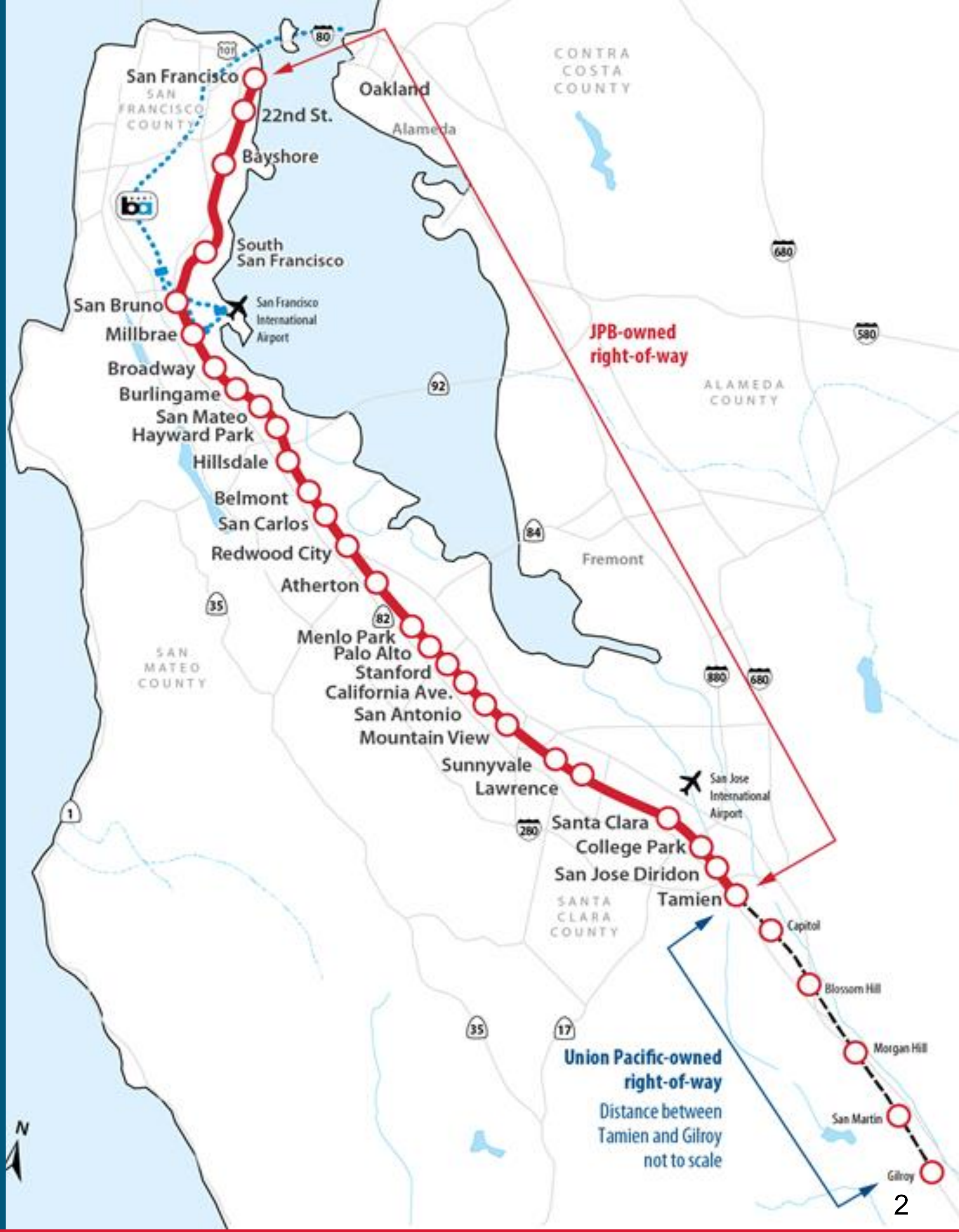
Caltrain Overview and Budget

Bicycle and Active Transportation Committee
September 17

Caltrain Connects

- 77 miles connecting San Francisco, San Mateo, and Santa Clara counties
- 31 stations across 20 communities
- Over 160 years of continuous rail service
- 82% favorability rating voters
- 91% favorability with riders



Caltrain Recent Awards

- **APTA's Outstanding Public Transportation System Achievement** (2026)
- APTA Rail Safety Award (2026 & 2025)
- Time 10 Most Influential Transportation Companies of 2026
- Adwheel Grand Award "**[Driving is for Dodgers](#)**" Campaign (2026)

TIME

Caltrain is Part of Everyday Life

- Provides millions of rides to get people to work, school, and events
- Reduces traffic on major highways like US-101
- Connects communities across the Peninsula
- Supports access to jobs and opportunities
- Nearly 40% of the Bay Area population live in the 20 cities served directly by Caltrain.

Every Day, Caltrain Provides Regional Benefits

Less Traffic:

- Removes the equivalent of ~3 freeway lanes of traffic at peak times.
- US-101 traffic is 93% of pre-pandemic levels at rush hour.

Stronger Economy:

- Higher property and activity values near Caltrain stations.
- Contributes to downtown activations and local tax bases across the corridor
- Caltrain corridor economic driver of the state / country.

Cleaner Air

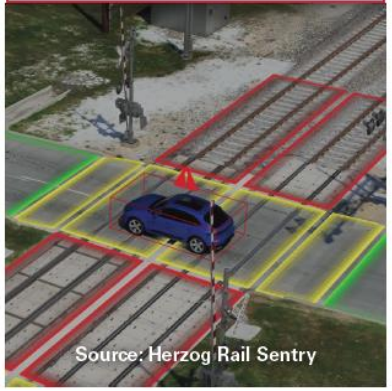
- Reduces greenhouse gas emissions with 100% renewable electric service
- Improves air quality and reduces noise

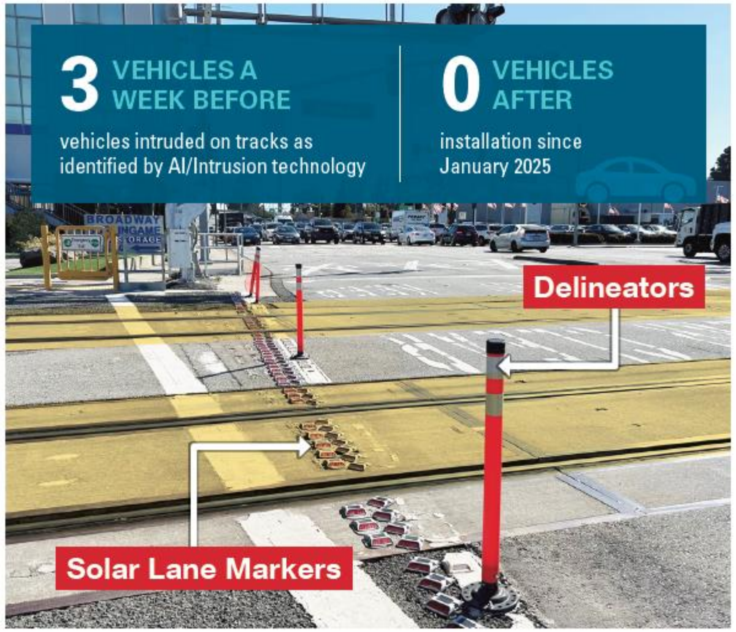
Partnerships on Major Initiatives

- Corridor Crossing Strategy
  - Website page here
- Transit Oriented Development
- Redwood City Transit District
- Battery Electric Multiple Unit Train
- Diridon Station Business Case
- Portal (SF Downtown Extension)

Innovative, Cost Effective: Safety Enhancements

Caltrain is deploying **AI/Intrusion technology** learning software that uses a combination of LiDAR and cameras to observe crossings and send alerts to operations about potential hazards to mitigate collisions.





Worked with technology providers to improve audio and visual directions by tracks

Improved Service

- **Faster:** Express and local trains
- **More Frequent:**
- Every 15-20 mins weekday rush hour
- Every 30 mins, every station, 7 days a week (compared to once an hour)
- 20% more service (26% equity priority stations)
- **Better Experience**: Free wi-fi, outlets at every seat, bathrooms, digital displays, quieter inside and outside the trains
- **On-Time Performance**: over 95%

Growing Ridership

- **Since electrification: fastest growing transit system US** (APTA); over 25% growth year over year; weekend highest ever; Giants/Sharks/Warriors 30%-50%+ increase from previous season
- **$1 Youth Fare:** offering families and riders under 18 a cost-effective way to ride; 500,000+ Youth Fares in 2026
- **Diversified ridership**: 37% low income; 10% youth, seniors, or people with disabilities

Caltrain Ridership Trends by City

City	August 2024 (Pre-electrification)	August 2026 (Post-electrification)	% Increase
San Francisco	170,414	358,336	110.3%
South San Francisco	11,561	31,060	168.7%
San Bruno	8,034	17,132	113.2%
Millbrae	33,852	62,996	86.1%
Burlingame	13,809	30,803	123.1%
San Mateo	62,519	125,047	100.0%
Belmont	12,811	25,848	101.8%
San Carlos	13,168	25,298	92.1%
Redwood City	41,422	76,833	85.5%
Menlo Park	17,633	34,716	96.9%
Palo Alto	97,382	186,186	91.2%
Mountain View	46,936	87,519	86.5%
Sunnyvale	44,875	109,882	144.9%
Santa Clara	17,001	38,645	127.3%
San Jose	46,090	90,906	97.2%
Blossom Hill	1,237	1,884	52.3%
Morgan Hill	1,985	3,073	54.8%
San Martin	451	898	99.1%
Gilroy	1,978	2,762	39.6%
Total	643,158	1,446,121	124.8%

Welcome City Partnerships

- Go Pass Program: City benefits economic, parking and traffic relief, GHG reductions
- Creative partnership: themed trains, Destination Downtown

GOPASS

» CALTRAIN FOR BUSINESSES

FIRST-CLASS COMMUTING.
ECONOMY-CLASS PRICING.

Introducing GoPass, a discounted and unlimited annual Caltrain pass that businesses can offer to employees. Make commuting easier while lowering your carbon footprint on Caltrain's electric fleet.

PROGRAM	CRITERIA*	ANNUAL PRICE PER PERSON
GoPass All-in	All site employees must be enrolled	$275
GoPass Tiered	SMALL: 14-100 headcount	$399 - $449
	MEDIUM: 101-500 headcount	$449 - $499
	LARGE: 501+ headcount	$449 - $549

*Minimum enrollment required

PASS VALUE
$1,152

WHY GOPASS?

- Valuable benefit to retain and attract employees.
- Tiered pricing offers flexibility for any workplace.
- Participating in GoPass and donating unused passes can qualify for tax benefits.
- Frequent service every 15-20 minutes during peak hours and every half hour during off-peak and weekends.
- Special offers with GoPass Perks.

Learn more: caltrain.com/gopass | b2b@caltrain.com

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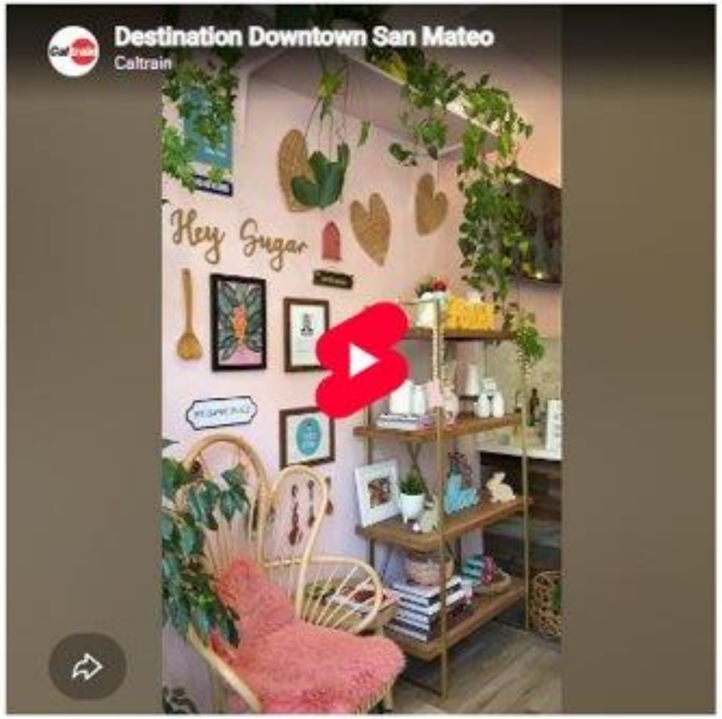
Discover the Heart of San Mateo

In 1864, a rail line was completed between San Francisco and San Jose, along which grew the cities of the Peninsula that we know today. Today, this rail line is the Caltrain corridor, and it allows its riders to easily connect to a wide range of vibrant downtowns filled with restaurants, nightlife, and entertainment for the whole family. That's why we're launching Destination Downtown, a series highlighting the many downtowns Caltrain serves in order to encourage the riding public to explore everything the Bay Area has to offer.

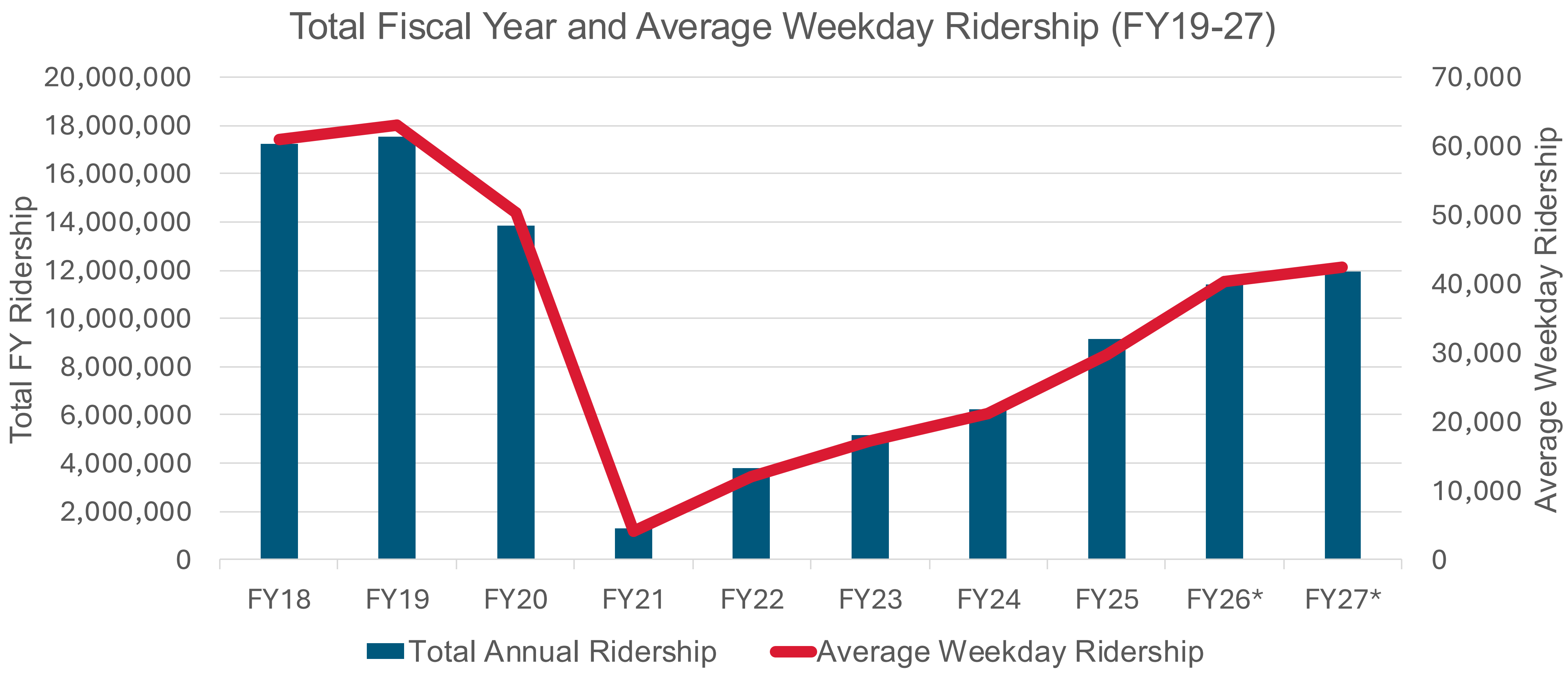
We're starting with the bustling and busy downtown San Mateo, served by the San Mateo Station. Located on B Street, Caltrain riders have immediate access to a wide range of restaurants, bars, and shops. Much of B Street was converted to a pedestrian-only avenue, making it easier than ever to enjoy the sunshine while partaking in everything from momos to bruschetta.



Caltrain Fiscal Outlook and Ridership

Caltrain Ridership Trends

Ridership demand continues to grow in response to Caltrain's electrified service improvements.

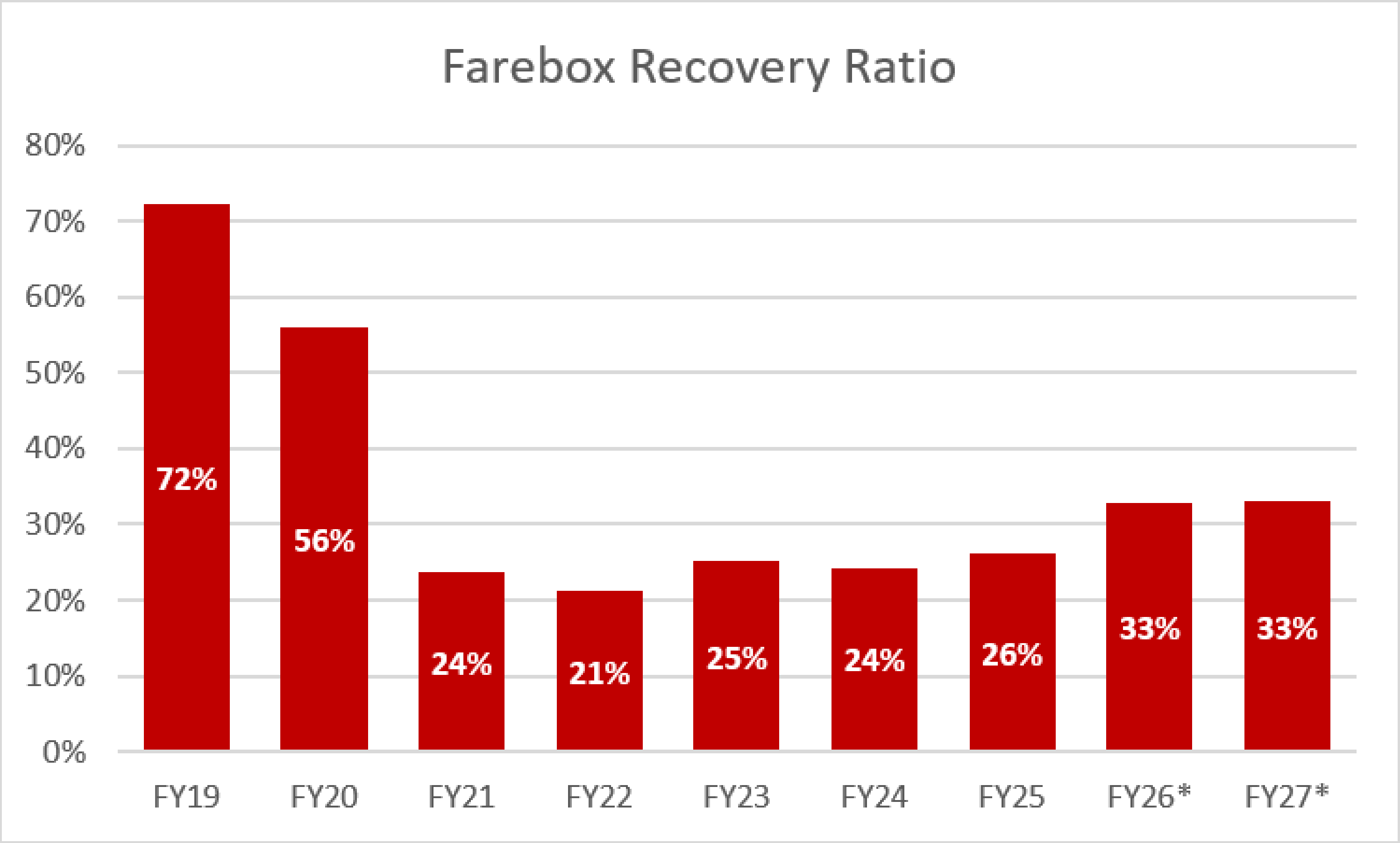


Sources: Caltrain Annual Ridership Reports; Caltrain Fare Media-Based Ridership Estimates.

*FY26 and FY27 projected.

Fares No Longer Cover the Same Share of Costs

- 2019, **fare revenue comprised over 70%** of operating revenue
- Today, while still nation leading, **fare revenue accounts for 33%** of operating revenue.



Notes: FY19-25 Actuals; FY26-27 revenue is preliminary.

Why Does Caltrain Have a $75M Annual Operating Deficit?

Commute Patterns Shifted

Sustained, significant changes in work patterns across San Francisco and Silicon Valley since the pandemic.

Ridership & Revenue Less Than Before

Fewer riders meant lower fare, parking, rental, and advertising income.

Costs Rose With Inflation

Operating costs grew faster than revenue across the transit industry.

Electrification Raised Fixed Costs

51 miles of new 25KV electrical infrastructure to maintain.

Combined result: These factors and the exhaustion of one-time COVID related funding sources have compounded to create a structural operating deficit that cannot be resolved through cuts or self-generated revenue alone.

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Cost Containment Strategies

- Strategic hiring freeze
- Comprehensive cost reduction efficiency program
- FY27: Line by line review, held operator contract to previous level
- Implemented crew scheduling efficiencies
- Recouping costs for electricity returned to the grid through regenerative braking
- Develop and evaluate battery storage plan
- MTC study on cost containment: $70M in savings

- Federal Transportation Administration Triannual Review (August 2026) - No findings

Non-Fare Revenue Strategies

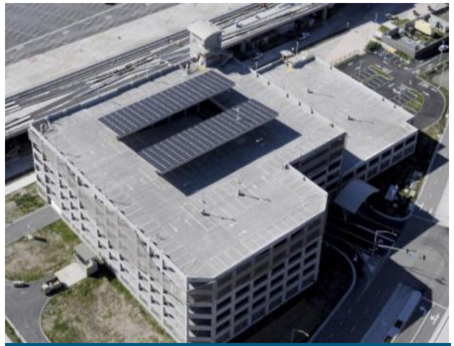
Exploring new revenue sources

Parking Revenue

Optimize parking pricing across the corridor

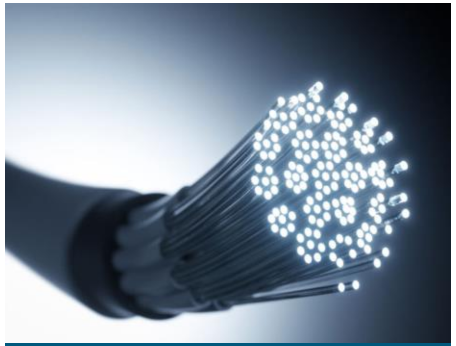
Advertising Revenue

Expand on-train and station advertising program with new electrified fleet



Energy Storage Solutions

Explore battery storage to capture regenerative braking energy and reduce costs



Fiber Optic Cable and Telecommunications Leasing

Leverage right-of-way for telecommunications infrastructure revenue

Property Holdings Revenue

Increase revenue from Caltrain's property portfolio through leasing and development

Short Term → *Long Term*

Schedule

March 2026: State Loan

November 2026: General Election

Summer 2027: Measure Funds Flow for FY28

FY2026

FY2027

FY2028

June 2026: Caltrain Board Adopts FY27 Budget and Framework for No External Funding Scenario

Continue FY26 Service Levels

Maintain current service level using one-time State Loan funds through FY27.

Continue FY26 Service Levels

Plan and Prepare for Service Cuts

Service Cuts

Fiscal Year 28+

Current Service vs. Potential Cuts in a No External Funding

Today: Frequent Service 7 days a week

Frequent Weekday Service

Trains every 15 minutes peak; every 30 off-peak

Weekend Service

Trains every 30 minutes Saturday and Sunday

Long Hours of Service

Trains from ~5 AM to ~1 AM

Special Event Service

Extra trains support concerts, games and more

Potential Service Cuts (FY28+)

Hourly Weekday Service

Once per hour all day

No Weekend Service

All Saturday and Sunday trains eliminated

Early Shutdowns

End operations by 9 PM

No Special Event Service

Eliminate all special event trains

Station Closures

Close more than one-third of all stations. Potential for full-service suspension if no external funding continues.

Why Cuts Make the Problem Worse (Downward Spiral)

1

Cut Service

Reduced frequency and span of service delivers most savings.

2

Fewer Riders

Fewer riders due to inconvenient service, reducing ridership by a projected 60% to 70%

3

Less Revenue

Less fare, parking, advertising, leasing revenue offsets cost savings

4

Creates Cycle Difficult to Reverse

Deficit persists, forcing further reductions

Ridership could decrease significantly, with losses compounded by other agencies' contemplated cuts.

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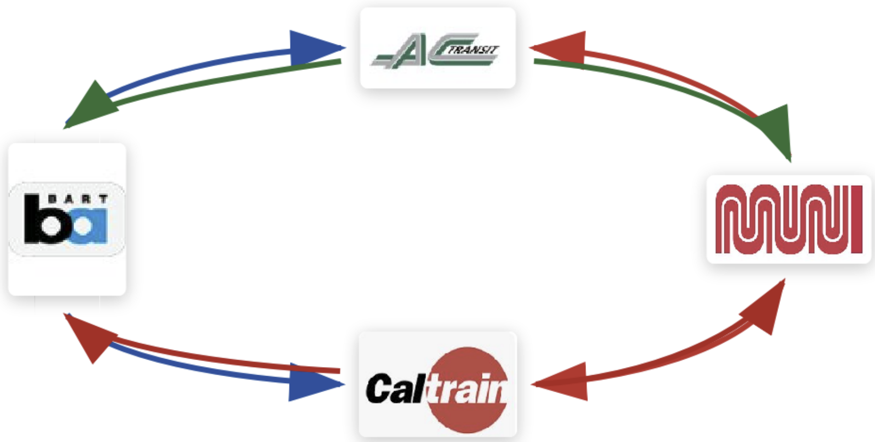
Regional Transit – Connected Implications

- Specific cuts are not certain yet.
- Contemplated cuts to other agencies in conjunction would increase Caltrain’s ridership loss.
- If no external funding, passenger service could stop and focus exclusively on maintenance and safety of the corridor and assets.
- Once shut down, minimum 2-4 years to resume Caltrain passenger service.



Critical Inflection Point

No External Funding Scenario

- Reduce to hourly service
- Eliminate weekend service
- End service at 9:00 PM
- Close ~1/3 of stations
- Cut segments of service
- Cuts to administrative costs
- Eliminate special event service
- Suspend all Caltrain service

Ridership & Revenue Are Growing

Caltrain will continue to grow ridership, generate revenue, and find cost savings — but growth and cuts cannot close the gap.

Even Significant Cuts Won't Solve the Deficit

Cutting service drives away riders, reducing operating revenue in a downward spiral, offsetting much of the savings from cuts. Significant deficit remains.

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Important Crossroads

FOR MORE INFORMATION

WWW.CALTRAIN.COM