Caltrain Business Plan Update

LPMG
November 30, 2017

Overview

• Background and Context
• Activity since last update (August)
• Phase 2
• Next Steps
Background and Context

Since 2005 - Ridership increasing while service levels unchanged - Declining operating subsidies from SamTrans, CTA, City/County SF due to their own transit needs; increased reliance on fare revenue - Limited resources for capital improvements - Signature investment in electrification and modernization and commitment to blended system
Background - Business Metrics

Electrification benefits:
- More rides – projected increase of approx. 65k today to over 100k daily
- Lower cost per passenger

Continued need:
- Ongoing annual need for $30-$40 million in operating subsidies; increase over recent years ($17-25 million) due to dramatic ridership increase despite lower per passenger cost, similar to FY2001-2011 ($30 - $40 million typical)
- Capital funding needs increase; existing infrastructure and fleet ages and new systems and infrastructure are added
- Funding needed for purchase remaining 25% of fleet; 6 cars per train currently funded but could run up to 8 if funding for remaining cars secured

Funding risks:
- Caltrain will be at risk if member contributions fall short or if ridership significantly declines
- Only commuter rail in country without a dedicated permanent source of funding
The Caltrain Business Plan

- The purpose of the Caltrain Business Plan is to maximize the value of the public investment in Electrification
- The Business Plan will identify the steps and resources needed to truly modernize the railroad
- The Business Plan will lay out the strategic position and importance of the Caltrain corridor and how Caltrain can maximize its effectiveness and integrate with a growing, megaregional rail system

Business Plan Timeline

- April 2017 - Business Plan concept introduced to JPB
  - Background context
  - Discussion of need and conceptual elements
- July 2017 – Update to JPB
  - Refinement of conceptual elements
  - Phasing of plan
- August 2017 – Update to CSCG, LPMG and Citizen’s Advisory Committee
Activity Since Last Update

- September 2017
  - Meetings of JPB Ad Hoc Sub-Committee
  - Corridor Stakeholder Workshop (9/20)
- October – November 2017
  - Business Strategy and Scope Development (ongoing)
Stakeholder Workshop

Participants:
- Board Ad Hoc Committee
- Partner agency General Managers and staff
- State and regional agencies
- Peer railroads
- LPMG delegation
- Advocacy groups
- Private sector groups and companies
Stakeholder Workshop – Topics

• Caltrain history and background
• Local, regional and state context
• Brainstorming
  – “Vision” for Caltrain's future
  – Challenges and obstacles
• Expert Presentations
  – Business Context of European passenger rail
  – Business planning and business case analysis

“Phase 2”
Proposed Scope Overview

• Draft materials under development
  – Business “Strategy” policy statement
  – Business Plan Scope
• Board review and proposed adoption in December 2017 / January 2018
• Year long process of technical work and outreach to complete Business Plan by end of 2018
• Significant level of effort anticipated

Proposed Scope Overview

• Key Questions to be addressed
  – How should Caltrain grow over time? What service levels and patterns will best serve the region’s needs in the future?
  – How can the service be delivered as effectively as possible?
  – How does Caltrain interact and connect with the various communities it touches? What kinds of opportunities, impacts and benefits does Caltrain create
Next Steps

- December
  - Draft Scope to JPB
  - Webinar and comment opportunity
- January
  - Final Scope to JPB in January
  - Full update to CSCG and LPMG