

Caltrain

JITTI and APTA Joint Round Table
December 2021



Caltrain Corridor



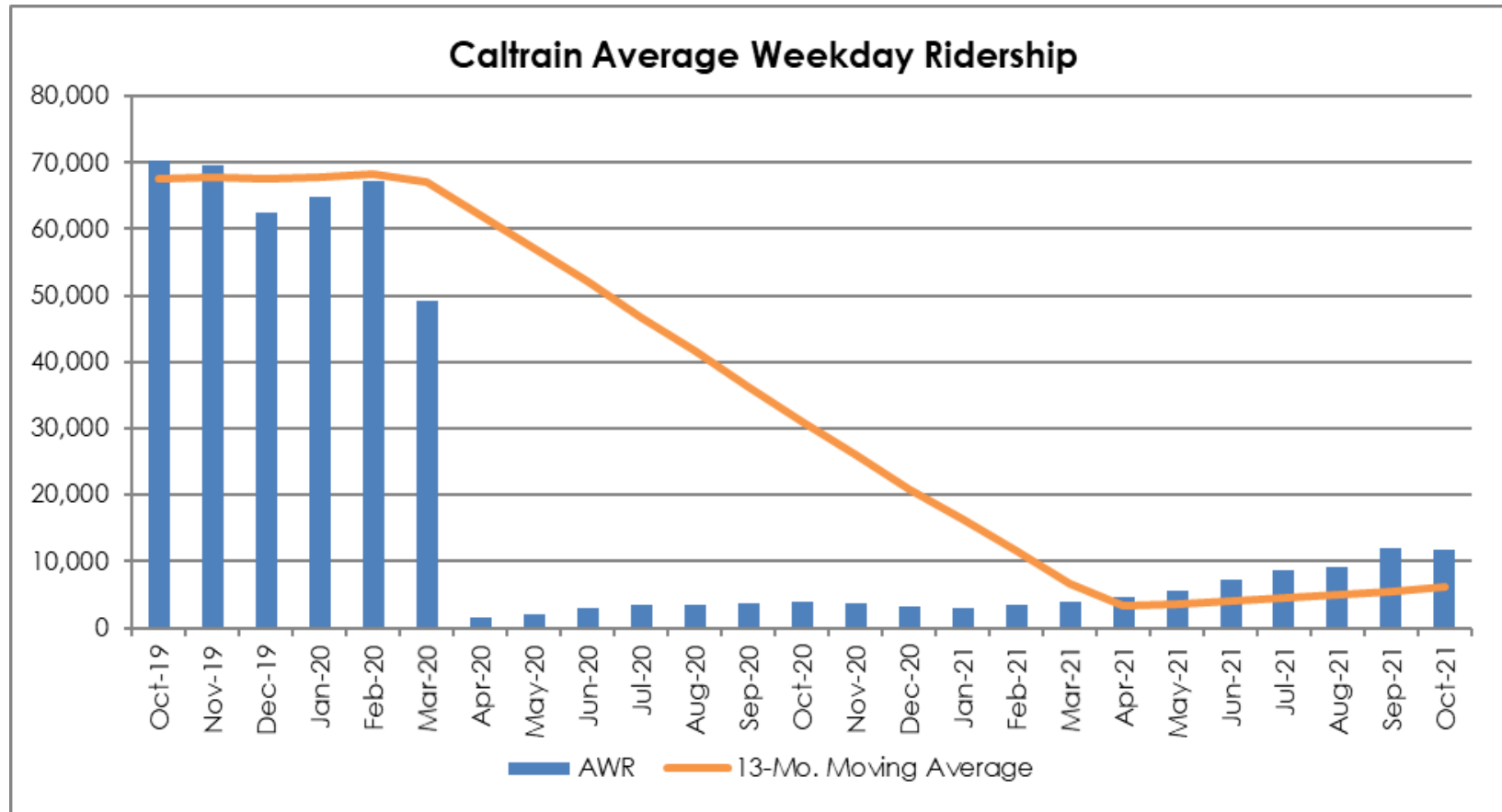
- 77 Miles
- 31 Stations
- Bi-directional commute, multiple destination centers in Silicon Valley
- 41 at-grade crossings
- Pre-pandemic:
 - Seventh largest commuter rail in the country
 - 70% farebox recovery Crowded trains, standing room only

Ridership Trends

Overall, weekend ridership on the railroad is recovering at a faster rate than weekdays. This indicates that essential workers and discretionary riders continue to rely on our service even while many traditional office commuters stay home.

Estimated boardings from October 2021 demonstrate the above when compared to our pre-pandemic baseline*:

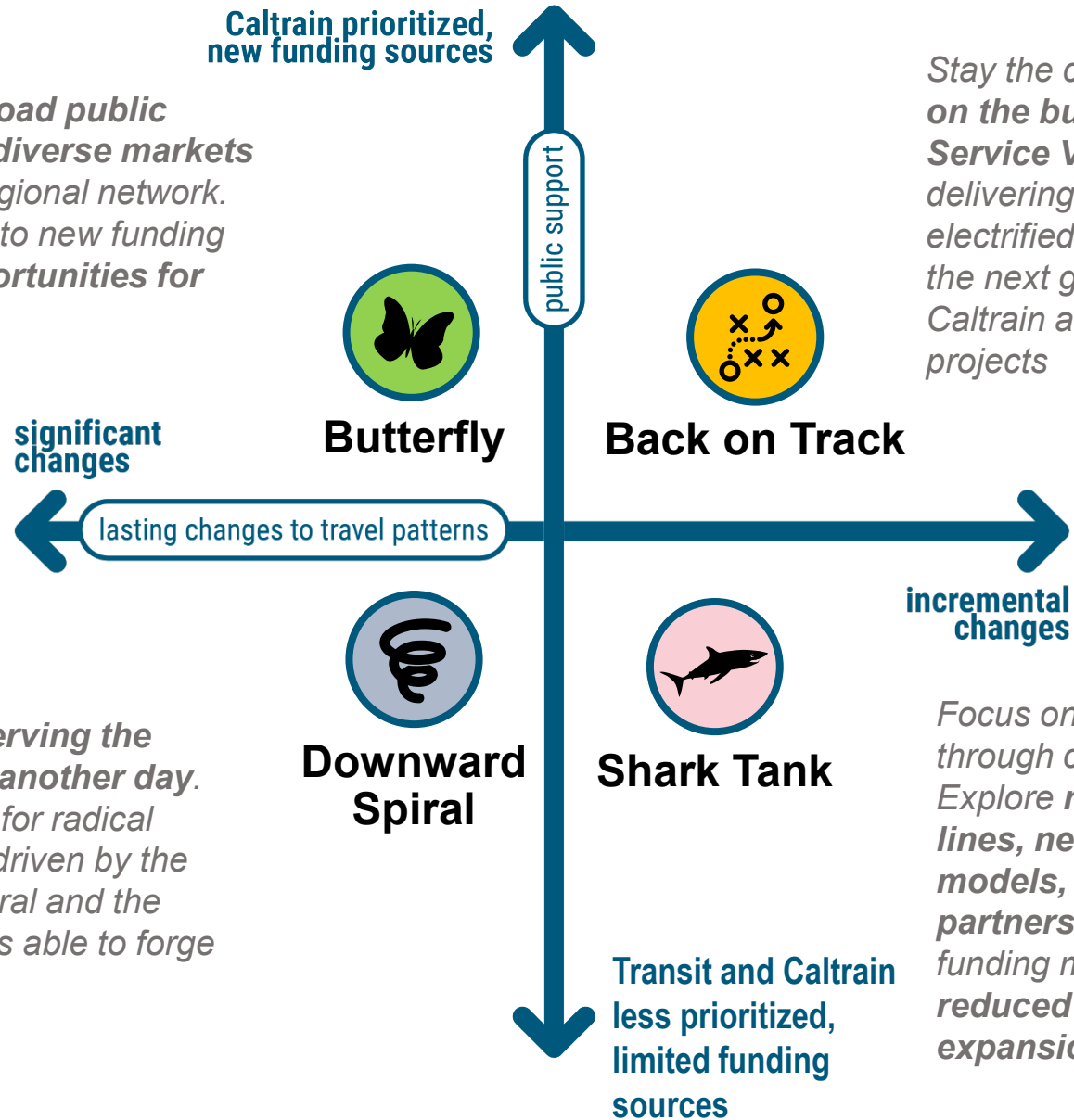
- **Average Weekday Ridership: 18.8%**
- **Average Saturday Ridership: 65.3%**
- **Average Sunday Ridership: 59.2%**



Recovery Planning-Scenario Planning

Embrace a **broad public mission** and **diverse markets** as part of a regional network. Look outward to new funding and new opportunities for partnership.

Focus on **preserving the ability to fight another day**. Caltrain's need for radical change will be driven by the depth of the spiral and the partnerships it is able to forge and maintain.



Stay the course and **focus on the build out of the Service Vision**: focus on delivering expanded electrified service and on the next generation of Caltrain and regional projects

Focus on driving revenue through customer value. Explore **new business lines, new business models, and new partners**. Limited public funding may mean a **reduced focus on expansion**.

Translating Scenario Planning into Financial Projections



Shark Tank O&M

CALTRAIN & TRANSIT FUNDING
prioritized de-prioritized

CHANGES TO TRAVEL PATTERNS
incremental significant



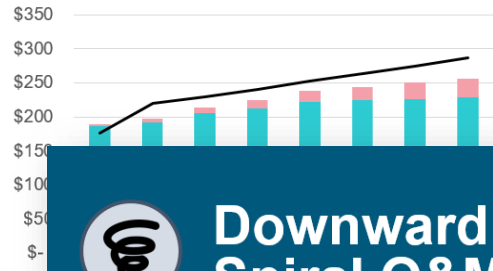
Revenue assumptions:

- Farebox: 3% YoY increases shown
- Measure RR: 2 year recessionary impact before return to growth in FY25, does not keep up with inflation - full amount shown applied to operating needs
- Other Revenue: 4% YoY growth rental/advertising income, due to increased focus on monetizing assets
- JPB Member Operating Contributions: None Shown

Service assumptions:

- FY23: 92tpd (4tph peak/2tph off-peak)
- FY24 – FY30: 116tpd (6tph peak/2tph off-peak)

Shark Tank O&M:
Revenues vs. Expenses, with Measure RR Funds and Fare Increases



Downward Spiral O&M

CALTRAIN & TRANSIT FUNDING
prioritized de-prioritized

CHANGES TO TRAVEL PATTERNS
incremental significant



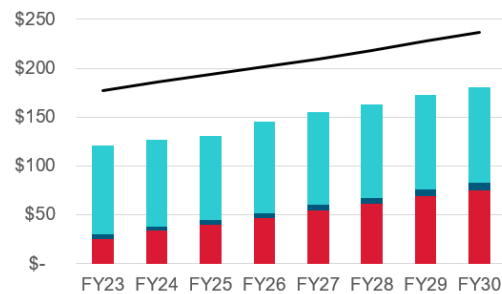
Revenue assumptions:

- Farebox: No fare increases assumed
- Measure RR: 3 year recessionary impact with a slow return to growth for rest of the decade - full amount shown applied to operating needs
- Other Revenue: 1% YoY growth
- JPB Member Operating Contributions: none

Service assumptions:

- FY23-30: 92tpd (4tph peak/2tph off-peak)

Downward Spiral O&M:
Revenues vs. Expenses, with Measure RR Funds and No Fare Increases

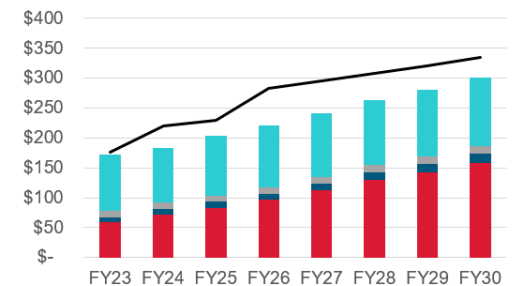


Butterfly O&M

CALTRAIN & TRANSIT FUNDING
prioritized de-prioritized



Butterfly O&M:
Revenues vs. Expenses, with Measure RR Funds and No Fare Increases



Butterfly

- Measure RR
- Total Other Contributed Revenue
- Total Other Operating Revenue
- Total Farebox
- Baseline Opex



Recovery Planning- Equity, Connectivity, Recovery, and Growth Policy

Adopted by Caltrain Board in mid-2020 to guide recovery efforts



Equity

Undertake service changes in a manner that enhances equity and access for historically disadvantaged and underserved groups and communities.



Connectivity

Plan for a standardized schedule with consistent station arrivals so that transit providers can coordinate with Caltrain's service.

Prioritize coordination of major intermodal transfers within service planning, focusing on the connection to BART at Millbrae



Recovery & Growth

Strive to deliver specific elements and benefits of Caltrain's Long Range Service Vision as soon as practical and supported by market demand and financial circumstances of the railroad.

Service Planning Strategy

Strategies

Match Flexibility of Future Workplace & Recapture Commuter Market

Address Systemic Inequities of Caltrain Service

Build New Ridership Markets

Approach

Competitive Service

Restore Baby Bullet and zone express service to recapture riders adjusting to new travel behavior

Simple Service

Simplify structure while expanding train options and frequency at as many stations as possible

All-Day Service

Maintain expanded midday, evening, and weekend service to broaden Caltrain's reach

Coordinated Service

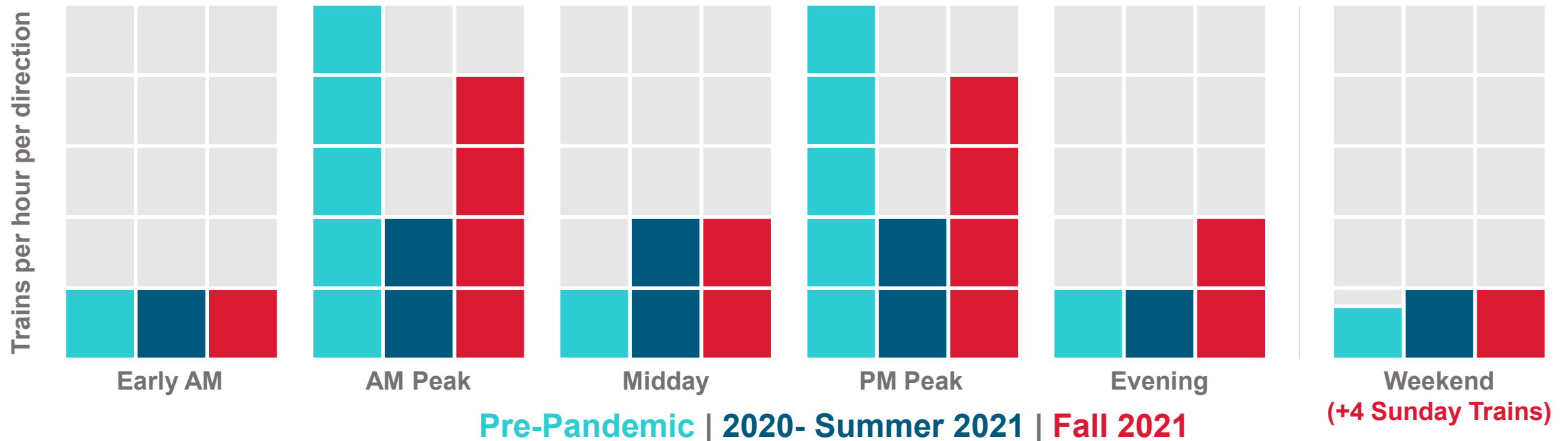
Coordinate connections with BART and other operators

Optimized Service

Adjust stopping patterns to serve latent demand and growing station areas

2021 Service Restoration

In August 2021, Caltrain significantly restored service levels – but focused on providing more off-peak service and a schedule that is more regular and better coordinated with other regional transit operators.



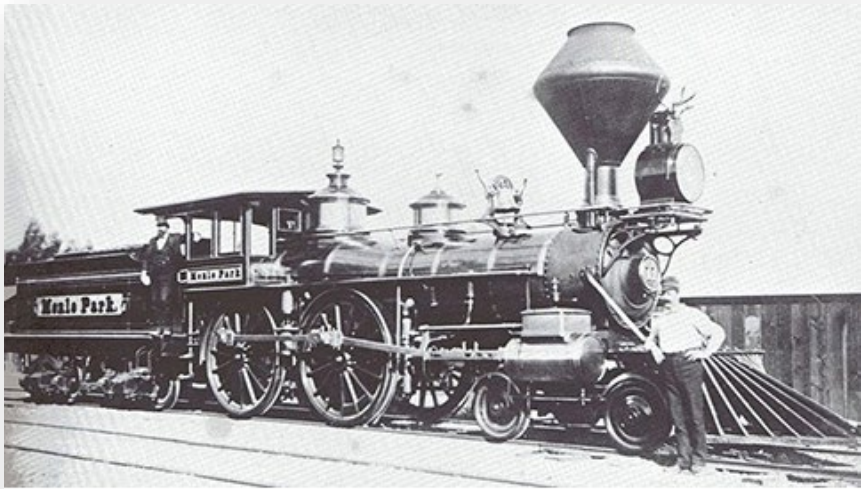
Looking Forward

COVID-19 has permanently changed Caltrain's business environment- the system will need to continue evolving to regain riders and capitalize on the ongoing investments in the corridor

- **Diversification** of revenue/funding sources and markets with **equity-focus** as a key strategy
- Significantly evaluating, reshaping, **rethinking fares and service** to meet evolving opportunities and needs (during and beyond the pandemic)
- **Asset monetization** and **entrepreneurial approaches** are essential as is a **focus on efficiency** and careful **management of financial capacity**
- New **partnerships** with both public and private actors are necessary
- The need to **address governance and organizational change** is critical

Transformational Period

Modernizing 150-year old railroad, compatible future HSR



Locomotive - Locomotive #11 of the San Francisco and San Jose Railroad. Circa 1870.

Steam 1860s



Diesel 1950s



Electric 2024



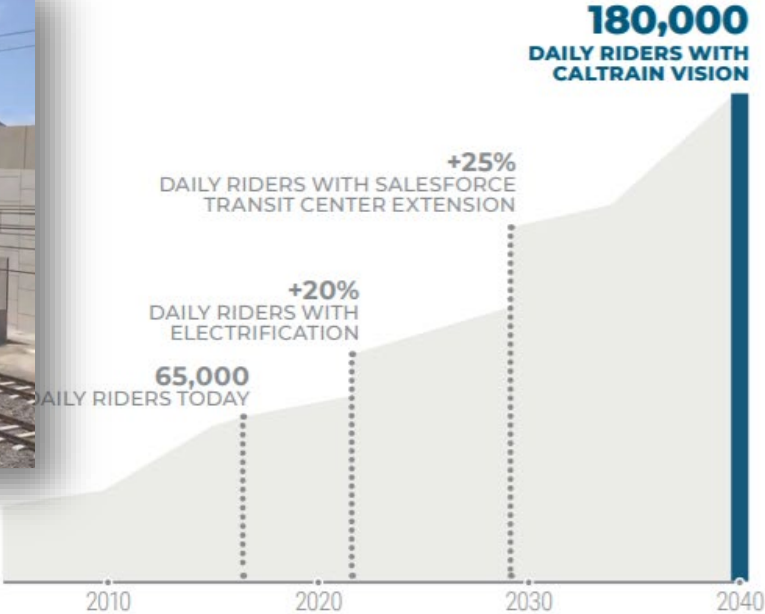
2040 Vision – Caltrain Corridor

Carry 5.5 lanes of additional freeway capacity

MORE TRANSPORTATION CAPACITY



CARRYING MORE PEOPLE



TRAINS VS LANES

