

# Caltrain Connects People.

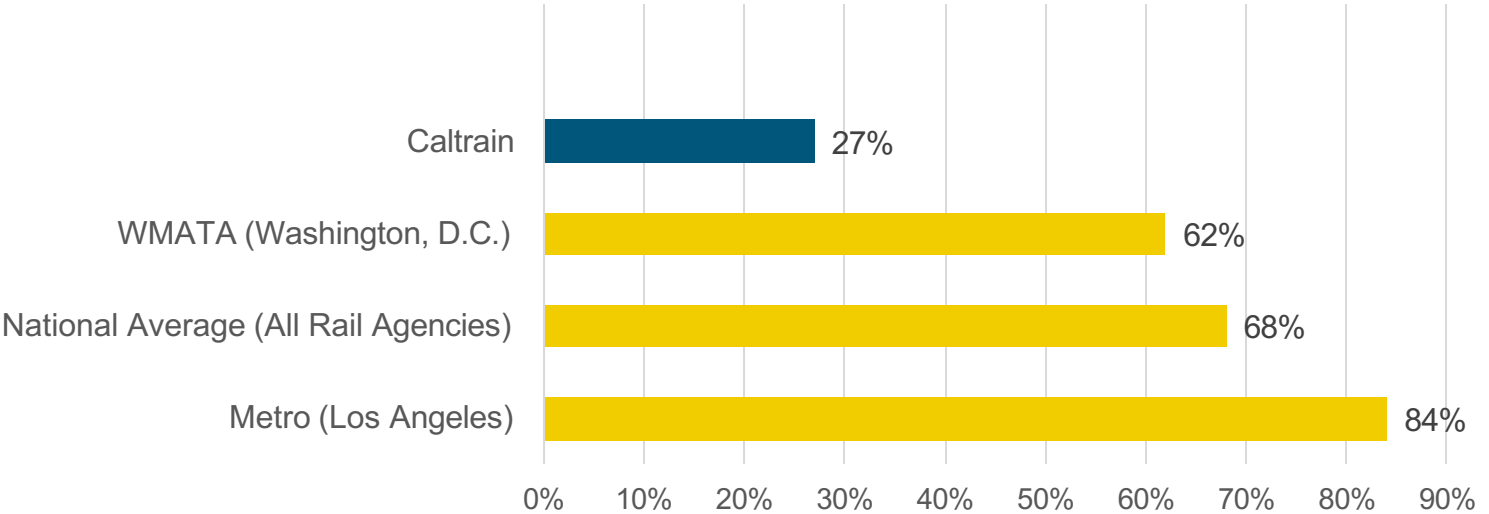
# Caltrain Creates Opportunity.

# Caltrain Needs a New Funding Model.

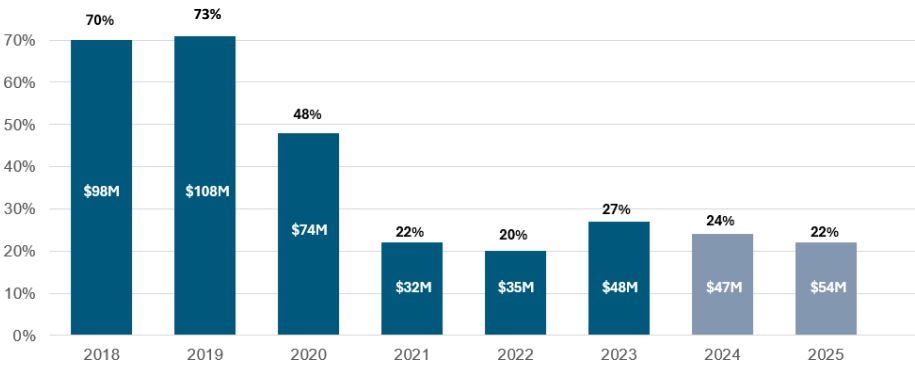


For 160 years, Caltrain has connected the Peninsula. Pre-pandemic, Caltrain was the nation’s **most efficient** major commuter railroad, covering **73%** of operating costs through ticket sales.

Caltrain Pre-Pandemic Financial Assistance Compared to Other Agencies

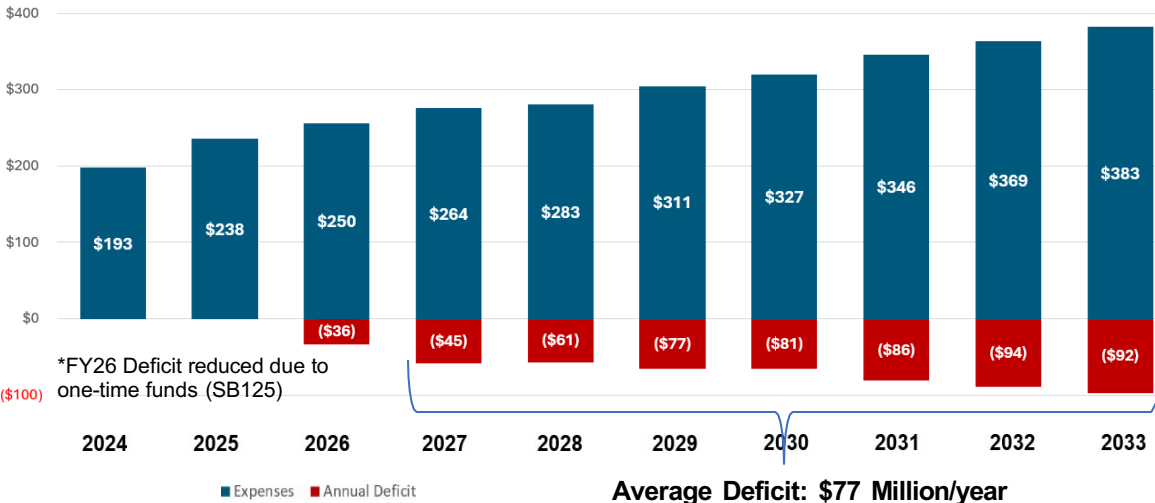


Since the Pandemic, Caltrain’s ticket sales **revenue dropped from \$103 Million to \$43 Million**, a loss of \$60 million per year.



- Caltrain’s farebox recovery dropped from a **nation-leading 73%** to 24% in FY24.
- Customers commuting 5-days per week **dropped from 81% to 22%**.

At the same time, Caltrain no longer received contributions from member agencies, a **loss of \$20-\$40 Million/year** to Caltrain’s budget. The loss of fare revenue and agency contributions, combined with increased electricity and other costs has left Caltrain with a structural deficit that it cannot cut its way out of.



Post Pandemic:

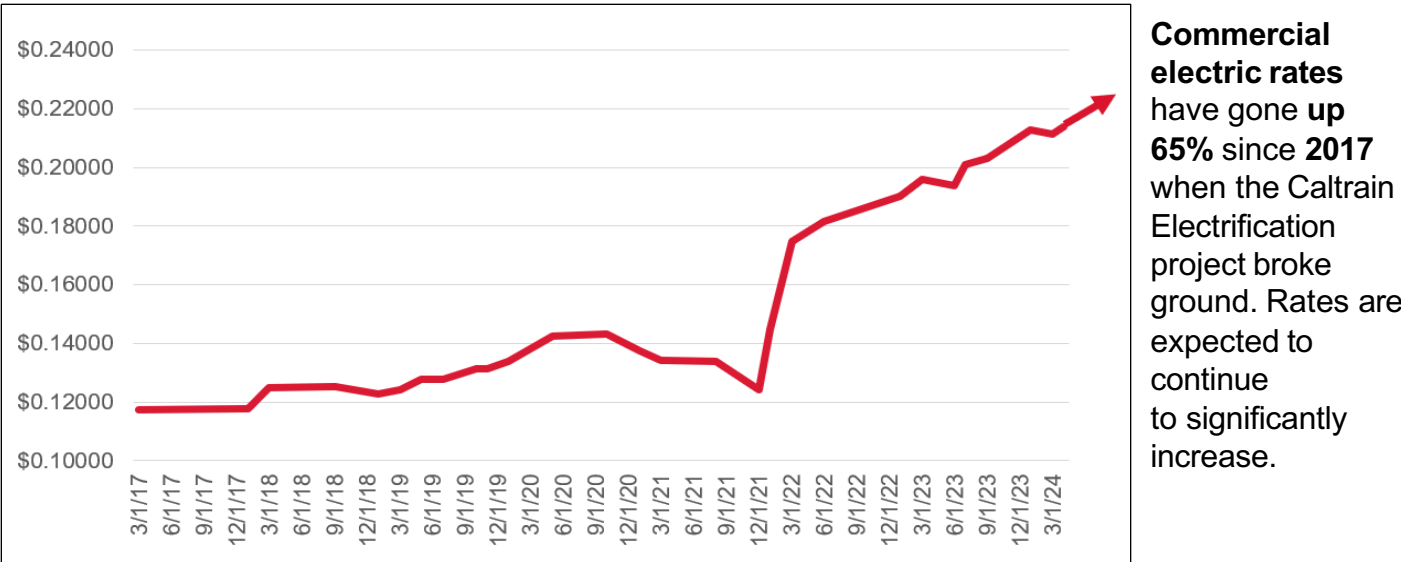
- Fares Down **\$60 Million/year**
- Member contributions from **\$20-\$40M/yr to \$0**
- Electricity costs up
- From **\$0** deficit to average **\$77M/year**

**Fix Farebox First:** COVID and remote work have changed funding models for transit agencies, like Caltrain and BART, that relied on ticket sales for most of their revenue.

- Any measure should first address this sea change in revenue models. For Caltrain, this is approximately \$60 Million a year before inflation.

**Address Regional Operating Deficits:** Caltrain has a budget deficit that goes beyond loss of funding from farebox.

Loss of member agency contributions, rising costs of electricity and others leave a deficit that risks Caltrain’s ability to survive and regain riders at a pivotal moment in its history.

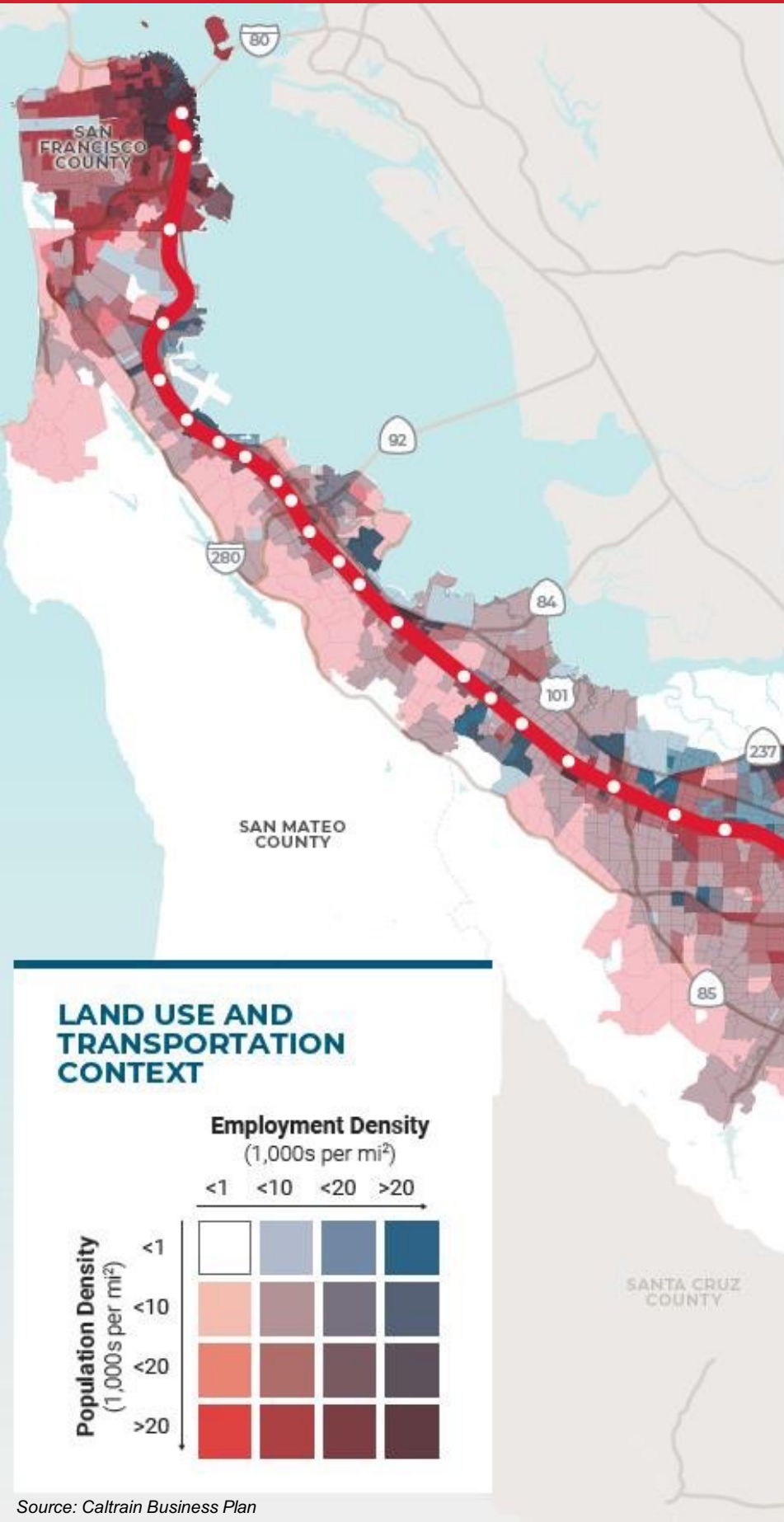


- Based on current projections, \$17 Million a year, in addition to addressing Caltrain’s \$60 Million farebox loss, would help stabilize Caltrain’s operating budget.
- Caltrain’s **total need from the measure is an average of \$77 million per year for the first seven years** after FY2026. When allocated to each member county by a.m. boardings (SF:21%, SMC: 37%; SCC: 42%), this comes to the following averages:
  - San Francisco City and County: \$16.1 Million/year
  - San Mateo County: \$28.49 Million/Year
  - Santa Clara County: \$32.34 Million/Year

**Simple Sells:** what we need is a simple bill that will address funding models that have been upended and provide funding to support a robust transit network that can serve the region now and into the future.

**Attractive to Voters:** the measure should include some infrastructure funding for key regional priorities that will help make the region’s transit system better, safer, and attract more riders.

# Caltrain is a Regional Railroad, Connecting a Dynamic, Diverse Corridor



Source: Caltrain Business Plan

Today, **2.9 million** people, 37% of the 9-County Bay Area's population, live in the 20 cities with at least one Caltrain stop.

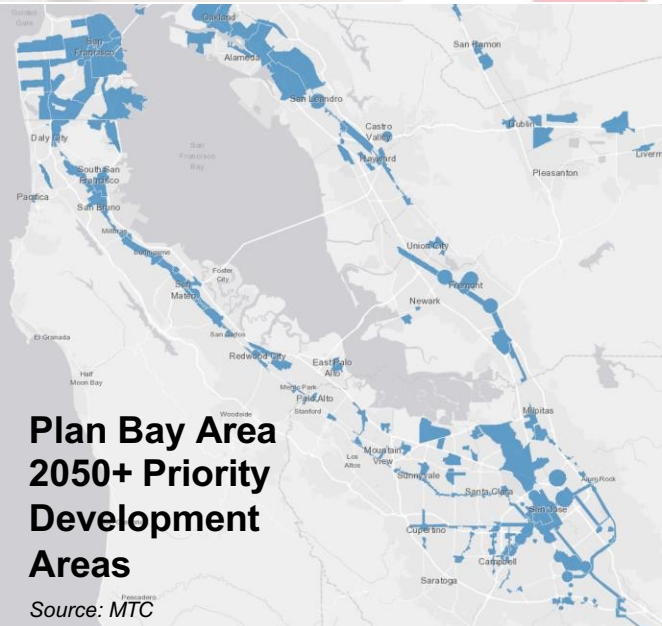
Caltrain's three counties have a combined GDP of **\$782.2 billion** and **3.5 million** jobs.

A critical part of the Bay Area's rail network, Caltrain connects to multiple transit operators and the **7.8 million** people who call the region home.

**Without Caltrain**, there is no rail ringing the Bay.

## Caltrain is an Indispensable Part of the Bay Area's Recovery and Future Growth:

- Traffic is back or near Pre-pandemic levels.
- The region is projected to add over **2 million** residents and be home to **5 million** jobs by **2050**.
- Much of the Bay Area's future growth, including Priority Development Areas, is planned around Caltrain.





Adapting to a post-pandemic environment with changing societal patterns and significant financial headwinds, Caltrain is evolving from a commuter railroad to a true regional railroad, offering faster, more frequent, greener and more equitable service that better meets the needs of our communities and the riders of today and tomorrow:



**Transformative Investment:** Caltrain's launch of new all electric service is the culmination of decades of work and **\$2.4 Billion of Federal, State and Local investment**

Will replace slower, hourly service by diesel trains with electric trains providing faster, more frequent service and first-class experience for everyone, with free wi-fi and outlets at every seat.



**Traffic off the Road:** At its peak Caltrain will take the equivalent of 5.5 lanes of traffic off the freeway.



**Clean and Green:** the transition from diesel to electrified mainline service will eliminate 250k Metric Tons of greenhouse gas emissions annually.

- Caltrain will have among the highest GhG reduction per passenger of any transit agency in the Bay Area because the railroad replaces long (**average over 20 miles**) car trips with clean electric train trips.
- Improves local air quality, plus quieter trains, onboard and off.



**Equity Focused:** Caltrain adopted the system's first Framework for Equity, Connectivity, Recovery and Growth to help ensure that recovery from the pandemic occurs in a way that expands access to low-income individuals and communities of color that have historically been underrepresented in the system's ridership.

- Caltrain's **Pass Forward** program provides passes for low income and historically disadvantaged riders.
- **60-percent** of participants have a household income under \$50,000 and are four-times as likely to be Hispanic/Latino and twice as likely to be Black / African American.
- As part of the transition towards equity and diverse ridership and away from reliance on farebox, Caltrain **has not** increased fares since 2019.
- **26% more service** at equity priority stations post-electrification.