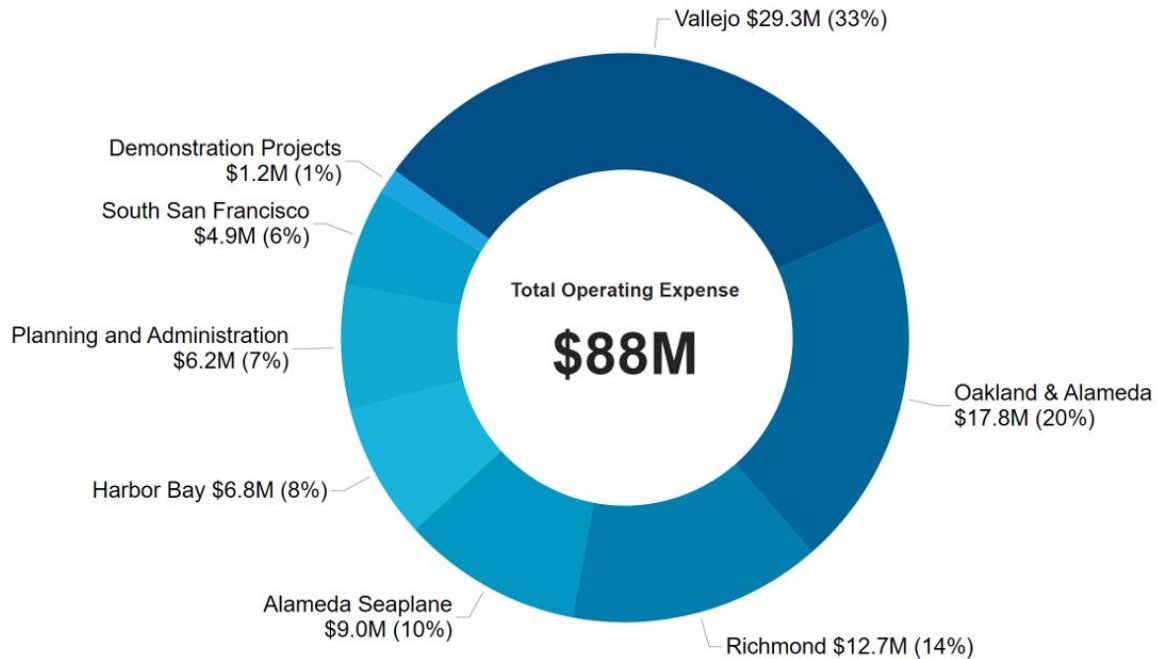
Figure 1:



OPERATING BUDGET

The FY 2026/27 \$88 million operating budget is made up of two primary components: an \$81.7 million Ferry Service Operating Budget and a \$6.2 million Planning and Administration budget. Together those two components result in a total Operating Budget of \$87.9 million. Detailed budget charts showing SF Bay Ferry’s Planning and Administration functions and the Operating Budget for ferry service by route are presented in **Attachment A**. The budget tables in Attachment A show service operating costs by functional categories. **Figure 2** (below) is a summary of the components of total authorized operating expense for Fiscal Year 2026/27, including all ferry routes, planning, and administrative expense.

Figure 2:



Reserves

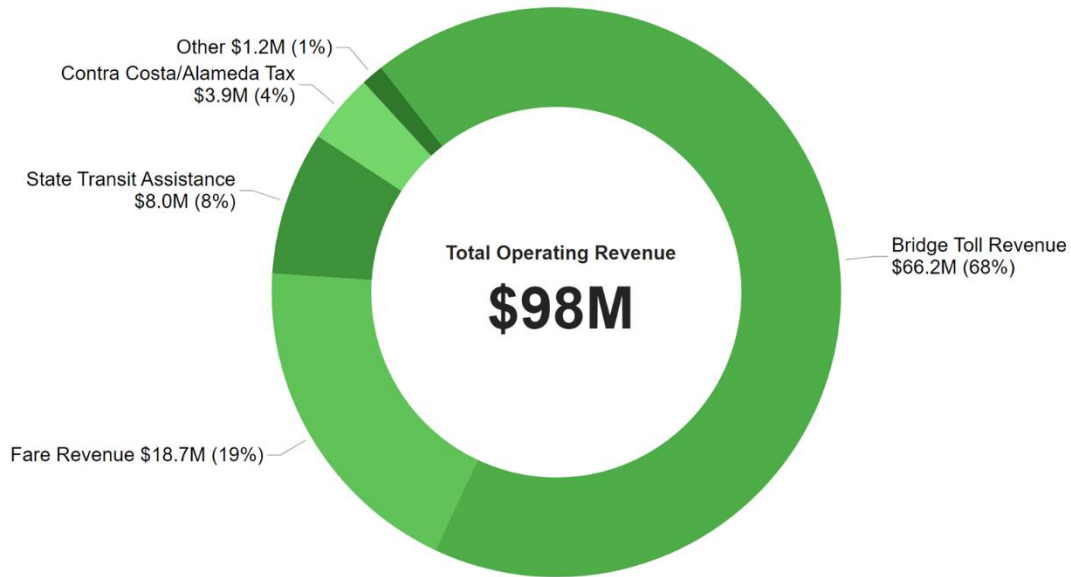
The proposed operations revenues exceed the proposed budget for operations expenses by \$10 million to accommodate a contribution to the Authority held reserves in accordance with a proposed amendment to the Reserve Policy. Authority held reserves ensure sufficient cash flow as well as provide resources to respond to unexpected revenue and expense fluctuations. In 2024, the Board adopted a Reserve Policy that called for a transfer of fare revenues to a new reserve account. The existing Reserve Policy sets aside in reserve an amount equal to two months of operations revenue and two months of capital expenditures. The proposed amended Reserve Policy recommends a new two-part structure:

- First, it establishes an Operating Reserve in an amount equal to six months of budgeted operating expenses. The Operating Reserve is made up of a Contingency Reserve and an Emergency Reserve, each in an amount equal to three months of budgeted operations expenses. The Contingency Reserve is designed to help smooth out short-term expense increases or revenue declines. If the Authority needs to access the Emergency Reserve, it may also need to consider service reductions or fare increases to re-align revenues and expenses.
- Second, it establishes a Capital Reserve in an amount equal to one month of budgeted capital expenditures. The Capital Reserve is designed to ensure that the Authority is able to fund the repair, maintenance, and replacement of capital projects.

To accommodate the contribution to reserve, the Authority will increase the use of STA funds and RM3 funds to backfill the fare revenue that will be transferred to reserves.

The Fiscal Year 2026/27 Operating Budget is funded with Regional Measure (RM) 2 and 3 bridge toll revenue, State Transit Assistance (STA) funds, fare revenue, and Alameda and Contra Costa sales tax or grant funds. These important sources of revenue together total \$97.9 million. The categories and percentage use of each category is shown in **Figure 3** and a summary of each source is provided below.

Figure 3:



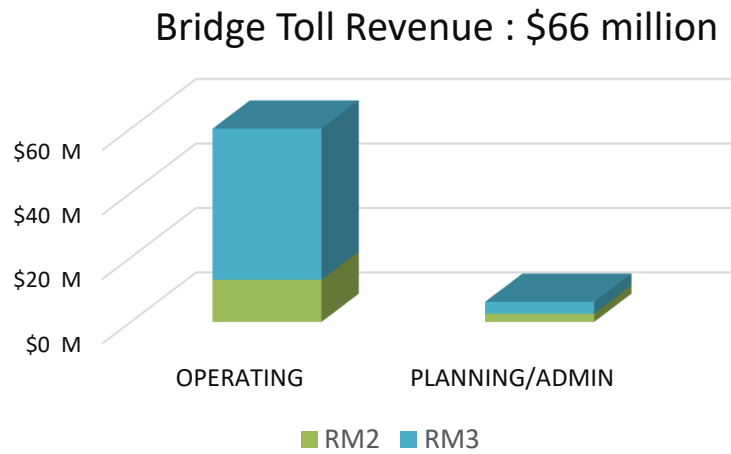
REVENUE SUMMARY:

Bridge Toll Funding

The operating budget utilizes \$66.2 million in bridge toll revenue, Regional Measure 2 (RM2) and Regional Measure 3 (RM3). Bridge toll revenue provides 68% of the total operating revenue and is the largest source of operations funding. Within that, \$60 million (91%) is allocated for ferry service and \$6.2 million (9%) for planning and administration (see Figure 4). Figure 4 also shows the proportion of each Regional Measure programed to each budget.

These bridge tolls are associated with specific toll increases (Regional Measures) so the revenues do not increase with inflation and create a structural imbalance in the financial outlook. In addition, this crucial operating fund source continues to lag behind pre-pandemic levels due to continued underperformance in bridge traffic generating the revenue. SF Bay Ferry will continue to receive no more than 86% of its pre-pandemic RM 2 allocation and only 90% of its anticipated RM 3 amount. The impact of this underperformance is a growing expenditure of SF Bay Ferry’s RM3 reserves. The proposed budget includes \$31.4 million in annual RM3 revenue and \$19.1 million of the \$78 million in RM3 reserves held by MTC.

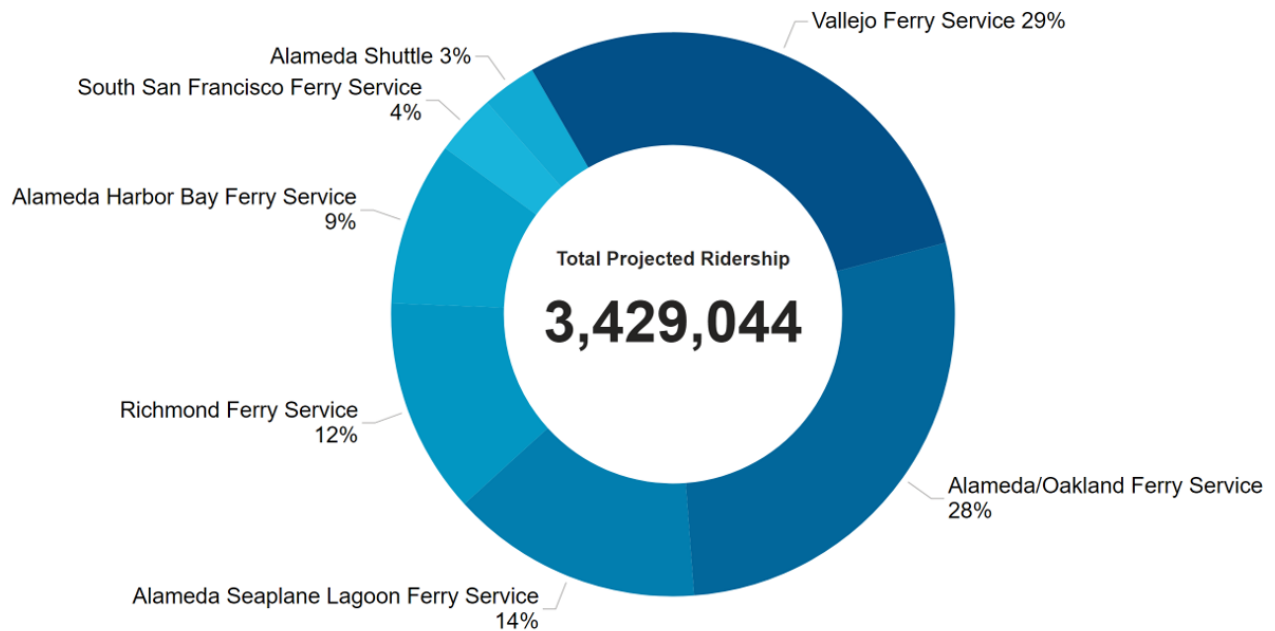
Figure 4:



Fares

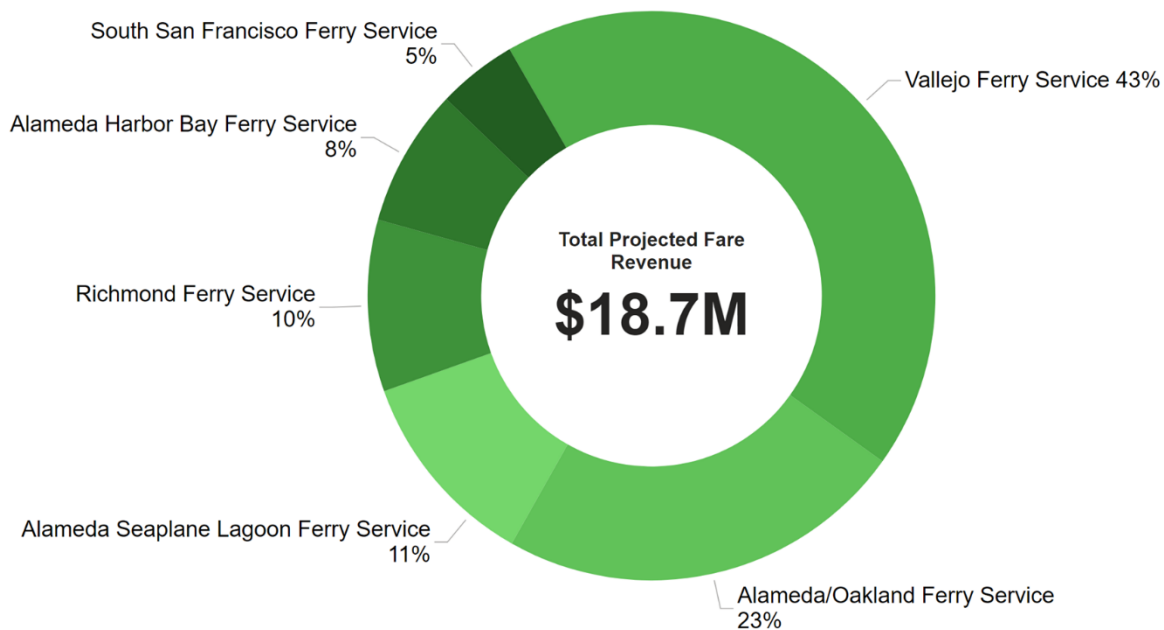
Ridership projections for FY 2026/27 are 3.4 million annual boarding, as shown in **Figure 5** and a 16% increase compared to the prior year budget. This ridership includes the Oakland Alameda Water Shuttle Pilot service, which generates no fare revenue. Ridership recovery is anticipated to be 110% of 2019 levels, up from 94% projected in FY 2025/26. The FY2026/27 projected ridership increase is driven by anticipated stronger return to office policies that require more in-person workdays. Additionally, weekend ridership is expected to continue to grow as more people travel into San Francisco for events and recreation. Since 2021, weekend ridership has consistently grown every year and surpassed pre-pandemic levels. The lowest ridership days of the week continue to be Mondays and Fridays.

Figure 5



The FY 2026/27 fare program reflects targeted adjustments approved by the Board in April 2026 to the adopted FY 2024-2028 Fare Program. Instead of applying a uniform 3% systemwide increase, fares are adjusted an average of 4% on a route-specific basis to better align with regional transit pricing and current market conditions. Based on ridership projections and the fare structure, farebox revenues are budgeted to be \$18.7 million in FY 2026/27, compared to \$15.8 million in FY 2025/26. **Figure 6** shows the projected ridership and subsequent fare revenue in the FY 2026/27 budget by route. Because fares vary by route, percentage shares of revenue do not correspond directly to ridership percentages.

Figure 6



State Transit Assistance

State Transit Assistance (STA) funds since FY2023/24 provide approximately \$3 million annually from statewide diesel sales tax revenue to support transit services. These funds are apportioned statewide based on each transit agencies share of local revenues spent on transit. MTCs current estimate for SF Bay Ferry’s annual allocation is \$2.4 million but it may be revised later year based on statewide methodology changes by the State Controller. When those funds are not claimed within the allocation year, they remain in an account at the Metropolitan Transportation Commission (MTC) for future use. Including the estimated FY2026/27 allocation, SF Bay Ferry has an available balance of \$8.4 million. To help accommodate the contribution of fare revenue to the Authority held reserves, SF Bay Ferry will claim approximately \$5.6 million in unspent prior year funds for a total of \$8 million.

Local Funding

Contra Costa Measure J sales tax funding contributes \$3.9 million to support the operation of the Richmond Ferry service. This funding is provided as part of an agreement in 2015 to support ferry service.

Other Revenue: Pilot Project

The Oakland Alameda Water Shuttle Pilot is funded through a grant from the Alameda County Transportation Commission and contributions from a partnership of businesses, non-profit organizations, and local governments on both sides of the Oakland Estuary. Funding of \$1.2 million is provided to fully fund anticipated operation expenses.

EXPENSE SUMMARY:

The total Operations Budget of \$87.9 million are split into two budgets: Ferry Service and Planning and Administration. Each budget is described below.

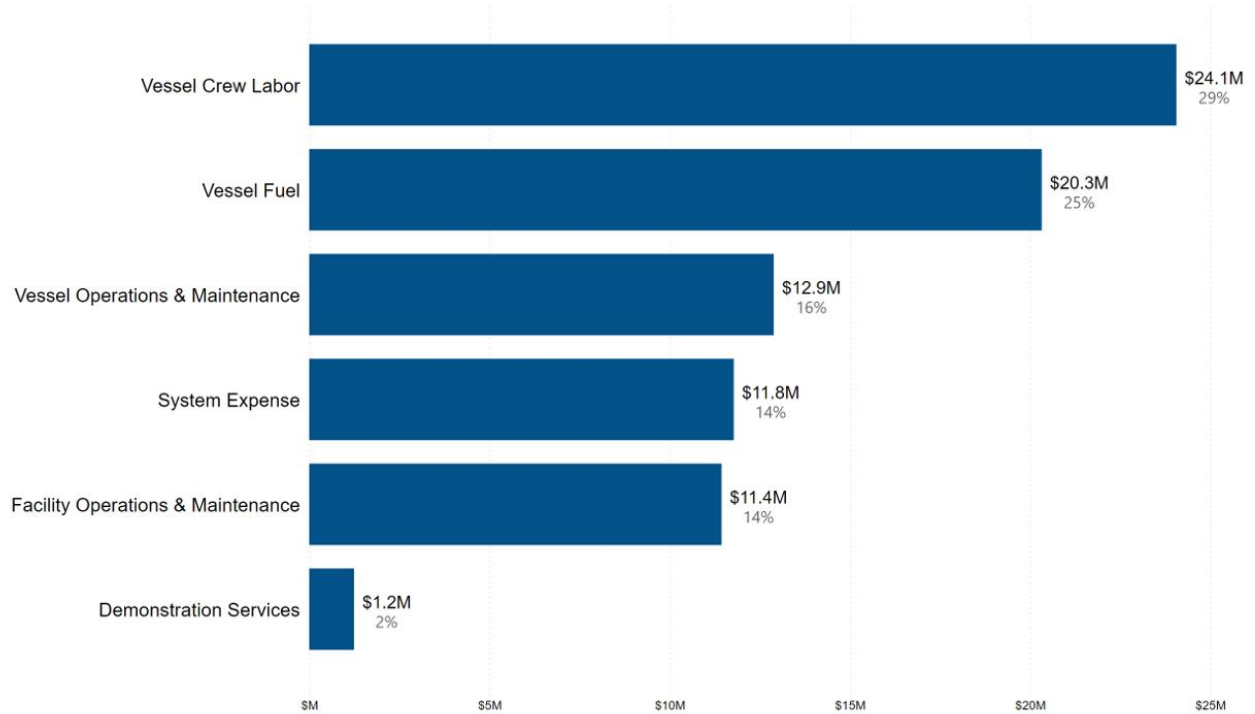
FERRY SERVICE

The \$81.7 million budget for Ferry Service operations provides for the San Francisco Bay Ferry routes serving Alameda Seaplane, Chase Center at Pier 48.5, Downtown San Francisco, Harbor Bay, Main Street Alameda, Oakland, Oracle Park, Richmond, South San Francisco and Vallejo. It also includes the Oakland Alameda Shuttle (OAWS), which operates on a pass-through basis funded by the City of Alameda. Detailed budget information on SF Bay Ferry's routes, including operating miles and hours for regular service routes, is shown in **Attachment A**.

The budget provides for a similar level of service as the prior year and no significant changes are proposed to the regular ferry routes. The FY 2026/27 budget assumes approximately 38,000 operating hours on core services for SF Bay Ferry vessels. Staff has made some adjustments to operational contingencies based on the past several years of experience, and has included hours available for vessel crews to train and test the new 150-passenger ferry expected to arrive at the end of FY2026/27.

Excluding the \$1.2 million budgeted for OAWS, the proposed Ferry Service operation expense is \$80.5 million. This authorization is \$7.1 million (or 10%) higher than the ferry operating budget for FY 2025/26. Over half of this projected increase is from increased fuel cost projections. **Figure 7** (below) shows major cost components of the Ferry Service Operating budget. Discussion of each category and cost increases is provided below.

Figure 7:



Vessel Crew Labor & Fuel: \$44.4 million

Crew labor combined with fuel comprise 54% of the anticipated expenses for the proposed operating budget. These costs are directly tied to the budgeted passenger service levels for SF Bay Ferry. The budget maintains crew labor at current levels, and costs are anticipated to increase by 3%, bringing the total to \$24.1 million. This reflects collective bargaining agreements negotiated between the agency’s contract operator Blue & Gold Fleet (BGF) and its represented employees.

The expense for diesel fuel in the proposed budget is \$20.3 million, a significant 24% increase over the FY2025/26 budget. The budget projects similar total fuel usage in the new year, but based on the price shocks experienced as a result of the Iran War, staff has proposed to budget \$5.00 per gallon. The Authority has set its budgeted fuel price at \$4.20 per gallon since FY2022/23. Prior to that, the most recent budgeted level was \$3.20 per gallon. Given fuel’s share of the overall Operations budget, these recent jumps in diesel price have had outsized effects on the agency’s budget despite minimal service changes since FY22. The SF Bay Ferry system uses R99 diesel fuel, a sustainable and low-carbon alternative to petroleum-based diesel fuel. The price for this fuel currently tracks the cost of regular diesel.

Staff is monitoring fuel prices closely and will work with the Board to develop options to mitigate fuel price fluctuations and address cost increases if fuel prices remain elevated for a sustained period. Current prices are fluctuating rapid but are above the budgeted \$5.00 and closer to \$5.50.

Vessel Operations and Maintenance: \$12.9 million

With the delivery of the newest vessel MV Karl in 2025, there are 18 vessels available for service, one more than the start of the prior year. Maintenance and repair expenses are budgeted to ensure that the fleet is maintained in a safe and reliable operating condition. Proactive maintenance ensures that passengers can rely on the schedule to travel to and from their destinations without disruptions. Typical items in this expense category include parts, contracted

repair services, vessel insurance, cleaning, and other maintenance-related supplies and equipment. The FY 2026/27 budget of \$12.9 million is a 5% increase over the prior year. These increases are the result of increases in labor rates as well as the approval of one new senior position in contracted engineering staff to improve proactive maintenance of vessels.

Facility Operations and Maintenance: \$11.4 million

Facility expenses of \$11.4 million capture the ongoing activities required to operate and maintain ten SF Bay Ferry passenger terminals and two maintenance facilities. Typical terminal expenses include items such as utilities, basic maintenance of waterside and landside assets, property insurance, information technology support, and security. Increases of approximately \$1.4 million are related to increases in deck repairs, refurbishments needed at multiple terminals, planned installation of security cameras at the Richmond terminal, increased security staffing at Downtown San Francisco, and a digital signage pilot at Richmond.

System Expenses: \$11.8 million

System expenses of \$11.8 million are generally required to support overall ferry service operation and not one specific service. These costs are spread among the service routes and include SF Bay Ferry staff costs, contracted operator staff and profit, outreach and communication, ticketing systems, and system engineering expenses. The 5% increase from the prior year is primarily related to inflationary increases but also includes higher than inflation increases to expenses from increased Clipper implementation costs, administrative costs to support growing oversight of maintenance and repair, and continued investment in customer experience, emergency response planning, and marketing. Expenses related to SF Bay Ferry staff time directly charged to operations is \$3.4 million. Staff authorizations and salaries are shown in the Salary Schedule, **Attachment C**.

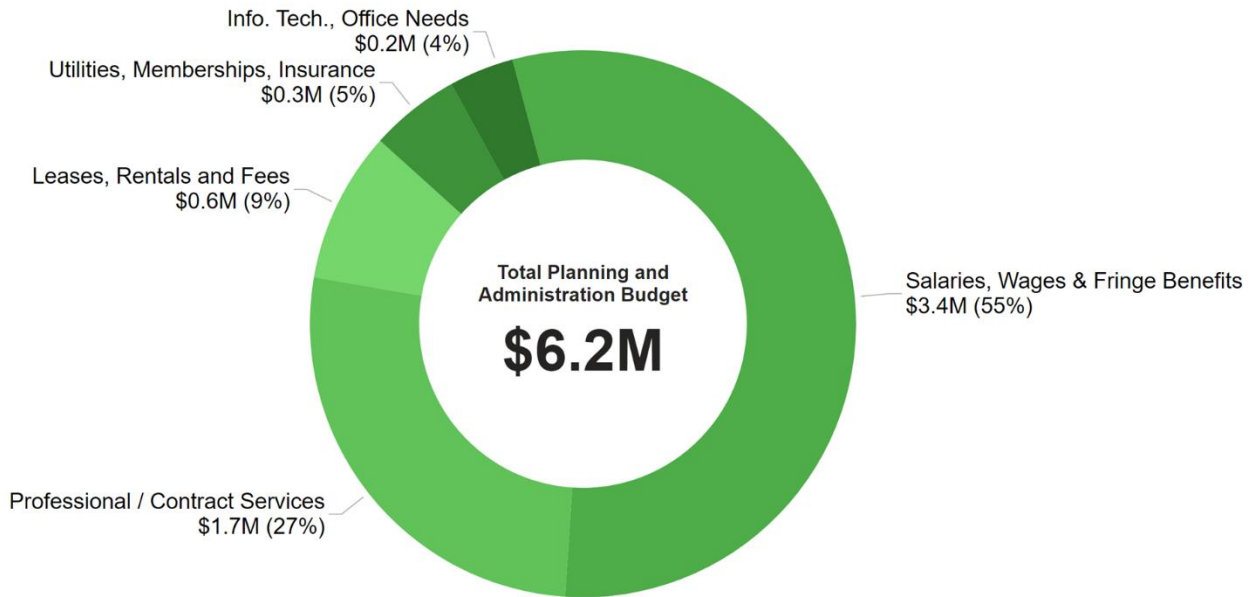
Next Operating Agreement

Staff will recommend award of a new ferry operations, maintenance, and repair contract in late 2026 following an extensive procurement process. This agreement would take effect at the start of FY2027/28. If needed, staff will request authorization for mobilization costs in FY2026/27 as part of the contract award.

PLANNING AND ADMINISTRATION

The proposed budget for Planning and Administration for Fiscal Year 2026/27 is projected to be \$6.2 million, which is 7% of total operating expense. Salary and Benefits allocated here increase 9% but the overall budget for Planning and Administration decreases 2%. This reduction is primarily due to a decrease in office lease costs and fewer consultant studies planned. Details of the budgetary categories and shifts are detailed in the Planning and Administration budget Categories of expenses within this department are shown in **Figure 8** and discussed further below. (**Attachment A**).

Figure 8:



Salaries and Benefits

The Board reviewed a Classification and Compensation study at the April 2026 Board meeting. The proposed budget includes expenses for salaries and benefits that reflect the recommendations in the study including adjusted titles and salary ranges as shown in **Attachment C** (Salary Schedule and Organization Chart). The budget includes authorization for 34.5 Full Time Equivalents (FTEs) with \$9 million for salary and associated benefits expenses. The Board authorized an additional position in March 2026 and the schedule for FY2026/27 includes one additional part-time intern.

Budget expenses increase 9% over the prior year budget and include an annual 2.5% cost of living adjustment based on February CPI, the new positions, the recommendations from the Classification and Compensation study, and anticipated merit-based increases. All salary adjustments will be effective June 29, 2026, which is the start date for the first pay period in the new fiscal year.

Staff hours and associated costs are budgeted and billed to three primary areas, Administrations, Operations and Capital Projects. This structure allows staff time to be accounted for by projects and billed to associated funding sources. The table below shows that breakdown.

Summary of Staff Expense	Salaries	Benefits	TOTAL
	(in millions)		
Planning and Administration	\$ 2.06	\$ 1.37	\$ 3.43
Operations	\$ 2.01	\$ 1.34	\$ 3.35
Capital Projects	\$ 1.38	\$ 0.92	\$ 2.31
TOTAL	\$ 5.45	\$ 3.64	\$ 9.09

FISCAL YEAR 2026/27 WORK PLAN

In addition to the activities detailed above, the proposed budget supports the following Board priorities.

- **Emergency Response Program** – The FY 2026/27 budget continues the Authority’s strong commitment to preparing and training for its emergency water transit response mission. The primary objective within the Emergency Response Program in FY27 will be a thorough update and reorganization of the Authority’s Emergency Operations Plan (EOP) and Emergency Response Plan (ERP) to provide more actionable checklists and plans “out of the box” should emergency strike.
- **Public Information and Communications** – Staff will undertake a thorough strategic communications campaign around the launch of Rapid Electric Emissions-Free (REEF) Ferry Program to build consensus around electrification efforts and system expansion. In addition, the Authority will continue to position itself as a leader on local transit recovery and an efficient use of public funds.
- **Passenger Experience** – Staff will put the Authority’s first Customer Experience Plan into action in FY27, focusing on areas in which passenger experience can improve and strengthen elements that are working well. The Authority will also institute quarterly customer satisfaction surveys in anticipation of its new operating agreement.
- **Marketing & Outreach** – Staff expects to continue its successful marketing and outreach efforts in FY27, relaunching its commute-focused Love Your Commute campaign in September 2027 and exploring additional winter promotions, building on FY26’s Winter Ferry Fun program.
- **SF Bay Ferry 2050 Service Vision and Business Plan** – The Business Plan is a far-reaching effort to define a service vision that will guide development and operational policy over the next 30 years. The effort emphasizes outreach and engagement with a broad range of stakeholders and interest groups to help define a future vision for the agency. A final version of the Business Plan will be presented to the Board in early FY 2026/27 for final adoption.
- **Operating Contract** -- The Authority expects to complete its evaluation of bidders for the new ferry operations, maintenance, and repair agreement in Fall 2026, seek Board approval for the selected operator in late 2026, and have the new agreement ready to go into effect on July 1, 2027. Staff across all divisions will continue work both through the evaluation and mobilization phases encompassing all of FY2026/27.
- **Terminal Access Plans** -- In 2024, the Board adopted new Access Guidelines that provide direction to staff to initiate work on access plans for specific terminals throughout the SF Bay Ferry system. These planning documents will assess local access and first/last mile needs around terminals; identify and prioritize potential projects, programs, and initiatives to improve access conditions at terminals; as well as estimate the capital funding needs to implement the improvements. For FY 2026/27, staff will complete the underway Vallejo Terminal Access Study and initiate a similar study for the Richmond ferry terminal.
- **Sustainability Work** – The Board adopted the Sustainability Policy in August 2024, reinforcing its commitment to environmental stewardship and the integration of sustainable practices across San Francisco Bay Ferry operations and infrastructure. Staff is developing a

short-term Sustainability Plan that outlines specific actions and milestones aligned with the Policy's goals and objectives. The Plan will also include a monitoring and reporting framework to track progress. Pending adoption, staff will begin data collection and initiate tracking of identified short- and long-term action items in FY2026/27. As outlined in the Sustainability Policy, SF Bay Ferry enrolled in the Green Marine environmental certification program and will continue participation in FY2026/27. This supports San Francisco Bay Ferry's goal of demonstrating continuous environmental improvement and industry leadership in sustainable ferry operations.

- **Redwood City Ferry Terminal Planning** - The Redwood City Ferry Terminal will be situated within the Port of Redwood City complex, positioned to attract riders from the employment-rich mid-Peninsula region. The project team comprising staff from the City, Port, and SF Bay Ferry has completed a feasibility study and developed a business plan. As the Lead Agency, the Port of Redwood City is preparing CEQA/NEPA-compliant environmental reviews supported through funding from the San Mateo County Transportation Authority. Staff will continue to support environmental review of the project as a Responsible Agency.
- **Economic Impact Study** – Staff will initiate a consultant-supported effort in FY 2027 to characterize the broader economic impact of water transit service in the Bay Area. Potential study topics could include water transit impacts on nearby property values, mixed use development of shoreline areas, job creation and business attraction, workforce development, and equity. The study will include recommendations for enhancing San Francisco Bay Ferry's approach to public private partnerships and economic and workforce development.
- **Regional Transit Coordination and Integration** – Staff will continue to engage with the Metropolitan Transportation Commission (MTC) and Bay Area transit operators to advance a broad variety of regional coordination and integration efforts, including legislative initiatives, performance measures, schedule coordination, signage and wayfinding, and fare policies such as the Bay Pass expansion and zero-cost transfers. In addition, staff will continue to provide operator support for the underway implementation of Clipper 2.0.
- **Regional Maritime Industry Expansion** - In FY 2026/27 SF Bay Ferry will continue to work to coalesce stakeholders around federal and state efforts to foster U.S. shipbuilding; support local, regional or state actions to provide incentives for establishing new shipyards in the region to create more local capacity for vessel construction and maintenance. In FY2026/27, SF Bay Ferry will continue to coordinate with regional partners who are working to establish a new shipyard in Solano County. SF Bay Ferry will continue its partnership with the Working Waterfront Coalition (WWC) to provide apprentice training sessions at the Vallejo Maintenance facility, work to increase support for this effort, and ensure the WWC curriculum includes training to operate and maintain the zero-emission technology being implemented by SF Bay Ferry. SF Bay Ferry will also work with the WWC and CalPoly Maritime to develop a Marine Contractor Development Program, in which the WWC would train existing small businesses to specialize in a maritime version of their field (e.g. commercial electricians transitioning to maritime electricians) in order to grow the subcontractor/supply chain to support increased shipbuilding capacity in the Bay Area.
- **Disadvantaged Business Enterprise Program** – In September 2025, the U.S. Department of Transportation (DOT) made significant changes to the Disadvantaged Business Enterprise (DBE) program, including the elimination of race- and sex-based presumptions and the re-evaluation of existing certifications. DBE programs are essentially paused until state unified certification programs can complete the evaluation of certifications. Should DBE certifications be restarted in FY2026/27 staff will begin implementing the multi-year DBE Program Improvement Plan (DBEPIP) developed from the DBE Program Review conducted in 2024 and continue to conduct expanded outreach opportunities to increase availability of DBEs. The DBEPIP includes initiatives to expand organizational capacity, enhance compliance tools, improve

vendor engagement, and increase access through strategic unbundling of contracts. Additional improvements include targeted outreach and training, refinement of the Small Business Enterprise (SBE) program, new collaborative efforts with the Working Waterfront Coalition to develop marine-focused small business pipelines, and evaluation of the use of DBE project goals on shoreside electrification work to increase DBE participation.

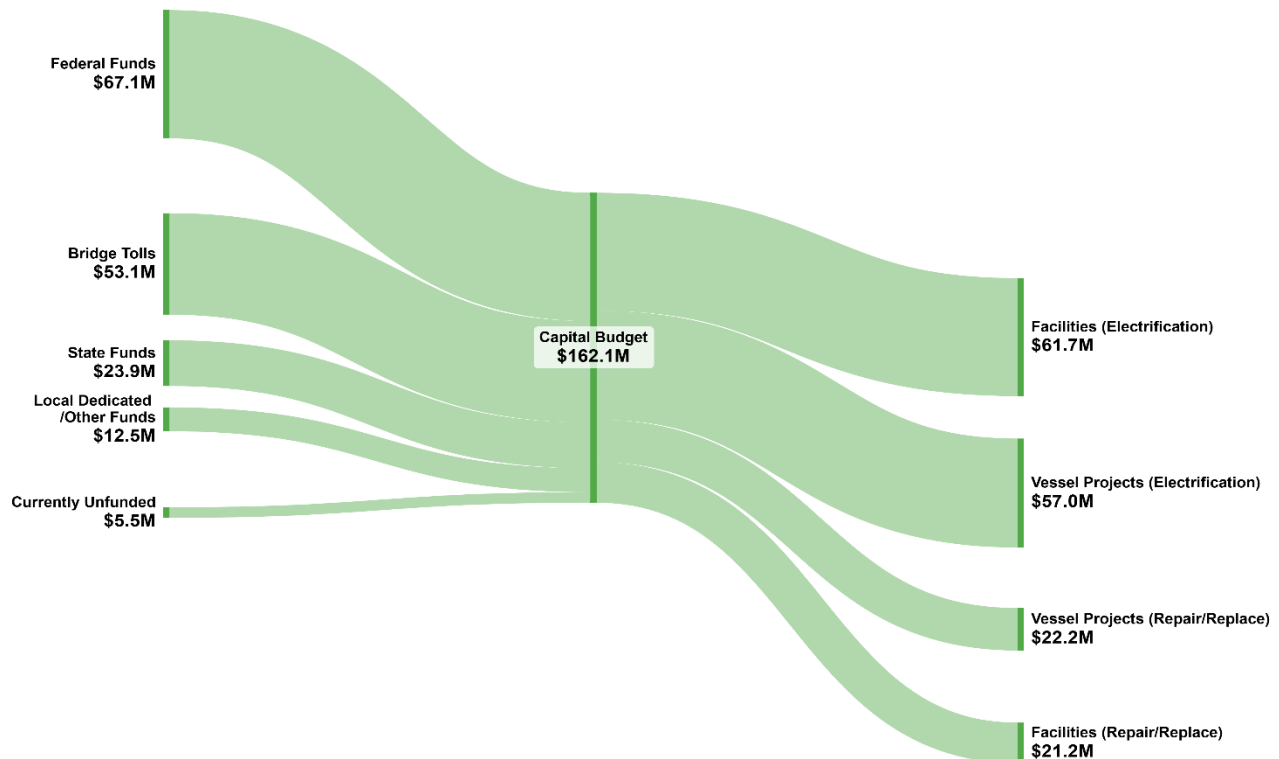
➤ **Federal, State, Regional and Local Legislative efforts** – Consistent with the 2026 Legislative Program, staff will focus federal, state, regional and local advocacy on targeted priorities, including: build support for increased federal funding for ferries in the next Surface Transportation Re-Authorization Bill; advocate for state funding to support SF Bay Ferry’s REEF Program including a sales tax exemption for the purchase of zero emission vessels; continue to support efforts to streamline permitting requirements and California Environmental Quality Act requirements for ferry projects; advocate for incentives to attract new shipyards; explore new strategies for enhancing local and regional support for ferry expansion opportunities including public private partnerships to support ongoing and new ferry operations; and investigate options for SF Bay Ferry to develop its own revenue measure to support its capital and operating programs.

CAPITAL PROJECTS

The Fiscal Year 2026/27 Capital Budget authorizes \$162.1 million in expense to continue progress on current projects and to commence work on new projects. The projects fall into five categories, as shown in **Figure 9**, and are further detailed in **Attachment B** where budget information is provided for the projects necessary to maintain existing services and facilities and to further develop the electrification and expansion projects. These projects total \$490 million over the life of each project with approximately \$391 million associated with the SF Bay Ferry Rapid Electric Emission-Free Ferry (REEF) program. This ambitious capital program will permit, design and construct electric charging infrastructure and vessels to deliver zero-emission capabilities at all existing and planned San Francisco, Contra Costa and Alameda County ferry terminals, the Central Bay Operations and Maintenance Facility, and up to 10 vessels. The Budget also authorizes \$43 million in Repair and Replacement needs critical to maintaining the fleet in a state of good repair.

Within the REEF program, staff have secured over \$270 million total in a combination of federal, state and local funds, including SF Bay Ferry RM3 allocations. This represents a significant step forward in delivering zero emission service across the Bay. There are still significant portions of the program that are unfunded, including Gates E and F in Downtown San Francisco, the Oakland Terminal and only partial funding for Harbor Bay and Main Street. The current unfunded portion will require an additional \$121 million investment. Staff are working diligently on both value engineering to reduce costs and researching grant opportunities to increase funding levels to those needed. It will be a multi-year, continuous effort to achieve the ambitious goals of the program.

FIGURE 9:



Attachment B shows projects in various categories and the funding levels currently available for those priorities. Highlights of the proposed capital program include:

SF Bay Ferry Rapid Electric Emission-Free Ferry (REEF) Program:

- **Zero Emissions Vessels** – In FY2025/26, the Board awarded the contract for the two new 400-passenger all-electric vessels and three new 150-passenger vessels. As the end of the Fiscal Year approaches, both the 400-passenger and the 150-passenger vessels are at similar stages of construction. The keels have been laid, hull framing has been fabricated and erected, side shell has been installed, and super structures are in progress. Staff plans on completing the super structures and begin major equipment delivery and installations through FY2026/27. Staff anticipate the arrival of one 150-passenger and one 400-passenger vessel at the end of FY2026/27 and will complete preparations for passenger service.
- In FY2025/26, design of the Hydrus vessel electric conversion was completed. This project will convert the lead vessel of the Hydrus class from diesel propulsion to full battery electric propulsion and will share the same system commonality as the new 400-passenger vessels under construction. In FY2026/27, procurement of the vessel conversion construction services will be accomplished, and construction will begin. The project must be complete with the converted electric Hydrus fully operational by the end of calendar year 2028 in order to qualify for grant reimbursement from the VW settlement fund.
- **Central Bay Operations and Maintenance Facility Electrification and Expansion** –The Central Bay Operations and Maintenance Facility (CBOMF) Electrification and Expansion project is essential to ensuring the facility is capable of supporting SF Bay Ferry’s new zero emission vessels and expanding fleet size. The project is broken up into two phases: Phase 1 which leverages existing electrical capacity to trickle charge all-electric vessels and Phase 2 which introduces expanded berthing capacity and increased charging capability. In FY2025/26, Phase 1 planning and design work were completed with necessary permits submitted to local agencies. In FY2026/27, procurement of Phase 1 construction services will be accomplished with anticipated commissioning of Phase 1 by the second quarter of calendar year 2027. Alongside Phase 1 construction efforts, Phase 2 will progress with preliminary planning and design efforts to further refine design requirements. The total project budget has increased due to further project scope definition for Phase 2 of the project.
- **Treasure Island Electrification**
The planned Treasure Island Ferry route will launch with all-electric 150-passenger ferries currently under construction. This short-route service, connecting Downtown San Francisco and Mission Bay to Treasure Island, is part of Phase 1 of the REEF Program. To support a 150-passenger all-electric ferry, the Treasure Island terminal project funds a new electric utility connection, installation of power transformation and switchgear equipment, distribution of electric service to the float, and the installation of all required charging equipment on the float itself. SF Bay Ferry is coordinating closely with the San Francisco County Transportation Authority (SFCTA), Treasure Island Development Authority (TIDA), San Francisco Public Utilities Commission (SFPUC), and the project developer to implement the electrification infrastructure. In parallel, SF Bay Ferry and SFCTA are developing a comprehensive business plan to guide service launch and ensure long-term sustainability. Design efforts and contractual documents were completed in FY2025/26. FY2026/27 will encompass the majority of the construction phase for the electrification effort, with service starting in early FY2027/28.

- **Mission Bay Ferry Landing** – The Mission Bay Ferry Landing (MBFL) project is a joint effort between the Port of San Francisco (Port) and SF Bay Ferry to construct a permanent ferry terminal at 16th Street and Terry Francois Boulevard to operate new service to the Downtown San Francisco Ferry Building and special event services to the Chase Center. The new terminal will support all-electric 150-passenger ferry service as part of Phase 1 of the REEF Program. In addition to the construction of a new Ferry Plaza and Pier, the project includes a new electric utility connection, installation of power transformation equipment, distribution of electric service to the float, and a float outfitted with all required charging equipment. The MOU between the Port and SF Bay Ferry placed responsibility for construction of all improvements other than the float with the Port. At the end of FY2025/26, design was completed, and procurements are in progress. Construction will begin in FY2026/27 with an anticipated completion by early calendar year 2028.
- **Richmond Ferry Terminal Electrification** – This project will provide electric vehicle charging infrastructure and related electric infrastructure upgrades for future zero emission service at the Richmond ferry terminal. In FY2025/26 staff began identifying the utility connection point, power capacity/demand, equipment, electrical system alignment from the grid to the parking lot and terminal. In FY2026/27 the team will complete feasibility, develop cost estimates, and preliminary designs of EV charging stations and future vessel charging facilities. Staff will continue to work with City of Richmond, PG&E, and any necessary regulatory agencies to ensure the goals of the project can be accomplished with the funding available .
- **Downtown San Francisco Terminal Electrification** – Electrification of the Downtown Terminal requires separate landside and waterside improvements. In FY2025/26 a new Universal Charging Float (UCF) was developed to be constructed and delivered first at Gate G. Work continued with the SFPUC, PG&E and the Port of San Francisco (Port) to design the landside electrical infrastructure, including the electrical grid extension and related electrical infrastructure. Work in FY2026/27 will advance design of the front-of-meter electrical service from the PG&E Embarcadero substation at Fremont and Folsom streets to the electrical equipment located at Seawall Lot 328 and routing of the back-of-meter electrical service to the Downtown Ferry Terminal. The budget for this project has grown to include a \$3.5 million authorization to add additional power earlier in the project schedule due to anticipated delays with the final project. The entire Phase 1 project separate from that temporary power is projected be \$58.1 million, which is \$14.6 million more than was authorized in the FY 2025/26 budget. This increase is the result of higher than anticipated UCF costs and the need to absorb the entire cost of work on the City/PGE side of the meter. SF Bay Ferry has received funding for electrification from both the State and the EPA and is working with the Port of San Francisco and other local partnerships toward terminal completion in 2028. Currently, only Gate G is anticipated to be completed as part of REEF Phase 1, with Gates E and F electrification unfunded.
- **Seaplane Lagoon Ferry Terminal Electrification** – The Seaplane Lagoon Ferry Terminal Electrification project will be the first terminal in the East Bay to become electrified in support of the 400- passenger battery electric vessels under construction and Phase 2 of SF Bay Ferry’s REEF plan. The terminal electrification will consist of landside electrical infrastructure upgrades to provide sufficient charging capacity to a newly installed Universal Charging Float (UCF). Throughout FY2025/26, significant progress with planning and design work was made, and the procurement of long lead time electrical equipment was approved by the Board. In addition to the landside work, the UCF design work was completed with construction underway. In FY2026/27, planning and design work for the landside components will be completed, and there will be a solicitation for the construction for landside work in early calendar year 2027. Construction efforts are expected to continue to progress through FY2026/27. The commissioning and completion of the terminal electrification is anticipated towards the end of calendar year 2027.

Oakland Ferry Terminal Modernization Project – The Oakland Ferry Terminal Modernization project will upgrade marine structures and install landside electrical equipment to accommodate battery electric vessel charging as part of Phase 2 of the REEF Program. The team is working closely with the Port of Oakland, Jack London Square property management group (CIM), and the City of Oakland Planning Department. In FY2025/26 the team completed the basis of design for the marine engineering and advanced environmental clearance and permitting. In addition, SF Bay Ferry signed onto the PG&E EV Fleet Charging Program to secure power from the grid and have PG&E design and construct the front-of-meter portion. Further design and environmental work will occur in FY2026/27 along with continued coordination with stakeholders. Anticipated total project costs increased due to the higher costs of the Universal Charging Float. This is one of several projects without significant identified funding in the budget.

Harbor Bay Ferry Terminal Modernization Project –A new, electrified ferry terminal north of the existing terminal will be constructed while maintaining ferry service during construction of the new facility. The new terminal includes reconfigured public and passenger access, a new fixed pier, security gate, gangway, guide piles, fender piles, utilities, and electrical infrastructure supporting the UCF and vessel charging. The electrical equipment includes switchgear, a transformer, and a grid connection extending from the switchgear to the AMP interconnection point near the intersection of Harbor Bay Parkway and Bay Edge Road. The existing terminal will be demolished once the new terminal is operational. In FY2025/26 planning and preliminary engineering work was performed to determine the preferred option for the new terminal coordinating closely with City and regulatory partners. In FY2026/27, the design will be advanced for the new terminal and electric distribution service along with the necessary environmental and permitting approvals. Design and procurement of the charging float will be advanced as funding allows. This project is currently only partially funded by State and local grant sources.

- **Berkeley Ferry Terminal** - The Berkeley Water Transportation Pier Ferry Project would include a new or restored dual-use pier facility that would both serve as a passenger ferry facility for berthing public ferry service vessels and provide public access to San Francisco Bay. For the completed initial planning phase, the City of Berkeley prepared an Expanded Feasibility Study that developed a preferred design alternative for the project. In FY2025/26 the 60% design and draft Environmental Impact Report (EIR) were completed. In FY2026/27 100% design and the final EIR will be completed. SF Bay Ferry staff anticipates continuing to support City of Berkeley throughout the final design and EIR closeout.

Vessel Repair and Replacement Program –

The FY2026/27 Capital Program includes several new and ongoing vessel replacement projects critical to maintaining the fleet in a state of good repair. These investments are essential to ensuring the continued delivery of safe, reliable, and efficient ferry service. They include the following projects:

- **Engine overhaul for vessels:** MV Intintoli (main engine and gear overhaul), MV Intintoli (starboard engine overhaul), MV Peralta (both main engine services), MV Pyxis (Port engine and gear overhaul)
- **Repairs and Drydocks:** Mare Island, Pyxis, and Taurus will all receive added work along with associated routine dry dock work.

- **Vessel Quarter and Mid Life Refurbishment Work** – The proposed FY2026/27 Capital Program contains mid-life refurbishments for the Pisces and Taurus vessels.. The proposed also includes quarter life refurbishments for the Pyxis vessel. This work is necessary to overhaul and replace major vessel systems and sub systems to maintain a state of good repair. Work will include coatings, propellers, hull inspections and metal renewal as needed, house and supporting structure inspection and renewal, seating, carpet and other interior furnishing renewals, and primary navigations system upgrades. In addition to extensive inspections to mitigate and arrest any deterioration conditions which aluminum vessels are subject to.

Facility Repair and Replacement

- **Pier 9 Float Rehabilitation** - This project will support the 10-year rehabilitation of the steel passenger float at the Pier 9 Ferry Terminal. The scope of work may include renewing non-skid coating, gangways, hydraulics, IT equipment and electrical components among other necessary inspections and remedial work. The work will ensure that this vital piece of transportation infrastructure remains in the best possible condition to support the ongoing work to provide public waterborne transportation.
- **Multiuse Float** – This project will design and construct a rapid deployment float that can be temporarily installed in locations where compatible facilities may not exist. The float and accompanying gangway structures can be stored at an SF Bay Ferry facility when not in operation. The concept would allow for rapid deployment of the temporary floats for emergency purposes or for pilot or demonstration services. In FY2025/26, preliminary planning and market research was conducted, which identified a Modular Float as the preferred solution to meet SF Bay Ferry's requirements. Design progressed to 30% in FY2025/26, and a Design-Build contract has been initiated in order to finalize design, order materials, and complete construction in FY2026/27. The goal of the project is to install the new structure by Spring 2027. The total project budget has increased due to further project scope definition, and recognizing the original project budget only included planning analyses.
- **Vallejo Terminal Reconfiguration** – The reconfiguration of the Vallejo terminal is designed to save millions of operating dollars in the coming years by avoiding ongoing dredging at that site. The project will include replacement of gangway, bridge/fixed pier and passenger float. This project will relocate the float further away from the shore and to eliminate the routine dredging maintenance that currently takes place approximately every two years. In FY2025/26 design and environmental permitting efforts were initiated and significant work to prepare for release of a design-build construction RFP in FY2026/27. The construction work will begin in FY2026/27 and is anticipated to be completed in FY2027/28.
- **South San Francisco Dredging** – Maintenance dredging at the South San Francisco Ferry Terminal is required to restore navigational depths for ferry operations and marina access. The project includes dredging approximately 27,000 cubic yards of accumulated sediment from four areas: the Ferry Terminal entrance channel, the Ferry Terminal Basin and Sump, Dock 11, and Guest Dock. Dredging will be performed using a barge mounted crane and clamshell bucket. In FY2025/26 staff initiated an MOU between SF Bay Ferry and San Mateo County Harbor District, completed the dredge design and environmental sampling and submitted all permitting. In FY2026/27 staff will finalize permits, issue the IFB for the dredging work, and complete dredging.

For further detail on the Operating and Capital Budgets and the proposed reserve policy update see the attached items:

END

Attachment A –Fiscal Year 2026/27 Operating Budget

Attachment B –Fiscal Year 2026/27 Capital Budget

Attachment C –Fiscal Year 2026/27 Salary Schedule and Organization Chart

Attachment D –Proposed Reserve Policy Update

Attachment A

San Francisco Bay Ferry FY 2026/27 Operating Budget

SUMMARY OPERATING	FY2025/26 Approved Budget	FY2026/27 Proposed Budget
Revenues		
Fare Revenue	\$ 15,790,355	\$ 18,674,461
Local - Bridge Toll Revenue	57,064,302	66,157,447
Local - Contra Costa/Alameda	3,845,380	3,874,238
State- State Transit Assistance	3,000,000	8,000,000
Other Revenue	1,170,130	1,242,574
Transfer to Operating and Capital Reserves	-	(10,000,000)
Total Revenues	\$ 80,870,168	\$ 87,948,721
Expenses		
Operations		
Vessel Crew	23,403,538	24,062,065
Vessel Fuel	16,372,213	20,324,398
Vessel Operations & Maintenance	12,298,111	12,887,263
Facility Operations & Maintenance	10,037,961	11,439,132
System Expense	11,255,028	11,778,575
Demonstration Project (Alameda Shuttle)	1,170,130	1,242,574
Planning and Administration		
Salaries, Wages & Fringe Benefits	\$ 3,192,907	\$ 3,431,233
Professional / Contract Services	1,874,950	1,658,240
IT, Utilities, Memberships, Supplies	522,227	569,621
Leases, Rentals and Fees	743,104	555,622
Total Expenses	\$ 80,870,170	\$ 87,948,721

**San Francisco Bay Ferry
FY 2026/27 Ferry Service Operating Budget - Proposed**

FY 2026/27 Operating Budget - Regular Service Routes							
	Oakland & Alameda	Harbor Bay	Alameda Seaplane	Vallejo	South San Francisco	Richmond	Subtotal Service Routes
Revenues							
Fare Revenue	\$ 4,353,454	\$ 1,463,552	\$ 2,122,220	\$ 8,069,606	\$ 844,309	\$ 1,821,320	\$ 18,674,461
Bridge Toll Revenue	13,933,735	5,465,689	7,114,987	21,915,240	4,206,776	7,306,306	59,942,732
- Regional Measure 2	3,446,321	1,305,853	1,740,802	5,650,808	951,904	-	13,095,689
- Regional Measure 3	10,487,414	4,159,835	5,374,185	16,264,432	3,254,871	7,306,306	46,847,043
Local - Contra Costa Measure J	-	-	-	-	-	3,874,238	3,874,238
State Transit Assistance	1,773,487	671,996	895,822	2,907,923	489,853	1,260,918	8,000,000
Transfers to Reserve	(2,216,859)	(839,995)	(1,119,778)	(3,634,904)	(612,316)	(1,576,147)	(10,000,000)
Total Revenues	\$ 17,843,817	\$ 6,761,242	\$ 9,013,252	\$ 29,257,865	\$ 4,928,621	\$ 12,686,634	\$ 80,491,432
Expenses							
Vessel Crew Labor	\$ 5,871,144	\$ 2,117,462	\$ 3,104,006	\$ 6,977,999	\$ 1,804,655	\$ 4,186,799	\$ 24,062,065
Vessel Fuel	4,024,231	1,361,735	1,768,223	10,040,252	752,003	2,377,955	20,324,398
Vessel Operations & Maintenance	2,732,100	1,146,966	1,482,035	4,484,768	824,785	2,216,609	12,887,263
Facility Operations & Maintenance	2,462,974	1,036,167	1,267,813	3,541,216	932,512	2,198,450	11,439,132
System Expense	2,753,369	1,098,912	1,391,176	4,213,631	614,666	1,706,821	11,778,575
Total Expenses	\$ 17,843,817	\$ 6,761,242	\$ 9,013,252	\$ 29,257,865	\$ 4,928,621	\$ 12,686,634	\$ 80,491,432
Operating Statistics:							
Ridership	978,304	325,624	506,949	1,019,850	123,016	432,746	3,386,489
Vessel Operating Miles	100,913	53,179	59,646	246,422	38,404	99,092	597,656
- Revenue Miles	84,604	43,860	49,980	243,836	28,560	82,415	533,255
- Non-Revenue Miles	16,309	9,319	9,666	2,586	9,844	16,677	64,401
Vessel Operating Hours	9,077	3,301	5,142	10,796	2,924	6,699	37,939
- Revenue Hours	7,729	2,656	4,250	10,568	2,061	5,590	32,854
- Non-Revenue Hours	1,348	645	892	228	863	1,109	5,085
Performance Measures:							
Farebox Recovery %	24%	22%	24%	28%	17%	14%	23%
Cost per Operating Miles	\$ 177	\$ 127	\$ 151	\$ 119	\$ 128	\$ 128	\$ 135
Cost per Operating Hour	\$ 1,966	\$ 2,048	\$ 1,753	\$ 2,710	\$ 1,686	\$ 1,894	\$ 2,122

FY 2026/27 Operating Budget - Operating Demonstration Projects			
	Alameda Oakland Shuttle		Subtotal Demonstration
Revenues			
Fare Revenue	\$ -		\$ -
Other Revenue (Local/Grant)	\$ 1,242,574		\$ 1,242,574
Expenses	\$ 1,242,574		\$ 1,242,574
TOTAL OPERATIONS BUDGET			\$ 81,734,006

**San Francisco Bay Area Water Emergency
Transportation Authority
FY 2026/27 Ferry Service Operating Budget - Proposed
Oakland Alameda**

	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Projected Actual	FY 2026/27 Budget Proposed
Revenues				
Fare Revenue	\$ 3,498,233	\$ 3,756,931	\$ 3,756,931	\$ 4,353,454
Bridge Toll Revenue	8,632,514	11,236,352	11,189,443	13,933,735
State Transit Assistance	2,379,443	639,219	646,756	1,773,487
Federal Operating Assistance	11,397	-	-	-
Other Revenue	37,083	-	-	-
Transfers To Reserves	(1,939,504)	-	(335,539)	(2,216,859)
Total Revenues	\$ 12,619,165	\$ 15,632,502	\$ 15,257,591	\$ 17,843,817
Expenses				
Vessel Crew Labor	\$ 4,389,136	\$ 5,381,783	\$ 5,144,775	\$ 5,871,144
Vessel Fuel	2,563,729	3,110,721	3,194,394	4,024,231
Vessel Operations & Maintenance	1,753,633	2,637,783	2,580,880	2,732,100
Facility Operations & Maintenance	1,784,304	1,916,370	1,849,972	2,462,974
System Expense	2,128,363	2,585,846	2,487,571	2,753,369
Total Expenses	\$ 12,619,165	\$ 15,632,503	\$ 15,257,591	\$ 17,843,817
Operating Statistics:				
Ridership	783,718	856,416	873,800	978,304
Vessel Operating Miles	101,386	94,351	96,640	99,949
- Revenue Miles	82,889	82,092	84,115	83,219
- Special Event/Pilots Revenue Miles	4,553			
- Non-Revenue Miles	12,716	12,259	12,525	16,730
- Special Event/Pilots Non Revenue Miles	1,228			
Vessel Operating Hours	8,822	8,821	8,353	9,241
- Revenue Hours	5,838	7,764	7,462	7,823
- Special Event/Pilots Revenue Hours	1,554			
- Non-Revenue Hours	1,306	1057	891	1,418
- Special Event/Pilots Non Revenue Hours	124			
Performance Measures:				
Farebox Recovery %	28%	24%	25%	24%
Cost per Operating Miles	\$124	\$166	\$158	\$179
Cost per Operating Hour	\$1,430	\$1,772	\$1,827	\$1,931

**San Francisco Bay Area Water Emergency
Transportation Authority
FY 2026/27 Ferry Service Operating Budget - Proposed
Alameda Harbor Bay**

	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Projected Actual	FY 2026/27 Proposed
Revenues				
Fare Revenue	\$ 1,161,512	\$ 1,235,404	\$ 1,235,404	\$ 1,463,552
Bridge Toll Revenue	3,175,170	4,752,971	4,743,385	5,465,689
State Transit Assistance	831,478	255,307	264,435	671,996
Local - Alameda Property Tax and Assessments	483,247	-	-	-
Federal - COVID-19 Relief Funds	4,570	-	-	-
Other Revenue	4,937	-	-	-
Transfers To Reserves	(667,180)	-	(137,189)	(839,995)
Total Revenues	\$ 4,993,733	\$ 6,243,682	\$ 6,106,034	\$ 6,761,242
Expenses				
Vessel Crew Labor	\$ 1,836,525	\$ 2,092,240	\$ 2,013,173	\$ 2,117,462
Vessel Fuel	897,157	1,146,055	1,176,882	1,361,735
Vessel Operations & Maintenance	782,638	1,276,676	1,249,562	1,146,966
Facility Operations & Maintenance	683,824	723,138	698,595	1,036,167
System Expense	793,589	1,005,573	967,823	1,098,912
Total Expenses	\$ 4,993,733	\$ 6,243,682	\$ 6,106,034	\$ 6,761,242
Operating Statistics:				
Ridership	270,679	286,567	298,687	325,624
Vessel Operating Miles	56,461	57,401	56,337	53,179
Vessel Operating Hours	3,049	3,571	3,332	3,377
Performance Measures:				
Farebox Recovery %	23%	20%	20%	22%
Cost per Operating Miles	\$88	\$109	\$108	\$127
Cost per Operating Hour	\$1,638	\$1,748	\$1,833	\$2,002

**San Francisco Bay Area Water Emergency
Transportation Authority
FY 2026/27 Ferry Service Operating Budget - Proposed
Alameda Seaplane Lagoon**

	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Projected Actual	FY 2026/27 Proposed
Revenues				
Fare Revenue	\$ 1,637,723	\$ 1,631,069	\$ 1,631,069	\$ 2,122,220
Bridge Toll Revenue	4,596,508	5,695,152	5,655,432	7,114,987
State Transit Assistance	1,166,482	312,344	317,818	895,822
Federal - COVID-19 Relief Funds	5,937	-	-	-
Other Revenue	6,353	-	-	-
Transfers To Reserves	(930,705)	-	(164,885)	(1,119,778)
Total Revenues	\$ 6,482,298	\$ 7,638,565	\$ 7,439,434	\$ 9,013,252
Expenses				
Vessel Crew Labor	\$ 2,423,006	\$ 2,802,985	\$ 2,684,230	\$ 3,104,006
Vessel Fuel	1,282,013	1,309,777	1,345,008	1,768,223
Vessel Operations & Maintenance	857,138	1,157,422	1,132,060	1,482,035
Facility Operations & Maintenance	882,335	915,887	884,080	1,267,813
System Expense	1,037,806	1,452,494	1,394,055	1,391,176
Total Expenses	\$ 6,482,298	\$ 7,638,565	\$ 7,439,434	\$ 9,013,252
Operating Statistics:				
Ridership	394,837	406,259	464,921	506,949
Vessel Operating Miles	51,175	55,346	43,669	59,646
Vessel Operating Hours	3,344	4,776	4,450	4,881
Performance Measures:				
Farebox Recovery %	25%	21%	22%	24%
Cost per Operating Miles	\$126.67	\$138.01	\$170.36	\$151.11
Cost per Operating Hour	\$1,938.49	\$1,599.25	\$1,671.78	\$1,846.60

**San Francisco Bay Area Water Emergency
Transportation Authority
FY 2026/27 Ferry Service Operating Budget - Proposed
South San Francisco**

	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Projected Actual	FY 2026/27 Proposed
Revenues				
Fare Revenue	\$ 684,205	\$ 722,312	\$ 722,312	\$ 844,309
Bridge Toll Revenue	3,267,454	5,680,873	5,737,841	4,206,776
State Transit Assistance	864,640	272,992	239,581	489,853
Federal - COVID-19 Relief Funds	3,480	-	-	-
Other Revenue	4,386	-	-	-
Transfers To Reserves	(395,422)	-	(124,295)	(612,316)
Total Revenues	\$ 4,428,742	\$ 6,676,177	\$ 6,575,439	\$ 4,928,621
Expenses				
Vessel Crew Labor	\$ 1,703,004	\$ 2,060,405	\$ 2,013,173	\$ 1,804,655
Vessel Fuel	640,784	1,637,221	1,681,260	752,003
Vessel Operations & Maintenance	786,357	1,127,413	1,103,384	824,785
Facility Operations & Maintenance	692,074	792,046	767,111	932,512
System Expense	606,523	1,059,093	1,010,511	614,666
Total Expenses	\$ 4,428,742	\$ 6,676,177	\$ 6,575,439	\$ 4,928,621
Operating Statistics:				
Ridership	98,188	101,270	112,574	123,016
Vessel Operating Miles	38,671	38,714	39,640	36,351
Vessel Operating Hours	2,486	3,218	2,665	2,551
Performance Measures:				
Farebox Recovery %	15%	11%	11%	17%
Cost per Operating Miles	\$114.52	\$172.45	\$165.88	\$135.58
Cost per Operating Hour	\$1,781.47	\$2,074.96	\$2,467.33	\$1,932.03

**San Francisco Bay Area Water Emergency
Transportation Authority
FY 2026/27 Ferry Service Operating Budget - Proposed
Richmond**

	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Projected Actual	FY 2026/27 Proposed
Revenues				
Fare Revenue	\$ 1,321,548	\$ 1,401,701	\$ 1,401,701	\$ 1,821,320
Bridge Toll Revenue	2,644,320	6,428,598	6,436,689	7,306,306
Local - Contra Costa Measure J	3,866,624	3,845,380	3,845,380	3,874,238
State Transit Assistance	2,801,719	497,777	488,586	1,260,918
Federal - COVID-19 Relief Funds	8,810	-	-	-
Other Revenue	12,499	-	-	-
Transfers To Reserves	(748,858)	-	(253,480)	(1,576,147)
Total Revenues	\$ 9,906,661	\$ 12,173,456	\$ 11,918,876	\$ 12,686,634
Expenses				
Vessel Crew Labor	\$ 3,443,092	\$ 4,392,511	\$ 4,250,031	\$ 4,186,799
Vessel Fuel	1,794,758	2,292,110	2,353,764	2,377,955
Vessel Operations & Maintenance	1,499,640	1,818,521	1,778,787	2,216,609
Facility Operations & Maintenance	1,663,440	1,659,169	1,605,048	2,198,450
System Expense	1,505,731	2,011,145	1,931,246	1,706,821
Total Expenses	\$ 9,906,661	\$ 12,173,456	\$ 11,918,876	\$ 12,686,634
Operating Statistics:				
Ridership	339,433	381,044	391,552	432,746
Vessel Operating Miles	102,980	103,227	101,040	99,092
Vessel Operating Hours	5,969	7,005	6,280	6,749
Performance Measures:				
Farebox Recovery %	13%	12%	12%	14%
Cost per Operating Miles	\$96.20	\$117.93	\$117.96	\$128.03
Cost per Operating Hour	\$1,659.69	\$1,737.72	\$1,897.91	\$1,879.78

**San Francisco Bay Area Water Emergency
Transportation Authority
FY 2026/27 Ferry Service Operating Budget - Proposed
Vallejo**

	FY 2024/25 Actual	Approved Budget	FY 2025/26 Projected Actual	Budget Proposed
Revenues				
Fare Revenue	\$ 6,577,554	\$ 7,042,939	\$ 7,042,939	\$ 8,069,606
Bridge Toll Revenue	13,523,611	16,937,170	16,968,327	21,915,240
State Transit Assistance	3,911,967	1,022,361	1,042,824	2,907,923
Federal - COVID-19 Relief Funds	13,972	-	-	-
Other Revenue	199,816	-	-	-
Transfers To Reserves	(3,748,931)	-	(541,020)	(3,634,904)
Total Revenues	\$ 20,477,988	\$ 25,002,470	\$ 24,513,070	\$ 29,257,865
Expenses				
Vessel Crew Labor	\$ 5,243,177	\$ 6,673,614	\$ 6,263,204	\$ 6,977,999
Vessel Fuel	5,640,204	6,876,330	7,061,292	10,040,252
Vessel Operations & Maintenance	2,218,068	4,280,296	4,299,999	4,484,768
Facility Operations & Maintenance	4,690,554	4,031,352	3,862,749	3,541,216
System Expense	2,685,985	3,140,878	3,025,826	4,213,631
Total Expenses	\$ 20,477,988	\$ 25,002,470	\$ 24,513,070	\$ 29,257,865
Operating Statistics:				
Ridership	827,900	893,918	908,242	1,019,850
Vessel Operating Miles	249,944	244,816	245,317	243,055
Vessel Operating Hours	9,469	10,479	10,338	10,453
Performance Measures:				
Farebox Recovery %	32%	28%	29%	28%
Cost per Operating Miles	\$81.93	\$102.13	\$99.92	\$120.38
Cost per Operating Hour	\$2,162.63	\$2,385.87	\$2,371.16	\$2,798.99

San Francisco Bay Ferry
FY 2026/27 Operating Budget - Proposed
Planning & Administration

	FY 2024/25	FY2025/26	FY2025/26	FY2026/27
	Actual	Approved	Projected	Proposed
		Budget	Actual	Budget
Revenues				
Bridge Toll Revenue	\$ 4,913,598	\$ 6,333,188	\$ 5,583,965	\$ 6,214,715
- <i>Regional Measure 1 - 5%</i>	227,378	125,000	110,649	-
- <i>Regional Measure 2</i>	2,532,945	2,578,186	2,578,186	2,567,782
- <i>Regional Measure 3</i>	2,153,275	3,630,002	2,895,130	3,646,933
<i>Other Revenue</i>	363,174	-	-	-
Total Revenues	\$ 5,276,772	\$ 6,333,188	\$ 5,583,965	\$ 6,214,715
Expenses				
Salaries, Wages & Fringe Benefits	\$ 2,993,032	\$ 3,192,907	\$ 3,076,141	\$ 3,431,233
Professional / Contract Services	1,566,575	1,824,950	1,553,264	1,658,240
- <i>Management Services</i>	877,350	886,800	777,185	831,100
- <i>Professional & Technical Svcs</i>	598,858	917,800	764,997	817,900
- <i>Other Services</i>	90,367	20,350	11,082	9,240
Information Tech., Office Upgrade, Supplies	86,628	227,815	154,676	238,163
Utilities/Communications	28,515	31,204	18,519	14,092
Insurance	25,030	79,893	79,893	81,500
Memberships, Travel, Subscriptions	120,382	233,315	110,336	235,866
Leases, Rentals	251,142	743,104	591,135	555,622
Total Expenses	\$ 5,071,304	\$ 6,333,188	\$ 5,583,965	\$ 6,214,715

Attachment B

San Francisco Bay Ferry Fiscal Year 2026/27 Capital Budget

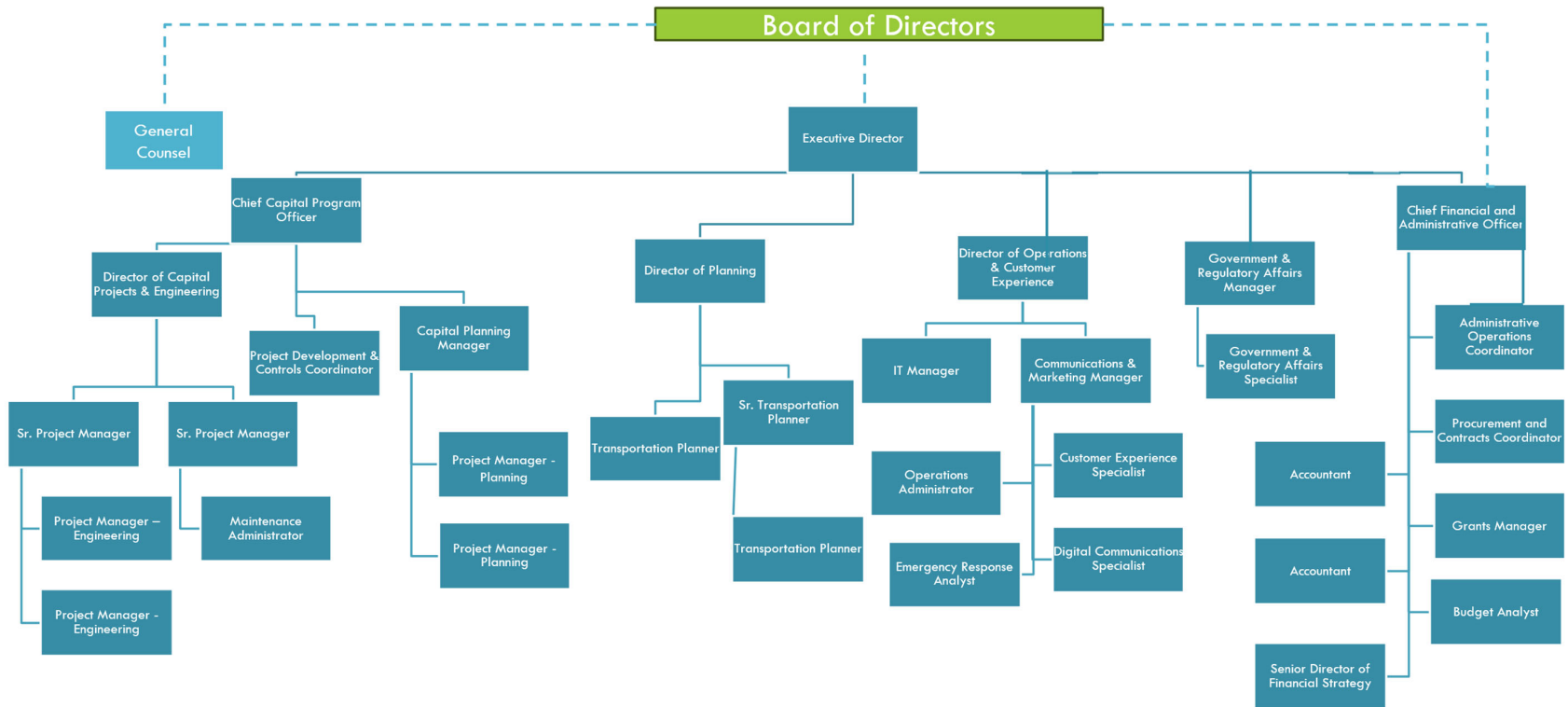
	Total Project Budget	Prior & FY25/26 Actuals (Estimated)	FY26/27 Budget (Proposed)	Future Years
CAPITAL REVENUES				
Federal Funds	\$ 137,366,097	\$ 30,229,526	\$ 67,131,804	\$ 39,541,027
State Funds	83,131,084	18,349,680	24,291,432	41,165,263
Bridge Toll Revenues	122,107,798	34,694,929	56,777,872	40,261,494
Local Dedicated Funds	26,795,530	2,799,580	13,908,427	15,039,925
Currently Unfunded*	120,891,900	-	-	106,101,450
TOTAL REVENUE	\$ 490,292,410	\$ 86,073,715	\$ 162,109,535	\$ 242,109,160
CAPITAL EXPENDITURES				
Repair and Replacement Program: Vessels				
Vessel Mid-Life Reurbishment - MV Gemini	4,487,270	3,989,071	498,199	-
Vessel Mid-Life Refurbishment & Engine Overhaul - MV	4,679,000	90,172	4,588,828	-
Pyxis Quarter Life Refurbishment	3,165,469	-	3,165,469	-
Engine Overhauls and Improvements	17,141,107	5,688,675	11,452,432	-
Component Improvements/Dry Dock	3,654,434	1,175,000	2,479,434	-
Repair and Replacement Program: Facilities				
Vallejo Terminal Reconfiguration	16,696,000	1,273,063	8,475,000	6,947,937
Passenger Floats Rehabilitation - Pier 9	1,362,000	63,263	1,298,737	-
Multiuse Float	5,248,783	195,499	5,053,284	-
North Bay Fuel Farm Upgrades	540,000	25,000	515,000	-
South SF Dredging & Dredging Program Work	3,951,775	192,275	3,759,500	-
NBOMF - Building 10-year cycle for state of good repair	782,000	-	782,000	-
NBOMF - Float - Upgrade sewage system on float	649,000	-	649,000	-
2027 Vallejo Ferry Terminal Dredging	2,969,000	-	332,000	2,637,000
Mobile Commissioning Charging System	369,913	-	350,913	19,000
Electrification Program (REEF)				
Vessels - Electric				
New Electric Vessels (Three - 150 PAX)	58,407,000	13,921,601	22,324,098	22,161,301
New Electric Vessels (Two - 400 PAX)	77,351,391	23,029,461	34,332,576	19,989,354
Hydrus Conversion to Battery Electric Propulsion	22,479,116	810,235	385,000	21,283,881
Facility Electrification				
Central Bay	5,663,200	360,000	1,438,200	3,865,000
Downtown San Francisco	88,967,141	9,978,393	15,588,702	63,400,046
Treasure Island	6,281,313	844,101	5,224,607	212,605
Main Street	11,887,500	1,131	-	11,886,369
Seaplane Lagoon	32,920,581	10,173,838	12,343,122	10,403,621
Harbor Bay	38,137,042	1,190,286	6,357,032	30,589,724
Richmond	4,235,853	50,000	375,000	3,810,853
Mission Bay	34,349,122	12,031,128	19,490,902	2,827,092
Berkeley	3,000,000	295,607	110,000	2,594,393
Oakland	40,917,400	695,916	740,500	39,480,984
GRAND TOTAL EXPENSE	\$ 490,292,410	\$ 86,073,715	\$ 162,109,535	\$ 242,109,160

Attachment C

FY 2026/27 Salary Schedule (Effective June 29, 2026)

Position	Authorized FTE	Salary Range: Annually	
		Low	High
Accountant	2	\$ 113,024	\$ 161,460
Administrative Operations Coordinator	1	\$ 102,516	\$ 153,983
Budget Analyst	1	\$ 97,634	\$ 139,475
Capital Planning Manager	1	\$ 159,036	\$ 227,191
Chief Capital Program Officer	1	\$ 223,779	\$ 319,680
Chief Financial and Administrative Officer	1	\$ 223,779	\$ 319,680
Communications & Marketing Manager	1	\$ 159,036	\$ 227,191
Customer Experience/Communication Specialists	2	\$ 92,985	\$ 132,834
Director of Capital Projects & Engineering	1	\$ 184,104	\$ 263,002
Director of Operations & Customer Experience	1	\$ 184,104	\$ 263,002
Director of Planning	1	\$ 184,104	\$ 263,002
Emergency Response and Safety Analyst	1	\$ 113,024	\$ 161,460
Government & Regulatory Affairs Manager	1	\$ 151,463	\$ 216,372
Government & Regulatory Affairs Specialist	1	\$ 107,642	\$ 153,772
Grants Manager	1	\$ 144,250	\$ 206,069
Information Technology Manager	1	\$ 124,609	\$ 178,010
Maintenance Administrator	1	\$ 124,609	\$ 178,010
Operations Administrator	1	\$ 124,609	\$ 178,010
Procurement and Contracts Coordinator	1	\$ 92,985	\$ 132,834
Project Development and Controls Coordinator	1	\$ 118,675	\$ 169,533
Project Manager - Engineering	2	\$ 118,675	\$ 169,533
Project Manager - Planning	2	\$ 113,024	\$ 161,460
Senior Director of Financial Strategy	1	\$ 202,975	\$ 289,960
Senior Project Manager	2	\$ 144,250	\$ 206,069
Senior Transportation Planner	1	\$ 124,609	\$ 178,010
Transportation Planner	2	\$ 113,024	\$ 161,460
Intern Program (non-exempt, part-time)	1.5	\$ 88,557	\$ 126,508
Executive Director	1		
TOTAL AUTHORIZED FTE	34.5		

FY 2026/27 SF Bay Ferry Organization Chart



SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESERVE POLICY

Original 2024
Updated 5/14/2026

1. PURPOSE

This Reserve Policy of the San Francisco Bay Area Water Emergency Transportation Authority (“Authority”) is intended to provide guidelines to establish reserves and ensure that sufficient financial resources are maintained for working capital, unanticipated expenditures, or revenue shortfalls of the Authority.

2. GOAL

The goal of establishing and maintaining a Reserve Policy is to establish adequate reserves to assist in strong fiscal management and provide sufficient working capital so that the Authority is in a strong financial position that will allow for it to better respond to unanticipated fiscal challenges and risks, such as negative economic and/or financial trends. A Reserve Policy is used to ensure that the Authority’s service needs and capital project management are sufficiently capitalized.

3. OPERATIONS AND CAPITAL RESERVE

The Authority ~~intends to establish and~~ will maintain an unrestricted one reserve level that is between a target minimum and maximum level based on the District’s annual operations and capital budgets. The total reserve will be a sum of the Operating Reserves and the Capital Reserves as defined below. ~~account containing the sum of two months of operating costs and two months of average capital expenses, to be used as described below.~~ While the cash balance of the reserve will fluctuate to address monthly cashflow needs, the accrued amount on an annual basis should reflect the sum of these amounts.

A. Operating Reserves

The Authority will endeavor to maintain ~~in the reserve account a sum approximately an operating reserve balance equivalent to a minimum of equal to two three~~ months (Emergency Reserves) and up to a maximum of six months of budgeted operating expenses (Emergency plus Contingency Reserves). The purpose of the operating reserve is to ensure that the Authority will, at all times, have sufficient funds available to pay the Authority’s normal and recurring operating costs. Adequate operating reserves provide financial flexibility in the event of unanticipated expenditures or revenue fluctuations.

B. Capital Reserves

The Authority will endeavor to maintain in the reserve account a sum approximately equal to ~~two~~ one ~~month~~ s of average budgeted capital ~~expenditures~~ expenditures. The purpose of the capital reserve is to ensure that the Authority is able to fund the repair, maintenance, and replacement of capital projects.

4. OVERSIGHT AND REPORTING

Chief Financial Officer shall ensure that reserves are maintained in conformance with the Authority’s strategic goals and objectives, and any use is in compliance this policy and shall report on the status of reserves as part of its annual budget and audited financial statements.

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESERVE POLICY

Original 2024

Updated 5/14/2026

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This Reserve Policy of the San Francisco Bay Area Water Emergency Transportation Authority (“Authority”) is intended to provide guidelines to establish reserves and ensure that sufficient financial resources are maintained for working capital, unanticipated expenditures, or revenue shortfalls of the Authority.

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B. Capital Reserves

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Chief Financial Officer shall ensure that reserves are maintained in conformance with the Authority’s strategic goals and objectives, and any use is in compliance this policy and shall report on the status of reserves as part of its annual budget and audited financial statements.

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2026-20

ADOPT AMENDMENTS TO THE RESERVE POLICY

WHEREAS, prudent financial practices require establishing adequate reserves to assist with financial management, provide sufficient working capital, and place an agency in a position to better respond to unanticipated fiscal challenges and risks as they occur, such as economic downturns and unforeseen disruptions in cash flow and revenue sources; and

WHEREAS, at its meeting in April, 2024, the Board adopted a Reserve Policy to provide for necessary cashflow for operations and capital needs as well as provide immediate access to cash in the event of an emergency or other unexpected shock to the SF Bay Ferry system; and

WHEREAS, the Chief Financial and Administrative Officer recommends amending the Reserve Policy to increase the amount of funds held in reserve from an amount equal to two months of operations revenue and one month capital expenditures to a new two-part structure in which the Authority will create an Operating Reserve and a Capital Reserve; and

WHEREAS, the Operating Reserve is in an amount equal to six months of budgeted operations expense, divided into equal amounts for a contingency reserve and an emergency reserve, and the Capital Reserve is in an amount equal to one month budgeted capital expenditures; now, therefore, be it

RESOLVED, that the Board of Directors adopts an amended Reserve Policy in the form presented to the Board of Directors at its meeting on this date; and be it further

RESOLVED, that the Board of Directors authorizes the Chief Financial officer to establish the reserve accounts in accordance with the Reserve Policy, and to manage the accounts so that they contains the approximate amounts specified in the Reserve Policy, and to take and necessary further actions consistent with this Resolution and with the amended Reserve Policy.

CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on May 14, 2026.

YEA:
NAY:
ABSTAIN:
ABSENT:

/s/ Board Secretary
2026-20
END

MEMORANDUM

TO: Board Members

FROM: Seamus Murphy, Executive Director
Michael Gougherty, Director of Planning
Gabriel Chan, Transportation Planner
Alisa Horiike, Transportation Planning Intern

SUBJECT: Transportation Planning Intern Capstone Project: Ferries for Growth

Recommendation

There is no recommendation associated with this informational item.

Background

The SF Bay Ferry year-long internship program is for students in their undergraduate or graduate programs who have a passion for transit and transportation and are looking for real-world working experiences that teach them vital skills to help advance their planning career. The Transportation Planning Intern supports various day-to-day planning tasks and gains mentorship in an actual work environment. The Intern is also responsible for completing a capstone project on a topic of their choice that intertwines both the intern's interests and the needs of the agency. The capstone culminates in a professional or academic report, as well as a presentation before the staff and the Board of Directors.

Discussion

This year's intern, Alisa Horiike, has developed an analysis and report examining the relationship between land use patterns and ferry ridership performance across the system. For context, SF Bay Ferry operates a service connecting a network of terminals spanning the Bay Area, where ridership success depends not only on service frequency, but on the accessibility and land use environment of the built environment surrounding each terminal. To evaluate these dynamics, Ms. Horiike conducted an analysis integrating GIS network analysis, U.S. Census Bureau employment and residential data, and statistical analysis of the SF Bay Ferry Onboard Survey.

The analysis evaluates the underlying land-use characteristics for three potential ferry terminal expansion sites (Mission Bay, Redwood City, and Berkeley) and includes recommendations aligned with the agency's service planning goals. The full report and detailed findings are included as Attachment A to this report.

END

Ferries For Growth

An Analysis of Land Use and San Francisco Bay Ferry's Future Terminal Investments

Client Report for San Francisco Bay Ferry

Alisa Horiike

Transportation Planning Intern, San Francisco Bay Ferry

Master of City Planning 2026, University of California, Berkeley

Executive Summary

San Francisco Bay Ferry is planning three new terminals—Mission Bay, Berkeley, and Redwood City—as part of their 2050 Service Vision and Expansion Plan. This project assesses how well each terminal is positioned to support transit-oriented development by looking at the alignment between terminal locations and surrounding land use conditions—with a specific focus on workers, job locations, and housing development. This analysis was conducted using ArcGIS Pro’s Network Analysis Tool, LEHD employment data, city-level development data, and SF Bay Ferry’s Onboard Ridership Survey. This project finds that alignment varies significantly across the three sites. Mission Bay is most favorably positioned with its residential development pipeline and strong employment base. Redwood City has notable employment and development activity within its catchment area, but there is a significant gap in walkability. Berkeley presents the most significant mismatch, with virtually no jobs, workers, or planned development within its walking catchment. Analysis of the Onboard Ridership Survey data shows that existing ridership skews toward higher-income and white households relative to the greater Bay Area population, and that lower-income riders have lower odds of being frequent riders. Taken together, these findings underscore that ferry expansion will only generate sustained ridership if SF Bay Ferry and local jurisdictions work together and take deliberate steps to align terminal investments with development and land use.

Problem

The San Francisco Bay Area faces a set of challenges: a severe housing shortage, spatial inequalities in access to employment, and strained capacity of the region's public transportation network to serve a geographically dispersed population. At the same time, San Francisco Bay Ferry is investing in new terminals and routes—including Mission Bay, Berkeley, and Redwood City—as part of the agency's 2050 Service Vision and Expansion Plan. These pressures present an opportunity to evaluate the degree to which ferry expansion is positioned to support, and be supported by, the region's housing, land use, and development goals.

Despite this opportunity, the relationship between ferry terminal investments and surrounding land use conditions remains unexplored in the context of the Bay Area. Transit-oriented development literature has consistently demonstrated that transit investments generate sustained ridership only when they are coordinated with supportive land use, density, and multimodality. Whether SF Bay Ferry's expansion aligns with these conditions, and what policy and planning interventions might strengthen that alignment, are questions with significant implications for the agency's long-term outlook.

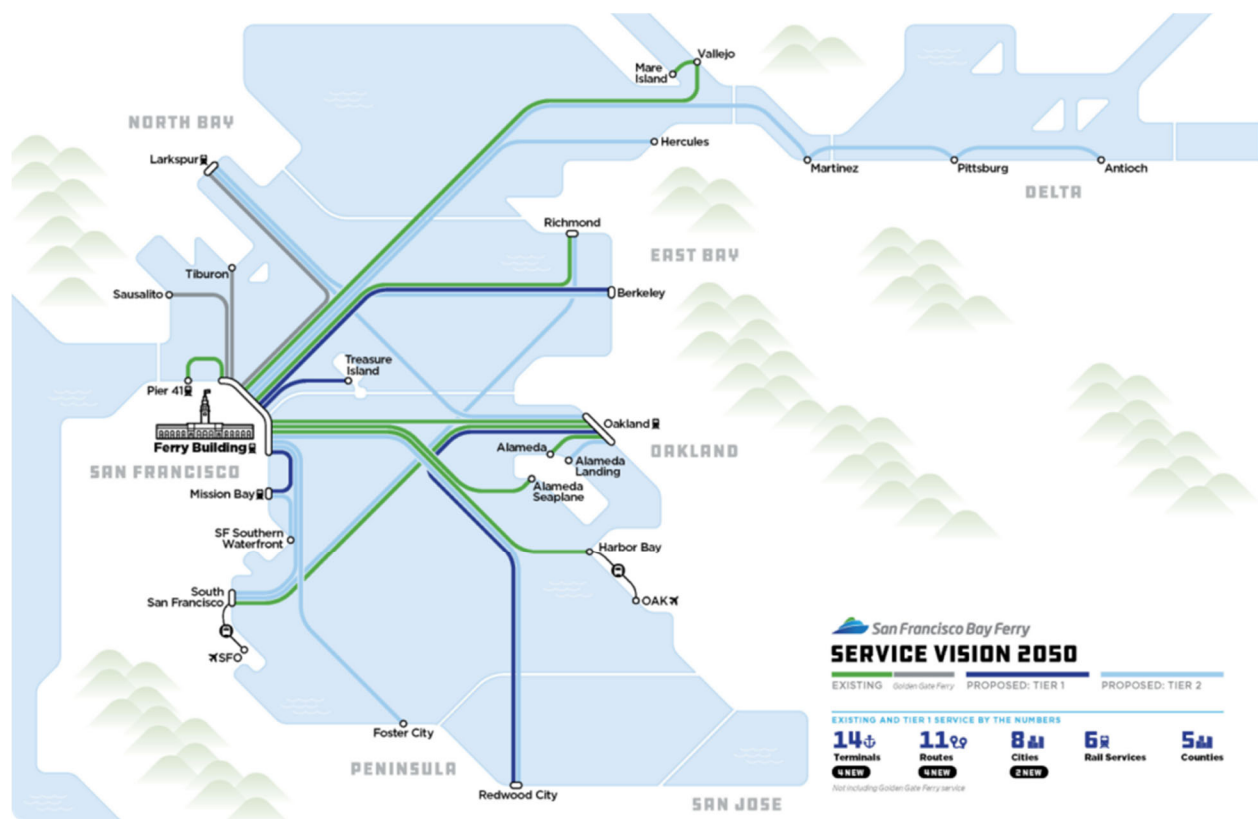
Research Questions

1. To what extent do land use, employment, and housing conditions surrounding SF Bay Ferry's planned terminals support transit-oriented ridership?
2. What strategies should SF Bay Ferry and local jurisdictions pursue to align terminal investments with transit-oriented development goals?

Background

The Bay Area's housing and transportation crises are deeply intertwined. While MTC's Plan Bay Area 2050 promotes sustainable, transit-oriented growth, regional investments have historically prioritized rail systems while ferry and other transit services have remained in the periphery. With new San Francisco Bay Ferry terminals planned for Mission Bay, Berkeley, and Redwood City through Tier 1 of their 2050 Service Vision and Expansion Plan, the region now has an opportunity to integrate ferry expansion into a broader growth strategy. Aside from these three new terminals, there are also plans to establish a Treasure Island terminal as part of its Tier 1 Expansion Plan.

Figure 1. San Francisco Bay Ferry Service Expansion Plan Map



Source: San Francisco Bay Ferry

This opportunity is especially significant given shifts in development. Mission Bay has rapidly grown into a major hub for healthcare and entertainment; Berkeley faces ever-growing housing obligations; and Redwood City is advancing its vision for their waterfront district to maximize land use (Port of Redwood City, 2020).

Today, SF Bay Ferry operates six core routes connecting communities across the Bay Area, primarily to San Francisco's Ferry Building and Downtown San Francisco. Current service

connects the East Bay cities of Alameda, Oakland, and Richmond to San Francisco; Vallejo to San Francisco; and Oakland and Alameda to South San Francisco in the Peninsula. Alameda is the most frequently served community, with three routes (Alameda/Oakland, Alameda Seaplane, and Harbor Bay) providing regular service. Together, these routes form the backbone of the agency's existing network and establish the ridership base from which the 2050 Service Vision and Expansion Plan builds.

However, the Bay Area's fragmented governance landscape complicates alignment. Transit agencies, local governments, and regional agencies overlap, but often work in silos, creating their own decisions and frameworks, thus limiting opportunities to align transit investments with zoning changes and development. For SF Bay Ferry, success depends not only on new terminals but also on local decisions about housing density and multimodal accessibility—factors largely outside the agency's control.

Given these dynamics, aligning ferry expansion with supportive land use and housing development policies is necessary and timely. By analyzing development, demographic data, regional growth priorities, and planned development around the new ferry terminal sites, this project identifies areas of alignment and mismatch. These insights are intended to inform San Francisco Bay Ferry in their future planning, policy, and partnership endeavors.

Literature Review

The relationship between transportation infrastructure and urban development has long been a central tenet of planning practice. Transit investments not only influence where people live and work but also shape the form, accessibility, and equity of entire metropolitan regions. In the San Francisco Bay Area, San Francisco Bay Ferry is expanding ferry service through new terminals at Mission Bay, Berkeley, and Redwood City—projects that coincide with some of the region's prioritized opportunities for new housing and job growth, per Plan Bay Area 2050 (Metropolitan Transportation Commission, 2021). Understanding how these transit investments are in line with local land use policies and regional housing goals is critical to making sure that ferry expansion supports sustainable and equitable urban development.

This literature review examines the intersection of land use planning, transit-oriented development (TOD), and waterfront development, with a focus on how these frameworks can inform future developments around ferry terminals in the Bay Area. The review looks to research on the foundations of transit and land use alignment; the effectiveness and limitations of TOD in shaping travel behavior and the urban form/development; the governance and regional coordination efforts necessary for successful TOD planning; and the considerations of waterfront development. Together, this literature provides the groundwork for evaluating SF Bay Ferry's goals of improving multimodal connectivity and supporting transit-oriented development.

Transit-Land Use Integration: Theoretical Foundations

The integration of transportation and land use planning has been recognized as a cornerstone of sustainable planning and development. Classic land use-transportation research has examined the relationship between travel behaviors and the built environment and has generally come to the conclusion that dense, mixed use development supports sustainable modes of transportation, such as walking and public transit (Barbour & Sciara, 2023, p. 314). However, early planning approaches in the United States largely focused on automobile dependency, with suburbanization and highway expansion leading to low densities. Contemporary planning frameworks seek to reverse these past patterns through transit-oriented development—compact, mixed-use, and walkable communities designed to maximize access to transit while reducing vehicle miles traveled (Suzuki et al., 2013, p. 25).

At its core, TOD represents a shift towards accessibility as the primary goal of transportation planning, with a particular focus on accessibility. Empirical research on the topic consistently demonstrates that higher densities, mixed land uses, and pedestrian-friendly design correlate with lower car ownership and use (Chatman, 2013, pp. 23–25; Stevens, 2017, pp. 13–15). Yet, as Suzuki et al. (2013, pp. 14–15) argue, physical design alone is not sufficient; successful transit-land use integration requires institutional coordination, regulatory alignment, and a long-term regional vision.

Global practice has shown that cities achieving meaningful integration—such as Hong Kong, Copenhagen, and Stockholm—share certain traits: strong metropolitan governance, clear land use and infrastructure management strategies, and mechanisms for reinvesting land value profits from transit investments (Suzuki et al., 2013, pp. 22–190). In contrast, many American regions remain constrained by jurisdictional fragmentation, where transportation agencies, housing departments, and local governments operate within separate policy and planning silos. Sciara and Handy (2017, p. 146) describe metropolitan planning organizations (MPOs) as a guiding vision for metropolitan regions for transportation planning, but the authors note that their scopes may vary. As a result, even well-intentioned capital transit investments might fail to shape surrounding land use if regional planning bodies lack the ability to coordinate the numerous sectors that feed into and guide planning decisions.

The literature also emphasizes that integrated transit and land use produces benefits beyond just mobility. McLeod, Scheurer, and Curtis (2017, p. 223) go further, highlighting that integration must go beyond land use to include network design and multimodality—ensuring that transit systems are frequent and connected across modes. System-level integration increases accessibility—not only near major transit stations, but throughout a region. In this sense, the success of the transit-land use coordination depends as much on governance and system design as much as the geographical and physical characteristics of the neighborhoods.

These lessons are relevant to the Bay Area’s ferry network, like rail-based TOD; the success of ferry-oriented development will hinge on how well terminal investments align with surrounding land use plans, housing policies, and the greater regional transportation network. Given the fragmented jurisdictional landscape in which SF Bay Ferry operates, integrated planning across city and regional agencies is essential to ensure that new terminals do not become isolated infrastructure projects.

Effectiveness of TOD Strategies

While the benefits of TOD are established, academic research provides more nuance to the understanding of how, and under what conditions, these benefits occur. There is a body of work that suggests that simply locating development near transit does not automatically produce meaningful shifts in travel behavior or urban form. Chatman (2013, pp. 24–26), for instance, finds that proximity to rail plays a relatively limited role in reducing car ownership and car use when compared to other variables such as housing type, density, and, most importantly, parking availability (or lack thereof). The author’s findings emphasize the importance of creating a broader environment that is supportive of walkability and transit.

Meta-analyses by Stevens (2017) and Nelson (2017) provide more context to the scale of TOD's impact on vehicle miles traveled, or VMT. Stevens (2017, p. 13) reviews 37 studies and concludes that while compact development does reduce driving, the effect is modest: a 1% increase in density correlates with a 0.22% reduction in VMT. Nelson (2017, pp. 36–37), however, argues that even small elasticities can have a significant impact when looking at the scope of a major metropolitan region. He argues that when density, accessibility, and connectivity are combined, their aggregate effects can significantly reduce VMT (Nelson, 2017, p. 37).

It has also been demonstrated that the success of TOD is context dependent. Dong's (2016) study of Portland's rail stations shows that transit investments alone are not sufficient to induce development without the right market conditions, appropriate zoning, and sufficient vacant land for infill development, as well as supportive policies. Furthermore, Schuetz, Giuliano, and Shin (2018) found that TOD-friendly zoning around Los Angeles' Metro stations did not consistently lead to redevelopment; projects were most successful where strong real estate markets, political support, and public involvement intersected. These cases show that TOD implementation depends as much on institutional alignment as on planning.

Collectively, the literature highlights a key limitation of TOD planning strategies: outcomes are constrained by local politics and fragmented governance. Despite this challenge, the broader lesson to learn is not that TOD is a failure, but that its effectiveness is largely dependent on system coordination and integration—between land use regulation, infrastructure investments, and governments. For the Bay Area, this suggests that ferry expansion must be paired with complementary land use and zoning policies that create the conditions for ferry development to succeed.

Waterfront Development

Recent literature highlights that the transformation of waterfronts into new hubs of housing, recreation, and transit is inextricably linked to the issues of social equity and environmental resilience. Avni & Teschner (2019, p. 409) describe urban waterfronts as “central and sensitive areas” where conflicting priorities—economic growth, environmental protection—intersect. As former industrial zones, waterfronts often become sites where public access, climate adaptation, environmental restoration, and development pressures collide. At the same time, their exposure to environmental risks introduces considerations that may complicate decisions regarding development.

Methodology

For this project, I used a mixed-methods approach using geospatial analysis, data analysis, policy reviews, and comparative case studies to address the following research questions (ok to restate here or mention that these are above). Together, these methods evaluated how planned future ferry terminals in Mission Bay, Berkeley, and Redwood City align with housing production, job growth, and regional growth plans. This approach assesses mismatches and coordination gaps between transportation infrastructure investments and local land use conditions, with the ultimate goal of developing recommendations for San Francisco Bay Ferry.

Geospatial analysis is the foundation of this project. Walking catchment areas were defined at 5-, 10-, and 15-minute thresholds using the ArcGIS Network Analyst Service Area tool, which calculates travel distance along the actual road and pathway network rather than Euclidean distance (Andersen & Landex, 2008; Landex et al., 2006). The 15-minute walking threshold reflects the upper bound of willingness-to-walk criteria, commonly applied to regional transit systems, while the 15-minute driving catchment captures the drive-access market consistent with Bay Area commuter travel patterns (Shirgaokar & Deakin, 2006). The Network Analysis service areas were built using ArcGIS Pro, which creates a maximum distance that can be traveled along a road network, which results in a service area that covers the roads that can be reached in the distance or time specified in the tool (Esri, n.d.). U.S. Census Bureau LEHD Origin-Destination Employment Statistics data were used to quantify commute flows and the number of jobs and workers accessible within each service area. Specifically, Workforce Area Characteristics (WAC) files were used to measure jobs in each census block, and Residential Area Characteristics (RAC) files were used to measure the number of workers residing in each catchment. Block-level LODS shapefiles were joined to the service area polygons using the Spatial Join analysis tool in ArcGIS Pro, aggregating the WAC and RAC totals in each catchment. City-level development and permitting data were gathered and used to quantify the number of planned units within each catchment area. Development pipeline addresses were manually geocoded and spatially joined to the catchment area polygons to produce unit counts.

Quantitative analysis of SF Bay Ferry's 2024 Onboard Survey data provides insight into the demographic profile and travel patterns of existing riders. Chi-square tests of independence were conducted to assess any variation in ridership frequency across demographic categories, with Cramér's V used to evaluate the effect. A logistic regression was then conducted to assess the contribution of each demographic variable—including age groups, race/ethnicity, and income groups—to the likelihood of being a high-frequency SF Bay Ferry rider. All statistical analyses were conducted in Python using the SciPy and Statsmodels libraries. High-frequency riders were defined as those riding SF Bay Ferry three or more days per week. American Community Survey data was also used to provide context for the ridership demographics, comparing survey respondents to the 9-county Bay Area demographic profile.

Demographic spatial analysis was conducted using American Community Survey 5-year estimates (2022) at the census block group level and joined to the TIGER/Line boundary files obtained through the pygris Python library. Race and ethnicity data was drawn from Table B03002 (Hispanic or Latino Origin by Race) and household income data from table B19001 (Household Income in the Past 12 Months). A dominant group field was calculated for each block group by identifying the racial/ethnic group or income group with the highest count, which led to the creation of a choropleth map of prevalent demographic groups in each terminal area.

The policy review looks at the regulatory and governance environment that shape the land use decisions that the three municipalities make. State legislation—such as SB 79 and AB 2553—were reviewed alongside regional planning documents such as Plan Bay Area 2050. Local general plans, housing elements, and transportation policies for San Francisco, Berkeley, and Redwood City were analyzed to see where local policies prohibit or stymies ferry-oriented development. State and regional regulatory constraints were assessed by mapping BCDC Priority Use Area designations and California State Lands Commission granted lands boundaries against each terminal site to identify areas subject to public restrictions on development.

Finally, comparative case studies for the New York City Ferry Service and Washington State Ferries—looking specifically at history, governance structure, and land use integration—provide additional external context for evaluating SF Bay Ferry’s plans for expansion. These cases were selected due to their contrasting governance approaches and approaches to land use integration.

Quantitative Findings

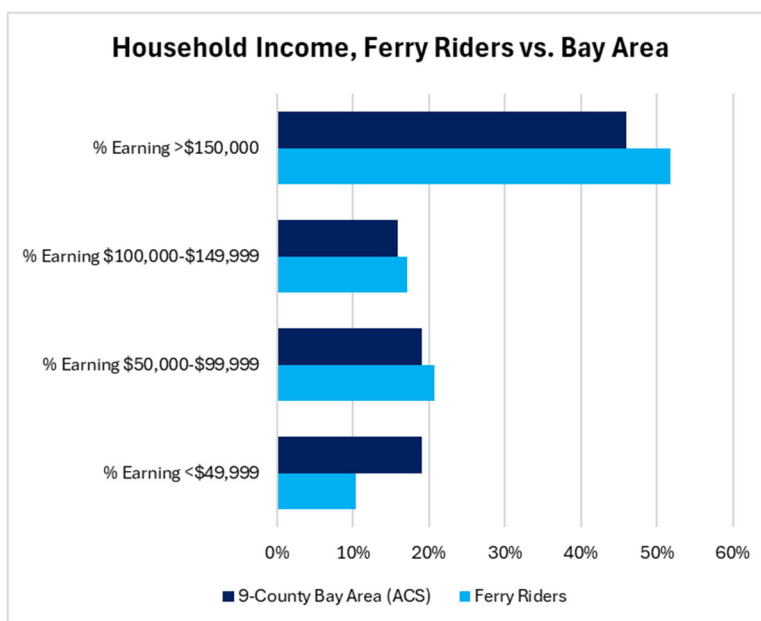
San Francisco Bay Ferry 2024 Onboard Survey

In the 2024 Onboard Survey, conducted by Corey, Canapary & Galanis Research from April 12–30, 2024 on regular SF Bay Ferry routes, the agency was able to gain insight into the trip characteristics of their riders, such as trip frequency and origin/destination.

The demographic profile of SF Bay Ferry is notably different from the 9-county Bay Area population in both income and race/ethnicity. On income, ferry ridership skews toward higher-earning households: riders earning over \$150,000 account for 51.79% of onboard survey respondents, compared to 46.03% of Bay Area households. In the same vein, lower-income riders are underrepresented, with only 10.40% of ferry riders earning a household income \$49,999 or below, compared to 19.05% of Bay Area households. This may suggest that cost or route are barriers for low-income commuters.

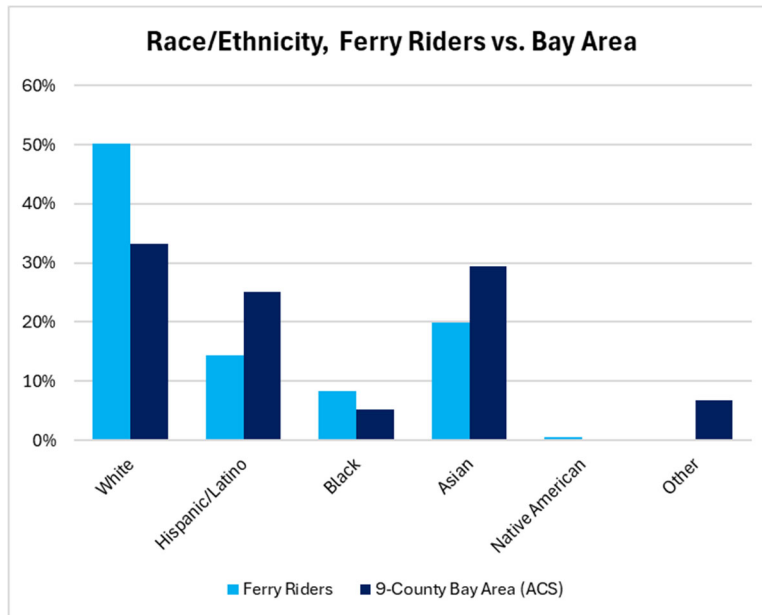
In regards to race and ethnicity, white riders are overrepresented relative to the regional population (50.17% vs. 33.24%), while Hispanic/Latino (25.03% vs. 14.43%) populations are underrepresented. Asian riders are also somewhat underrepresented (29.47% vs. 19.82%), while the Black ridership slightly exceeds the Bay Area population share (5.25% vs. 8.24%).

Figure 2. Rider Demographic Profile: Income



Source: San Francisco Bay Ferry 2024 Onboard Survey, N = 1,744. U.S. Census Bureau 2024 American Community Survey Table S1901.

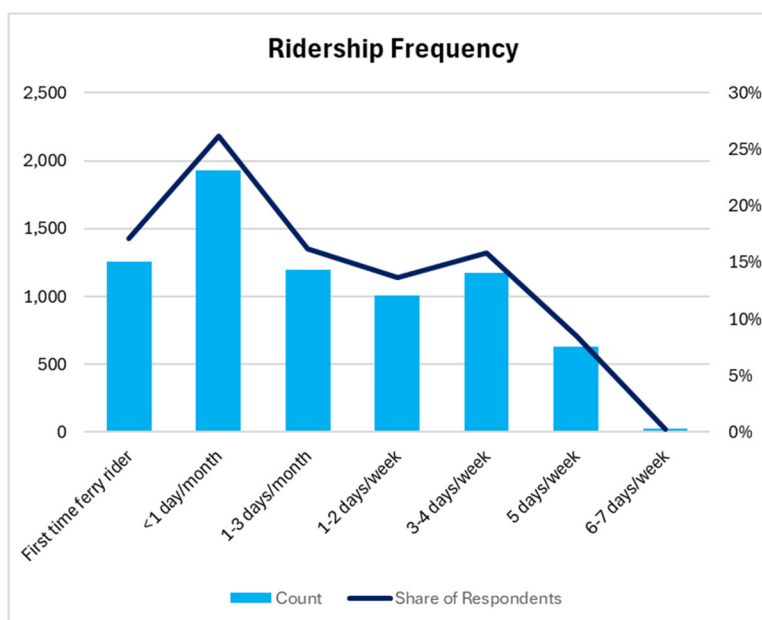
Figure 3. Rider Demographic Profile: Race and Ethnicity



Source: San Francisco Bay Ferry 2024 Onboard Survey, N = 1,744. U.S. Census Bureau 2024 American Community Survey Table B03002.

Ridership frequency survey data shows a diverged ridership base. The single largest group of respondents are those that ride the ferry less than once a month (26.20%), and first-time riders account for a significant proportion of the respondents at 17.08%. Together, this data suggests that ferry ridership is dependent on occasional, recreational, and/or tourist riders rather than commuters. At the same time, 24.68% of respondents are classified as high-frequency riders—those who ride SF Bay Ferry more than 3 days per week.

Figure 4. Survey Respondents: Ridership Frequency



Source: San Francisco Bay Ferry 2024 Onboard Survey, $N = 1,744$.

Geographically, ferry ridership is highly concentrated in a small number of cities—which is largely reflective of the current ferry terminals. Alameda alone accounts for 21.75% of survey respondents, followed by San Francisco (12.88%), Vallejo (11.96%), Oakland (11.05%), and Richmond (6.70%). Together, these five cities represent nearly two-thirds of survey respondents. The dominance of Alameda respondents is particularly notable, and is likely a reflection of the high service frequency, as SF Bay Ferry has three separate routes covering the city. Berkeley accounts for just 1.77% of respondents—which underscores the degree to which ridership is shaped by current terminals.

Table 1. Survey Respondents: Home Cities Representing >1% of Respondents

City	Count of City	Share of Total Respondents
Alameda	380	21.75%
San Francisco	225	12.88%
Vallejo	209	11.96%
Oakland	193	11.05%
Richmond	85	6.70%
Napa	46	2.63%
Benicia	38	2.18%

Fairfield	33	1.89%
Berkeley	31	1.77%
American Canyon	24	1.37%

Source: San Francisco Bay Ferry 2024 Onboard Survey, $N = 1,744$.

Frequent Riders — Chi-Square Tests of Independence and Logistic Regression

Chi-square tests of independence were conducted to assess whether ridership frequency varies across demographic groups, with frequent riders being defined as those who take SF Bay Ferry 3 or more days a week. All three variables—age, race/ethnicity, and income—returned statistically significant results, indicating that demographic characteristics are meaningfully associated with ferry ridership frequency. Among age groups, riders between 35 and 54 were overrepresented among frequent riders relative to their expected count (329 observed vs. 293.89 expected), while riders 55 and older rode less frequently than expected (146 observed vs. 171.30 expected). For race and ethnicity, Asian riders were overrepresented among frequent riders (172 observed vs. 144.32 expected), while white riders rode less frequently than expected (338 observed vs. 365.03 expected). Income showed a similar pattern, with higher-income orders (above \$150,000) overrepresented among frequent riders (368 observed vs. 335.29 expected) and lower-income riders (below \$49,999) underrepresented (52 observed vs. 67.77 expected). However, the effect sizes across all variables were weak, as indicated by Cramér's V, meaning that while these associations are real, demographic characteristics alone explain only a small share of the variation in ridership frequency.

Table 2. Chi-Square Tests of Independence: Demographic Characteristics and Frequent Riders

Variable	N	χ^2	df	p-value	Sig	Cramér's V	Strength
Age	1634	19.248	3	0.000243	***	0.1085	Weak
Race/ Ethnicity	1595	29.732	5	0.000002	***	0.1365	Weak
Income	1463	15.669	3	0.001326	**	0.1035	Weak

*** $p < 0.001$ ** $p < 0.01$ * $p < 0.05$

Cramér's V: <0.10 negligible, $0.10-0.30$ weak, $0.20-0.40$ moderate, >0.40 strong

The logistic regression results provide more nuance to the chi-square analysis. Income was seen to be the most consistent predictor: riders earning \$49,999 or below had 43% lower odds of being frequent riders compared to those earning above \$150,000 (OR = 0.575, $p = 0.006$) and riders earning between \$50,000 and \$99,999 had 34% lower odds (OR = 0.658, $p = 0.005$). These findings are consistent with the overall demographic profile of ferry riders, which show that high-income households are overrepresented in the ridership base. Race and ethnicity also showed effects in the regression: Black riders had more than twice the odds of being frequent

riders compared to white riders, and Asian riders had 65% higher odds (OR = 1.627, $p = 0.0004$). Notably, age did not have statistical significance, suggesting that the age observation seen in the chi-squared test may be partially explained by its correlation with the income and race variables.

Together, these findings thus far paint a picture of a ridership base that is shaped by income and race. The income variable is particularly relevant for SF Bay Ferry's expansion planning: as new terminals open in Mission Bay, Berkeley, and Redwood City, the agency's outreach will need to address the barriers that seem to limit ridership from low-income people. That being said, while demographics are associated with ridership patterns for the system, they are not predictive or deterministic. Trip purpose, route availability, and fares all likely play a role in shaping ridership demographics, and these factors should be considered alongside these demographic variables.

Table 3. Logistic Regression: Demographic Characteristics and Frequent Riders

Variable	OR	95% CI	p-value	Sig
Age				
Age: 0-17	0.574	[0.225, 1.466]	0.2457	Not significant
Age: 18-34	0.955	[0.738, 1.235]	0.7237	Not significant
Age: 35-54	<i>reference</i>	<i>reference</i>	<i>reference</i>	<i>reference</i>
Age: 55+	0.808	[0.609, 1.074]	0.1421	Not significant
Income				
Income: <\$50k	0.575	[0.387, 0.855]	0.0063	**
Income: \$50k-99k	0.658	[0.492, 0.881]	0.0049	**
Income: \$100k-149k	0.845	[0.627, 1.139]	0.2694	Not significant
Income: >\$150k	<i>reference</i>	<i>reference</i>	<i>reference</i>	<i>reference</i>
Race/ethnicity				
White	<i>reference</i>	<i>reference</i>	<i>reference</i>	<i>reference</i>
Hispanic/Latino	1.031	[0.741, 1.435]	0.8546	Not significant
Black	2.374	[1.590, 3.545]	<0.0001	***
Asian	1.627	[1.241, 2.134]	0.0004	***
Other + Native American	1.112	[0.244, 5.065]	0.8907	Not significant

Odds ratios (OR) represent the likelihood of being a frequent rider relative to the reference category.

**** $p < 0.001$, ** $p < 0.01$, * $p < 0.05$.*

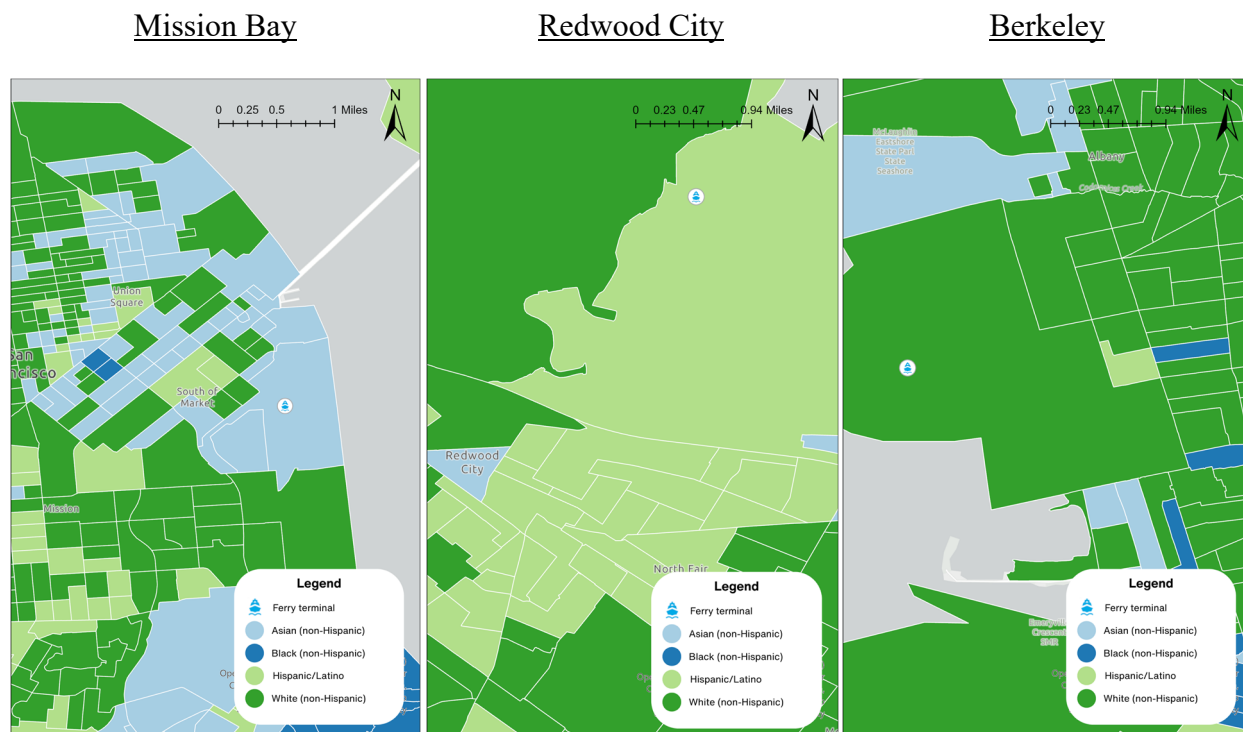
Reference categories: Age 35–54, Income >\$150,000, White

GIS Analysis — Demographics

The racial and ethnic composition of block groups within each terminal’s catchment area reflects distinct neighborhood contexts with SF Bay Ferry’s ridership equity goals. Layered alongside the employment, development, and ridership frequency findings, the demographic spatial analysis provides a picture of who lives near each terminal and whether the surrounding population is likely to be served or underserved by ferry expansion. In Mission Bay, the area surrounding the terminal is characterized by a mix of predominantly Asian and White block groups, with Hispanic/Latino and Black populations concentrated in smaller pockets to the west and south in the South of Market and Mission neighborhoods. Redwood City’s catchment presents a more bifurcated landscape, with block groups immediately surrounding the terminal being predominantly Hispanic/Latino while block groups shift toward White and Asian when moving inland, toward Downtown Redwood City. Berkeley’s terminal catchment appears to be mostly White, with small concentrations of predominantly Black block groups nearby. It is important to note that these maps portray only the predominant ethnic or racial group in each block group, and do not capture the full demographic profiles of each block group as a result.

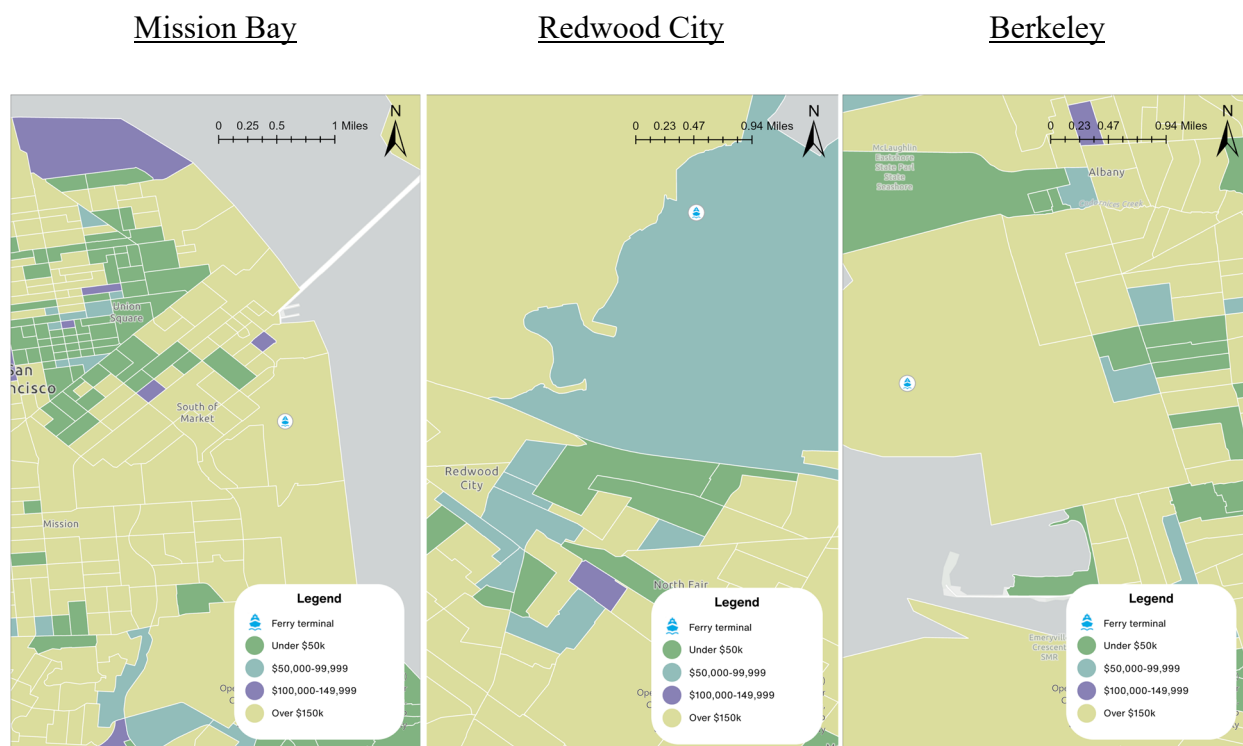
These patterns carry implications for SF Bay Ferry’s equity planning as these three terminals eventually open. Mission Bay’s terminal sits within a neighborhood that already skews toward the demographic profile of existing ferry riders. Redwood City’s Hispanic/Latino-majority waterfront area, by contrast, represents a community that is underrepresented in the current ridership base, pointing to an opportunity for targeted outreach and accessible fare programs. Berkeley’s demographics may be at risk of reinforcing a broader mismatch finding: with few nearby residents within walking distance of the terminal, building a diverse ridership base will require connecting people from elsewhere in the city to the waterfront rather than relying on walk-on riders.

Figures 5–7. Terminal Area Demographics: Race and Ethnicity



U.S. Census Bureau 2024 American Community Survey Table B03002.

Figures 8–10. Terminal Area Demographics: Household Income



U.S. Census Bureau 2024 American Community Survey Table B03002.

GIS Analysis — Development, Jobs, and Homes within 15 Minutes of Terminals

The spatial analysis of jobs, workers, and development within walking and driving catchments of the three planned ferry terminals reveals significant differences in development activity and land use. Mission Bay stands out as the most favorable location for ferry-oriented ridership. Within just a 15 minute walk, there are a total of 27,249 jobs and 7,615 workers, reflecting the neighborhood's role as a major new employment and entertainment center in the city, anchored by major employers such as the Chase Center and University of California, San Francisco's Medical Center at Mission Bay. The development pipeline reinforces this, with a net of 4,024 units in development or under approval within a 15-minute walking distance and 34,300 units within a 15-minute driving distance.

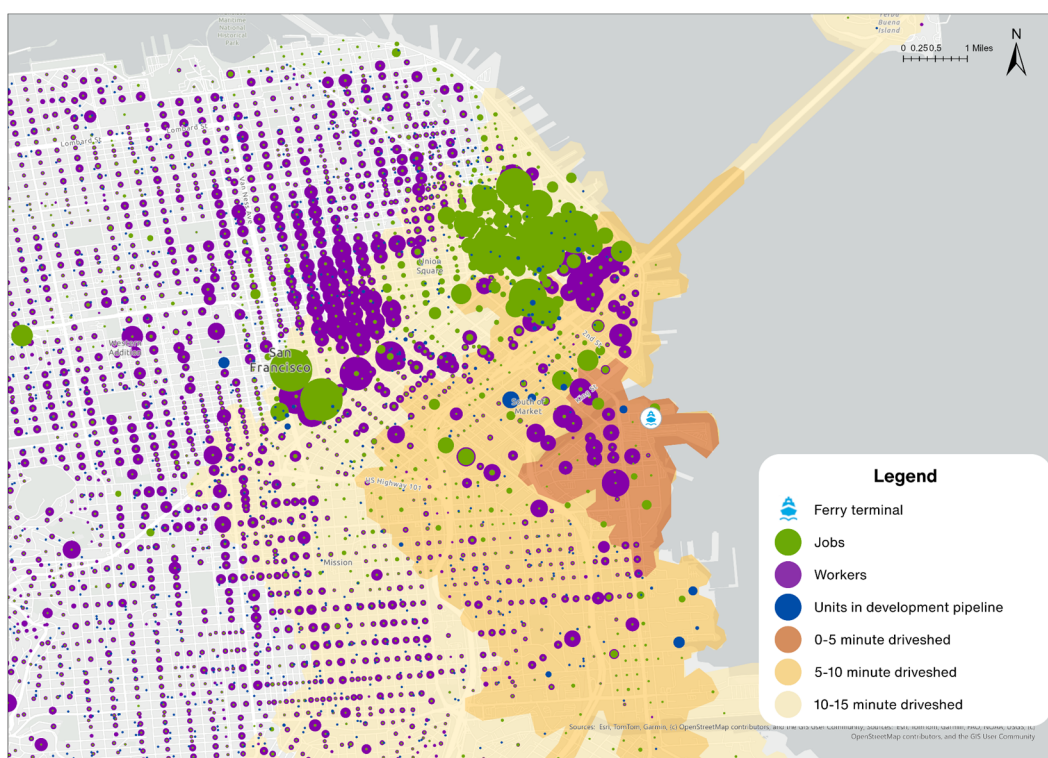
Redwood City also poses a promising opportunity. The terminal's 15-minute driving catchment reaches 170,193 jobs and 104,026 workers within a 15-minute driving distance, but fewer than 700 units in development or approval in that same catchment area. However, the walking catchment tells a different story—there are just 3,686 jobs within a 15 minute walking distance, no workers, and only 56 units in development or approval. This gap in accessibility between modes underscores a challenge for the upcoming Redwood City terminal: the surrounding waterfront area does not support potential walk-on riders at a meaningful level.

Berkeley's catchment analysis reveals the biggest gap in alignment of the three terminals. Within the 15-minute walking service area, there are just 19 jobs and 7 workers. The development pipeline is similarly lacking, with zero units recorded within any walking distance. Even within the driving catchments, numbers are comparatively limited—only 1,801 development units fall within the driving service area. The City of Berkeley's permitting data shows that approved residential development is mostly concentrated along the University Avenue corridor and the areas surrounding Downtown and the UC Berkeley campus—areas all located east of the terminal site. This spatial mismatch between development and the terminal is a significant challenge for Berkeley's potential for ferry-oriented development.

Taken together, these findings show an array of alignment across the three terminals. Mission Bay benefits from an already dense neighborhood that is closely integrated with the terminal's service area. Redwood City has meaningful employment and development activity, but still faces a first- and last-mile gap. Berkeley, in contrast, shows a fundamental misalignment between the location of the terminal, housing, and jobs.

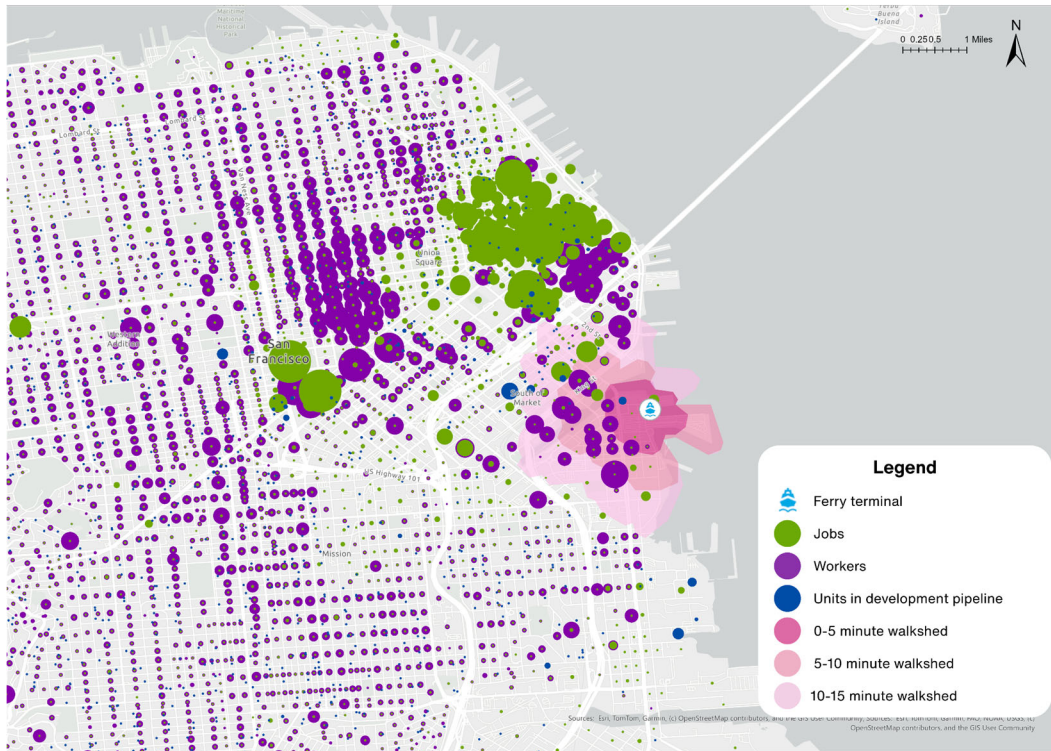
Jobs, Workers, and Development Units Within Walking and Driving Catchment Areas of Future Ferry Terminals

Figure 11. Mission Bay: Driveshed



Source: U.S. Census Bureau LEHD LODES 2023. City and County of San Francisco, San Francisco Development Pipeline.

Figure 12. Mission Bay: Walkshed



Source: U.S. Census Bureau LEHD LODES 2023. City and County of San Francisco, San Francisco Development Pipeline.

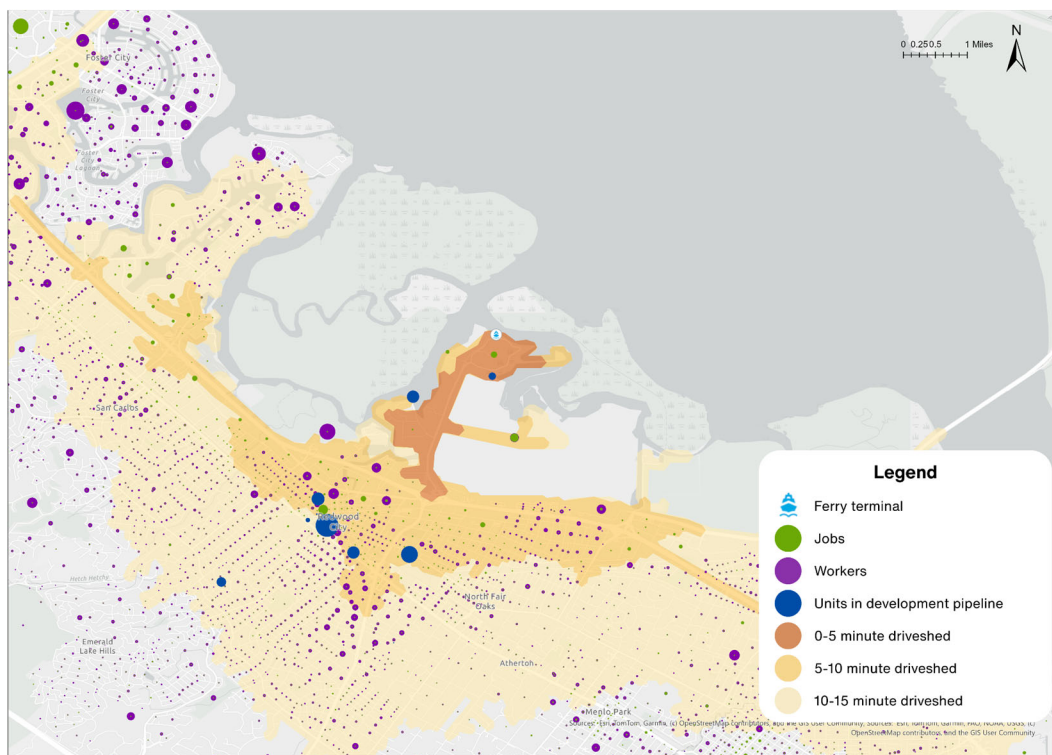
Table 4. Mission Bay: Walkshed and Driveshed Totals

Terminal:	Mission Bay			
	Mode	0-5 minutes	5-10 minutes	10-15 minutes
Jobs – Walking	2,532	6,342	18,555	27,429
Jobs – Driving	12,014	110,889	376,885	499,788
Workers – Walking	1,002	3,298	3,315	7,615

Workers – Driving	4,896	26,348	132,173	163,417
Units in Development – Walking	1,409	10	2,605	4,024
Units in Development – Driving	1,409	16,682	16,209	34,300

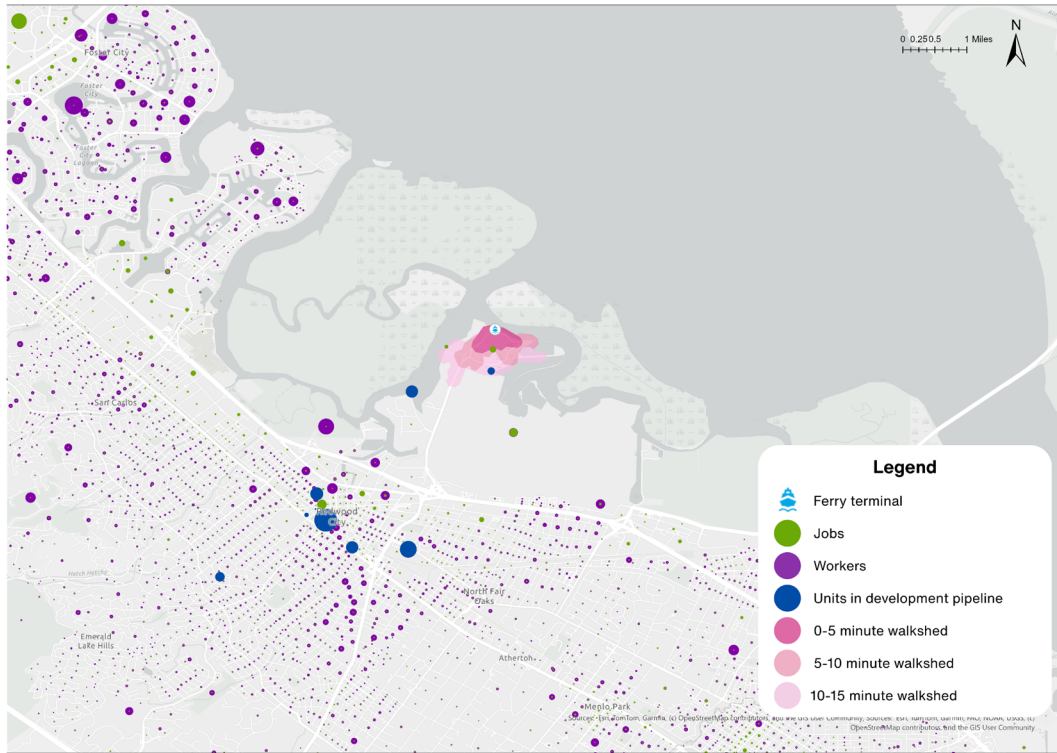
Source: U.S. Census Bureau LEHD LODES 2023. City and County of San Francisco, San Francisco Development Pipeline.

Figure 13. Redwood City: Driveshed



Source: U.S. Census Bureau LEHD LODES 2023. City of Redwood City, Major Development Projects.

Figure 14. Redwood City: Walkshed



Source: U.S. Census Bureau LEHD LODES 2023. City of Redwood City, Major Development Projects.

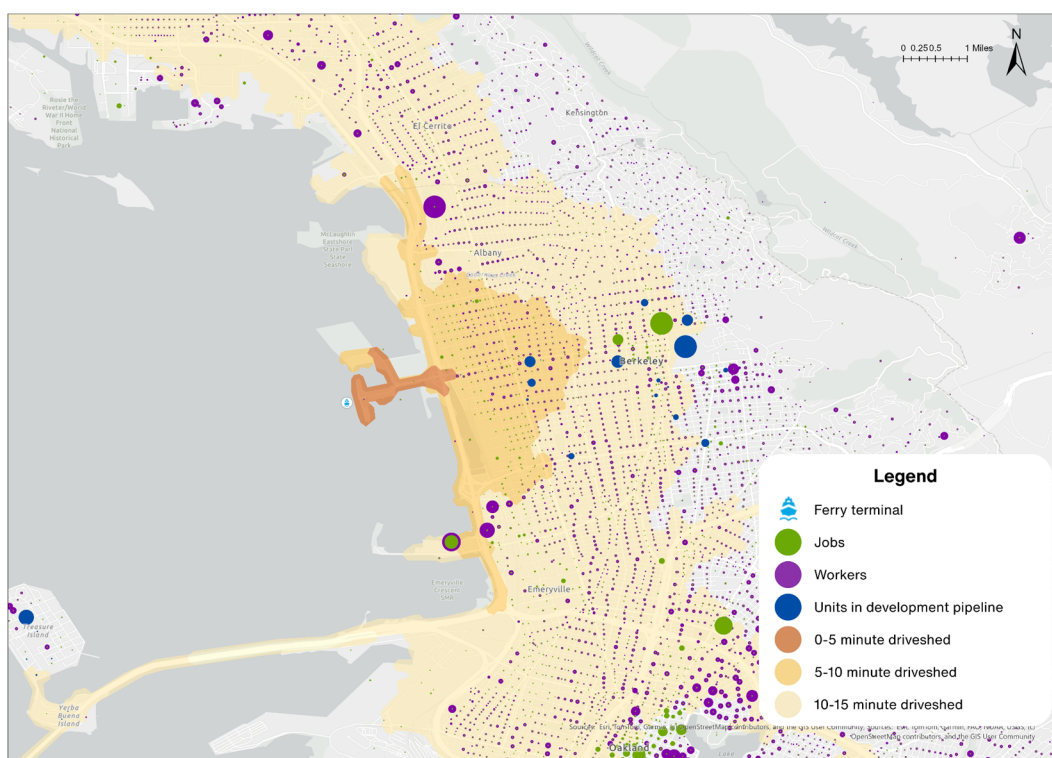
Table 5. Redwood City: Walkshed and Driveshed Totals

Terminal:	Redwood City			
	0-5 minutes	5-10 minutes	10-15 minutes	Total
Jobs – Walking	0	2,434	1,252	3,686
Jobs – Driving	2,688	42,546	124,959	170,193
Workers – Walking	0	0	0	0
Workers – Driving	0	14,825	89,201	104,026

Units in Development – Walking	0	0	56	56
Units in Development – Driving	56	333	293	682

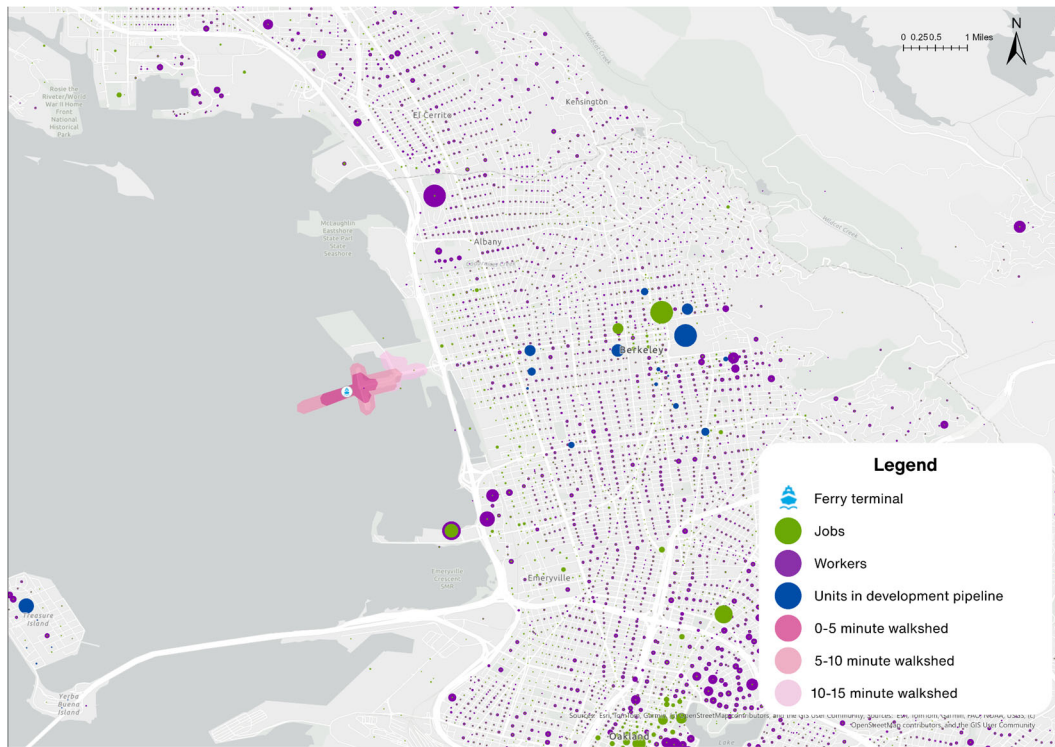
Source: U.S. Census Bureau LEHD LODES 2023. City of Redwood City, Major Development Projects.

Figure 15. Berkeley: Driveshed



Source: U.S. Census Bureau LEHD LODES 2023. City of Berkeley, Building Eye.

Figure 16: Berkeley: Walkshed



Source: U.S. Census Bureau LEHD LODES 2023. City of Berkeley, Building Eye.

Table 6. Berkeley: Walkshed and Driveshed Totals

Terminal:	Berkeley			
	0-5 minutes	5-10 minutes	10-15 minutes	Total
Jobs – Walking	0	0	19	19
Jobs – Driving	220	20,107	122,020	142,347
Workers – Walking	7	0	0	7
Workers – Driving	36	8,270	95,237	103,543

Units in Development – Walking	0	0	0	0
Units in Development – Driving	0	404	1397	1,801

Source: U.S. Census Bureau LEHD LODES 2023. City of Berkeley, Building Eye.

Taken together, these quantitative findings show a ridership base and a land use context that is significantly varied across the sites. The onboard survey paints a picture of a system that disproportionately serves higher-income and white households relative to the broader Bay Area population, and in which income is the most consistent predictor of ridership frequency. The geospatial analysis reinforces that this expansion cannot be treated the same: Mission Bay enters the planning process with the strongest foundation of employment, development, and land use alignment, while Redwood City presents a promising but constrained opportunity, and Berkeley faces a fundamental spatial mismatch between the terminal location and the jobs. Simply put, the data shows that the conditions for ferry-oriented ridership are uneven across the three planned terminals, and that ridership growth will require deliberate, site-specific responses from both SF Bay Ferry and the municipalities.

Policy Overview and Analysis

Purpose and Framework

This section sets the framework used to evaluate how land use and transportation outcomes are shaped at the state, regional, and local levels. It provides context for local planning decisions within a governmental hierarchy of state legislation; regional growth strategies set by the Bay Area’s Metropolitan Planning Organization, Metropolitan Transportation Commission; and local municipal plans. State transit-oriented development and housing laws help set minimum standards for housing development, while regional plans translate these state-level mandates into growth and development expectations for local municipalities. Local general plans, zoning codes, and transportation policies then put these higher-level standards into action. Using Mission Bay, Redwood City, and Berkeley as case studies for San Francisco Bay Ferry’s expansion goals, we can examine how different local contexts and governance respond to the same policy and regulatory environment. All together, this framework helps enable assessment of policy alignment, gaps, and capacity relevant to ferry-oriented growth.

State Policy Context

California’s recent state-level housing and transit legislation has increasingly set its sights on aligning land use with transit, with SB 79 (2025), authored by Senator Scott Wiener of San Francisco, representing the most significant attempt to standardize transit-oriented development across jurisdictions (Wiener, 2025a). As introduced, SB 79 framed TOD primarily around rail and bus rapid transit (BRT) corridors, emphasizing upzoning tied to transit capacity (California State Legislature, 2025a). Over the course of the successive bill amendments, the bill evolved into legislation that prescribes minimum height, density, and floor-area-ratio (FAR) standards within certain TOD tiers and authorizes transit agencies to adopt TOD zoning on land they own or control (California State Legislature, 2025b). The transformation within the legislation itself reflects a shift away from discretionary TOD toward a more uniform approach—one that is designed to overcome fragmented governance. Furthermore, SB 79 builds on previous reforms such as AB 2011 and AB 2553, which streamlined approvals and expanded the definition of “major transit stop,” but goes further by directly mandating development (California State Legislature, 2011; California State Legislature 2024).

However, SB 79 limits the extent to which ferry systems such as San Francisco Bay Ferry can directly benefit from the statute. While earlier drafts of the bill contemplated ferry service as a qualifying TOD tier, the enacted version centers on heavy rail, commuter rail, light rail, and BRT, excluding ferry terminals from the tiered upzoning provisions that trigger the strongest land-use incentives (State of California, 2025). Although AB 2553 continues to recognize ferry terminals as “major transit stops” for purposes of transportation impact fee reductions and CEQA streamlining, this designation is not given under SB 79 (California State Legislature, 2024). This

distinction reinforces the prioritization of rail within the policy and planning realm, even as ferries play a key role in the Bay Area's public transit system.

Regional Policy Context

Regional Growth and Transportation Strategies

Regional growth and transportation strategies in the Bay Area increasingly emphasize the clustering of housing, jobs, and transit as a means of addressing climate, affordability, and accessibility goals. Plan Bay Area 2050, the region's long-range plan created by the Metropolitan Transportation Commission, advances this approach by concentrating future growth within Priority Development Areas (PDAs)—areas near existing job centers or frequent transit that are identified by municipalities for housing and employment growth—which are intended to absorb the majority of regional housing and employment growth through transit-supportive development (MTC, 2021, p. 20). While PDAs have traditionally been anchored by rail stations and major bus corridors, the plan's broader definition of "regional transit access" allows ferry terminals to function as mobility hubs within these areas. As a result, future ferry terminals in Berkeley, Mission Bay, and Redwood City can be seen as consistent with the plan, even if they fall outside the conventional TOD typology.

The alignment between regional transportation strategy and ferry service is further reinforced by policies that emphasize accessibility and connectivity throughout the greater transportation network rather than mode-specific investments. Regional transit frameworks increasingly prioritize frequent service that connects housing-rich areas with major employment hubs, particularly for trips across the San Francisco Bay and to the Peninsula that are less efficiently served by surface transit (MTC, 2021, p. 144). San Francisco Bay Ferry's current and future routes directly service these travel markets, linking East Bay and Peninsula communities to San Francisco's downtown. When ferry terminals are located within or adjacent to PDAs, they expand the effective catchment area of these growth districts by providing access across the Bay.

At the same time, PBA 2050 frames land use and transportation coordination as a tool for advancing equity and accessibility outcomes. The plan emphasizes the importance of transit investments that improve access to opportunity (MTC, 2021, p. 20). Ferry terminals that are integrated with local transit, pedestrian infrastructure, and bike networks can support these goals (MTC, 2021, p. 20). In areas such as Mission Bay, ferry service adds resilience to the transit network while supporting dense, mixed-use development patterns. Although ferries are not explicitly prioritized, their role in enhancing accessibility aligns closely with the objectives of regional growth.

Implementation Expectations

While regional plans provide a supportive policy context for ferry-oriented development, their implementation relies heavily on local land use decisions and interagency coordination. PDAs are voluntary designations, meaning that realizing transit-supportive development around ferry terminals depends on local zoning, infrastructure investment, and development incentives rather than regional mandates alone (MTC, 2021, pp. 30-32). For San Francisco Bay Ferry, this creates an expectation that the agency acts as a proactive partner in local planning processes, particularly in PDA areas surrounding the future Berkeley, Mission Bay, and Redwood City terminals. Similar to other transit agencies and transportation providers, the agency is therefore positioned as a service provider, and a key stakeholder in discussions around density, access improvements, and first- and last-mile connections. In practice, the success of ferry-oriented development under this regional policy framework depends on how effectively ferry terminals are integrated into local TOD strategies and accessibility investments.

Local Policy Frameworks for New Terminals

Mission Bay

Mission Bay's planning and governance structure is reflective of the City and County of San Francisco's commitment to concentrate growth in transit-rich areas while reducing reliance on automobiles. The Mission Bay North and South Redevelopment Plans established a coordinated framework in linking land use, housing development, and TDM under city oversight, with responsibilities dispersed between the Planning department, transportation agencies, and developers (City and County of San Francisco, 1998, p. 37; City and County of San Francisco, 2005, p. 45). More recently, the City's Housing Element has reinforced Mission Bay's role as a major growth area for employment and residential development (City and County of San Francisco, 2022, p. 34). Within this context, ferry service is positioned as a complementary mode of transit. This infrastructure creates a policy environment that is favorable to SF Bay Ferry by embedding ferry access within a larger ecosystem of coordinated planning rather than treating the terminal as an isolated piece of infrastructure.

Mission Bay's land use and zoning framework explicitly supports high-density, mixed-use development consistent with TOD principles (City and County of San Francisco, 1998, p. 8). The Mission Bay North and South Redevelopment Plans allow substantial residential, commercial, institutional, and research uses within a compact waterfront district, creating, ideally, a number of daily trips capable of supporting ferry services and other modes of transit (City and County of San Francisco, 1998, p. 4; City and County of San Francisco, 2005, p. 5). For SF Bay Ferry, this zoning context is advantageous—it enables future residential and employment growth within walking distance of the future Mission Bay terminal, reinforcing the ridership base necessary for sustained operations.

Transportation and mobility policies prioritize non-car modes of transportation and managing travel demand, further enforcing TOD goals. The Mission Bay Transportation Management Plans require developers to implement measures such as parking supply limits, transit subsidies, shuttle coordination, bicycle infrastructure, and pedestrian infrastructure (City and County of San Francisco, 2005, p. 4). These requirements are reinforced by San Francisco’s broader transit-first policy, which directs investments toward transit reliability and accessibility—as opposed to roadway expansion. Within this framework, ferry service acts as a legitimate component of the regional transit network. As a result, the Mission Bay ferry terminal can function as a seamless node in the larger transportation system.

Although the state legislation such as SB 79 does not include ferry terminals, Mission Bay’s local policies emulate the spirit of the legislation by promoting density, reducing parking, and promoting housing production near transit. San Francisco’s Housing Element Update explicitly commits the City to accommodating new housing in transit-accessible neighborhoods, including Mission Bay, while aligning local zoning with state housing objectives (City and County of San Francisco, 2022, p. 131).

Finally, Mission Bay’s policy framework aligns with regional growth strategies that prioritize infill development, PDAs, and multimodal access. The neighborhood has been identified as one of San Francisco’s Priority Development Areas—one of many along the eastern waterfront—where housing and employment opportunities should be aligned with transit ([MTC, 2024](#)). Mission Bay’s land use, TDM requirements, and waterfront accessibility are deeply in line with these regional priorities. In this context, the Mission Bay ferry terminal represents a valuable accessibility asset that can help address regional commute patterns. For SF Bay Ferry, alignment with both local and regional policy expectations strengthens the case for ferry-oriented development as a legitimate component of the Bay Area’s long term strategy for transit and land use.

Redwood City

Redwood City’s framework establishes downtown as the city’s primary focus for TOD and accessibility. The General Plan explicitly reinforces Downtown as the center of employment, housing, and activity, emphasizing growth patterns that are supported by transportation of all modes—walking, biking, rail, bus, and ferry (City of Redwood City, 2023a, pp. 103-118). Governance structures prioritize the integration of land use and transportation planning, framing investments as tools to reduce car dependence. While the future ferry terminal is located east of downtown, city policy envisions strong connections between the waterfront and downtown (City of Redwood City, 2023a, pp. 134).

Building on this downtown-focused planning approach, Redwood City's land use and zoning framework supports higher-density, mixed-use development in centers and corridors with strong transit access. The Urban Form and Land Use element directs development toward areas that are pedestrian-friendly where mixed-use and higher-density development is encouraged (City of Redwood City, 2023b, pp. 7). Although ferry service is not singled out as a conduit for higher-density development, the plan's emphasis on compact, transit-oriented development creates conditions that are conducive to ferry-oriented growth. For SF Bay Ferry, this flexibility enables patterns that can generate ridership and support future ferry operations.

Redwood City's transportation and parking policies further reinforce TOD objectives by prioritizing multimodal accessibility and reducing reliance on automobiles. The Circulation element portion of the General Plan displays a shift toward a transportation network that supports sustainable modes of transportation alongside cars (City of Redwood City, 2023a, pp. 103-118). Downtown streets are designed to emphasize pedestrian comfort, connectivity, and access. The General Plan, furthermore, explicitly highlights the potential of a Redwood City ferry terminal and as a component of the regional transit network (City of Redwood City, 2023a, pp. 117-118).

The City's local plans operate within, and actively advance, both California's TOD mandates and the Bay Area's long-range growth strategy. The City's Housing Element commits to accommodating substantial housing growth in transit-accessible areas, reinforcing objectives related to housing production, climate mitigation, and reducing VMT (City of Redwood City, 2023c). Although ferry terminals are not consistently recognized under state legislation related to TOD, Redwood City interprets transit access broadly, allowing multimodal transportation to support development outcomes. At the regional level, Downtown Redwood City and areas adjacent to the waterfront are recognized as Priority Development Areas. Ferry service would strengthen Redwood City's regional accessibility by directly connecting the Peninsula to the East Bay, complementing existing rail networks. By aligning downtown-focused growth with connection to the waterfront, Redwood City positions ferry-oriented development as consistent with both state and regional priorities.

Berkeley

Berkeley's planning and governance framework establishes a foundation for TOD in and around the city's downtown and adjacent growth areas. The City's General Plan and Downtown planning efforts prioritize concentrating housing and employment in locations with high-quality transit access, framing downtown as the primary area of growth (City of Berkeley, 2024). Although the future Berkeley ferry terminal is planned to be west of the traditional downtown, citywide policies emphasize strengthening multimodal connections between West Berkeley, Downtown, and regional destinations, such as the Bay Trail (City of Berkeley, 2024, p. 8). This governance context reflects Berkeley's commitment to density, reduced automobile dependence,

and access to opportunity. As a result, the City's planning framework aligns with SF Bay Ferry's interest in positioning the ferry terminal as an extension of downtown-oriented TOD rather than as an isolated waterfront facility. That being said, the City places clear prioritization of rail TOD at the Ashby and North Berkeley BART stations (City of Berkeley, 2024, p. 4)

Berkeley's local land use and zoning framework increasingly supports higher density development in areas with strong access to transit. While the Waterfront Master Plan, originally drafted in 1986, historically prioritized recreational and open-space uses and limited residential development along the shoreline, it also allows for clustered development in locations with appropriate access and infrastructural capacity (City of Berkeley, 1986, p. 5).

Berkeley's transportation policies reinforce the city's transit-friendly climate and aligns with the needs of a ferry terminal serving regional commuters. The Transit-First Policy Implementation Plan prioritizes walking, bicycling, and transit over car use and calls for reducing parking supply in areas with access to transit (City of Berkeley, 2019, pp. 6-10). Parking reforms and transportation demand management (TDM) strategies reduce development costs, enable alternative land use near transit, including potential ferry terminal areas. The City's Bicycle Plan and Strategic Transportation Plan further support first- and last-mile connections through investments in protected bike lanes, pedestrian-friendly infrastructure, and complete streets (City of Berkeley, 2017, pp. 1-2; City of Berkeley, 2020, p. 15). As a whole, these reforms advance SF Bay Ferry's goal of maximizing alternative forms of transportation to the terminal while minimizing land devoted to cars.

Berkeley's local policies operate within—and are increasingly influenced by—California's ever-evolving suite of state housing and TOD policies and mandates. State laws promoting density near major transit stops have reinforced the City of Berkeley and its legislative representatives' pro-housing stances, even where local plans have historically constrained development in certain areas, such as the waterfront. However, because ferry terminals are not consistently recognized as qualifying transit under SB 79, Berkeley retains greater latitude in determining how ferry-oriented development aligns with state requirements. This places increased importance on local interpretation and implementation of TOD principles. For SF Bay Ferry, Berkeley's willingness to align local policy and development with the intent of state TOD policies and mandates, rather than their restrictive policies, is critical to advancing development around the ferry terminal.

Berkeley's local policy framework aligns with regional growth expectations that prioritize compact development, reduce VMT, and prioritize access to opportunity. As a designated PDA, Downtown Berkeley is expected to accommodate a substantial share of regional housing and employment growth under PBA 2050, and improved multimodal accessibility between downtown and the waterfront support this role (MTC, 2021). Ferry service expands downtown's effective transit catchment area by linking Berkeley residents to regional job centers, positioning the future ferry terminal as a key asset within the Bay Area's growth strategy focused on transit.

State and Regional Development Constraints

BCDC Priority Use Areas

The San Francisco Bay Conservation and Development Commission (BCDC) is a state agency with the power to regulate development within 100 feet of the Bay’s shoreline and on Bay waters and tidelands (California Legislature, 1965). A central tool for BCDC is the designation of Priority Use Areas (PUAs), which are zones that are identified for water-dependent or water-related uses (San Francisco Bay Conservation and Development Commission, 2024).

PUAs are assigned one of several categories—including Port, Wildlife, and Waterfront Park and Beach—each of which allows certain permitted uses and restricts others (San Francisco Bay Conservation and Development Commission, 2024). For the three planned ferry terminals, the PUA designations differ: the Mission Bay terminal is located within a Port PUA, Redwood City within a Wildlife PUA, and Berkeley within a Waterfront Park and Beach PUA. Because PUA designations limit development to uses relevant to their category, they restrict the extent to which housing development can be introduced near the shoreline. Any proposed development within the PUA areas requires a Bay Plan amendment (San Francisco Bay Conservation and Development Commission, 2024).

For SF Bay Ferry, BCDC’s regulatory reach has implications for how each terminal can be seamlessly integrated with its surrounding land use environment. Understanding the PUA designation for each terminal site is, therefore, a necessary step in assessing the potential for ferry-oriented development at each location.

CLSC Granted Lands

The California State Lands Commission (CSLC) administers the state's sovereign lands, which include tidelands, submerged lands, and the beds of navigable rivers and lakes held in trust by the State of California for the benefit of the public (California State Lands Commission, n.d.). These grants impose ongoing obligations on the grantee to use the land for purposes consistent with the trust, primarily commerce, navigation, and fisheries, and prohibit alienation of the land to private parties.

The tidelands grant legislation applicable to the Berkeley and Redwood City terminal areas illustrates how these obligations shape development potential. For Redwood City, Chapter 1658 of the 1963 California Statutes granted tidelands along Deepwater Slough to the City for harbor and navigation purposes, subject to a requirement that the land be substantially improved within ten years and that it remain dedicated to trust uses. For Berkeley, Chapter 55 of the 1962 First Extraordinary Session granted the City's tidelands for an expanded set of purposes—including commercial, recreational, and aviation uses—but similarly prohibited the City from alienating the land to private parties and required active use within a defined timeframe. These legislative

constraints, enacted decades before contemporary TOD policy, establish a legal baseline that is difficult to modify without additional legislation or CSLC approval.

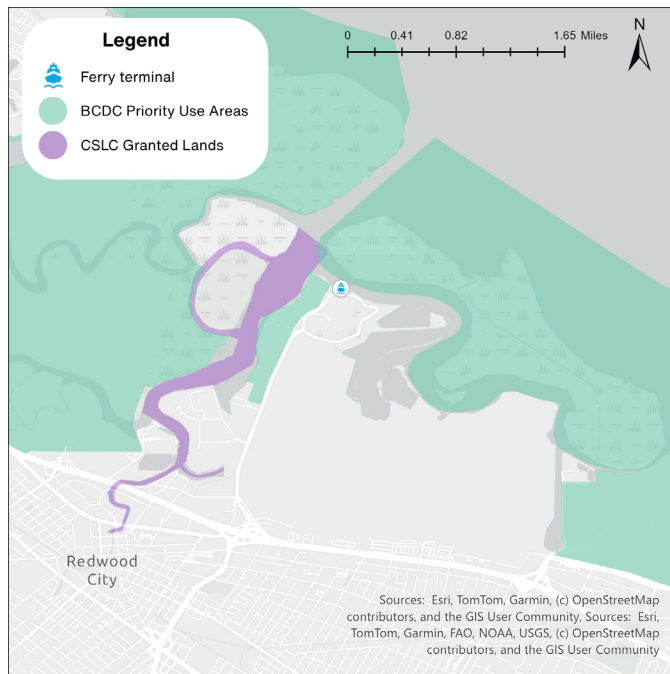
For SF Bay Ferry, the presence of CSLC granted lands near the Berkeley and Redwood City terminals means that development near the shoreline is not only subject to local zoning and BCDC oversight, but also to the terms of state-level trust grants that predate and supersede local planning frameworks. Residential development is unlikely to be permissible on granted lands without a legislative amendment to the applicable trust grant, as housing does not constitute a recognized public trust use. This legal constraint reinforces the spatial mismatch identified in the GIS analysis and underscores why ferry-oriented development at these sites will require engagement with local governments and BCDC, as well as the California State Legislature and CSLC.

Figure 17. Jurisdictional Constraints: Mission Bay



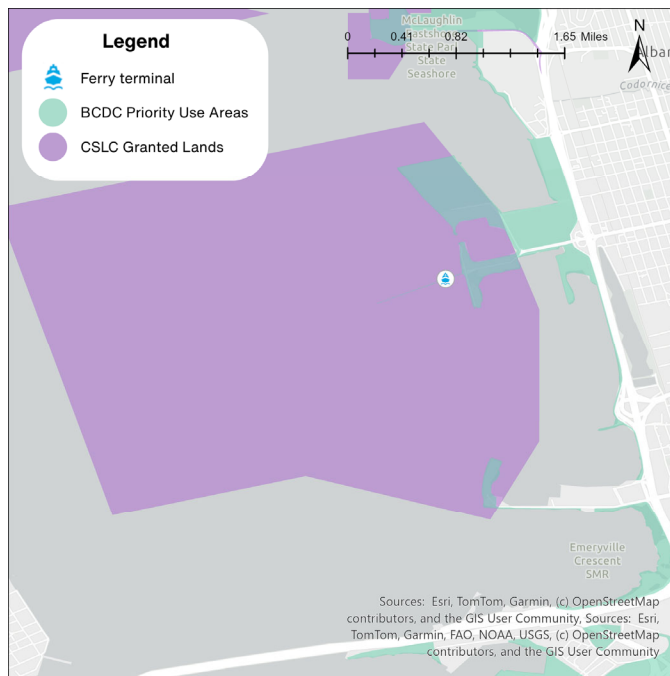
Sources: California State Lands Commission, Granted Lands. San Francisco Bay Conservation and Development Commission, Priority Use Areas.

Figure 18. Jurisdictional Constraints: Redwood City



Sources: California State Lands Commission, Granted Lands. San Francisco Bay Conservation and Development Commission, Priority Use Areas.

Figure 19. Jurisdictional Constraints: Berkeley



Sources: California State Lands Commission, Granted Lands. San Francisco Bay Conservation and Development Commission, Priority Use Areas.

Comparative Case Studies

NYC Ferry

Context: History and Ridership

The New York City Ferry Service was launched in 2017 as an expansion of the East River Ferry pilot, with the goal of reconnecting waterfront neighborhoods across the five boroughs to Manhattan and to one another (NYCEDC, 2025, p. 3). Managed by the New York City Economic Development Corporation (NYCEDC), the system grew rapidly, expanding to six routes, 38 vessels, and 25 landings within its first four years of operation (NYCEDC, 2025, p. 3). This early expansion exceeded expectations, particularly ridership expectations, positioning NYC Ferry as a viable commute option (NYCEDC, 2025, p. 5). However, rapid growth also generated inefficiencies, leading to a reassessment of the system's role in the city's transit ecosystem.

Despite pandemic-related disruptions, NYC Ferry has shown a relatively strong ridership recovery, especially when compared to other transit modes. By FY 2024, the system recorded 7.1 million boardings—reaching highs and surpassing pre-pandemic levels (NYCEDC, 2024, p. 5). This rebound reinforced the ferry system's relevance for both commuters and recreational riders, particularly in neighborhoods that may experience limited rail access. Importantly, growth was used by NYCEDC as a justification for not only continued investment, but also for rethinking how ferry service could support broader economic and land use objectives (NYCEDC, 2025, p. 21).

Governance and Institutional Structure

A defining feature of NYC Ferry is its governance structure, which places system oversight under NYCEDC rather than the Metropolitan Transportation Authority (MTA). NYCEDC owns the ferry fleet, oversees landing infrastructure, sets fare policy, and contracts operations to a private operator, Hornblower (NYCEDC, 2025, p. 4). This arrangement differs from traditional transit governance by placing ferry service within an agency whose core mission includes economic development, revitalization, and land use planning. As a result, transportation decisions are more closely tied to broader urban development strategies.

This structure allows NYCEDC to coordinate ferry planning with capital projects, development, and zoning initiatives along the waterfront. Since NYCEDC often influences adjacent land use, ferry landings can be treated as key components of development efforts rather than discrete transportation investments. At the same time, this model concentrates a significant amount of authority as a quasi-public entity—which raises a few questions about transparency and

accountability. Nevertheless, NYC Ferry’s governance framework offers a useful contrast to more fragmented regions where transit agencies have limited influence over land use outcomes.

System Evolution

Following its initial expansion phase, NYC Ferry entered a period of recalibrating itself with the launch of the NYC Ferry Forward initiative in 2022 under Mayor Eric Adams’ administration, marking a shift toward a framework centered on equity, accessibility, and fiscal sustainability rather than rapid geographic growth (NYCEDC, 2022, p. 2). This pivot acknowledged that while early expansion successfully established a citywide ferry network, it also produced rising costs and uneven service performance across routes. Ferry Forward introduced a number of reforms—including fare increases, discount programs, and vouchers—aimed at reducing the per-passenger subsidy while maintaining high ridership levels (NYCEDC, 2022, pp. 3-6). A central component of this change was the 2025 NYC Ferry Network Optimization Plan, the first comprehensive system-level review of NYC Ferry, built off of the 2022 NYC Ferry Forward Plan, which sought to improve travel times, expand access to Midtown Manhattan, and better align service with demand (NYCEDC, 2025, pp. 6-12). The process was largely data-driven, incorporating ridership analysis, demographic data, and public engagement to refine changes. Public response played a meaningful role, with nearly 90% of the surveyed riders indicating they would maintain or increase their use of NYC Ferry under the newly-optimized network (NYCEDC, 2025, p. 2). Together, these reforms illustrate NYC Ferry’s transition from an expansion-oriented system to a performance-focused network designed to support long-term goals.

Planning, Design, and Accessibility

NYC Ferry’s planning and design approach places an emphasis on destination accessibility, particularly access to major employment centers. Route optimization prioritized one-seat riders to Midtown and Downtown Manhattan, reflecting an understanding that job accessibility is a significant determinant of ridership (NYCEDC, 2025, p. 9). By reducing the number of intermediate stops and reconfiguring routes, NYCEDC sought to make ferry commute times competitive with alternative mass transit modes.

Accessibility considerations extended beyond route design with fare policy and rider experience. Under Ferry Forward, NYC Ferry introduced a revised fare structure that allows frequent riders to pay subway-equivalent fares through multi-ride bundles while expanding discounted fares for low-income riders, seniors, people with disabilities, and high school students (NYCEDC, 2025, p. 1). Investments in onboard amenities, real-time information, and terminal upgrades further reduced barriers to use. Collectively, these measures reframed ferry service as an everyday, inclusive mode rather than a premium alternative.

Land Use Integration and Development

NYCEDC explicitly treats ferry infrastructure as a part of the city’s broader waterfront development strategy. New and proposed ferry landings are often sited in areas undergoing significant public or public-private redevelopment, such as the MADE/Bush Terminal project in Sunset Park and planned improvements near East Harlem’s 125th Street waterfront (NYCEDC, 2025, pp. 15-16). In these contexts, ferry service is intended to support job-dense, mixed-use districts by improving access for workers, residents, and tourists. This approach contrasts with models in which transit is retrofitted into already-developed areas with limited growth potential.

Rather than relying on zoning mandates, NYC Ferry’s land use integration strategy emphasizes strategic siting and coordination with capital investments from the City, NYCEDC, and the New York City Department of Transportation (NYCEDC, 2025, p. 14). NYCEDC prioritizes locations where ferry service can be added cost effectively, and where surrounding land uses are likely to generate consistent demand. This links development potential and intensity with ferry viability, reinforcing a positive feedback loop between ridership, financial sustainability, and growth. For regions like the Bay Area, this case highlights how ferry-operating agencies can influence land use outcomes indirectly through government alignment and siting, even without direct authority.

Washington State Ferries

Context: History and Ridership

Washington State Ferries (WSF) is the largest vehicle ferry system in the United States. Established in the mid-20th century and now operated under the Washington State Department of Transportation (WSDOT), WSF operates as a “marine highway” linking communities separated by Puget Sound, including island areas with limited alternatives (WSDOT, 2022, p. 3). The system operates ten routes using 21 vessels and 20 terminals (WSDOT, 2022, p. 3). Prior to the COVID-19 pandemic, WSF carried more than 24.5 million passengers annually, serving a mix of business, commuters, and tourists (WSDOT, 2022, p. 3). Despite pre-pandemic projections for a large growth in ridership, ridership declined sharply during the pandemic and has recovered more slowly than other urban ferry systems, reflecting the systems reliance on work-related travel (WSDOT, 2019, p. 1; WSDOT, 2023, p. 2). WSF ridership is also strongly tied to regional land use patterns and car-dependent travel behavior—as a result, fluctuations in service levels and vessel availability have significant impacts on mobility and economic activity in ferry-reliant communities surrounding the Puget Sound.

Governance and Institutional Structure

WSF is governed directly by the Washington State Department of Transportation and operates as a fully public ferry system. Unlike NYC Ferry's quasi-public governance model, WSF owns, operates, and maintains its vessels and terminals in-house, which capital and operating decisions subject to state legislative appropriations and state-level priorities (WSDOT, 2019, p. 1-8). This structure places ferry operations within broader state transportation planning and budget frameworks. As a result, ferry service is treated as an essential part of the state's transportation infrastructure rather than a discretionary program.

The system's governance structure emphasizes long-range asset management and fiscal oversight, as reflected in the agency's Transit Asset Management Plan. WSF has implemented asset management tools and analysis, including cost modeling and maintenance productivity tools, to guide investment decisions across their vessels and terminals (WSDOT, 2022, p. 9). While this approach supports transparency and long-range planning, it also constrains WSF's flexibility to rapidly adjust or expand service. This level of rigidity stands in contrast to other ferry systems with greater latitude but less integration with their respective regional, or statewide, transportation systems.

System Evolution

Over the past decade, WSF's system evolution has been shaped by the need to address aging infrastructure, workforce shortages, and climate-related challenges. The adoption of the 2040 Long Range Plan marked a strategic shift toward reliability, sustainability, customer experience, and managed growth, with an emphasis on maintaining service levels rather than adding new routes (WSDOT, 2019; WSDOT, 2023, p. 2). The agency's priorities include fleet replacement, terminal preservation, and service reliability, all of which were identified as top concerns through their public engagement process (WSDOT, 2019, p. 139). The Long Range Plan Progress Reports document both steps toward progress and persistent constraints, particularly related to vessel availability and staffing. Recent changes have also been influenced by the state legislature, including authorization to construct vessels out of state and further investments in hybrid-electric ferry technology outside of their Hybrid Electric Electric Olympic Class vessels. These changes aim to accelerate fleet renewal and improve long-term operational reliability, all while reducing emissions (WSDOT, 2023, p. 2). However, progress has been uneven, with many capital projects delayed due to funding delays (WSDOT, 2023, p. 4-11). Taken together, WSF's evolution reflects a system in transition within a constrained environment.

Planning, Design, and Accessibility

Planning and design at WSF are heavily influenced by operation requirements and the geography of Puget Sound. Terminals are designed to accommodate high vehicle volumes and efficient loading, often resulting in large infrastructural footprints and limited pedestrian design (WSDOT, 2022). Historically, walk-on passenger access and multimodal integration received secondary consideration when compared to vehicle volumes. This emphasis on throughput reflects WSF's role as an extension of the highway system rather than a transit service.

More recently, WSF has begun to incorporate accessibility and multimodal considerations into their planning, influenced, in part, by statewide Complete Streets requirements. WSDOT has initiated efforts to assess pedestrian, bicycle, and transit access at ferry terminals, including the development of terminal-level Complete Streets plans (WSDOT, 2025). These efforts signal a shift toward more inclusive design, particularly for walk-on passengers and those taking transit. Nonetheless, improvements in access remain uneven across the system and are often constrained by historical layouts.

Land Use Integration and Development

Unlike urban ferry systems that explicitly link service expansion to waterfront redevelopment, WSF operates largely independently of local land use planning. Ferry terminals are typically located in established communities, many of which are constrained by shoreline regulations, limited developable land, or environmental protections. As a result, ferry service tends to reinforce existing patterns rather than act as a catalyst for new development (WSDOT, 2022). In other words, the system sustains regional connectivity rather than shaping it.

That being said, ferry terminals do influence land use outcomes indirectly, particularly in ferry-reliant communities where service reliability affects housing markets, access to employment, and tourism. Local jurisdictions often plan around ferry schedules and capacity, even when coordination is limited. Recent efforts, including first- and last-mile studies and parking management analyses, acknowledge the importance of integrating ferry service with surrounding transportation and land use (WSDOT, 2023). Compared to NYC Ferry, WSF is a model where land use integration is reactive and locally driven rather than coordinated through a ferry operator that is focused on development surrounding their terminals.

Lessons for San Francisco Bay Ferry

A central lesson from the NYC Ferry case is the value of alignment between ferry operations and land use decision-making, even when ferries are not typically framed as a tool for transit-oriented development. NYC Ferry demonstrates how a ferry system can help support urban development by prioritizing destination accessibility, integrating landings into major development sites, and treating terminals as long-term assets rather than standalone transportation facilities or expendable. For San Francisco Bay Ferry, this suggests that expansion is effective when coordinating with jurisdictions that control zoning, public land, and capital investments near the terminals. While SF Bay Ferry does not possess the same land use authority as NYCEDC, the NYC Ferry Model highlights the importance of early collaboration with cities and port authorities during both service planning and terminal design. The NYC case also underscores how route design choices—such as prioritizing one-seat rides to major job centers—can increase the land use value of areas surrounding ferry terminals. Importantly, NYC Ferry’s evolution shows that such coordination does not need to necessarily rely on zoning mandates, but can instead be achieved through strategic siting and governance structures that prioritize development considerations alongside ridership. For the Bay Area, where growth is less evenly distributed and major job centers are highly concentrated in just a few areas, this lesson points toward using ferry planning as a tool to reinforce growth areas rather than simply responding to existing demand.

In contrast, the Washington State Ferries case offers cautionary lessons about the limits of ferry-oriented development when the ferry systems are governed primarily as extensions of highway infrastructure. WSF illustrates how a strong emphasis on asset preservation, reliability, and vehicle throughput can crowd out opportunities to integrate service with surrounding land use and multimodal accessibility. For San Francisco Bay Ferry, this highlights the risk of not treating ferry terminals as gateways embedded within the regional transportation and land use system. At the same time, WSF’s case highlights the importance of long-term asset management, particularly as ferry systems age and face climate pressures.

Taken together, the NYC Ferry and WSF case studies suggest that San Francisco Bay Ferry is in the middle ground between development-oriented flexibility and stability. SF Bay Ferry can draw from NYC Ferry’s example by more explicitly linking ferry expansion and service design to regional housing development and job connectivity. At the same time, WSF demonstrates the importance of maintaining reliability. A key lesson for the Bay Area is that ferry-oriented development is unlikely to occur automatically—it requires deliberate coordination across agencies and municipalities that have differing mandates and timelines. Ferries alone cannot induce development, but they can meaningfully shape outcomes when paired with land use and multimodal transportation investments. Ultimately, these cases suggest that San Francisco Bay Ferry’s greatest opportunity is not in replicating other operators’ models, but in selecting useful strategies from NYC Ferry and WSF’s long-term system resilience.

Limitations

This project has several limitations due to the data sources used. LEHD LODES data reflects 2023 employment and residence patterns and may not capture any recent shifts in work. It is also worth noting that LEHD LODES data is a partially synthetic dataset, meaning that block-level job and worker counts are estimates rather than precise numbers. Development pipeline data was sourced from city permitting databases and geocoded manually, meaning that the pipeline counts reflect a point-time snapshot that will shift as projects are built or withdrawn.

The Network Analysis service areas used to define walking and driving catchments for the three geographic areas does not account for time of day or day of week. As a result, the driveshed catchments may look drastically different, depending on the time and day.

The 2024 Onboard Survey data carries its own limitations. Because the survey was administered onboard active ferry routes, it captures only a fraction of the riders and cannot speak to the preferences or barriers of non-riders. Survey respondents are, therefore, not representative of the broader regional population, and any conclusions drawn about ridership demographics reflect the current user base rather than potential demand. Additionally, the survey was conducted over a two-week period in April 2024, which may reflect seasonal ridership patterns that may differ from other times of the year.

Findings and Recommendations

The quantitative findings from this project highlight a challenge for SF Bay Ferry’s expansion: the land use conditions—walkability, employment density and proximity, and housing development—that help facilitate ridership vary significantly across the three planned sites, and none of those conditions are governed by the transit agency. Taken together, the geospatial, statistical, and policy analyses conducted in this project reveal that the three planned ferry terminals are within fundamentally different policy and planning environments, albeit within the same regional landscape, and those variations in environment has implications for how SF Bay Ferry should approach its expansion planning. Ferry terminals depend on the land use decisions of cities, housing production that can be promoted or stymied by local and state governments, and the infrastructure investments of regional agencies. Mission Bay is the site best positioned for immediate ridership growth, while Redwood City presents a strong opportunity constrained by a first- and last- mile gap, and Berkeley faces the most misalignment between the terminal location and land use conditions. For SF Bay Ferry, this means that some of the most important work they can do is prioritize engagement with the staff, agencies, and officials of San Francisco, Berkeley, and Redwood City to ensure the prioritization of ferry investments in their planning processes.

Across all three terminals, the demographic findings from the onboard survey point to issues regarding equity and accessibility. The survey data reveals a ridership base that is different from the Broader Bay Area population: white and high-income households are overrepresented, while Hispanic/Latino riders and lower-income riders are underrepresented relative to the regional profile. The results of the logistic regression show that lower-income riders have lower odds of being frequent riders and the current demographic profile from the survey results show, plainly, that existing ridership skews heavily towards high-income households when compared to the regional population.

The policy analysis reinforces the geospatial findings and adds a layer of regulatory complexity. While California’s evolving legislation—particularly SB 79—reflects a growing commitment to aligning land use and transit, ferry terminals are not included in state legislations’ upzoning statutes. This means that the density and development incentives available near rail corridors do not automatically apply to ferry terminals, leaving SF Bay Ferry more dependent on local political will than rail agencies operating in similar contexts.

Underlying each terminal’s profile is a broader lesson to be learned about the relationship between ferry investment and land use. The comparative case studies of NYC Ferry and Washington State Ferries illustrate two poles of this relationship: a system deeply integrated with urban development and a system that reinforces historical patterns. SF Bay Ferry lies somewhere in the middle—it has neither the influence over land use like NYCEDC or nor the “highway” designation that structures WSF. This means that the agency’s path to ferry-oriented development is highly dependent on partnerships and advocacy.

As SF Bay Ferry expands, the agency has an opportunity to design its outreach strategy and service planning in ways that may reduce these barriers. The variation across Mission Bay, Redwood City, and Berkeley underscores that there is no single model for ferry-oriented development in the Bay Area, each terminal requires a strategy tailored to its governance context, land use conditions, and ridership potential. What is consistent across all three cities, however, is the need for SF Bay Ferry to function as an active planning partner rather than merely a transit operator.

Recommendations

Redwood City

Invest in first- and last-mile infrastructure between the terminal and downtown. The most critical gap at Redwood City is the restriction on first- and last-mile access. The driveshed contains substantial employment and development opportunities, but the walkshed is nearly empty, with no workers and only 56 units in development within a 15-minute walk. SF Bay Ferry should work with the City of Redwood City and SamTrans to develop a first- and last-mile strategy that connects the terminal to downtown via frequent shuttle or bike infrastructure. Without this connection, the terminal risks acting as a park-and-ride facility.

Berkeley

Advocate for amendment of Berkeley's 1986 Waterfront Master Plan. The 1986 Waterfront Master Plan is the most significant constraint on development near the Berkeley terminal. SF Bay Ferry should work with the city of Berkeley to initiate an update to the Waterfront Master Plan that considers development in locations near the terminal site.

Engage the State Legislature and CSLC on granted lands flexibility. Because the Berkeley terminal site sits almost entirely within CSLC-granted tidelands, residential development—the primary driver of ridership at a terminal like Berkeley—is not permissible without legislative action. This is a long-term legislative strategy, but it is necessary to address the mismatch identified in the GIS analysis.

Invest in multimodal access from existing development corridors. Given the current absence of walkable housing and employment near the terminal, Berkeley's ridership will depend heavily on riders accessing the terminal by bike or bus from the University Avenue corridor, Downtown, and the areas surrounding the UC Berkeley campus. SF Bay Ferry should coordinate with AC Transit and the City of Berkeley to develop a multimodal access plan.

Appendix

Appendix A. Table: Ferry Riders vs. Bay Area Demographic Comparison

Characteristic	Ferry Riders	9-County Bay Area Comparison (ACS)
Income		
% Earning <\$49,999	10.40%	19.05%
% Earning \$50,000–\$99,999	20.66%	19.06%
% Earning \$100,000–\$149,999	17.15%	15.87%
% Earning >\$150,000	51.79%	46.03%
Race/Ethnicity		
White	50.17%	33.24%
Hispanic/Latino	14.43%	25.03%
Black	8.24%	5.25%
Asian	19.82%	29.47%
Native American	0.57%	0.19%
Other	0%	6.81%

San Francisco Bay Ferry 2024 Onboard Survey, N = 1,744. Source: U.S. Census Bureau 2024 American Community Survey Tables B03002, S1901.

Appendix B. Origin-Destination Flows for Ferry Terminal Cities, 2023, Share of Workers From Origin

Origin ↓ / Destination →	Oakland, CA	Berkeley, CA	Redwood City, CA	San Francisco, CA
Oakland, CA	26.70%	5.40%	0.60%	21.10%
Redwood City, CA	1.40%	0.50%	12.60%	10.80%
Berkeley, CA	12.80%	21.40%	0.50%	25.30%
San Francisco, CA	3.70%	1.40%	1.00%	58.00%

U.S. Census Bureau LEHD Origin-Destination Employment Statistics, 2023

Appendix C. Origin-Destination for Ferry Terminal Cities, 2023, Count of Workers From Origin

Origin ↓ / Destination →	Oakland, CA	Berkeley, CA	Redwood City, CA	San Francisco, CA
Oakland, CA	53,033	10,804	1,196	41,912
Redwood City, CA	539	198	5,004	4,275
Berkeley, CA	5,850	9,773	218	11,587
San Francisco, CA	16,586	6,049	4,323	257,873

U.S. Census Bureau LEHD Origin-Destination Employment Statistics, 2023

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