



Agenda Memo

CITY HALL - ONE FRANK H. OGAWA PLAZA, 2ND FLOOR - OAKLAND - CALIFORNIA - 94612

FROM:

KEVIN JENKINS
Council President (District 6)

(510) 238-7006
E-mail: kjenkins@oaklandca.gov

TO: Oakland City Councilmembers and Members of the Public

SUBJECT: AC Transit Budget & Service Update: Informational Update from AC Transit on Financial Outlook, Potential Service Cuts, and Public Input Opportunity.

The Alameda-Contra Costa Transit District (AC Transit) is the largest public bus-only transit system in California. For 65 years, AC Transit has connected East Bay residents to jobs, school, healthcare, and community life. However, rising costs have outpaced funding provided for AC Transit, and the District is now at a historic financial crossroads, facing a four-year, \$200 million deficit beginning in Fiscal Year 2027-28. The emergency relief funding that sustained service through the pandemic is now gone. At the same time, costs of operating transit are rising – from wages and benefits to fuel, parts, and bus production – while the rise in costs has outpaced revenues. A recent State of California bridge loan provides temporary relief but does not solve the ongoing lack of funding. The passage of a proposed ballot measure in November could provide funding for AC Transit to continue full service. However, without that additional funding, our 65-year-old transit district faces unavoidable service cuts of up to 16% and potential layoffs impacting as many as 300 employees.

Colleagues on the City Council and Members of the Public,
We will be receiving a presentation from AC Transit regarding its current agency deficit projections, as well as potential service adjustments and workforce reduction scenarios.
This is an important briefing that directly relates to regional transit stability and the communities we serve. I urge all Council Members to attend, listen closely, and engage thoughtfully with the information presented. The decisions and constraints outlined by AC Transit may have significant implications for riders, workers, and service reliability across our area.
Given the potential scope of the fiscal challenges, it is essential that we fully understand the assumptions and impacts being presented before considering any policy response or recommendations.
Thank you for your attention and participation.

I respectfully urge your support in adopting this resolution.

Sincerely,

Kevin Jenkins

Oakland City Councilmember District 6