

***Authorize the
Executive Director to
Enter into State
Transit Loan with the
Metropolitan
Transportation
Commission***

**JPB Board Meeting
March 5, 2026**



Staff Recommendation

- Staff recommends that the Board authorize the Executive Director to negotiate and execute a loan agreement with the Metropolitan Transportation Commission for a principal amount of up to \$50M.

State Transit Loan Update

- The Legislature passed and Governor Newsom signed AB 117, which provides a loan mechanism for up to \$590M to Bay Area Transit Agencies to be administered by MTC
- Caltrain would receive \$50M
- Loan Terms:
 - 12-year repayment term with first 2 years interest-only payments
 - Variable interest rate, state's Surplus Money Investment Fund, currently ~4%
 - Repayment secured by revenue-based STA funds
 - Authorizes the loan to be funded no later than July 1, 2026

State Transit Loan Continued

- First two years interest-only payments intended to provide near-term financial relief
- Early indications are that there will be no penalty or hindrance to early repayment of the loan.
- Loan supports Caltrain's ongoing efforts to maintain service stability, preserve financial sustainability, and responsibly manage public resources.

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FOR MORE INFORMATION

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