



Alameda-Contra Costa  
Transit District

# Keeping the East Bay Moving

The State of AC Transit 2026



Presentation to the Alameda Transportation Commission

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# AC Transit At a Glance



- **California's largest public bus-only system**
- **2023 Outstanding Public Transportation System Award**



**Serving the East Bay**  
since 1960



**\$606.3M**  
operating budget

## Service area:

**364**  
miles

Serving **3+ million** riders  
monthly

Connecting to  
**16 transit systems**

**13 cities and 8 unincorporated communities** in Alameda and Contra Costa counties

**65% of riders:**  
low-income

**75% of riders:**  
people of color

## 6 facilities in 4 cities:

- Oakland (3)
- Emeryville
- Hayward
- Richmond



**2,266 Employees**

# Current Ridership

## Providing 40 Million Annual Rides

(April 2026 data)



141,000 Weekday



162,559 Saturday & Sunday



9,538 Daily Weekday Transbay



30,000 Student Trips Every School Day

# Driving the East Bay Economy

## A Workforce-First Employer

Investments in  
service, maintenance,  
and capital projects  
support over

**5,100 Jobs**

**\$604  
million**

in local wages  
fuel the region's  
economy

## An East Bay Economic Engine

**\$1 billion**

Local Business Sales

Source: The American Public Transportation Association (APTA)

# National Leader in Clean Transit

*25 Years of Zero Emission Leadership*

**58 zero emission buses (ZEBs)**  
(28 battery electric + 30 hydrogen fuel cell)

**The nation's first Zero Emission Bus University (ZEBU):** the future of workforce development

**Awarded \$40M** in federal grants to help make ZEBU – in Hayward – a reality



**ZEBU Workforce Partnership**  
A first-of-its-kind transit-college collaboration with Chabot College & union (ATU Local 192)

**Investing in communities** that depend on transit



# Investing In Our Communities

*Programs that put riders first*



## EasyPass

- ***Unlimited rides, one pass***
- ***4.7M Annual Trips***

Deeply discounted annual passes for employers, colleges, and residential communities.



## Clipper START

***Half-price fares for riders who need it most***

50% off every trip for income-eligible adults across Bay Area transit.



## Safety Tech

***Bus Only Lanes & Bus Stop Enforcement***

Onboard camera technology encourages safer driving around buses.



## Regional Network Management

***Coordinating transit priority across the Bay Area***

Working with regional partners to make buses faster and more reliable across major corridors.



## Realign

***Right-Sizing Our Bus System***

Redesigned 104 lines to match today's ridership, improve connectivity, and boost efficiency.

# AC Transit Riders Depend on Us More Than Ever

- Higher-income commuters are riding transit less often.
- **Lower-income riders still rely heavily on transit for daily needs.**
- **Over 60% of AC Transit riders earn under \$50,000.**
- 70% of Bay Area transit riders earn under \$100,000.
- 65% of Bay Area transit riders had no household vehicle available for their trip.

***East Bay riders with the fewest transportation options would bear the brunt of possible service cuts.***



Sources: S.F. Chronicle, June 29, 2026; MTC 2023–2024 Transit Passenger Snapshot Survey.

# Accountability and Oversight

*Making every taxpayer dollar count*



## Strengthening Fare Compliance

*Every fare supports service*

Following the first fare increase in six years, a second arrives July 1, 2026, paired with a campaign on the importance of paying the fare and reducing evasion through fare compliance.



## 2026 State Audit Report

*Validated by California's State Auditor*

AC Transit and five other East Bay transit agencies are already working together well across the region. The real problem is mounting fiscal deficits that threaten service.



## SB 63 Financial Efficiency Review

*Independent review confirms we're controlling costs*

Independent review confirms average annual savings of \$33 million since FY20.



## Disciplined Financial Management. Strong Credit Rating.

*S&P Global Ratings: AA+*

One of the highest credit ratings, demonstrating a very strong ability to meet financial obligations.

# Financial Outlook

## Structural Deficit & Mitigations



### What's Behind Our Budget Deficit?

- Emergency relief funding that sustained service through the pandemic is now gone
- Operating costs — wages and benefits, fuel, parts, and bus production — are rising faster than revenues
- Flat regional sales tax revenues

**+28%**  
**Fuel**

**+14%**  
**Bus parts**

**+35%**  
**Cost of buses**

*Bus cost increase: 2023–2025*

# Financial Outlook

## Structural Deficit & Mitigations



### Smart Cost-Cutting

*Every department is tightening spending*

# \$9M+

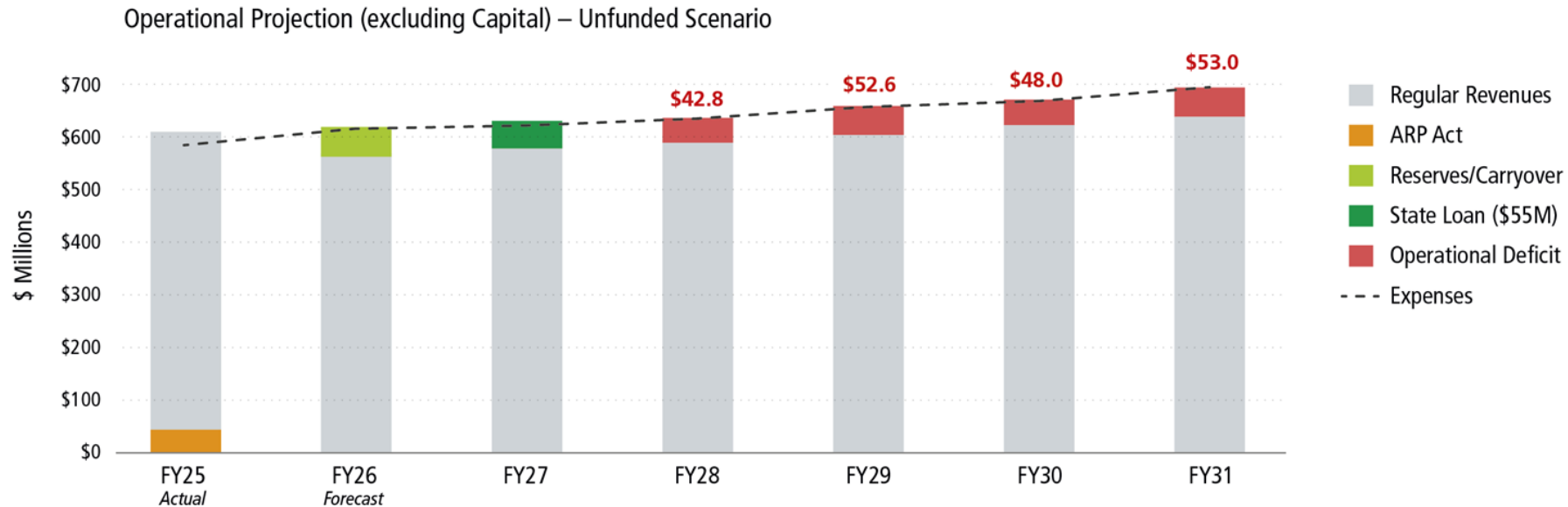
In savings delivered in  
FY 26

- Hiring limited to critical roles that directly support service
- Temporary employees scaled back — saving up to \$2M each year
- Brought outside professional services in house
- Partnered with other agencies to buy goods and services for less
- Temporary pension payment plan reduction approved for FY 2026–27



# If New Funding Doesn't Materialize

*\$200M, Projected Four-Year Deficit*



▼ **16%**  
**Bus Service**

**Potential loss of 300 jobs and cuts to 1,500 paratransit trips.**

# Potential New Funding & Use of Bridge Loan

## November 2026 Ballot Measure



- SB 63 authorizes a 5-county sales tax measure: 0.5% in Alameda, Contra Costa, San Mateo and Santa Clara and 1% in San Francisco
- If the measure is approved by voters, AC Transit receives \$52M annually
- Would provide funding for other transit operators and local projects prioritized by each county
- Would preserve current bus service levels

## Regional Transit Bridge Loan

- \$590 million loan offers short-term relief
- **AC Transit will receive \$55 million**
- The loan covers most of our \$60 million deficit in FY26-27 allowing us to maintain current service levels into the coming fiscal year

# Protect as Much as Possible

*Plan for the worst, hope for the best*



## Why Plan for Service Reductions?

- Protect the investments we've made
- Continue to use tax dollars wisely
- Deliver the best service we can in the worst-case scenario
- Protect as much bus service as possible



## Guiding Principles

- Maintain the Realign network
- Minimize complete service eliminations
- Focus on span and frequency reductions
- Restructure high-cost services
- Service impacts proportional across bus network

# Proposed Contingency Service Plan

## Primary Route Network



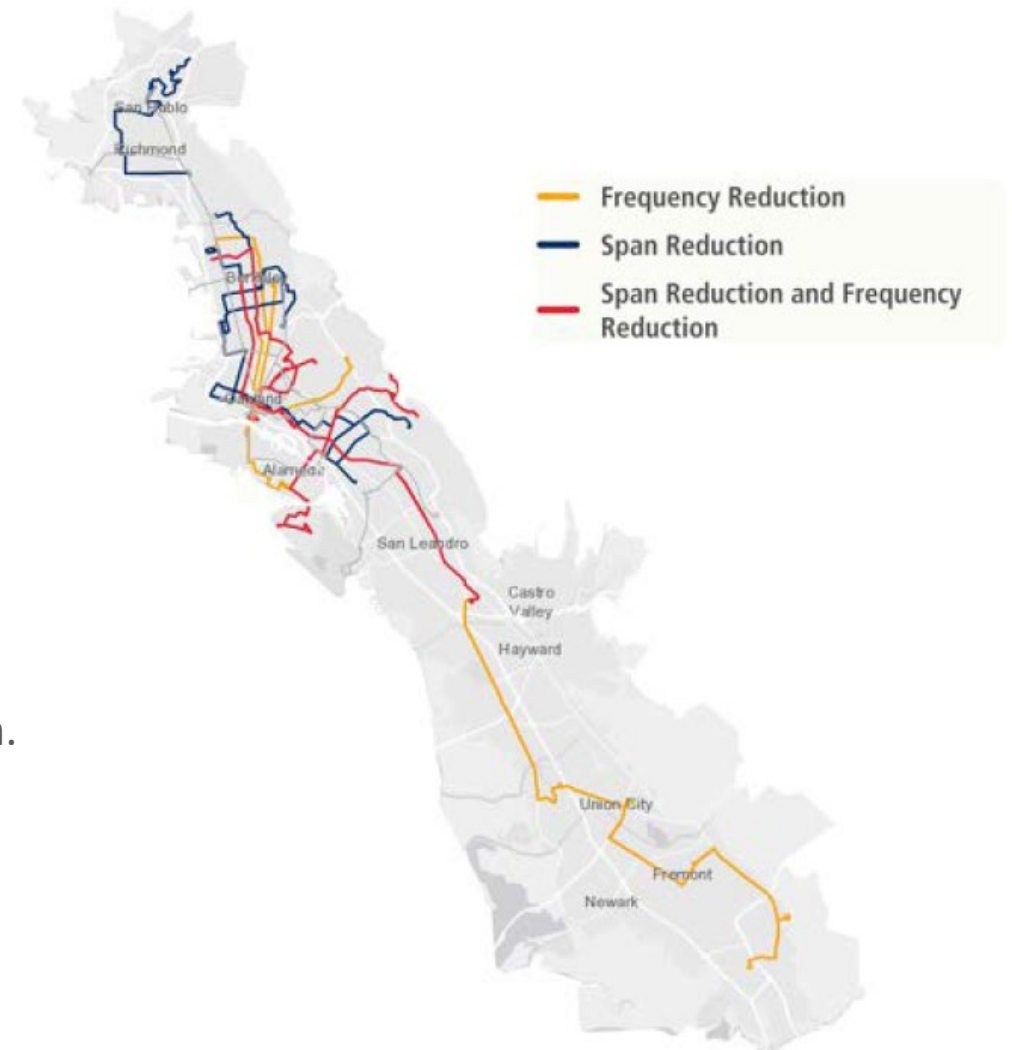
**The “backbone” of the network is protected**

**Lines 1T, 6, 9, 18, 40, 51A, 51B, 52, 57, shared 72/72M/72L:**

- Preserved at 15 minutes or better on weekdays

**Most other “backbone” lines:**

- Daily service with hours no less than 6:00 a.m.–10:00 p.m.
- Every 30 minutes in line with service standards
- 93% of bus lines remain unchanged



# What This Means For Alameda

## *Proposed Contingency Service Plan*

**Line 19:** Line eliminated due to low ridership.

**Line 30:** Frequency reduced to 40 mins. After 7:00 p.m., only operates on Park St/Fruitvale Ave corridor.

**Line 31:** Frequency reduced to 40 mins. Hours of operation reduced to 6:00 a.m. – 7:30 p.m.

**Line 51A:** No proposed reductions.

**Line 96:** Frequency reduced to 40 mins on weekdays and 60 mins on weekends.

**Line 851 (Owl):** No proposed reductions.

**Line O:** Operate **peak direction service only**. Shorten route to run between SF and Bridgeside Shopping Center via Broadway, Santa Clara Ave, and Webster St. **Eliminate service on weekends.**

**Line W:** Eliminate one westbound morning trip and four eastbound afternoon trips.

**New Alameda East End Line:** New line with all-day service every 60 minutes running between Fruitvale BART and South Shore Shopping Center via Fruitvale Ave, Fernside Dr, High St, Encinal Ave, and Park St.

# The Road Ahead

| Date                        | Service Reduction Step               |
|-----------------------------|--------------------------------------|
| Aug 12, 2026                | AC Transit Board Sets Public Hearing |
| Oct 14, 2026                | Public Hearing and Open House        |
| Nov 3, 2026                 | General Election                     |
| Nov 18, 2026<br>(if needed) | AC Transit Regular Board Meeting     |
| Dec 9, 2026<br>(if needed)  | AC Transit Board Approval            |
| Jun 13, 2027<br>(if needed) | Implement Service Reductions         |

# Share Your Feedback!

*Scan the QR Code to learn more about our Proposed Contingency Plan*  
*Email: [planning@actransit.org](mailto:planning@actransit.org) Visit: [www.actransit.org/contingency-plan](http://www.actransit.org/contingency-plan)*



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