



BOARD OF DIRECTORS REPORT

MEETING DATE: MARCH 17, 2026 **AGENDA ITEM #:** 10
TYPE: INFORMATIONAL ITEM
PREPARED BY: PLANNING AND MARKETING MANAGER HILLARY BLACKERBY
REVIEWED BY: GENERAL MANAGER JERRY ESTRADA
SUBJECT: DRAFT SERVICE PLAN FOR FY 2026-27

RECOMMENDATION:

That the Board of Directors receive a presentation and provide feedback regarding the proposed service changes for August 2026, which serve as the Program of Projects (POP) for the estimated MTD FFY 2027 Section 5307 funding.

DISCUSSION:

On January 20, 2026, staff presented the FY 2026-27 planning work plan to the Board of Directors. The approved service level for FY 2025-26 was 180,561 hours.

With a fiscal cliff drawing nearer, staff is recommending a reduction in service of approximately 3 percent to go into effect as of August 17, 2026. As recently presented to the Board of Directors, the draft budget for Fiscal Year 2026-27 is projecting a deficit of nearly \$5.8 million. While there are (at this moment) still funds to cover that gap from Federal pandemic operating assistance, those funds are dwindling rapidly as the deficit grows in out years.

These proposed reductions consider several variables: ridership, coverage, current frequency, and span of service. When tasked with exploring possible reductions, the Planning team analyzed ridership, coverage of various neighborhoods and service areas, potential changes in frequency, and potential changes in spans of service—specifically late trips and weekends.

As the information below shows, on some routes, specific trips are proposed for elimination. These trips have been analyzed for their ridership and have been deemed as lower performing trips as compared to other trips. While making reductions in service is never easy or desired, the goal is to have the lightest impact on bus riders while finding savings to reduce the budget deficit. As a caveat, barring any unexpected windfall operating funding over the next year, it is very likely that much deeper reductions will need to be made in upcoming years.

MTD does operate some service that is funded based on grants or contracts and so reducing that service would not have a positive impact on the budget deficit. These routes include Lines 28 (UCSB Shuttle), 12x (Goleta Express), 19x (Carpinteria/SBCC Express), 24x (UCSB Express),

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and the Downtown-Waterfront Shuttle. The Wave on-demand microtransit service is also currently funded by temporary grants.

New contracted service is scheduled to start on May 4, 2026, providing first mile/last mile service to the new commuter-timed Pacific Surfliner service being funded by the Santa Barbara County Association of Governments (SBCAG). It is expected (and reflected below) that this service will continue through FY 26-27.

The City of Santa Barbara has included funding for this summer’s Downtown-Waterfront Shuttle service in its draft budget, and details of an agreement are being finalized.

Summary of Proposed Changes

Lines	Description of Changes	Revenue Hours
Lines 1 & 2	Reduce weekday headways from 15 to 20 minutes	(4,950)
Line 3	Reduce service on Saturday to match Sunday service schedule	(130)
Lines 4 & 17	Reduce service on Saturday to match Sunday service schedule	(128)
Line 5	Reduce service on Saturday to match Sunday service schedule	(225)
Line 7	Eliminate last weekday outbound trip	(188)
Line 14	Eliminate one weekday AM roundtrip, bringing all day headways to 1 hour	(375)
Line 14	Eliminate one Saturday AM roundtrip	(70)
Line 20	Eliminate first Sunday AM outbound trip	(171)
Lines 11, 23, & 25	Eliminate last weekday: outbound 23 trip, inbound 25 trip, and inbound 11 trip	(345)
Line 2010	Alpha Resource Center booster route eliminated as of June 15, 2026	(105)
The Wave Microtransit-Goleta/Isla Vista & Carpinteria*	LCTOP funded service	910*
Amtrak First/Last Mile**	SBCAG funded service	1,920**
Miscellaneous	Minor OTP adjustments	100
Total		(-3,757)

*Reflects additional budgeted hours over FY 25-26. Funded via Low-Carbon Transit Operations Program grant funds

**Funded by SBCAG with Measure A funds

Proposed Service Reductions

Lines 1 (West Santa Barbara) and 2 (East Santa Barbara)

Line 1 serves Downtown and West Santa Barbara, and Line 2 serves Downtown and East Santa Barbara. These routes are interlined and run on 15-minute headways for most of the day on weekdays. That makes these routes the most frequent in MTD's system. Revenue hours on Lines 1 and 2 combined make up 14 percent of MTD's total revenue hours.

After analyzing ridership impacts and recognizing that 20-minute headways are seen as a good standard in bus systems of MTD's size, and is among the most frequent in the system, staff is recommending reducing weekday headways on Lines 1 and 2 to 20-minute frequency. The span of service would remain the same.

While Lines 1 and 2 are still very popular routes with an average of 22 passengers per hour year-to-date, they have seen drops in ridership of 17.3% and 18%, respectively, in the period of July 2025 to January 2026 as compared to the prior year. While it is hoped that this downward trend on these routes will turn around, we believe that with 20-minute service, the capacity will be sufficient to satisfy current demand.

Lines 3 (Oak Park), 4 (Mesa/SBCC), 5 (Mesa/La Cumbre), and 17 (Lower West SB/SBCC)

Line 3 serves Downtown Santa Barbara, Cottage Hospital/Oak Park, Samarkand, Hitchcock, La Cumbre, and Sansum Clinic on Foothill. Line 4 serves Downtown Santa Barbara, Carrillo Hill, the Mesa, and SBCC, and is interlined with Line 17 which serves Downtown Santa Barbara, the Lower Westside, and SBCC. Line 5 serves Downtown Santa Barbara, SBCC, the Mesa, Hidden Valley and La Cumbre.

On these four routes (3, 4, 5, and 17) currently, there is slightly more service on Saturdays than Sundays. Staff's recommendation is to match Saturday's schedules on these routes to Sunday's current schedule. This means all weekend days on Lines 3, 4, 5, and 17 would have the same schedules. Headways would not change on these routes; the span of service would shrink.

Line 3 would go from 13 round trips to 11 round trips (losing 2 AM and 1 PM trips).

On the weekends, Lines 4, 17, and 5 are interlined for much of the day. Line 4 would go from 11 outbound trips to 8, and from 12 inbound trips to 9. Line 17 would go from 12 outbound trips to 9, and from 11 inbound trips to 8. Both Line 4 and 17 would lose 2 AM trips and 1 PM trip.

Line 5 would go from 14 outbound trips to 11 trips and 13 inbound trips to 10 trips (losing 1 AM and 2 PM trips).

This adjusts the span of service and also brings these routes in line with other MTD routes that have matching Saturday and Sunday schedules, such as Lines 7, 27 and 28.

Line 7 (Goleta Old Town)

Line 7 serves Downtown Santa Barbara, La Cumbre, the Calle Real County Campus, Calle Real/Fairview, and Old Town Goleta. On weekdays, Line 7 runs on 30-minute headways for most of the day and becomes less frequent in the evenings. The last two outbound trips from the Transit Center depart at 7:10 p.m. and 9:45 p.m. Upon reviewing ridership on the 9:45 p.m. trip, staff believes that eliminating the trip would have minimal impact on riders. This would mean the latest trip outbound on the Line 7 would become the 7:10 p.m. departure.

Line 14 (Montecito)

Line 14 serves Downtown Santa Barbara, the Laguna neighborhood, East Santa Barbara, Coast Village Road, and the Upper Village of Montecito. On weekdays and Saturdays Line 14 runs on hour headways except for one additional round trip in the morning on these days, which gives the service 30-minute headways for one hour. Upon reviewing ridership on that additional trip, staff believes that eliminating the trip would have minimal impact on riders. If this round trip is removed, Line 14 would have one-hour headways all day on weekdays, and one less round trip on Saturdays.

Line 20 (Carpinteria)

Line 20 serves Downtown Santa Barbara, East Santa Barbara, Coast Village Road, Summerland, and Carpinteria. This route runs every half hour to hour for most of the day, seven days a week. Staff has identified the first outbound trip of the day on Sunday, which leaves the Via Real and Mark Avenue stop at 6:55 a.m. and arrives at the Transit Center at 7:45 a.m. as a lower performing trip. This trip also requires a bus to deadhead out to the end of Carpinteria, to only do one trip in to Santa Barbara. It is recommended that this one-way outbound trip be eliminated. This would mean that the first outbound trip from Carpinteria on Sundays would leave Via Real and Mark Avenue at 7:35 a.m.

Lines 11 (UCSB), 23 (El Encanto Heights), and 25 (Ellwood/Winchester Canyon)

Line 11 serves Downtown Santa Barbara, the State/Hollister corridor from Sola to Fairview, Santa Barbara Airport, UCSB, and Camino Real Marketplace. Line 23 serves Camino Real Marketplace, Dos Pueblos High School and El Encanto Heights. Line 25 serves Camino Real Marketplace, Ellwood, and Winchester Canyon. These routes are interlined with each other and Line 6 (Goleta). Upon analysis of the ridership on the last weekday outbound Line 23 trip, which becomes the last inbound Line 25 trip, and then turns into the last inbound Line 11 trip, staff is recommending elimination of these three one way trips.

The last outbound Line 23 trip currently departs Storke and Hollister (Rusty's) at 11:00 p.m. and arrives at Calle Real and Winchester Place at 11:18 p.m. If this trip is eliminated, the latest weekday outbound Line 23 trip would leave Storke and Hollister at 9:40 p.m.

The last inbound Line 25 trip currently departs Calle Real and Winchester Place at 11:18 p.m. and arrives at Storke and Hollister stop (McDonald's) at 11:30 p.m. If this trip is eliminated, the latest weekday inbound Line 25 trip would leave Calle Real and Winchester Place at 9:58 p.m.

The last inbound Line 11 trip currently departs Storke and Hollister (McDonald's) at 11:30 p.m. and arrives at the Transit Center at 12:23 a.m. If this trip is eliminated, the latest weekday inbound Line 11 trip would leave Storke and Hollister at 10:30 p.m.

Alpha Resource Center Booster Line 2010

For many years, MTD has operated a morning booster trip that begins at the Transit Center and ends at Alpha Resource Center on Cathedral Oaks Road, which hosts a day program that serves adults with intellectual and developmental disabilities. Line 2010 operates at approximately 105 revenue hours annually.

After tracking ridership on this route, and multiple conversations with staff at Alpha, staff has concluded that the route is no longer necessary. Alpha staff agrees that they can make other transportation arrangements for those who are still using the service. This change does not need to wait until August and is planned to end as for June 15, 2026.

Other Service Changes

Microtransit

The Wave on-demand microtransit service launched in April 2025 in a portion of Goleta and Isla Vista after years of planned service and implementation delays. Service currently operates Tuesday through Sunday, 10:00 a.m. to 6:00 p.m. MTD has one-time grant funding for the pilot of this service from the State of California's Low-Carbon Transit Operations Program (LCTOP).

The intention of this pilot was to test it in three specific service zones. In addition to Goleta/Isla Vista, service areas have been planned for Carpinteria and Santa Barbara. The next zone to begin service is Carpinteria and includes everything within the City limits of Carpinteria and some adjacent County unincorporated area, such as Santa Claus Lane. Staff believes there is strong demand for this service in Carpinteria as MTD has received robust community interest in bringing back service that connects different parts of the community, after suspension of the Seaside Shuttle (Line 36) service in 2020. In contrast to the Seaside Shuttle, this service would be on-demand and cover the entire community, instead of just a set circulator route. It would also connect Downtown Carpinteria and other neighborhoods with the popular Santa Claus Lane area that experiences significant parking pressures during peak times.

Staff is recommending that service in Carpinteria start this calendar year, likely in mid-September, with an exact time being dependent on workforce and fleet availability.

The Goleta/Isla Vista pilot is growing in popularity, and since it has thus far operated with shorter service windows and one fewer van and operator, there is additional budget to continue that service past April. Analysis is underway to understand the feasibility of extending or maintaining service in the Goleta/Isla Vista zone past the Carpinteria area launch.

First Mile/Last Mile Service for New Amtrak Service

MTD is finalizing a draft agreement with SBCAG regarding providing first mile/last mile bus service connections for the Santa Barbara and Goleta train stations for the retimed Pacific Surfliner train that is expected to begin on May 4, 2026. Staff will return to MTD's Board of Directors in April with further details on the service and with an agreement for approval. This service will be paid for by SBCAG with Measure A rail funds.

Small Routing Change on Line 7

With the recent opening of the two “Project Connect” roundabouts at Hollister Avenue and Highway 217, the Operations Department has proposed changing the way that Line 7 turns around in Old Town Goleta. Currently, at the end of the line in Old Town, the bus turns left on Kinman Avenue, right on Armitos Avenue, right on Kellogg Avenue, and right on Hollister to pull into the Hollister and Kellogg westbound stop to begin the return trip. With the addition of the roundabouts, the bus is able to simply go straight eastbound, make a u-turn at the roundabout and pull straight into the Hollister and Kellogg stop. This change will be an operational improvement but will not affect any stops as there are none located back in the neighborhood. This change will likely take place before August. Planning staff will observe if any time is saved.

Minor On-Time Performance Adjustments

At this time, Planning staff is not recommending any schedule changes to address on-time performance issues. Staff is using data and bus operator feedback to look at possible OTP issues that could be resolved with small tweaks to schedules.

Community Outreach

Community meetings to receive feedback are currently being scheduled for the month of April in Santa Barbara, Carpinteria, Goleta, and virtually on Zoom. All materials promoting this outreach will be bilingual in Spanish and English and simultaneous interpretation will be available at all meetings. The same service change presentation will be given at a meeting of the Isla Vista Community Services District board.

To accompany the meetings, staff is again planning to distribute a survey that explains the proposed changes and seeks input from the public. It is expected that due to there being proposed cuts, participation in the survey and public meetings will be higher than normal.

Information on meetings and the survey will be distributed via press releases, social media, email, and with the help of community partners.