



Santa Cruz METRO Transit District

March 2026

METRO's Mission & Service

- **Established in 1968:** METRO's mission is to provide environmentally sustainable transportation for Santa Cruz County.
- **Countywide bus service:** Connecting Santa Cruz, Capitola, Watsonville, and Scotts Valley, plus Aptos, Soquel, Live Oak, Bonny Doon, Davenport, and the San Lorenzo Valley.
- **Regional connections:** Highway 17 Express commuter service connects Santa Cruz to downtown San Jose and Bay Area transit systems (in cooperation with partner agencies).
- **System snapshot: 29 routes and 4 transit centers**—River Front (temporary during Pacific Station/Rotkin Transit Center redevelopment), Cavallaro (Scotts Valley), Capitola Mall, and Watsonville.
- **ParaCruz (ADA paratransit):** Door-to-door shared rides for eligible riders with disabilities who cannot use fixed-route service. Over 2K enrolled and 65K rides per year.



METRO & Transit Benefits

- **Expands access and opportunity:** Connects people to jobs, school, medical care, shopping, and essential services.
- **Supports equity and independence:** Provides mobility for seniors, people with disabilities, students, and residents without reliable vehicle access.
- **Reduces traffic congestion:** Fewer car trips means safer, less congested streets and more efficient travel countywide.
- **Improves air quality and lowers emissions:** More transit trips and cleaner buses reduce pollution and support sustainability goals.
- **Strengthens the local economy:** Helps employers and local businesses by supporting workforce mobility and customer access.
 - According to APTA, every \$1 invested in public transportation generates \$5 in long-term economic value.
- **Provides resilience during emergencies:** Supports evacuations and keeps access to essential destinations during major disruptions.



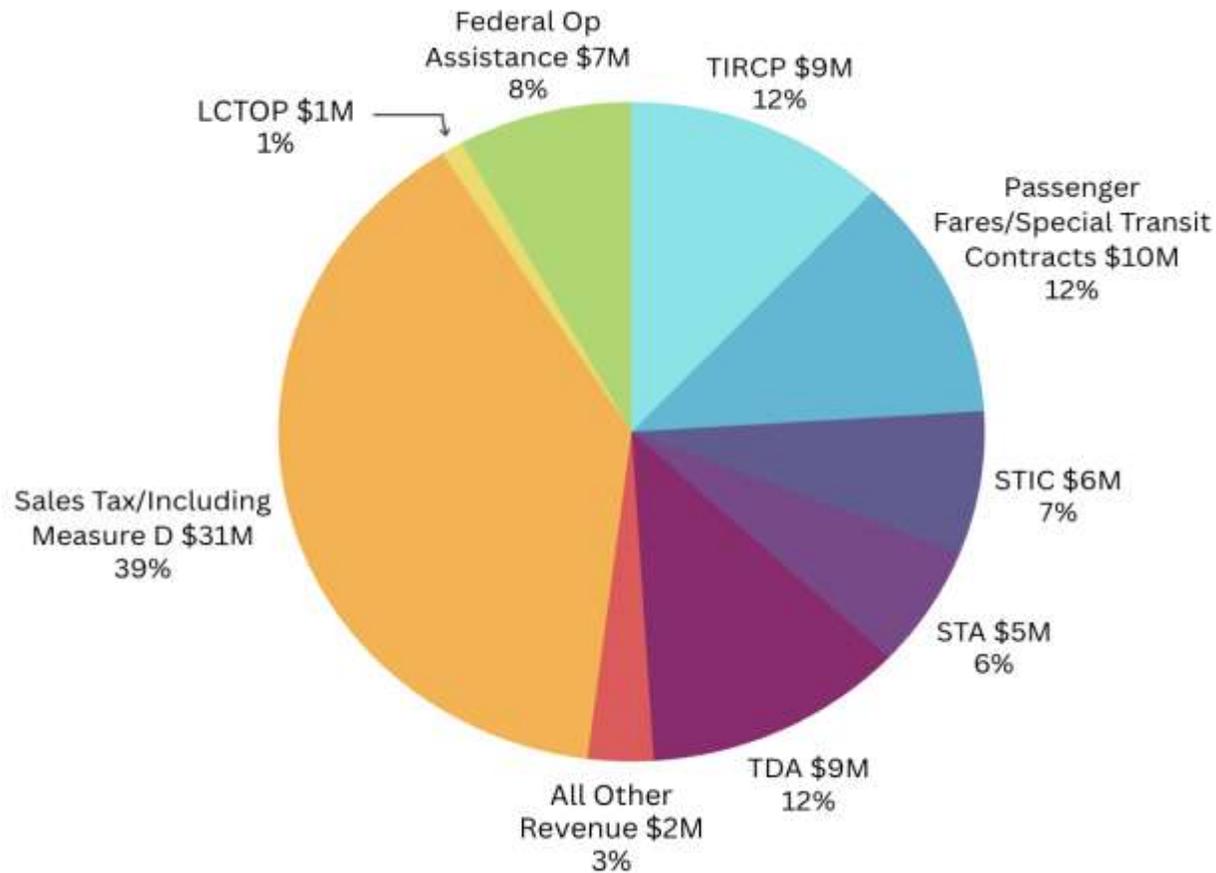
Ridership Stats

- In FY25, there were **4.7 million total boardings**.
- A 22% increase over the year prior and a 43% increase since the Reimagine METRO service changes began.
- There were 1.5 million more boardings on METRO buses in FY25 compared to before Reimagine METRO.
- Total ridership ended FY25 at 94% of pre-COVID levels.
 - On pace to end FY26 at 10% above pre-COVID levels.



Operating Expenses/Funding

FY26 FINAL BUDGET INCOME-FUNDING SOURCE*



- METRO publishes a yearly budget and independent audit to ensure transparency.
- Fare revenue only covers 12% of operating budget.
- In FY2025, about 50% of operating and nearly all capital funding came from grants.
- METRO uses both formula and competitive grants to support operations and capital projects.
- METRO receives 16% of Santa Cruz County's Measure D (combined with Measure G 1979) transportation sales tax revenues, helping fund local transit service and improvements.
- Sales tax revenue accounts for about 40% of operating revenues.
- TIRCP is a one-time operating grant expiring in 2027.

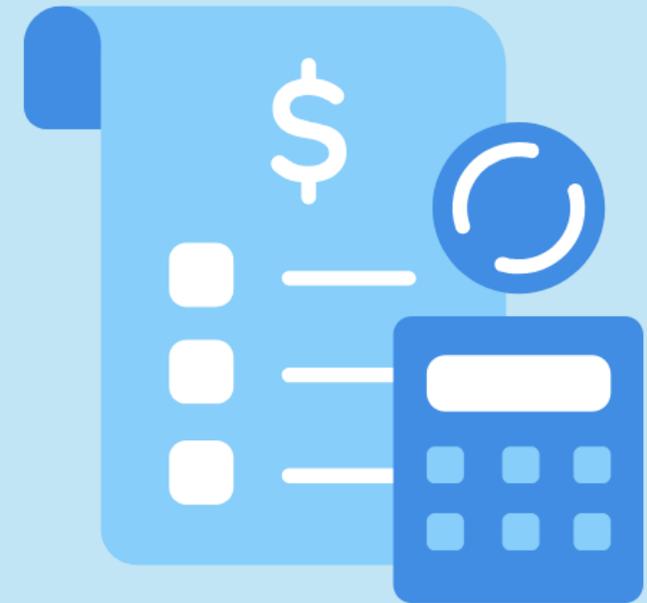
*\$ and % shown are rounded up for clarity

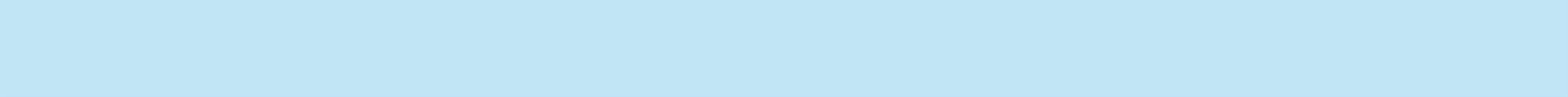
\$ in millions

Total operating budget : \$79M

Budget Shortfall

- **Unreliable external funding:** State/federal funding is scarce and unpredictable, and key grant support tied to recent service improvements ends in 2026.
 - TIRCP (Transit & Intercity Rail Capital Program) for Reimagine METRO is a one-time state grant that will expire early 2027
- **Structural funding gap:** Structural funding gap: Operating costs (wages and benefits, services, materials and supplies) continue to rise while long-term operating and grant revenue is uncertain.
 - METRO is committed to paying adequate wages.
- **Grant mismatch:** Most grant funding is restricted to capital projects, not day-to-day operations
 - 98% of grants are capital, not operating
- **What's at risk without stable operating dollars:** Maintaining clean, safe, reliable, and affordable service—including key community priorities like service for seniors and people with disabilities.





Projects

2023 - 2026

Reimagine METRO: Overview + Goals

- **Launched in late 2022** to rethink where and how often buses run in Santa Cruz County.
- **Goals:** Increase the amount of service; make transit more relevant to community needs; create a network that is useful and attractive for more trips.
- **Community-driven planning:** Developed through a 15-month public process with surveys, meetings, workshops, and outreach at community events.
- **Phased rollout:** First wave implemented December 2023, with additional phases through 2024–2025.
- **Funded** by a one-time state grant that will run out in 2026/2027.



Pre-Reimagine METRO Map



Current Service Map



What's Improved: Frequency + Access + Support

- **Added convenience:** 20-minute or better frequency on popular routes, including 1, 2, 18, and 19, plus new all-day options.
- **More night & weekend service:** Expanded schedules to support trips beyond commute hours.
- **Access is expanding:** 100,000+ residents are within a 10-minute walk of frequent transit service.
- **Rider support:** 86% of riders support METRO's service improvements.
- **Ridership is growing:** Ridership is up 23% since the first wave, and 43% of respondents report riding METRO more often.



What's Improved: Frequency + Access + Support

- **In FY2025**
 - Highway 17 ridership increased 24% (+7,396)
 - Local non-student ridership increased 9%
 - UCSC ridership increased 16% (+100,221)
 - Cabrillo College ridership increased 58% (+21,793)
 - Youth ridership increased 41% over the year prior and has increased 529% since the program began.





Local Highlights

- Route 55 Now Serves Popular Shopping Destination Aptos Village.
 - Responding to another popular request, Route 55 now serves Aptos Village throughout the day.
- Route 73 now serves Capitola Village throughout the day, in addition to Route 55.
- Late night service on Routes 3A and 3B, serving Capitola Mall, 41st Ave and Live Oak.
- Frequent service at Cabrillo College (Routes 1 and 2 both operate every 20 minutes between Santa Cruz and Watsonville).
 - Cabrillo ridership has increased 13% in the last year.
- Saturday and Sunday frequencies that match weekdays on most routes, including Routes 2 and 3.

Youth Cruz Free



529% Youth Ridership Increase

- Groundbreaking program launched in March 2023, allowing youth in grades K-12 to ride METRO for free.
- Provides young people with greater access to education, extracurricular activities, and social opportunities.
- Initially slated to be a one-year pilot program, its success has led to it being extended.
- Funded until March 2027 (via LCTOP* grant) & may be extended.
- In FY25, there were 387,170 youth boardings.
- This was a 41% increase over the year prior, and a 529% increase since the program began.

Programs & Initiatives

- **ZEB Program:** Battery Electric & Hydrogen Buses
- **Rapid Corridors Study:** Engage community members to understand needs and opportunities for improved transit service, amenities, and bicycle and pedestrian facilities.
- **O&M Facility – South County:** Bus storage, maintenance & repairs, fueling infrastructure, and operator/staff support spaces.
- **Natural Disaster & Emergency Response**



Transit Center Redevelopments + Affordable Housing

- **Rotkin Transit Center Redevelopment**

- METRO's primary downtown transit hub; being rebuilt into a modern transit center with **126 affordable housing units** in a net-zero, 7-story mixed-use development.
- Funding: \$29.6M AHSC grant, \$20.9M HCD IIG program, \$500K TIRCP funds.
- Timeline: Broke ground Feb 2024; expected completion end of 2026.

- **Watsonville Transit Center Redevelopment**

- Planned redevelopment into a transit-oriented, net-zero project with **79 affordable housing units** above a rebuilt transit center and ticketing office.
- Funding: AMBAG REAP 2.0 (2021) + TIRCP + AHSC
- Supports high-quality transit by enabling two routes with 20-minute frequency between Watsonville and Santa Cruz.



Questions?





Thank You!

Contact: info@scmetro.org