



## Local Policy Maker Group (LPMG) Meeting

Due to COVID-19, this meeting will be conducted via teleconference only (no physical location) pursuant to the Governor's Executive Orders [N-25-20](#) and [N-29-20](#).

Directors, staff and the public may participate remotely via Zoom at <https://zoom.us/j/94954726853?pwd=TKR1WFg2SEorZVh5U2xLWnhHSUNNdz09> for audio/visual capability or by calling 1-669-900-6833, Webinar ID: # 9495 4726 853 for audio only.

**Public Comments:** The Board Chair shall have the discretion to manage the Public Comment process in a manner that achieves the purpose of public communication and assures the orderly conduct of the meeting. **Members of the public are encouraged to provide** public comments in the following ways:

- **Email:** Comments may be submitted by emailing [video@caltrain.com](mailto:video@caltrain.com) before each agenda item is presented. Please indicate in your email the agenda item to which your comment applies.
- **Auditory:** Oral comments will also be accepted during the meeting. Web users may use the 'Raise Hand' feature to request to speak. Callers may dial \*9 to request to speak. Each commenter will be notified when they are unmuted to speak.

**Thursday, February 25, 2021  
5:30 p.m. – 7:30 p.m.**

### Agenda

1. Call to Order
2. Staff Report
3. Caltrain Business Plan
4. Caltrain Electrification Project
5. California High-Speed Rail: Update (Presented by California High-Speed Rail Authority Staff)
6. Public Comments on Items not on the Agenda
7. LPMG Member Comments/Requests
  - a. **Appointment of Vice-Chair**
8. Next Meeting
  - a. Thursday March 25, 2021 at 5:30pm
9. Adjourn

*All items on this agenda are subject to action*



## Caltrain Local Policy Maker Group (LPMG) Meeting Calendar - 2021

Fourth Thursday - 5:30 pm
January 28
February 25
March 25
April 22
May 27
June 24
July 22
August 26
September 23
October 21
November 18*
December 16*



## Caltrain Local Policy Maker Group (LPMG) Members

City / County	Representative	Alternate
<b>Atherton</b>	Vice Mayor Michael Lempres	Councilmember Bill Widmer
<b>Belmont</b>	Councilmember Tom McCune	Councilmember Davina Hurt
<b>Brisbane</b>	Councilmember Terry O'Connell	Councilmember Cliff Lentz
<b>Burlingame</b>	Councilmember Emily Beach	Mayor Ann Keighran
<b>Gilroy</b>	Councilmember Rebeca Armendariz	Councilmember Peter Leroy-Muñoz
<b>Menlo Park</b>	Councilmember Jen Wolosin	Councilmember Ray Mueller
<b>Millbrae</b>	Councilmember Gina Papan	Mayor Reuben Hober
<b>Mountain View</b>	Mayor Margaret Abe-Koga	N/A
<b>Morgan Hill</b>	Mayor Rich Constantine	Councilmember Gino Borgioli
<b>Palo Alto</b>	Vice Mayor Pat Burt	Councilmember Lydia Kou
<b>Redwood City</b>	Councilmember Michael Smith	Mayor Diane Howard
<b>San Bruno</b>	Councilmember Michael Salazar	Mayor Rico Medina
<b>San Carlos</b>	Councilmember Ron Collins	Mayor Laura Parmer-Lohan
<b>San Francisco</b>	Ms. Alexandra C. Sweet	
<b>San Jose</b>	Councilmember Sergio Jimenez	Councilmember Devora "Dev" Davis
<b>San Mateo</b>	Councilmember Amourence Lee	Councilmember Diane Papan
<b>Santa Clara</b>	Councilmember Kathy Watanabe	Vice Mayor Raj Chahal
<b>South San Francisco</b>	N/A	N/A
<b>Sunnyvale</b>	Councilmember Russ Melton	Councilmember Alysa Cisneros
<b>San Francisco BOS</b>	TBD	
<b>San Mateo BOS</b>	TBD	
<b>Santa Clara BOS</b>	TBD	
<b>CHAIR (JPB Member) Jeff Gee</b>		
<b>VICE CHAIR (LPMG Member) Emily Beach</b>		



## Memorandum

**Date:** February 25, 2021  
**To:** CalMod Local Policy Maker Group (LPMG)  
**From:** Sebastian Petty, Deputy Chief, Caltrain Planning  
**Re:** Caltrain Business Plan

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### PROJECT UPDATE

At the June 2020 Board Meeting, Peninsula Corridor Joint Powers Board (JPB) staff announced that activity on the Caltrain Business Plan would pause and pivot toward COVID Recovery Planning efforts. At the September 2020 Board Meeting the Board adopted the [Equity, Connectivity, Recovery & Growth Framework](#) (the Framework) – a significant policy document that outlines Caltrain’s approach to recovering from the COVID-19 Pandemic and growing the system in a manner consistent with the larger Business Plan process. The framework includes specific policies and actions that describe how Caltrain can recover in a way that emphasizes improving equity outcomes on the system and enhancing connectivity to the region’s transit network.

Following the adoption of the Framework, Caltrain staff has continued work on recovery planning. On December 14, Caltrain implemented a new schedule that is designed to improve service for essential workers and transit-dependent riders, and is consistent with key service components of the framework.

As a final piece of recovery planning, Caltrain staff is now working on a mid-range Business Strategy to help the railroad navigate the coming years. Staff will present scenario planning work that has been developed to support this business strategy at the February LPMG meeting.

### Background

In 2017, the JPB secured full funding for the Peninsula Corridor Electrification Project and issued notices to proceed to its contractors for corridor electrification and purchase of Electric Multiple Unit railcars.

Now that construction on this long-awaited project is underway, the agency has the opportunity to articulate a long-term business strategy for the future of the system. The initial

concept for a Caltrain “Business Plan” was brought to the Board in April of 2017. The Board reviewed a draft scope of work for the Business Plan in December of 2017 and adopted a final Business Strategy and Scope of Work in February of 2018. Technical work on the Plan commenced in the summer of 2018. The Business Plan has been scoped to include long-range demand modeling, and service and infrastructure planning, as well as organizational analysis and an assessment of Caltrain’s interface with the communities it traverses. In October of 2019, the JPB marked a major milestone in the Business Plan process with its adoption of a “2040 Service Vision” for the Caltrain system. This action set long-range policy guidance for the future of the Caltrain service and allowed staff to advance toward the completion of the overall plan by summer of 2020.

Starting in March of 2020, however, the emergence of the COVID-19 Pandemic resulted in a rapid and severe crisis for the railroad, with ridership plummeting by as much as 98% and the implementation of significant service cuts. Based on this unprecedented circumstance, staff informed the Board of their decision to temporarily pivot Business Plan efforts toward recovery planning in June of 2020.

# Caltrain Business Strategy: Scenario Planning

JPB

FEBRUARY 2021



# Ongoing Recovery Planning Efforts

During most of 2020, Caltrain pivoted its Business Plan effort to focus on COVID-19 recovery planning. This work has been spread across multiple streams as shown on the right.

In 2021, with the passage of Measure RR and vaccination campaigns underway, staff is shifting the emphasis of recovery planning efforts toward preparing a Business Strategy for a post-pandemic reality. This work starts with scenario planning.



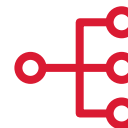
Equity, Connectivity, Recovery, & Growth Framework



Near Term Service Planning



Financial Analysis



**Scenario Planning**

# Focus for today

The presentation today focuses on establishing context for Caltrain's post-pandemic Business Strategy. It describes major recent shifts that have occurred in Caltrain's business environment and outlines the process that staff used to generate different scenarios or "stories" about possible futures the railroad may encounter. These scenarios are intended to provoke a series of strategic questions and conversations about Caltrain's Business Strategy going forward.

Staff plans to return to the Board in spring with Business Strategy that addresses these questions and can guide the railroad through the coming years.



**Background**



**Developing Scenarios**



**Business Strategy Implications & Questions**

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# Focus for today

The presentation today focuses on establishing context for Caltrain's post-pandemic Business Strategy. It describes major recent shifts that have occurred in Caltrain's business environment and outlines the process that staff used to generate different scenarios or "stories" about possible futures the railroad may encounter. These scenarios are intended to provoke a series of strategic questions and conversations about Caltrain's Business Strategy going forward.

Staff plans to return to the Board in spring with Business Strategy that addresses these questions and can guide the railroad through the coming years.

## Three Key Ideas

- The events of the last year have massively impacted Caltrain's business and have also provoked larger, long term shifts in the railroad's surrounding business environment
- The future looks increasingly volatile, uncertain, complex and ambiguous. Previous trends and assumptions are not necessarily a reliable guide to what may happen next. Caltrain has used scenario planning as a tool to consider multiple possible futures
- Caltrain needs a Business Strategy to navigate the challenges and opportunities of the coming years. The strategy will focus on how Caltrain can drive customer and public value during a time of significant uncertainty.

# Background

# What is Caltrain's Business?

There are two major areas of Caltrain's business. While closely interrelated, they are fundamentally distinct



## Rail Service (San Francisco – Gilroy)

### Example Activities:

- Passenger rail operations
- Maintenance of rolling stock and systems
- Fare policy and collection
- Near and long term service planning
- First- and last-mile services



## Corridor Management (San Francisco – San Jose)

### Example Activities:

- Hosting of Caltrain service
- Hosting of freight and other current and future tenant rail services (ACE, CCJPA, CHSRA)
- Infrastructure and corridor maintenance
- Capacity planning and participation in joint projects
- Capital project delivery
- Land asset management

# How does Caltrain's Business Deliver Value?

Caltrain (and transit generally) delivers value in two broad and interrelated ways.

**VALUE**

*for*

**MONEY**

**Customer Value:**

The direct benefits that accrue to individuals who use the system

**Public Value:**

The mobility, equity, economic, social and environmental benefits that accrue to a broader public or advance larger public goals and values when the system is used

**Self-generated Revenues:**

Fares and other-self generated revenues earned directly

**Public Subsidy:**

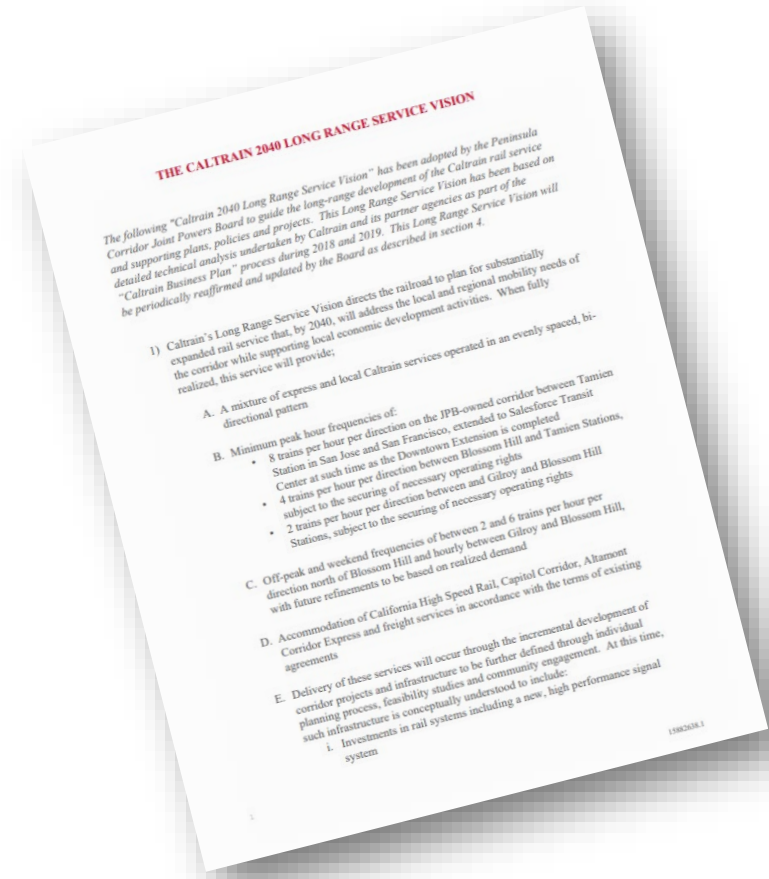
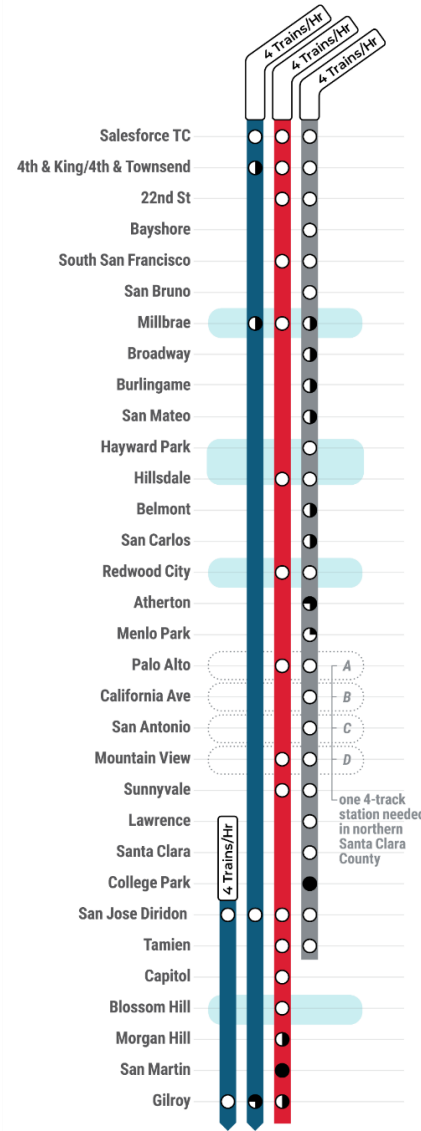
Public funding of operations and capital investments

# Where were we?

## A Long Range Service Vision

The major focus of Caltrain's Business Plan process was the development of a Long Range Service Vision for the railroad. The Board adopted the Long Range Service Vision in the fall of 2019

The Vision was selected through a business case process and was developed to harmonize and expand upon the multiple, overlapping long range plans in the Caltrain corridor by re-focusing them around a goal of expanded and improved rail service. The 2040 Service Vision provides Caltrain with a framework that comprehensively guides the railroad's corridor management activities and long range service planning





A photograph showing a large fire on the right side, with a sign in the foreground. The sign is black with white text. The background is filled with smoke and fire, creating a dramatic and somewhat somber atmosphere. The sign is the central focus, providing a stark contrast to the chaotic scene behind it.

**SENIOR CENTER**

**WEAR A MASK  
WASH YOUR HANDS  
SOCIAL DISTANCE  
STAY SAFE**

**COME JOIN US**

# A Year of Change

In March of 2020 the pandemic hit the Bay Area and daily life changed dramatically.

Over the course of the last year, the impacts brought about by COVID-19 have intertwined with and, in some cases, amplified and accelerated other significant events and trends around the region, country and world

The future “Business Environment” Caltrain must plan for now seems very different, and less stable, than the one in which we existed pre-COVID

## Examples of Major shifts in the Business Environment

- Massive changes to daily life and mobility patterns resulting from the COVID-19 Pandemic and associated health orders
- Severe economic impacts, job losses and worsening economic inequality
- Widespread recognition and protest of racial injustice
- Accelerated adoption of remote working, delivery services and contactless payment
- Changes to residential and commercial real estate markets
- Intensifying impacts of climate change including severe wildfires and air quality deterioration in Northern California
- A significant federal election amidst intensifying political polarization and violence



# A Year of Change for Caltrain

When the pandemic hit, Caltrain's focus immediately turned away from long range planning and toward survival and recovery as the impacts of the pandemic precipitated an abrupt loss of ridership and an existential financial crisis for the railroad.

The events of the past year have resulted in significant direct changes to the railroad's business – at a time when a great deal of change was already underway.

The future Caltrain must plan for now is not necessarily the same one we were contemplating a year ago

## Direct Business Impacts

- Abrupt loss of 95% ridership and corresponding declines in revenue resulting from the pandemic and associated public health orders
- Ongoing disruption and changes to operations, project work and business practices

## Significant Responses and Events

- Adoption of health and safety practices
- Federal relief funding and formation of the Blue Ribbon Task Force
- Adoption of Equity, Connectivity, Recovery & Growth Framework
- Significant restructuring of Caltrain service
- **Passage of Measure RR**

## Other, Parallel Change

- Electrification of the railroad
- Advancement of governance process
- Changes in senior staff and leadership





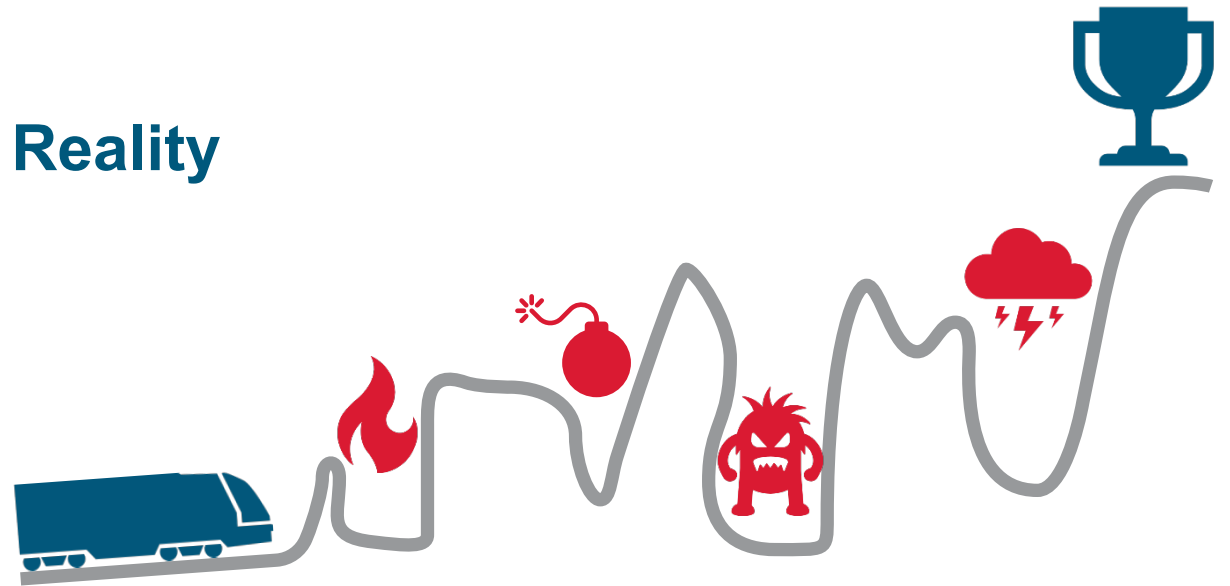
# Why did Caltrain Undertake Scenario Planning?

The events of the last year have massively changed Caltrain's business and have also provoked larger, long term shifts in the railroad's surrounding business environment. The "next reality" Caltrain faces looks increasingly volatile, uncertain, complex and ambiguous. Previous trends and assumptions are not necessarily a reliable guide to what may happen next

## The Plan



## Reality



# Who was involved?

## Caltrain Staff

Caltrain Executive leadership

Representatives from Systemwide Planning & Policy, Financial Planning, Grants & Funding, Operations, and Marketing departments

## External Experts

Katherine Carmen *Behavioral Economist*

Egon Terplan *Advisor to Governor Newsom*

Kiran Jain *Policy and Civic Technology/Innovation Expert*

David Bragdon *Transit Center Executive Director*

Ibbi Almufti *Arup Risk and Resilience Leader*

## Stakeholders

Project Partner Committee (PPC) – staff from partner agencies - participated in a workshop provide feedback on scenarios

## Consultant Team

Nicole Boyer *NOW Partners*

Ratna Amin *Deutsche Bahn & Engineering*

Huma Husain *Fehr & Peers*

Lee Reis *Fehr & Peers*

Karina Schneider *Fehr & Peers*

Katie Miller *Fehr & Peers*

# Developing Scenarios

# Caltrain's Focal Question:

*What's the impact of the pandemic on Caltrain's future business?*

**Surviving the Pandemic**  
*(next 6 months to 3 years)*

What will the **regional market and funding environment** look like during the transition period?

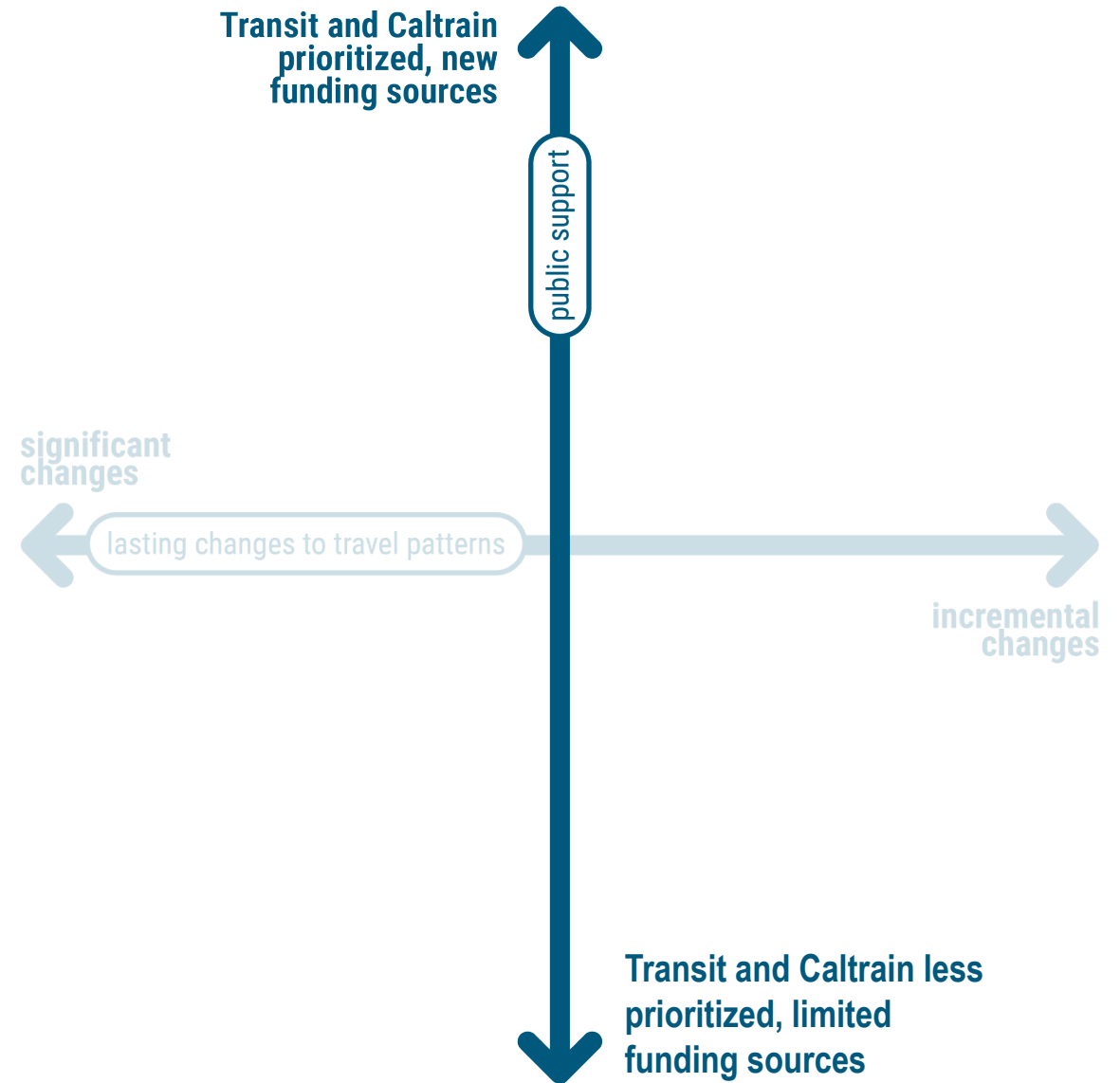
**New Reality**  
*(3-10 years)*

What are the **lasting impacts in the region as a place to work, live and visit?**

# Public Support for Transit

## Key Considerations on this Axis:

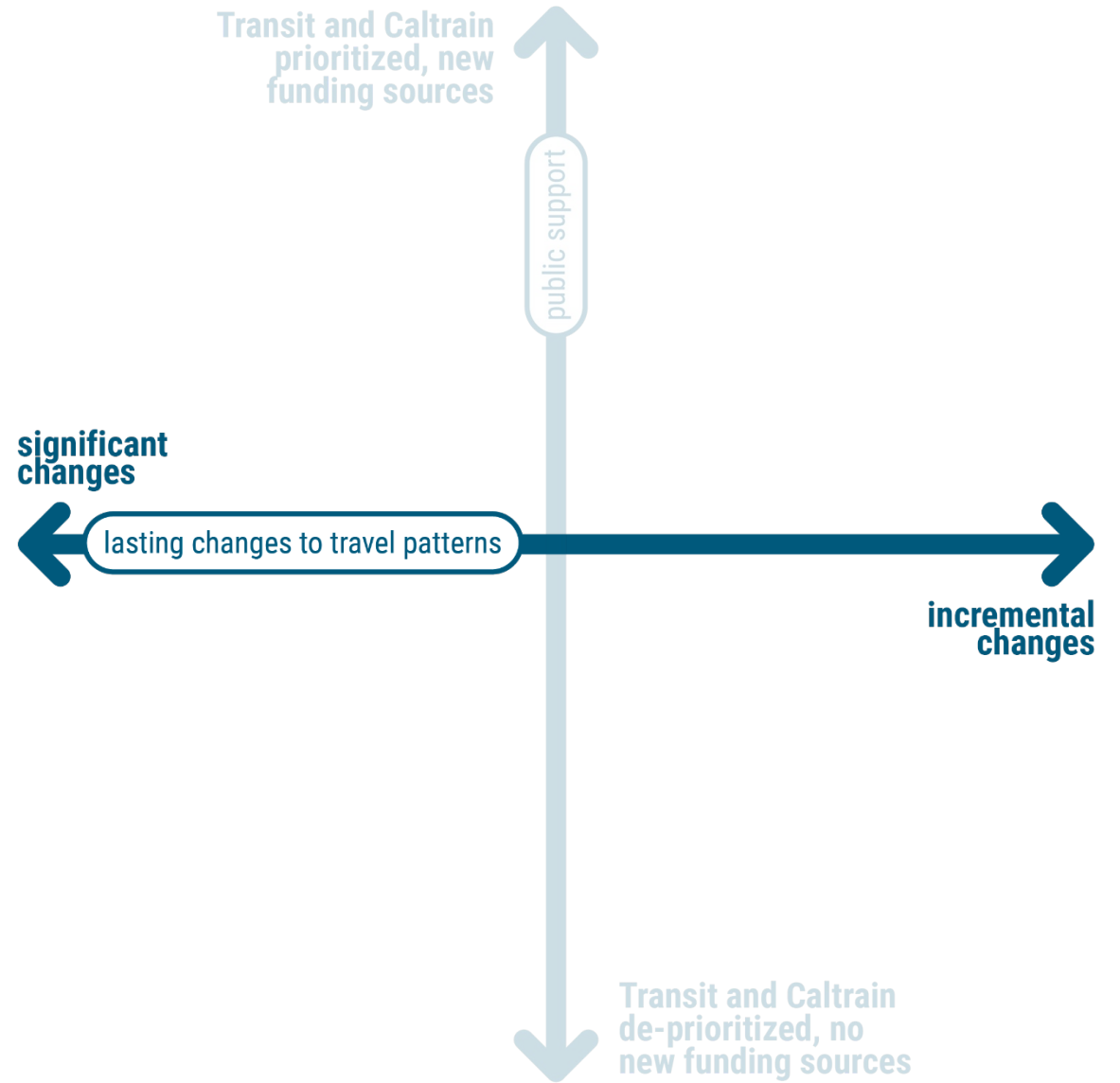
- What nature and level of direct public financial support is available to Caltrain? (eg member funds, Measure RR, other direct funding streams)
- What Federal and state funding opportunities are available to Caltrain specifically and transit generally? (eg relief funds, new stimulus, ongoing and new programs)
- What nature of political support is there for Caltrain in the region and state?
- Is transit politically prioritized and a focus generally at the regional, state, and national levels?



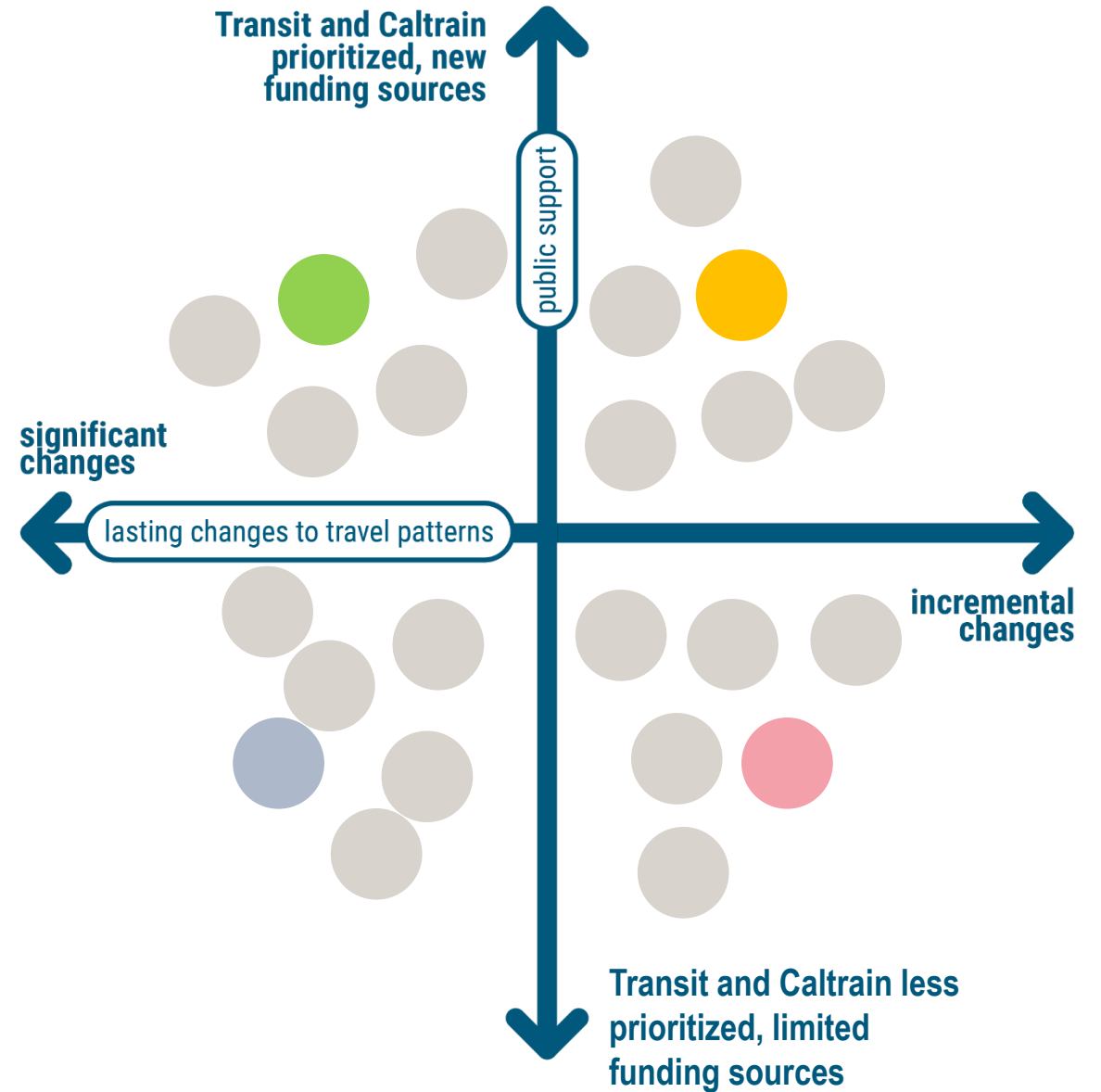
# Lasting Changes to Travel Patterns

## Key Considerations on this Axis:

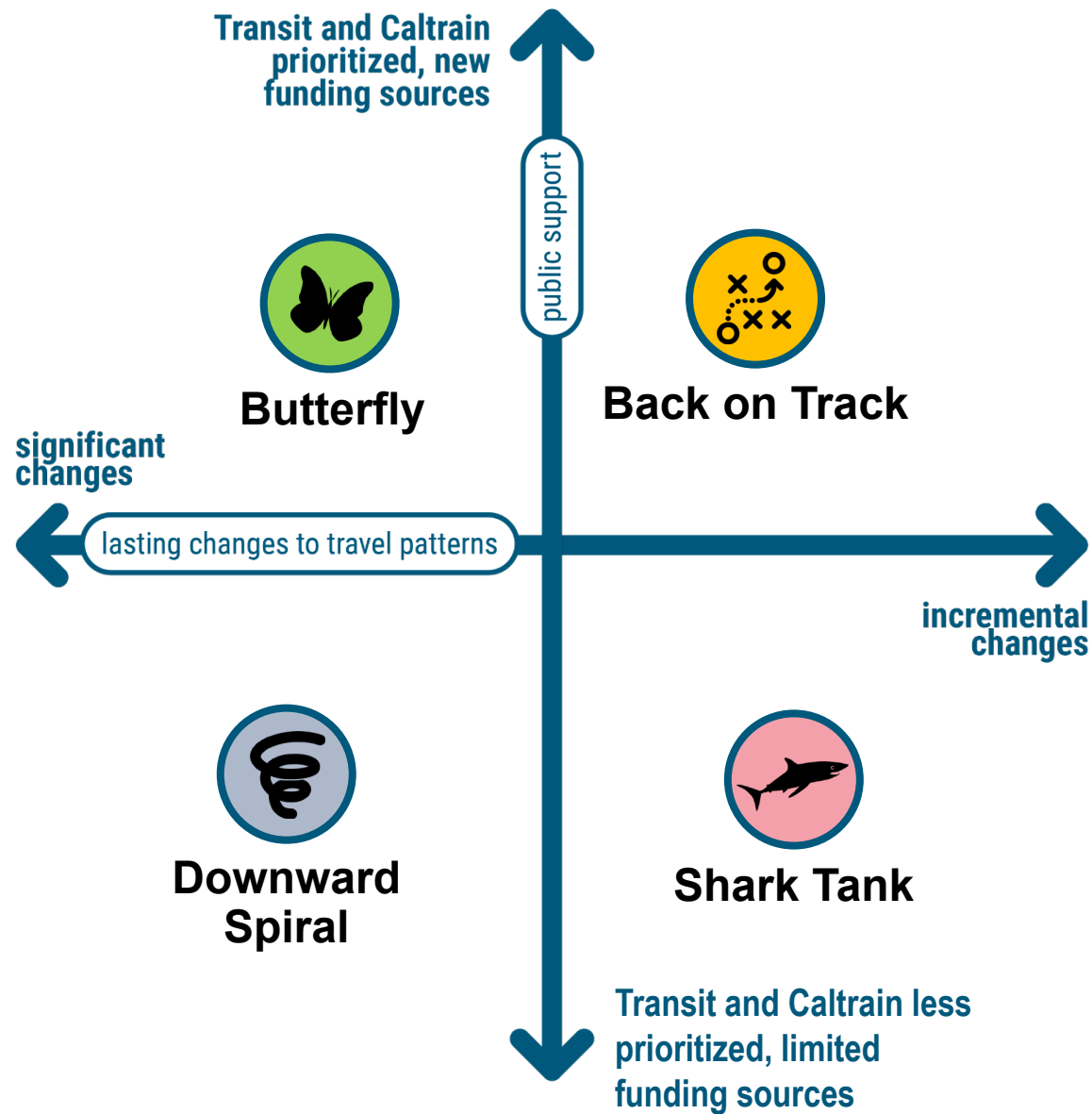
- Progress of the pandemic including timing/ and efficacy of a vaccination campaign
- Evolution of remote work (WFH) and education both during and post-pandemic
- Changes in regional economic outlook and growth patterns
- Near- and longer term impacts to housing and job distribution and growth within the region
- Speed of ongoing technological innovation in the remote work and transportation industries
- Ongoing evolution of traffic and congestion patterns
- Accelerating impacts of climate change to daily life



# Developing Stories About the Future



# Four Caltrain Scenarios







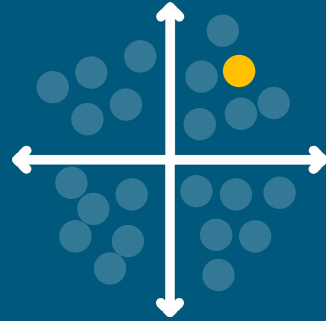
# Back on Track

CALTRAIN & TRANSIT FUNDING

**prioritized** de-prioritized

CHANGES TO TRAVEL PATTERNS

**incremental** significant



**This is a world in which** after a near-death experience, public transit becomes more integral to the Bay Area. The megaregional economy emerges strongly from the pandemic, and a new stream of Federal transit funding enables receiving agencies to prioritize advancement of capital programs, deliver robust service and prioritize equity. Leadership shown during the pandemic increases trust in the capabilities of existing government institutions.

## Why Back on Track Happens

- An effective vaccination campaign gets people back to offices and schools gradually throughout 2021.
- Thanks to strong Federal and State incentives the regional economy recovers within 3 years.
- The corridor office travel market is smaller than before, but remains. Other travel markets grow in relative importance.
- Major, sustained Federal investments in transit fund both capital expansion and transit operations.
- Institutional reforms occur incrementally as Caltrain and the region focus on an ambitious capital program and expanded service.

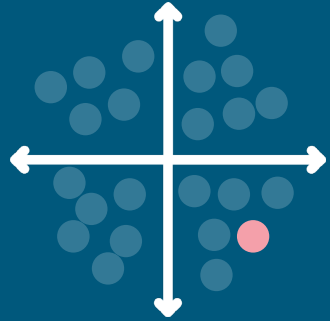
## Scenario 2



# Shark Tank

CALTRAIN & TRANSIT FUNDING  
**prioritized** **de-prioritized**

CHANGES TO TRAVEL PATTERNS  
**incremental** **significant**



**This is a world in which** it's survival of the fittest. Despite initial rounds of relief funding and the passage of Measure RR, further funding for transit largely stagnates for the remainder of the 2020's as public priorities shift and the country grapples with intense polarization at the federal level. Measure RR guarantees Caltrain's survival but with other funding sources in decline the railroad turns to a mixed bag of innovations and private partnerships to grow its business; Caltrain has an increasingly singular focus on its own survival rather than long term expansion.

## Why Shark Tank Happens

- An effective vaccination campaign gets people back to offices and schools gradually throughout 2021.
- A recession results in a smaller commuter market and many people continue working from home. Nonetheless, a core market of regional and intercity travel remains
- Financial scarcity drives continued polarization at multiple levels of government. Federal aid and stimulus are initially significant but are quickly spent and over time fall well short of overall need
- While a handful of major projects advance, longer term ambitions to expand transit begin to fade across the region and individual agencies grow increasingly focused on their own markets and protective of their bottom lines.
- Caltrain is marginalized politically and must seek new and additional partners and consider new business lines and ways of monetizing assets. The private sector gets increasingly involved with keeping public transportation going.

## Scenario 3



# Downward Spiral

CALTRAIN & TRANSIT FUNDING

**prioritized**    **de-prioritized**

CHANGES TO TRAVEL PATTERNS

**incremental**    **significant**



**This is a world in which** life and travel patterns change fundamentally – commuting doesn't rebound to anything like pre-COVID levels and a recession decimates the economy. Public transit - and rail in particular - go through a prolonged downward spiral of declining quality, resources, and demand. When the market begins to recover and congestion worsens at the end of the decade, transit doesn't have the organizational or financial capacity to pivot effectively

## Why Downward Spiral Happens

- A halting and stilted vaccination campaign results in daily life remaining disrupted well into 2022
- The US economy is depressed for several years. The nation remains highly polarized and all layers of government are focused on dealing with escalating social, environmental and economic crises.
- Remote work proves popular and office densities begin a permanent decline. Over time, living or working near rail stations loses its appeal. People keep their work and activities close and rely on personal transportation: walking, cars, bikes and scooters.
- There's little private interest in public transportation. Instead, informal transit – privately-organized – becomes common. Automated car rides and delivery become common later in the decade. Public policy focus orients toward increasing road capacity and managing automobility – e.g. HOT lanes, congestion pricing.
- Public transit is – and is viewed as - a lifeline social service for those with no alternative. Large infrastructure projects are slowly abandoned and inflationary pressures steadily erode the operating funding that remains for transit

## Scenario 4



# Butterfly

CALTRAIN & TRANSIT FUNDING

**prioritized** de-prioritized

CHANGES TO TRAVEL PATTERNS

incremental **significant**



**This is a world in which** Caltrain and transit throughout the region have a few very painful years of hard decisions and dramatic organizational changes followed by transformation and renewal. The business case for transit is redefined and widened to include broad social and environmental benefits and new investment follows. Some major projects in the region advance while others are reimaged and modified. New leaders and public sector collaborations emerge centered on equity, sustainability, and resilience. Continued prosperity in Silicon Valley means Caltrain stays necessary and relevant to people throughout the corridor.

## Why Butterfly Happens

- A halting and stilted vaccination campaign results in daily life remaining disrupted well into 2022
- The temporal structure of daily life is permanently changed - - remote and hybrid work remains popular, corridor employers and schools adopt varied and asynchronous schedules.
- While land use developments in the pipeline are built, new office starts to taper off and settlement patterns steadily shift across the region and state
- Congress passes one-time and permanent funding packages supporting public transit, renewing the social safety net, and addressing climate change and adaptation.
- A new regionalism emerges to tackle climate adaptation and to address pressing social challenges. A new cohort of leadership moves to the public sector creating new coalitions and institutional arrangements.
- Transportation demand becomes heterogenous –people need to move seamlessly from transit to scooters to AVs – the private sector expands its involvement in mobility.

# Strategic Implications

# What are "givens" in the business environment which Caltrain must prepare for?

## Transactional Space

- Transit must continue to address public health as well as equity and anti-racism in service, fares and participation.
- Some transit agencies and local governments will undergo significant, transformative crises – albeit insulated by relief funding
- Leadership and organizational changes will occur
- Sustained favoring of personal mobility
- There will be more focus on multi-purpose projects which address multiple public goals.
- There will be significant advances in automated transportation as well as other mobility-interfacing technologies
- The way government delivers services will change to address participation, equity, resiliency and operational efficiency, with more creativity.

### Next 18 months

### 2030 onward

## Business Environment

- Vaccines and treatments for COVID-19 will continue rolling out over months or years.
- Some degree of hybrid ways of working (office and home) are here to stay, home deliveries are here to stay, and some auto congestion is also here to stay.
- The economic fallout from COVID and SIP will continue to manifest for months with closures and lower incomes.
- Repurposing and adaptation of land uses will deepen as the nature of work, retail and school in the region change.
- The region's demographics will shift as companies adapt their business strategy and lower wage and hybrid workers move to lower-cost regions
- Sustainability and reducing carbon emissions will become more essential. Climate change events, sea level rise resiliency and recovery will become increasingly important.

# Initial thoughts on Robust Options and Actions

*"no-regrets" and "must dos"*

- **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, or at least helpful, in all scenarios as is a **focus on efficiency** and careful **management of financial capacity**
- New **partnerships** with both public and private actors are necessary or helpful in all scenarios
- The need to **address governance and organizational change** is present in all scenarios



# Business Strategy Framework

Staff is working to develop a more detailed and structured Business Strategy that responds to our scenarios and that can prepare Caltrain for the coming years.

## Caltrain's Business



**Rail Service**  
(San Francisco – Gilroy)



**Corridor Management**  
(San Francisco – San Jose)

Example Activities:

- Passenger rail operations
- Maintenance of rolling stock and systems
- Fare policy and collection
- Near and long term service planning
- First- and last-mile services

Example Activities:

- Hosting of Caltrain service
- Hosting of freight and other current and future tenant rail services (ACE, CCJPA, CHSRA)
- Infrastructure and corridor maintenance
- Capacity planning and participation in joint projects
- Capital project delivery
- Land asset management

**VALUE**

*for*

**MONEY**

## How Caltrain Delivers Value

### Customer Value:

The direct benefits that accrue to individuals who use the system

### Public Value:

The mobility, equity, economic, social and environmental benefits that accrue to a broader public or advance larger public goals and values when the system is used

### Self-generated Revenues:

Fares and other self-generated revenues earned directly



### Public Subsidy:

Public funding of operations and capital investments



# Business Strategy Framework

The Business Strategy will focus on how Caltrain can drive value for customers and the public during a period of ongoing uncertainty and change.

Key Questions	 Rail Service	 Corridor Management
• How do we drive value for current and future customers?		
• How do we define and deliver value to the public as a whole?		
• What can we afford and how do we sustain ourselves financially?		
• How can organize and partner in a manner that allows us to be a nimble, effective and publicly responsive?		

FOR MORE INFORMATION

[WWW.CALTRAIN.COM](http://WWW.CALTRAIN.COM)





## Memorandum

**Date:** February 25, 2021

**To:** CalMod Local Policy Maker Group (LPMG)

**From:** John Funghi, CalMod Chief Officer; Lori Low, Gov. and Community Affairs Officer

**Re:** Caltrain Electrification Project E-Update

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### ELECTRIC TRAIN UPDATE – TRAINSET #1 TO PUEBLO!

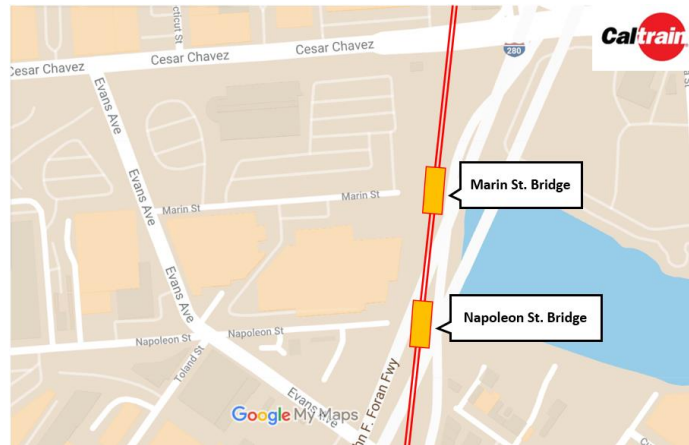
Electric trainset #1 is on its way to the Transportation Technology Center, a railroad testing and training facility in Pueblo, Colo. There it will be tested at and above the top speeds allowed on our corridor and undergo tests simulating operating conditions. Stay tuned for more updates from the Pueblo test track.



To see photos of the new electric trains being built, visit [CalMod.org/Gallery](https://www.calmod.org/Gallery).

## KEEPING CALTRAIN RUNNING: IMPROVEMENTS UNDERWAY FOR MARIN & NAPOLEON STREET BRIDGES

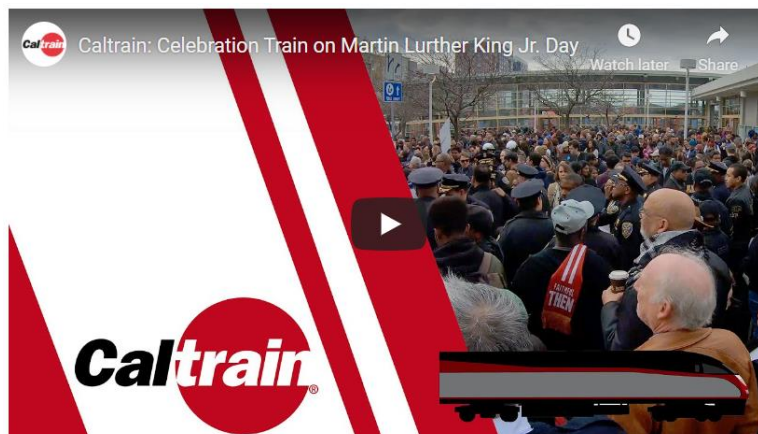
As part of Caltrain's commitment to ensuring the safety of passengers and communities alike, construction on the new Marin and Napoleon Street Bridges began in January 2021. Located in San Francisco's Bayview neighborhood, these bridges will undergo differing levels of repairs. Construction is anticipated to be complete in early 2022.



To learn more and sign up for weekly construction notices, visit [www.Caltrain.com/MarinNapoleon](http://www.Caltrain.com/MarinNapoleon).

## SPECIAL ANNOUNCEMENTS: BLACK HISTORY MONTH

In honor of Black History Month, Caltrain highlights its own history and contributions to the African American community. For decades, Caltrain has operated the annual Celebration Train, which celebrates the life and contributions of Dr. Martin Luther King Jr. through an event that brings Bay Area community members together to honor the iconic civil rights leader. The free special event train, which pays tribute to the 54-mile 1965 Selma to Montgomery March, has been a great way to transport celebrants to San Francisco's annual MLK Day Jr. march and related events.



Read the [full blog post](#).

## **PUBLIC MEETINGS:**

**JPB Board Meeting – March 4 at 9:00 a.m – Please note, this will be remote only**

For more details, and a full list of upcoming meetings, please visit [CalMod.org/Events](https://CalMod.org/Events).

## **DETAILED PROGRESS REPORT:**

- [December Monthly Progress Report](#) presented to Caltrain Board on February 4, 2021



# CALIFORNIA High-Speed Rail Authority

## Memorandum

**Date:** February 18, 2021  
**To:** Local Policy Maker Group (LPMG)  
**From:** Boris Lipkin, Northern California Regional Director  
**Re:** California High-Speed Rail Program Update

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### STATEWIDE UPDATE

#### **Revised Draft 2020 Business Plan**

The California High-Speed Rail Authority (Authority) publishes and submits a Business Plan to the Legislature every two years. Last February, the Authority published the Draft 2020 Business Plan and would have normally submitted it to the Legislature by May 1<sup>st</sup>. However, with the start of the global pandemic in March of last year, the submittal of the Business Plan has been pushed back to allow time to evaluate the impacts of COVID on the program, conduct further risk analysis, and to respond to other requests from the Legislature.

Having completed that additional analysis, the Authority issued a Revised Draft 2020 Business Plan on February 9<sup>th</sup>, 2021. This started a 30-day public comment period ending on March 12<sup>th</sup>. The Final 2020 Business Plan will be submitted to the Legislature no later than April 15<sup>th</sup>, 2021. The Business Plan is available here: [https://hsr.ca.gov/about/business\\_plans/2020/](https://hsr.ca.gov/about/business_plans/2020/)

The Revised Draft 2020 Business Plan reinstates the importance of fulfilling the mission set forth in Proposition 1A to deliver the full Phase 1 system and enable the state to meet its mobility, environmental and economic objectives. It presents a vision for delivering high-speed rail in California focused on three key principles:

- Initiate high speed rail service in California as soon as possible.
- Make strategic, concurrent investments that will be linked over time and provide mobility, economic and environmental benefits at the earliest possible time.
- Position ourselves to construct additional segments as funding becomes available.

The Revised Draft 2020 Business Plan lays out an implementation strategy to advance this mission consistent with these principles.

Comments on the Revised Draft 2020 Business Plan can be provided here:

- [Online comment form](#)
- Board hearing on March 2<sup>nd</sup>, 2021
- Email at [DraftBP2020@hsr.ca.gov](mailto:DraftBP2020@hsr.ca.gov)
- U.S. mail:  
California High-Speed Rail Authority  
Attn: Draft 2020 Business Plan  
770 L Street, Suite 620 MS-1  
Sacramento, CA 95814
- Voicemail comment at (916) 384-9516

## **Federal Partnership**

On January 19, 2021, Governor Newsom [sent a letter](#) to then President-elect Biden outlining his priorities for federal-state collaboration. The Governor's priority list included "restoring the federal commitment" to the California high-speed rail project. The Authority's CEO Brian Kelly responded, "I cannot overstate that the Biden Administration presents an opportunity to re-establish our federal partnership. The new Administration and Congress create opportunity for increased federal investment in electrified high-speed rail. We're looking forward to the opportunity to discuss our project with the administration." The Authority plans to engage the new administration on:

- restoration of federal partnership;
- re-obligation of funding de-obligated by the Trump Administration; and
- program delivery schedule flexibility.

## **Construction Update**

The Authority continues to make progress on construction in the Central Valley. In January 2021, construction was completed on the Garces Highway Viaduct. The viaduct is the second structure completed in Construction Package 4 and the first finished in 2021. The Authority has created more than 5,000 jobs since the start of construction in the Central Valley and the Central Valley Training Center in Selma welcomed a second cohort of students on February 8, 2021. The center aims to provide career options for minority and low-income populations, at-risk young adults, and veterans in Fresno, Kings, Tulare, Kern, Madera, and Merced counties.

For more information on the Central Valley Training Center, visit <http://cvtcprogram.com/>. Follow all construction updates at [https://buildhsr.com/construction\\_update/](https://buildhsr.com/construction_update/).

## **Other Highlights**

- The Authority received national recognition with the Envision Platinum rating for its sustainability efforts, which is the highest-level award offered by the Institute for Sustainable Infrastructure (ISI).
- Construction continued to advance in the Central Valley, doubling the number of construction workers on site with a peak of over 1,200 women and men working to build the high-speed rail system.
- A Record of Decision was completed for the Central Valley Wye and two draft environmental documents were issued in Southern California.
- Caltrain electrification has continued in the corridor between San Francisco and San Jose with the help of a \$714 million contribution from the Authority.
- The Authority relaunched the "I Will Ride" program. This educational initiative is designed to connect California students to the high-speed rail project and with professionals from a variety of related fields.

## **NORTHERN CALIFORNIA UPDATE**

### **Winter Community Working Groups Webinars**

The Authority will be hosting community working groups webinars on March 2<sup>nd</sup> and 3<sup>rd</sup>. Topics include the Revised Draft 2020 Business Plan and California High-Speed Rail Funding 101.



Please see webinar details below:

- March 2, 2021: San Francisco to San Jose Community Working Groups Webinar  
Time: 5:00-7:00pm  
Webinar login: <https://meetings.ringcentral.com/join?jid=1493260634>  
or join by phone:  
Telephone: 1-623-404-9000  
Meeting ID: 149 326 0634
- March 3, 2021: San Jose to Merced Community Working Groups Webinar  
Time: 5:00-7:00pm  
Webinar login: <https://meetings.ringcentral.com/j/1486415997>  
or join by phone:  
Telephone: 1-623-404-9000  
Meeting ID: 148 641 5997

The presentation and agenda materials will be provided on the [California High-Speed Rail Events page](#) closer to the dates.

## **RECENT AND UPCOMING OUTREACH ACTIVITIES**

- February 11, 2021: MTI Student Association Presentation
- February 23, 2021: Silicon Valley Leadership Group Presentation
- February 24, 2021: Sierra Club Conservation Committee
- February 25, 2021: Bay Area Council Presentation
- February 26, 2021: Diridon Joint Policy Advisory Board Presentation
- March 2, 2021: SPUR Lunchtime Forum
- March 2, 2021: San Francisco Chamber of Commerce Presentation
- March 9, 2021: San Mateo County Economic Development Association (SAMCEDA) Housing, Land Use, Transportation (HLUT) Committee Presentation
- March 10, 2021: Mobility Partnership Presentation
- March 11, 2021: San Mateo County/Redwood City Chamber Transportation Committee Presentation





## OFFICE OF THE GOVERNOR

January 19, 2021

Dear President Biden,

Congratulations on your historic victory and for setting America on a path to build back better. I offer you my full partnership and support as you take office and inherit the tremendous responsibility to restore our nation's economy and place of leadership on the global stage—all while working to bring the COVID-19 pandemic to an end. As America's largest economy and a model for what's possible, California is eager to support your bold agenda by sharing our experiences implementing progressive policy on everything from workers' rights to climate change.

Your American Rescue Plan is a welcome roadmap for how the federal government can take the lead in these perilous times by investing in helping individuals, families, and communities. Your vision charts an ambitious but necessary course for the country. So much of what Californians need is included in your proposal; we support it in its entirety.

Beyond the American Rescue Plan, we also stand ready to assist your administration by highlighting many of the policy innovations we advanced in the Golden State to help you scale them nationally.

In the past few years, the White House abdicated its responsibility on key issues like climate change, wildfires, and infrastructure. And the lack of leadership from Washington on COVID-19 has been well chronicled and truly deadly. But every time we lacked for a partner, California stepped up anyway.

We accelerated our clean car efforts and made record investments in wildfire mitigation. On housing and homelessness we launched programs like Project Roomkey and Homekey to provide housing to individuals experiencing homelessness during the pandemic, and removed barriers to building affordable housing. And we are strengthening our state by investing in California's High Speed Rail project and other infrastructure investments on water, housing, and



climate resilience. And we are providing billions in direct stimulus to low-income residents and struggling small businesses negatively impacted by COVID-19.

Having a true partner in the White House – and an Administration aligned with so many of our values – is a game-changer for Californians.

Attached to this letter are two short policy documents.

The first highlights points of alignment between your American Rescue Plan and California's needs as we respond to the COVID-19 pandemic, specifically on vaccine distribution, reopening schools, and economic development.

The second document provides an outline for policy areas on which we seek early partnership with your Administration – aligned with our shared values and built on our record of success.

I look forward to partnering with the Biden-Harris Administration as we forge an equitable recovery that will benefit generations to come.

Sincerely,

Gavin Newsom  
Governor of California

A large, stylized handwritten signature in black ink, appearing to be 'Gavin Newsom', is written over the typed name and extends across the width of the page.

## APPENDIX #1: CALIFORNIA SUPPORTS THE AMERICAN RESCUE PLAN

**Among the most impactful proposals for California that are included in your American Rescue Plan are:**

- **Vaccines:** First and most importantly, we welcome your Administration's support as we surge up to vaccinate all Californians. We urge you to release all available vaccines as soon as possible and are strongly supportive of your call for national coordination, a \$20 billion vaccination partnership between the federal government and states, localities, Tribes, and territories, and \$50 billion for more testing. These are the most important action items to the State of California. We are eager for any additional assistance you can provide.
- **Safely Reopening Schools:** One of California's top priorities is safely reopening our schools. Your Administration's proposal to make additional resources available – in the form of general financial support, testing supplies, and PPE – will directly enable our schools and teachers to reconvene in-person in a safe and equitable manner. We must also address learning loss – California is investing billions in addressing the pandemic's impact on learning, and your shared focus is a welcome change.
- **Small Business Supports:** California has done its best with limited state general funds to support small businesses that have been negatively impacted by the COVID-19 pandemic. We have provided almost \$1.8 billion in direct grants, tax credits, and relief. We have also extended other cash assistance to preserve and expand California's businesses large and small, enabling people to get back to work. Your proposals for additional grants and loans will be a welcome addition as our businesses fight to get back on their feet as we reinvigorate our economy.
- **Individual Assistance:** Similar to our small business support efforts, California is doing its part to help struggling residents pay the bills. We are providing a Golden State stimulus of \$600 per person to qualified low-income Californians, regardless of immigration status. But more is needed. I support your call for providing an additional \$1,400 check, and I am eager to partner with other Governors and your Administration to support this request in Congress. California would also support your call for continuing enhanced unemployment benefits after March at a level of \$400 per week as well as an expansion of the Earned Income Tax Credit.

- **Helping Families Get Back on their Feet:** Beyond the key investments detailed above, the American Rescue Plan includes critically important proposals to provide additional food security, early education subsidies, childcare tax credits, paid leave resources, and expand rental assistance funds, to name a few. California fully supports these initiatives which provide needed assistance to individuals and families who are struggling the most acutely.
- **Support to State & Local Governments:** Despite a clear need, the Republican-controlled senate in the 116th Congress failed to provide flexible funds to local governments as they grapple with massive budget deficits, which affected even states like California, which entered the crisis with record reserves. We strongly support your \$350 billion proposal to provide critical emergency funding to state & local governments across the nation and keep our health care workers, first responders, and teachers on the job. In addition to the important cost-share proposals contained in the American Rescue Plan, California also requests an extension of the enhanced Medi-Cal Federal Medical Assistance Percentage through December 2022. Finally, California requests an extension of the Unemployment Insurance loan interest repayment start date through 2023.

## APPENDIX #2: OTHER POLICY AREAS OF ALIGNMENT

**As you announce the details of your Administration's priorities and issue a first round of executive orders, there are a number of additional critical items that offer opportunities for a federal-state partnership between your Administration and California, including:**

- **Ending Homelessness:** California has charted a successful path on homelessness amidst the sharp challenges of the COVID-19 pandemic. Project Roomkey and Homekey became national models for providing non-congregate shelter and fast, cost-efficient permanent housing. We were thrilled to see that the American Rescue Plan included \$5 billion to help jurisdictions purchase and convert hotels and motels to create permanent housing for people experiencing homelessness. Beyond these critical investments, we are eager to partner with the Department of Housing & Urban Development to advocate for universal housing vouchers and greater support for Continuums of Care to scale up and make permanent these approaches. With significant, new, sustainable investment in prevention, shelter, and service-enriched housing, the states will be able to end homelessness as we know it in America.
- **Infrastructure:** We support the enactment of a robust federal infrastructure plan. For California, we are most focused on restoring the federal commitment to California's High Speed Rail project, partnering to develop 21st century water infrastructure, and prioritizing investments in schools, broadband, housing, and renewable energy.
- **Climate Action and Clean Cars:** California is on a path to accelerate the state's transition to a resilient, equitable, carbon neutral future that creates economic prosperity. It is critical that the Administration restore and strengthen many of the environmental and public health protections that have been dangerously weakened in the last four years. Of particular importance to California and many other states is California's authority to adopt motor vehicle standards under the Clean Air Act. Aggressive vehicle emissions standards are essential to public health and climate progress. We look forward to working with your Administration and other states to raise the national floor for climate action by prioritizing innovation, environmental justice, and public health.
- **Wildfire & Forest Resilience:** Amidst the ongoing COVID-19 crisis, we cannot lose sight of the climate change-driven impacts of more acute wildfires. We welcome partnership with your Administration to fully implement the Shared Stewardship Agreements and Good Neighbor

Authority programs we have in place with the U.S. Forest Service. This helps important forest management projects happen more quickly and cost-effectively.

- **Health Care Reform:** California is eager to pursue a transformative vision to overhaul our Medicaid system – an approach we call CalAIM. Our reform effort is fundamentally about health equity with a particular focus on providing communities of color and harder-to-reach populations with improved access to comprehensive, quality care through re-imagined delivery systems and payment reforms. And we are all aware of the devastating disparate impacts COVID-19 has had on communities of color – further underscoring the need for health reform in the context of racial equity. We are eager to discuss the necessary steps to advance our CalAIM model. In addition, California requests a partnership to develop new strategies with the federal government to leverage Medicare to provide additional long-term care services and supports.
- **Immigration:** California has led on pro-immigrant actions that demonstrate the success of working from a principle that our diversity is our strength. We applaud your commitment to advancing immigration reform. It is long past time for America to create a pathway to citizenship for undocumented people and ensure a fair and humane immigration system that honors immigration as the foundation of who we are as a nation. Your leadership will be key in re-instating the Deferred Action for Childhood Arrivals (DACA) program, protecting Temporary Protected Status (TPS) beneficiaries and re-establishing our nation's commitment to people seeking humanitarian protections and an equitable recovery that recognizes the dignity and contributions of our “essential workers”. We request that your Administration reverse the Trump Administration's public charge rule and all race- and religion-based immigration bans as well as take action to address the medical neglect and abuse in immigration detention centers. We stand ready to collaborate and share lessons from our efforts to support and protect immigrant Californians at the border and across our golden state.
- **Early Education:** California applauds your plan to provide immediate pandemic-related support to families, children and early learning and care providers. We recently released a 10-year Master Plan for Early Learning and Care that aligns with your long-term early education vision including universal pre-k for 3- and 4-year-olds, increased access to quality child care for infants and toddlers, and improved supports for the workforce. We want to work with your Administration to ensure that all

children have access to quality early education that helps address racial and economic inequities with specific supports for dual language learners and children with special needs, and that discriminatory practices such as expulsions and suspensions end in early education.



# Northern California Region

Local Policy Maker Group  
February 25, 2021  
Webinar



# REVISED DRAFT 2020 BUSINESS PLAN



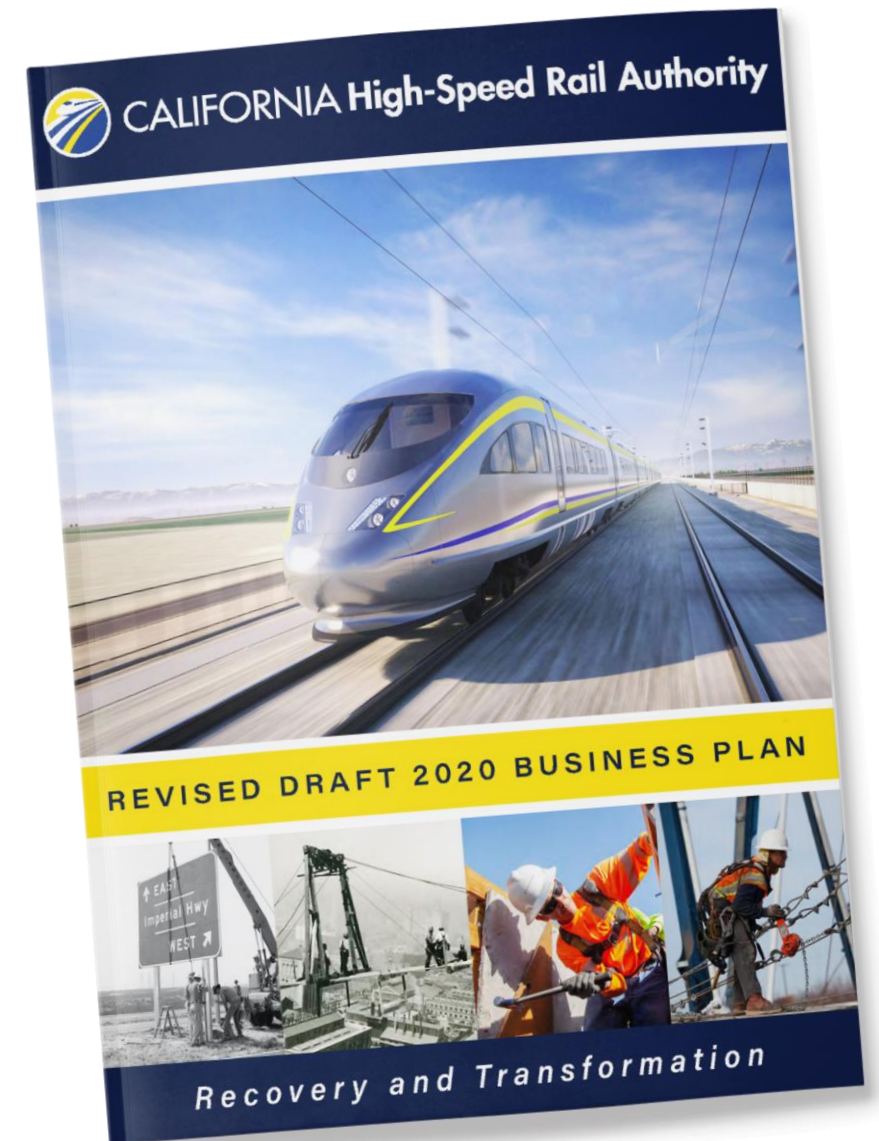
# BUSINESS PLAN & THE PUBLIC REVIEW PROCESS

- **What is the Business Plan?**

- » Required by PUC Section 185033
- » Represents current program status
- » Summarizes implementation approach

- **Public review process**

- » February 9, 2021: Release
- » February 9 – March 12, 2021: 30-day public review
- » March 2, 2021: Board hearing
- » March 25, 2021: Board meeting
- » April 15, 2021: Submittal to Legislature





# COVID-19 PANDEMIC IMPACTS ON CALIFORNIA HIGH-SPEED RAIL



**240+ workers quarantined**



**\$280+ million in lost Cap and Trade revenue**



**Environmental schedules extended for 4 project sections**



**Track and Systems procurement delayed until August 2021**



**Right of Way acquisition affected by court delays**

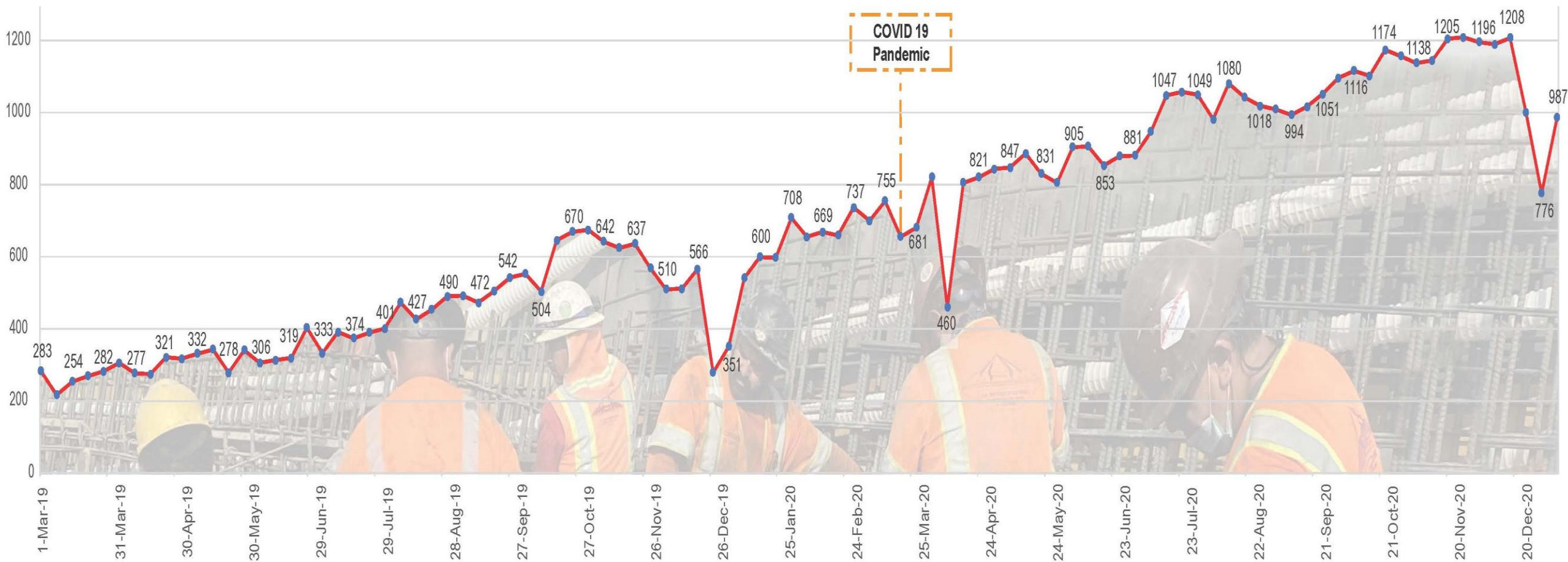


**Cost and schedule impacts**



# PROJECT PROGRESS

## WEEKLY AVERAGE CONSTRUCTION WORKERS



# PROJECT PROGRESS

2018 to 2020

		2018		2020
	Construction Jobs Created	2,573	VS.	<b>5,216</b>
	Structures Completed or in Construction	19	VS.	<b>56</b>
	Environmental Drafts Released and ROD's Certified	5	VS.	<b>12</b>
	Right-Of-Way Parcels Acquired	1,423	VS.	<b>1,771</b>
	Miles of Guideways	47	VS.	<b>79</b>
	Monthly Average Expenditures on Design-Build Contracts	\$30.47M	VS.	<b>\$68.13M</b>

# MERCED TO BAKERSFIELD

171-MILE INITIAL SERVICE

- Reaffirms initial operating segment
- Environmentally cleared with highest ridership potential
- MOU with CalSTA and San Joaquin JPA to align interim service roles and responsibilities
- Exploring phased track implementation
- Independent peer review of ridership forecasts

## Steps to completion:



Advance  
design



Complete  
extensions



Procure  
trains



Complete  
stations





# ENVIRONMENTAL DOCUMENTS FOR ADVANCEMENT

Project Section	Draft EIR/EIS	Projected ROD
Bakersfield to Palmdale	Complete (February 2020)	Q2 2021
Burbank to Los Angeles	Complete (May 2020)	Q4 2021
San José to Merced	Complete (April 2020)	Q1 2022
San Francisco to San José	Complete (July 2020)	Q2 2022
Palmdale to Burbank	Q3 2021	Q4 2022
Los Angeles to Anaheim	Q4 2021 to Q1 2022	Q4 2022 to Q2 2023




# ENVIRONMENTAL DOCUMENTS FOR ADVANCEMENT

Project Section	Draft EIR/EIS	Projected ROD
Bakersfield to Palmdale	Complete (February 2020)	Q2 2021
Burbank to Los Angeles	Complete (May 2020)	Q4 2021
<b>San José to Merced</b>	<b>Complete (April 2020)</b>	<b>Q1 2022</b>
<b>San Francisco to San José</b>	<b>Complete (July 2020)</b>	<b>Q2 2022</b>
Palmdale to Burbank	Q3 2021	Q4 2022
Los Angeles to Anaheim	Q4 2021 to Q1 2022	Q4 2022 to Q2 2023



# NORTHERN CALIFORNIA ENVIRONMENTAL PROCESS

 = ongoing outreach

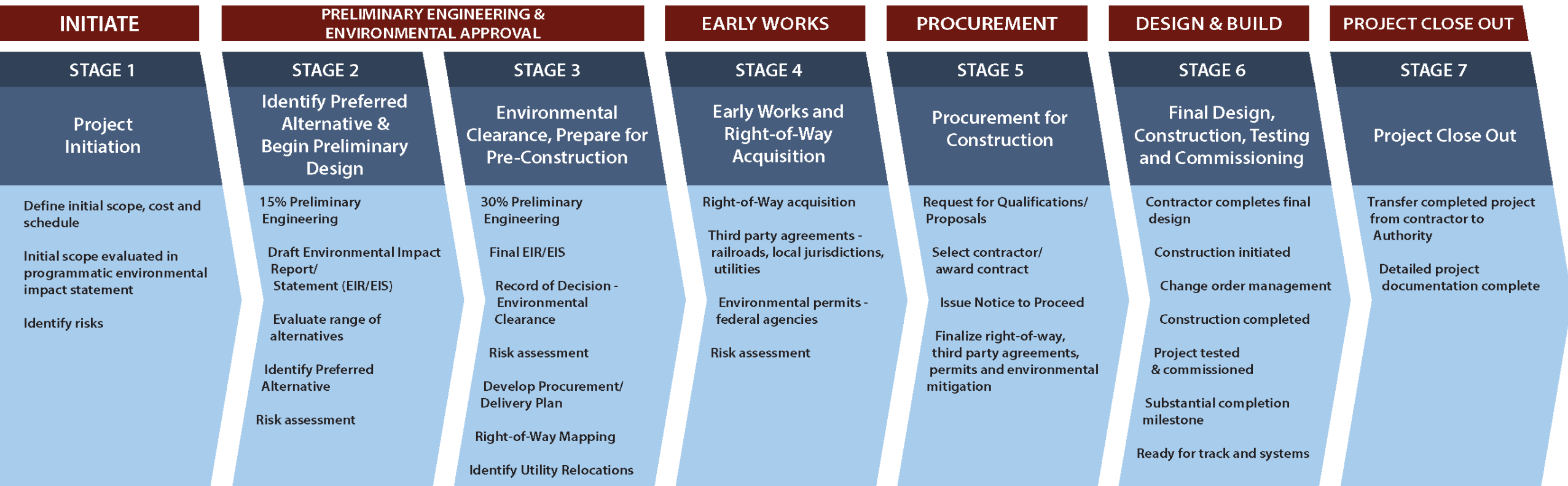


# MANAGING RISK

## RISK MANAGEMENT MEASURES

- Increased risk contingency
- Enterprise risk management

- Stage Gate process for development & delivery



Stakeholder and Community Engagement

# STEPS AFTER ENVIRONMENTAL CLEARANCE



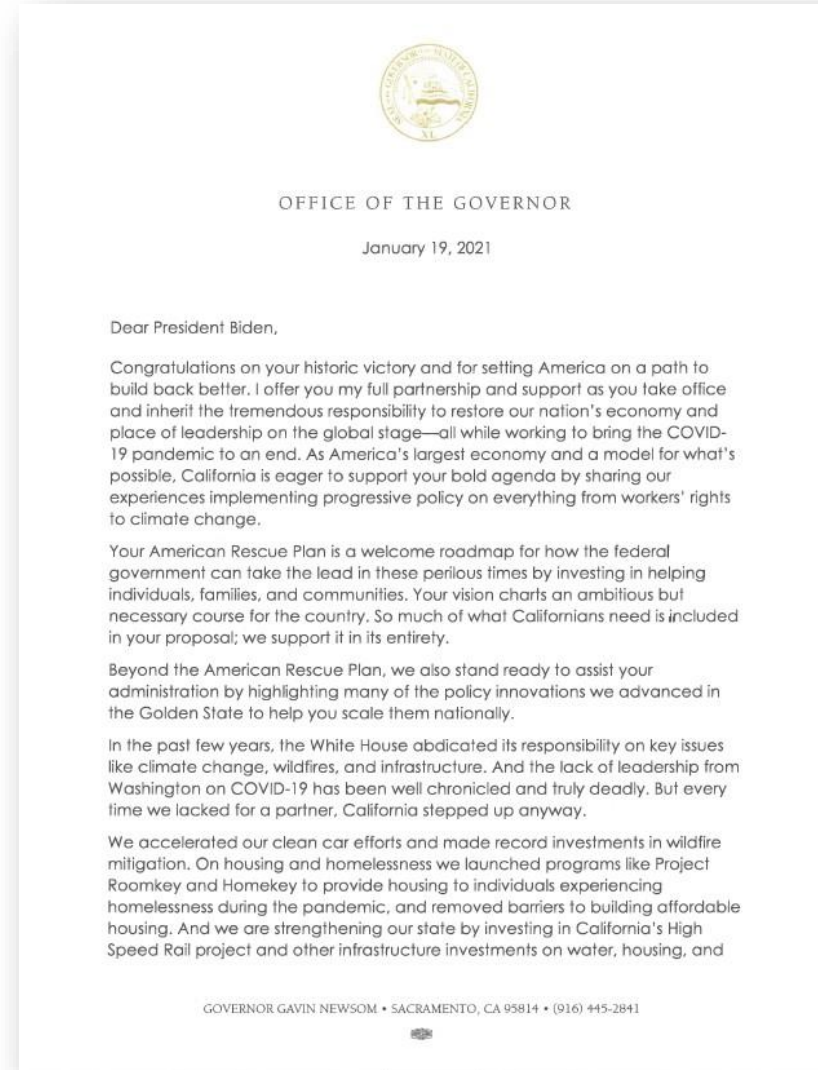
# FEDERAL PARTNERSHIP

**“We are strengthening our state by investing in California's High Speed Rail project and other infrastructure investments on water, housing, and climate resilience.”**

**– Governor Gavin Newsom**

**“We are most focused on restoring the federal commitment to California's High Speed Rail project, partnering to develop 21st century water infrastructure, and prioritizing investments in schools, broadband, housing, and renewable energy.”**

**– Governor Gavin Newsom**





# FEDERAL PARTNERSHIP



- **The Authority is engaging the Biden administration on:**
  - » Restoration of Federal Partnership
  - » Re-obligation of FY/10 grant funding
  - » Program delivery schedule flexibility
- **Opportunity for increased federal investment in electrified high-speed rail**

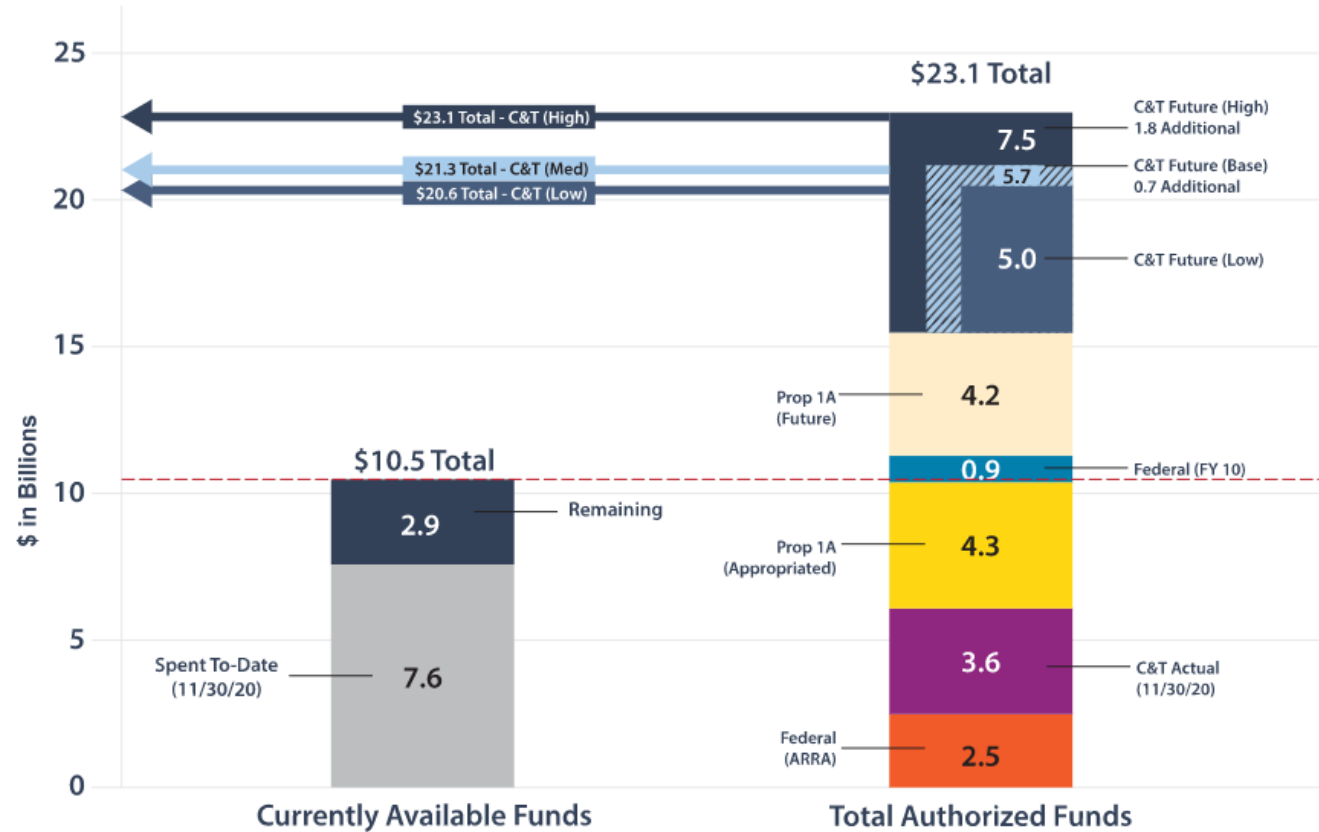
“We’ve been asked to settle for less in this country, and I just don’t know why people in other countries ought to have better train service and more investment in high-speed train service than Americans do.”

– Transportation Secretary Pete Buttigieg



# CURRENT FUNDING

- **Funding forecast through 2030 based on Cap and Trade projections**
  - » Total available: \$20.6 to \$23.1 billion
  - » Estimate to complete Merced to Bakersfield (and other statewide investments): \$21.3 to \$22.8 billion
- **Authority will seek appropriation of remaining Proposition 1A funds to complete construction underway**



# FUNDING PLAN

- **Funding plan required to request appropriation of Proposition 1A funds**
- **Consistent with Revised Draft 2020 Business Plan**
- **Focused on usable segment in the Central Valley to complete ongoing construction**
- **Funding plan milestones**
  - » **February 9, 2021:** Authority Board approved funding plan for submittal to the Director of Finance, Peer Review Group, and Legislature (transportation and finance committees).
  - » **May 2021:** Proposed appropriation to be included in Governor's revised budget
  - » **June 2021:** Final budget adopted by the Legislature
- **Additional funding plan required to access funds once they are appropriated.**

# HOW TO COMMENT ON THE BUSINESS PLAN

 **30-day public comment period:** February 9 – March 12

 **Online at:** [www.hsr.ca.gov/about/business\\_plans/business\\_plan\\_2020\\_comment\\_form.aspx](http://www.hsr.ca.gov/about/business_plans/business_plan_2020_comment_form.aspx)

 **By phone:** 916-384-9516

 **By email:** [DraftBP2020@hsr.ca.gov](mailto:DraftBP2020@hsr.ca.gov)

 **Verbally:** March 2, 2021 Board hearing

 **By mail:**

California High-Speed Rail Authority  
Attn: Draft 2020 Business Plan  
770 L Street, Suite 620, MS-1  
Sacramento, CA 95814

# CALIFORNIA HIGH-SPEED RAIL FUNDING 101



# HOW HIGH-SPEED RAIL IS FUNDED

## California High-Speed Rail Funding

**1** **\$9.95 billion**  
Bond measure

**2008**  
**Proposition 1A**

**2** **\$2.5 billion**  
Federal Grant

**2009 American**  
**Recovery and**  
**Reinvestment**  
**Act (ARRA)**

**3** **\$929 million**  
Federal Funding

**FY 2010**  
**Appropriations**  
**Bill**

**4** **\$500-\$750 million**  
per year

**Annual**  
**Cap and Trade**  
**Auction Market**



# PROPOSITION 1A



## California voters approved Proposition 1A in 2008 to begin construction of a high-speed rail system

- Bond included funding for HSR planning and development, HSR construction, and connected projects
- Downpayment provided 20% of the estimated cost of the program at the time
- Required 1:1 match from other funding sources that did not exist at the time
- Included system requirements on speed, travel time, system design, approval processes, and operating subsidies





# 2012 PROP 1A ALLOCATION

SENATE BILL 1029 (2012)

- **Senate Bill (SB) 1029, 2012**

- » Appropriated \$2.6 billion in Proposition 1A bonds to begin construction in the Central Valley, matching \$3.5 billion in federal funds
- » Appropriated \$2 billion in Proposition 1A funds leveraging \$5 billion in other funds for connectivity and bookend projects

**CONNECTIVITY PROJECTS** provide direct connectivity to high-speed rail lines and facilities. Example – BART Maintenance Shop and Yard Improvements.

**BOOKEND PROJECTS** are projects in the Bay Area and Los Angeles area that were allocated funding as part of the high-speed rail system. Example – Caltrain electrification project.

## Statewide Rail Modernization







## Central Valley Construction

California received almost 40% of the available HSR federal funds from the American Recovery and Reinvestment Act (ARRA) and FY'10 appropriations.

## Salesforce Transit Center

Provided \$400 million for trainbox construction at the Salesforce Transit Center in San Francisco.



## Matching Funds

Matched state funds to begin construction in the Central Valley. \$2.5 billion in ARRA funds had a 2017 expenditure deadline.

Included funds (and requirement) to complete environmental clearance for Phase 1 system from San Francisco to Los Angeles / Anaheim.

No additional federal funds have been provided since 2010, leaving the federal share at about 17% of the program funding.\*

\* Compared to 80-90% for historical highway projects and 30-50% for contemporary transit projects.

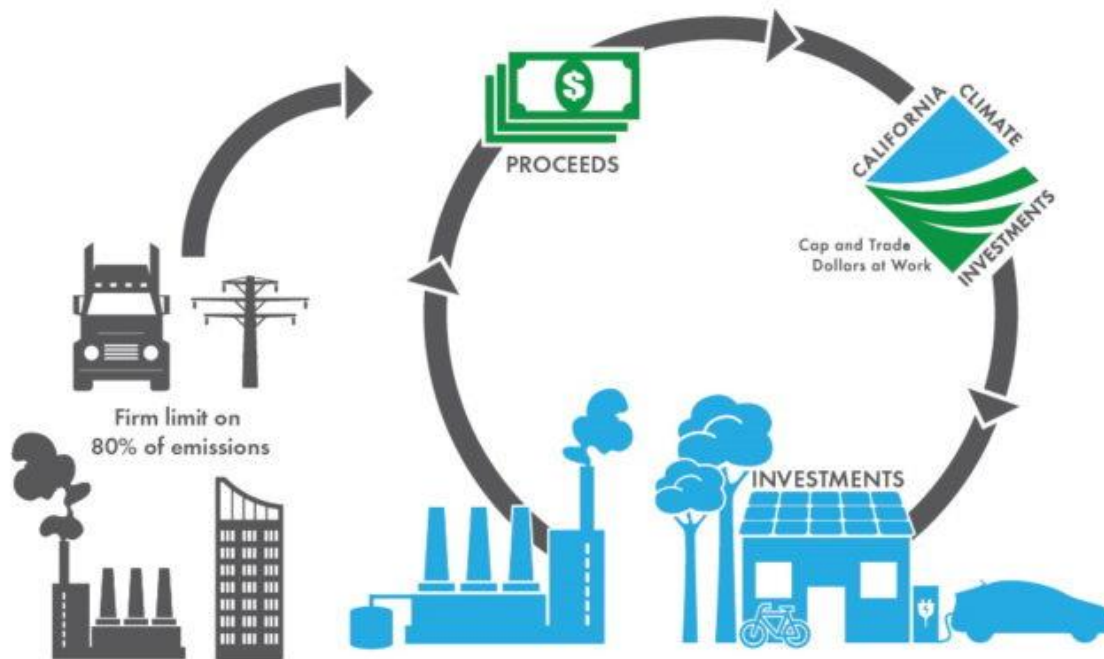


# CAP AND TRADE AND HIGH-SPEED RAIL



## 2014 Appropriations (SB 852 and SB 862):

- One-time appropriation of **\$650 million**
- Continuous appropriation of **25 percent** of the annual proceeds from Cap and Trade Program



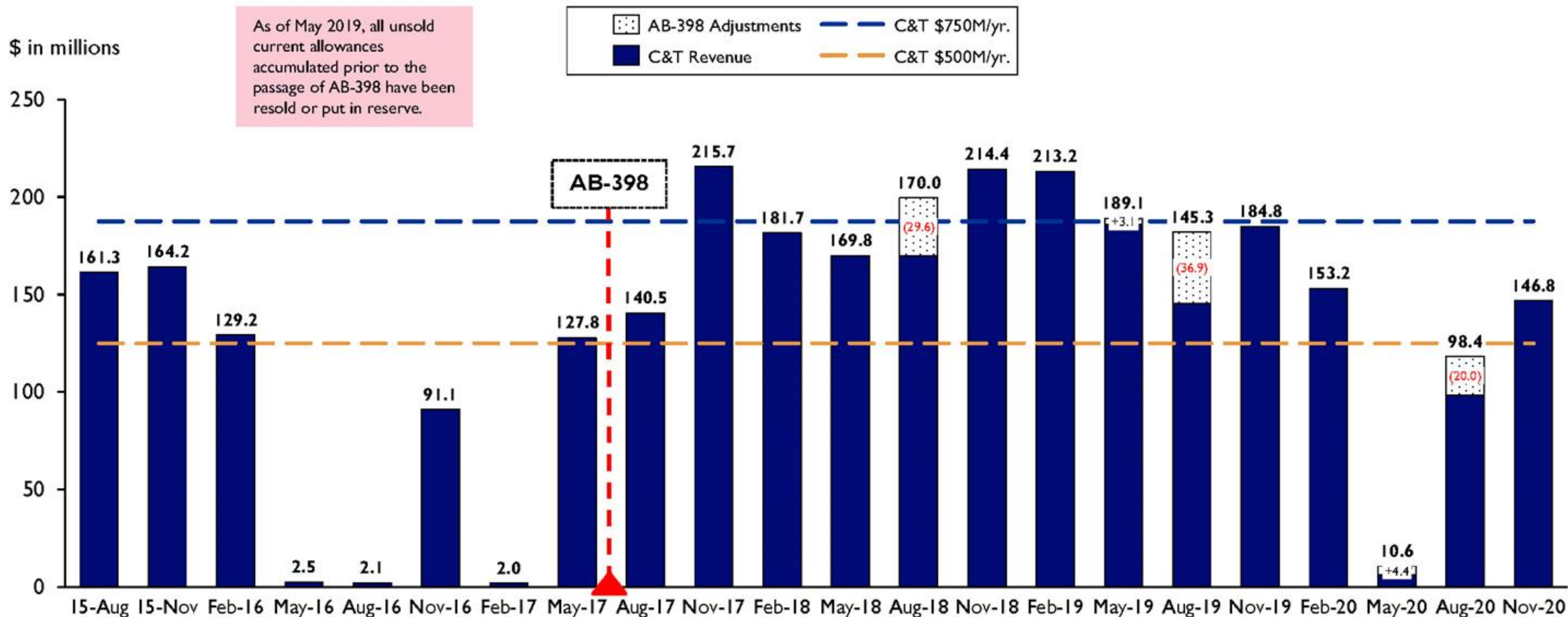
Cap and Trade also funds other transit and intercity rail programs, affordable housing, and other efforts to reduce emissions.

## 2017 (AB 398):

- The Legislature **extended the Cap and Trade Program through 2030**

# HISTORICAL CAP AND TRADE AUCTION PROCEEDS

## CHSR Quarterly C&T Auction Proceeds (in millions \$)



# POTENTIAL FUNDING SOURCES



## FEDERAL

- **High-Speed Rail Corridor Development Act of 2020 (Rep. Costa)**  
Would provide \$32 billion in federally designated high-speed rail corridors through 2024
- **American High-Speed Rail Act (Rep. Moulton)**  
Would invest \$205 billion in high-speed rail across the country
- **Transportation reauthorization and recovery plans**



## STATE

- The Authority would benefit from the expected extension of the Cap and Trade program to 2050
- A Cap and Trade extension would also benefit local transit and other interrelated programs



## REGIONAL/LOCAL

- Metropolitan Transportation Commission's (MTC) Plan Bay Area 2050 blueprint includes investment in bringing high-speed rail to the Bay Area as part of the region's long-range plans
- MTC was the first region in the state to take such action and positions the Authority to leverage regional, state, and federal funds





# IMPLEMENTATION STRATEGY

**The Authority will continue to advance the program in building blocks based on available funding.**

**Goals include:**

- » Initiate high-speed rail service in California as soon as possible
- » Make strategic, concurrent investments that will be linked over time
- » Position ourselves to construct additional segments as funding becomes available

**Consistent with Proposition 1A and the federal grants strategy in 2009/2010, the Authority is:**

- » Advancing construction work to begin service in the Central Valley
- » Completing its commitments to bookend projects in NorCal and SoCal
- » Completing environmental clearance statewide and using available funds to advance those segments to the next stage of project development





THANK YOU!



### Headquarters

California High-Speed Rail Authority  
770 L Street, Suite 620  
Sacramento, CA 95814  
[www.hsr.ca.gov](http://www.hsr.ca.gov)

### Northern California Regional Office

California High-Speed Rail Authority  
100 Paseo de San Antonio, Suite 300  
San Jose, CA 95113

