

Caltrain Overview and Budget

Transportation Authority Board
Agenda Item 12
July 28, 2026



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
- 91% favorability with riders



Caltrain is Part of Everyday Life



- Helps millions of people get to work, school, and events
- Reduces traffic on major highways like US-101
- Connects communities across the Peninsula
- Supports access to jobs and opportunities

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:

Today, 2.9 million people, or 37% of the 9-County Bay Area's population, live in the 20 cities served by Caltrain. Corridor economic driver of the state and country.



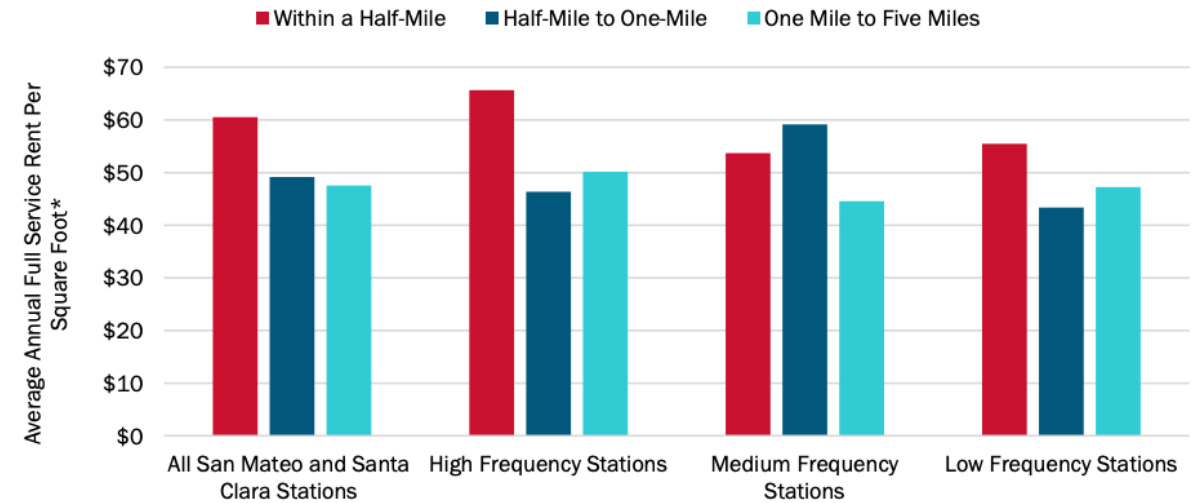
Cleaner Air

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

Based on Caltrain's average weekday ridership for Tuesdays. **Caltrans most recent AADT available for 2023. *2025 Triennial Survey.*



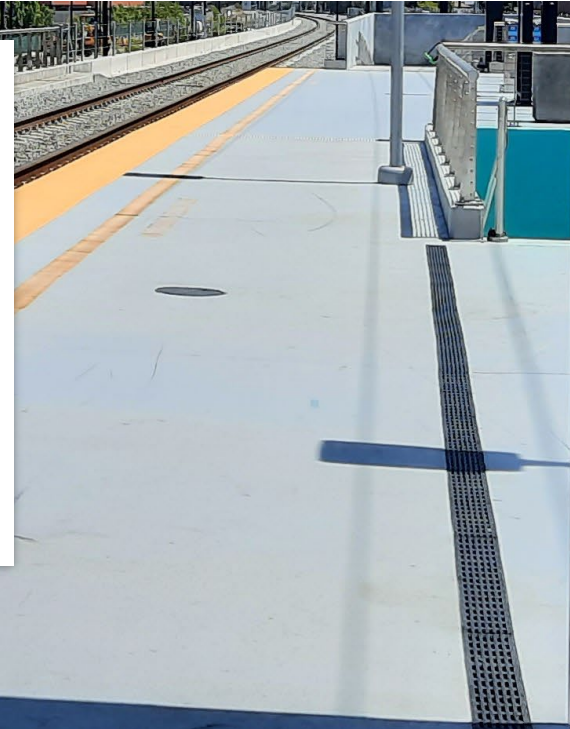
FIGURE 2-4. AVERAGE OFFICE RENTS, SAN MATEO AND SANTA CLARA COUNTIES



Caltrain is Supporting Local Economies

- Higher property values near stations
- Increased business activity and office demand
- Supports downtowns and local development
- Contributes to local tax bases across the corridor

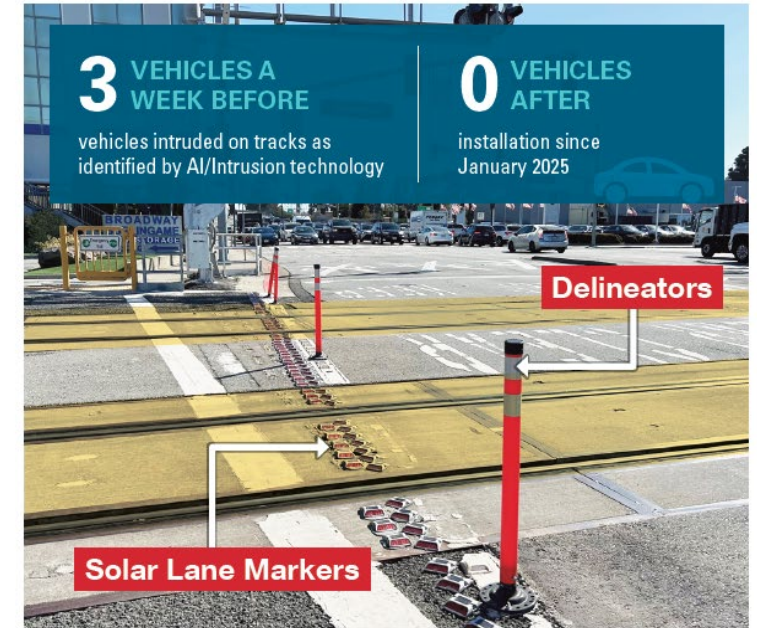
Average rent per square foot refers to annual full service gross rents per square foot weighted by the building's rentable building area.
Source: Costar, 2018; Strategic Economics, 2019.



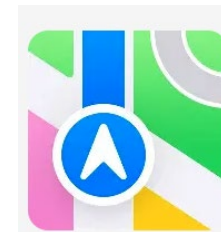
Partnerships on Major Initiatives

- Corridor Crossing Strategy
- 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



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 50% growth year over year; weekend highest ever; Giants/Sharks/Warriors 30%-50%+ increase from previous season
- **\$1 Youth Fare introduced:** offering families and riders under 18 a cost-effective way to ride
- **Diversified ridership:** **37%** low income; **10%** youth, seniors, or people with disabilities

Caltrain Ridership Trends by City

City	August 2024 (Pre-electrification)	June 2026 (Post-electrification)	% Increase
San Francisco	170,414	361,832	112.3%
South San Francisco	11,561	30,391	162.9%
San Bruno	8,034	17,143	113.4%
Millbrae	33,852	61,006	80.2%
Burlingame	13,809	29,042	110.3%
San Mateo	62,519	123,507	97.6%
Belmont	12,811	25,079	95.8%
San Carlos	13,168	24,673	87.4%
Redwood City	41,422	75,407	82.0%
Menlo Park	17,633	32,853	86.3%
Palo Alto	97,382	183,695	88.6%
Mountain View	46,936	91,628	95.2%
Sunnyvale	32,051	74,415	132.2%
Lawrence	12,824	30,912	141.0%
Santa Clara	17,001	39,233	130.8%
San Jose	46,090	87,375	89.6%
Blossom Hill	1,237	1,841	48.8%
Morgan Hill	1,985	2,764	39.2%
San Martin	451	826	83.0%
Gilroy	1,978	2,711	37.0%
Total	643,158	1,296,333	101.6%

Welcome City Partnerships

- Go Pass Program: City benefits economic, parking and traffic relief, GHG reductions
- Creative partnerships: Special service to events, themed trains



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[†]

[†]Based on adult monthly pass price announced within one fiscal year.

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



**Caltrain** ✓
May 14 · 🌐

Caltrain Offers Additional Service to Bay to Breakers in San Francisco! Read more: <https://www.caltrain.com/news/caltrain-offers-additional-service-bay-breakers-2>.

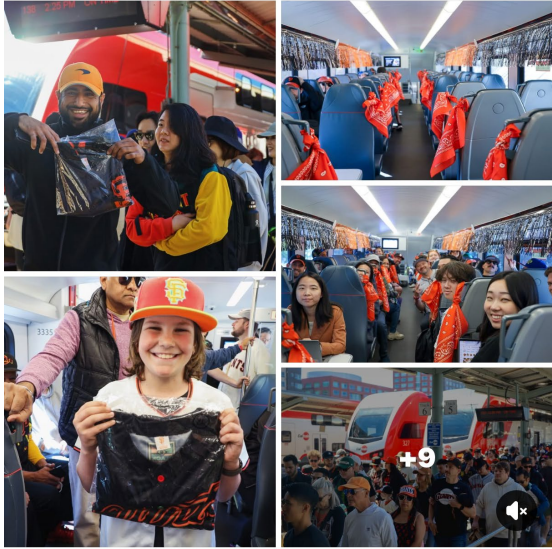


caltrain.com
Caltrain Offers Additional Service to Bay to Breakers | Caltrain

**Caltrain** ✓ is in San Francisco.
Apr 23 · 🎵 Justin Bieber • EVERYTHING HALLELUJAH · 🌐

Appreciate everyone who came out for our [@sfgiants](#) themed train ride! Whether you're rooting for the Giants or [@dodgers](#), everyone is invited to ride along! 🏈 ⭐

Go Baseball, Go Caltrain!



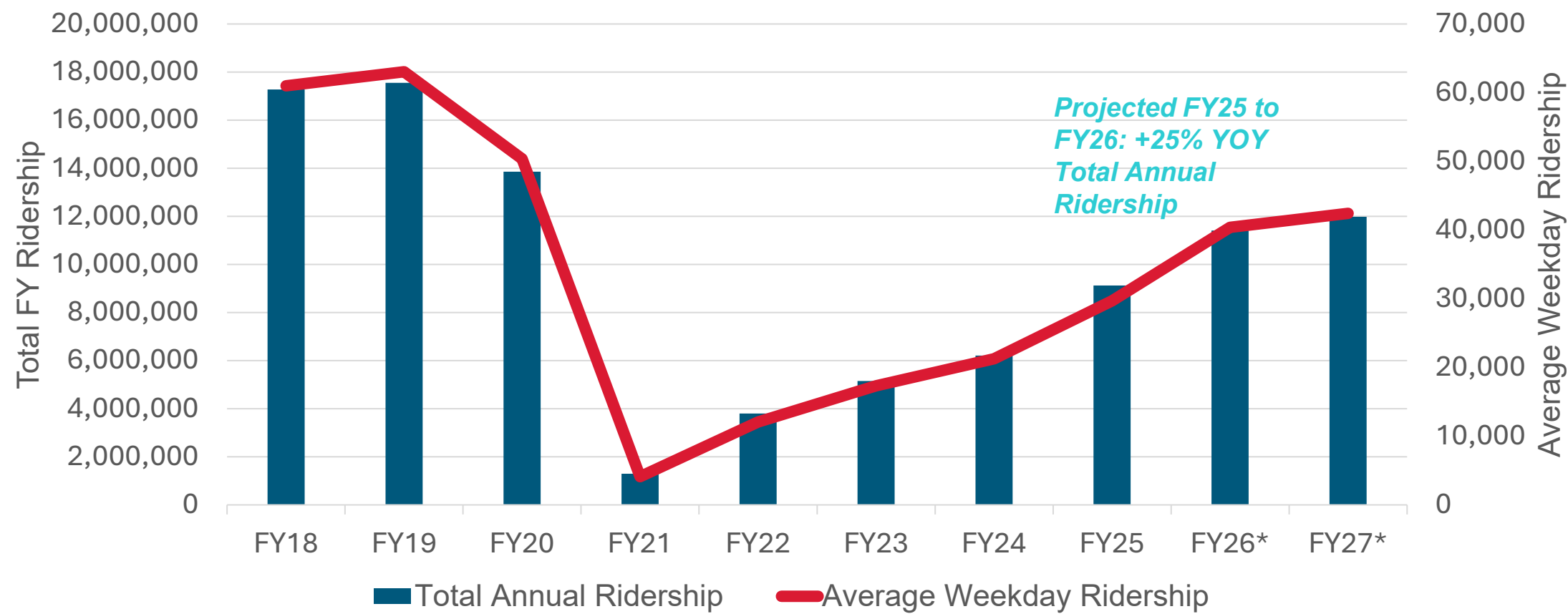
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Caltrain Fiscal Outlook and Ridership

Caltrain Ridership Trends

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

Total Fiscal Year and Average Weekday Ridership (FY19-27)



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

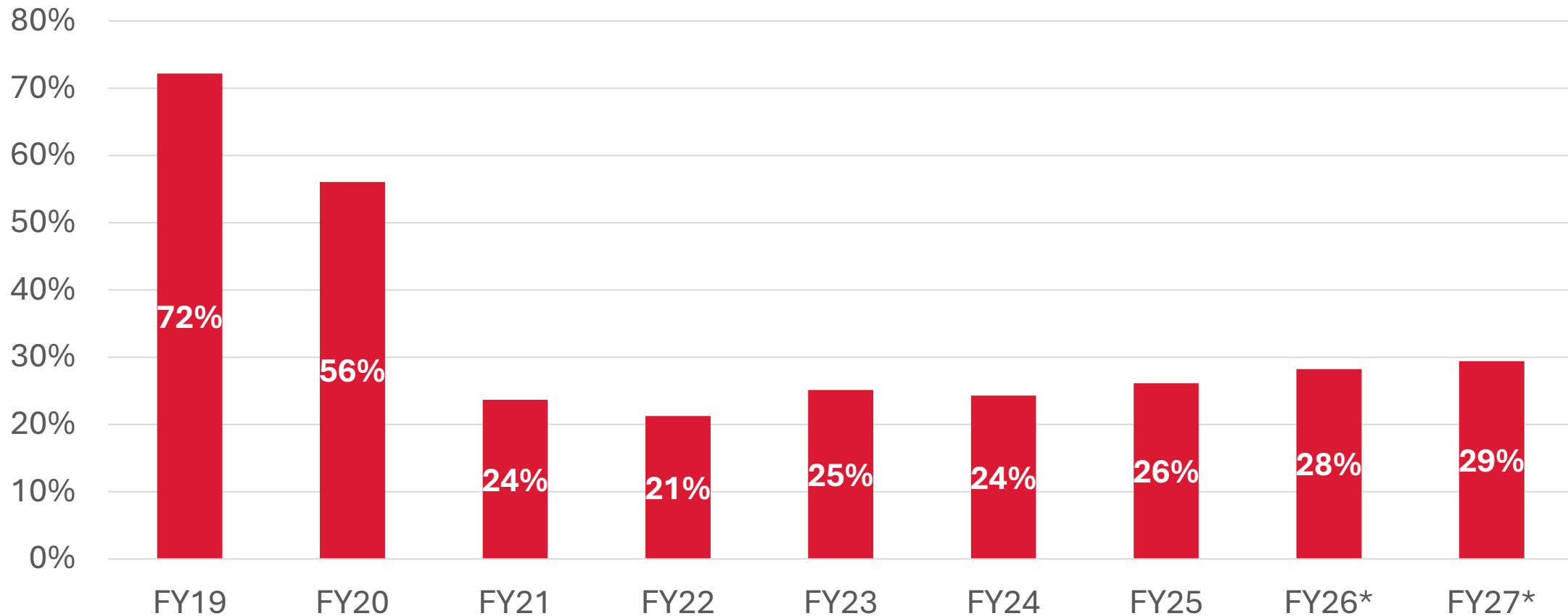
*FY26 and FY27 projected.



Fares No Longer Cover the Same Share of Costs

- 2019, **fare revenue comprised over 70% (\$100M)** of operating revenue
- Today, while still nation leading, **fare revenue accounts for ~30% (\$43M)** of operating revenue.

Caltrain Farebox Recovery Ratios (FY19-27)



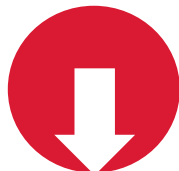
Notes: FY19-25 Actuals; FY26-27 projected.

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

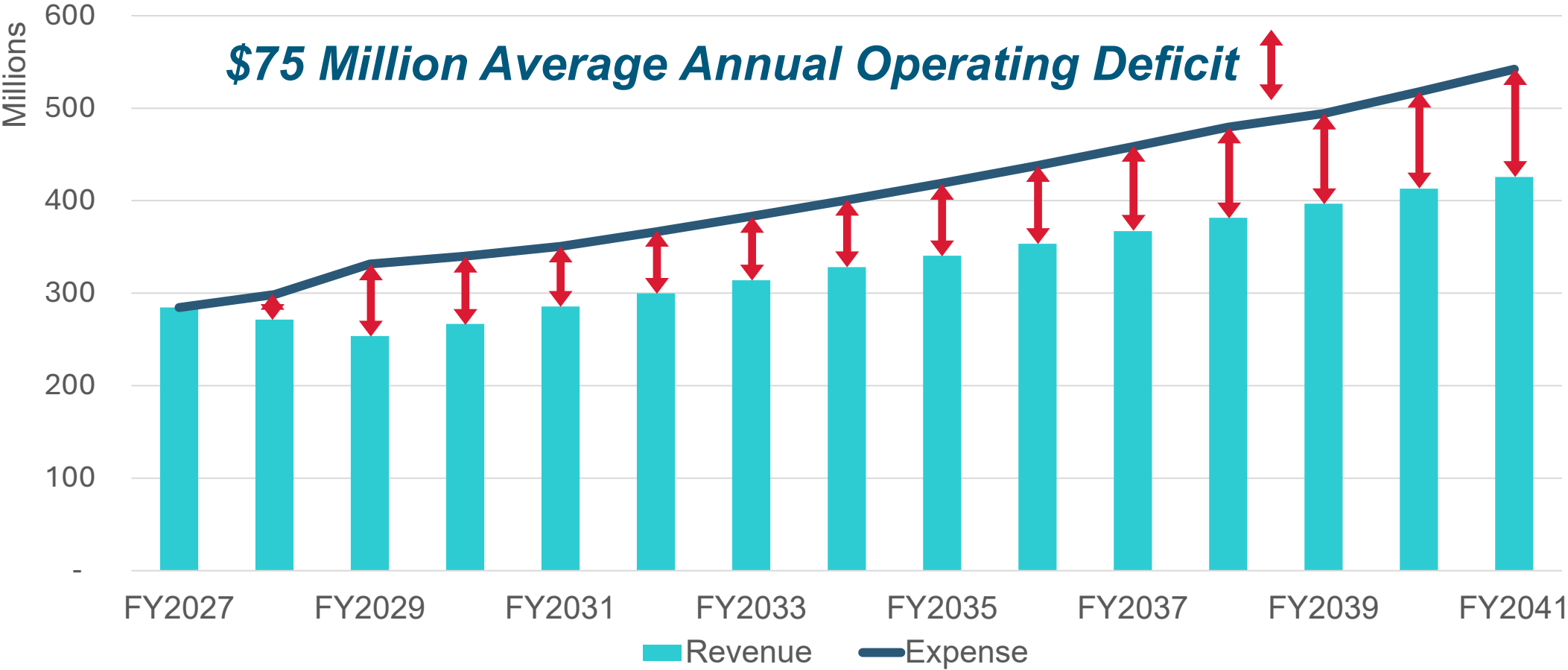
51 miles of new 25KV electrical infrastructure to maintain.



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.

15-Year Operating Budget Baseline Forecast Without External Funding

Projected Operating Deficit as of April 2026



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 showed \$70M in savings



Non-Fare Revenue Strategies

Exploring new revenue sources



Special Events

*Private car
Charter train
Sport events*



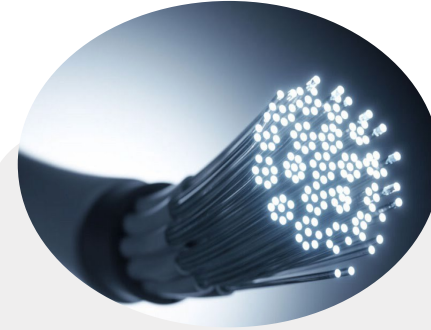
Advertising and Naming Rights

*Expand advertising & media package
train wrapping
naming rights of rolling stock and station assets*



Solar, Energy Storage Systems, EV Charging Leasing

Solar farm, energy storage facility for traction power and station energy needs



Fiber Optic Cable and Telecommunications Leasing

Cell tower leasing, fiber leasing



TOD and Commercial Leasing

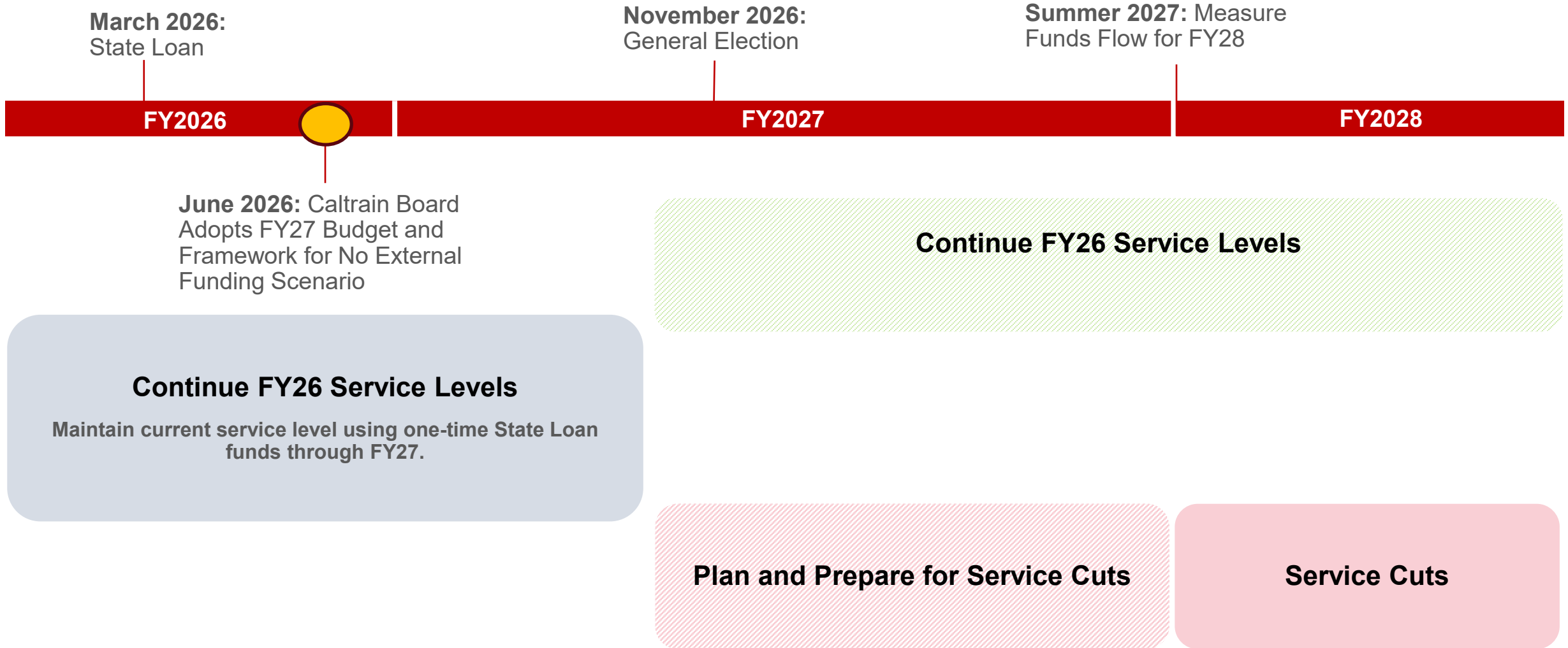
*Property conveyance lease
commercial leasing
Transit-Oriented Development*

1-2 Year Short Term

2-5 Year Medium Term

5+ Year Long Term

Schedule



Fiscal Year 28+

Current Service vs. Potential Cuts with 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

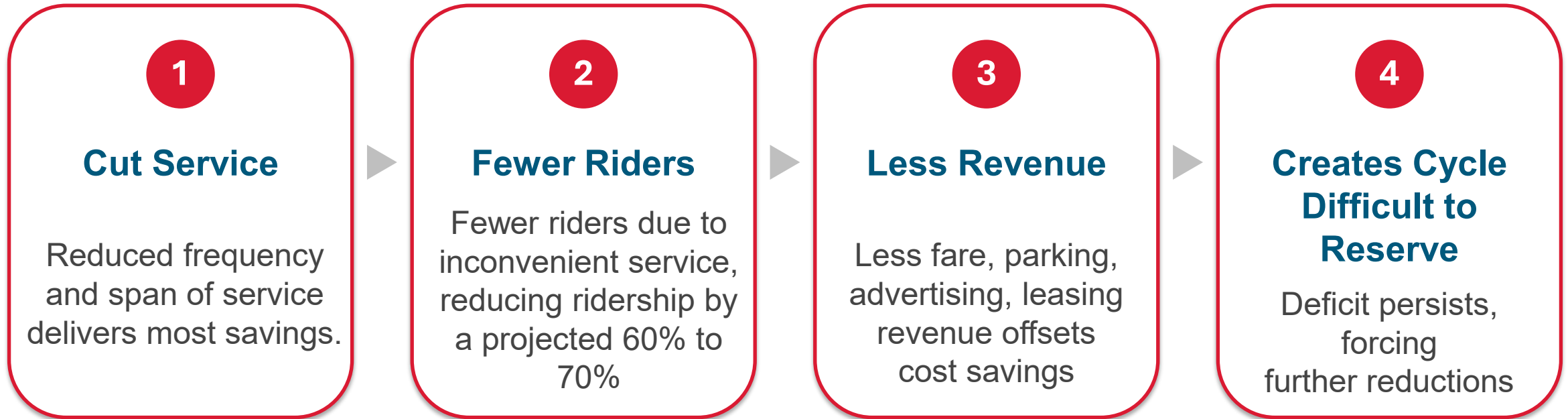
Eliminate all special event trains



Station Closures

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

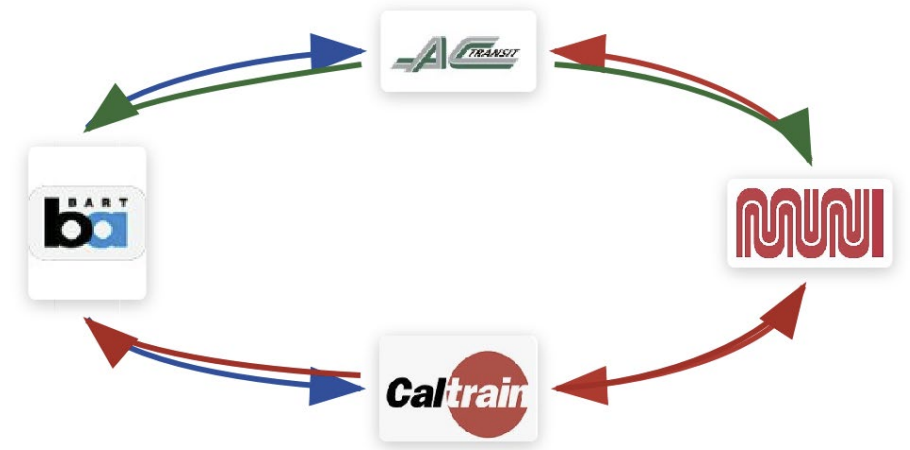
Why Cuts Make the Problem Worse (Downward Spiral)



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

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.

Important Crossroads



FOR MORE INFORMATION

WWW.CALTRAIN.COM

