

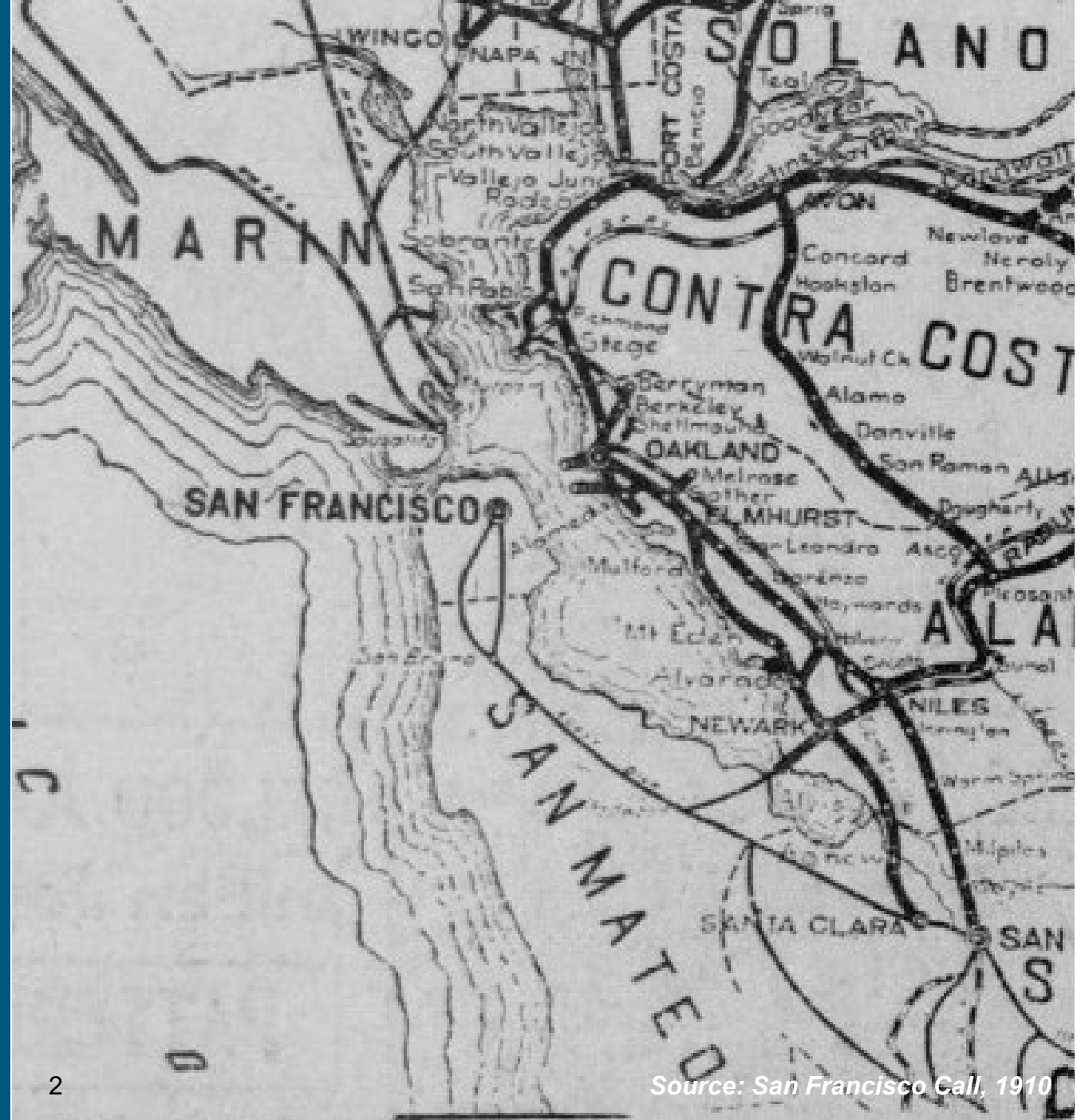
Downtown Rail Extension (DTX) Update

May 2022



Overview

- Connecting Peninsula rail passengers to the SF Financial District has been discussed for over 100 years
- Concept of a tunnel from 4th and King to downtown emerged almost 40 years ago
- PCJPB voted to extend Caltrain from 4th and King to downtown almost 30 years ago
- Planning and environmental activities have taken place since the mid-late 1990s
- Significant momentum began in 2020



DTX's Direct Benefits to the Caltrain Corridor

- Integral action to achieve 2040 Service Vision
 - DTX could increase Caltrain's projected ridership by up to 25%
- 10-15 minutes of travel time savings and a one-seat ride between downtown San Francisco and the Peninsula
- Caltrain riders would benefit from:
 - Enhanced access to jobs and housing for all corridor residents
 - Additional service and improved access in densest portion of Caltrain corridor
 - Much improved station environment in San Francisco

A Regional Project providing direct connection to Downtown SF and beyond



- A long-standing regional priority reflected in Plan Bay Area 2050
- Better integrates Caltrain into regional transit network by providing seamless transfers to nine North and East Bay transit services
- Improves air quality and reduces vehicle miles travelled on US101
- Provides downtown terminal for High-Speed Rail and enables one-seat ride between San Francisco and Los Angeles
- Potential connection to Link21 Project

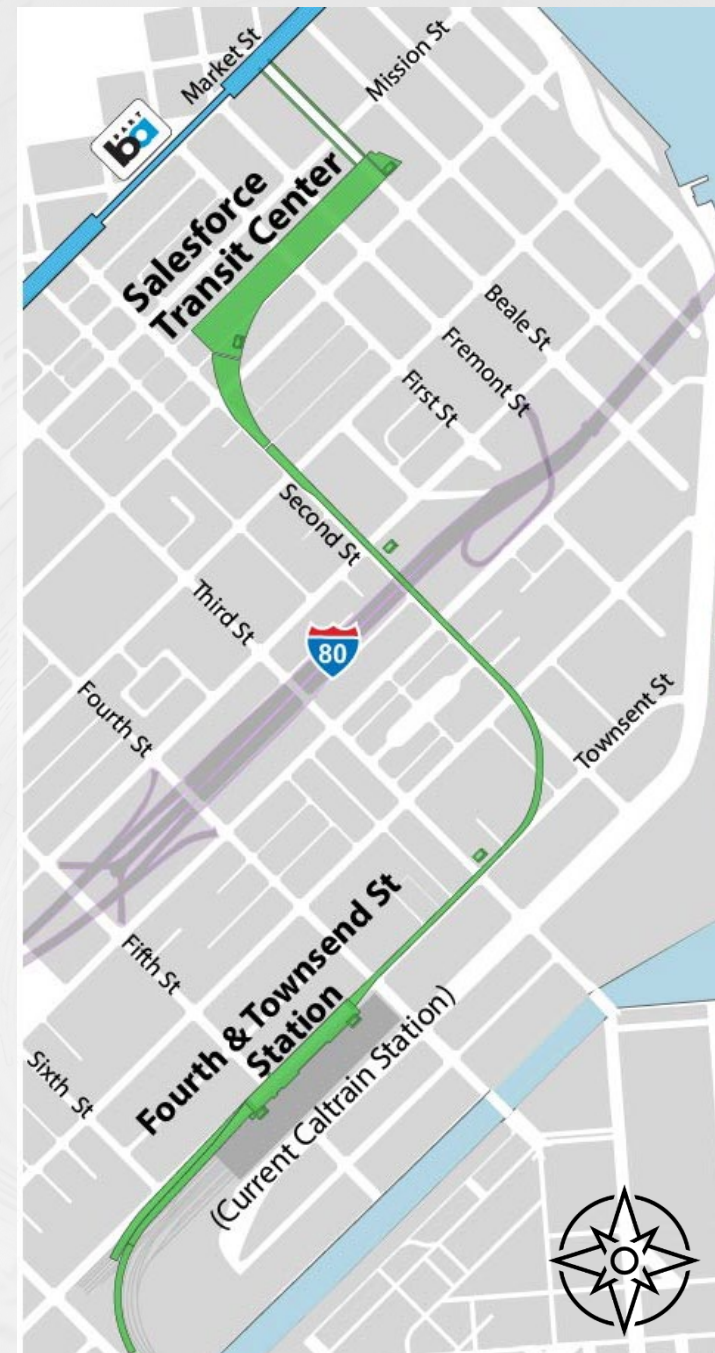
Why Now?

A GENERATIONAL OPPORTUNITY

- Natural extension of the electrification project
- Project is ready:
 - Environmentally cleared in 2019
 - Progress towards 30% design and procurement
 - Project accepted into FTA's New Starts pipeline in December 2021
- Window to leverage additional state and federal infrastructure funding

Project Elements

- 2.4 miles of right of way construction, principally underground along Townsend and Second streets
- 1.5 miles of tunnel
- Two new underground stations, including fit out of existing trainbox under Salesforce Transit Center
- Ventilation and emergency egress structures
- Systems, track, interlocking, and overhead catenary elements



Current structure and activities

SF Peninsula Rail Program Integrated Team



REGIONAL PLANNING & FUNDING COORDINATION -- MTC/BATA

* Consistent with and limited to the Summary Work Program (Attachment 2) defined by the San Francisco Peninsula Rail Program MOU approved by TJPA Board on April 9, 2020

Current structure and activities

- The ESC has adopted an integrated workplan, assigning roles and responsibilities to each member. Key tasks include:
 - Reposition/re-brand rail program to signify regional/state/national significance
 - Evaluate initial development and operating phase options
 - Develop a viable funding strategy/plan
 - Evaluate governing entity/organization options
 - Evaluate and select a project delivery method
- Caltrain and CHSRA delivered the Operations Analysis to inform the Phasing Study.
- The Phasing Study investigated the following potential deferral options for DTX:
 - Salesforce Transit Center-BART pedestrian connection
 - 4th and Townsend Station fit-out
 - High speed rail-specific infrastructure
 - Salesforce Transit Center trainbox extension
 - Intercity bus facility
- The Phasing Study was completed in 2021.

Current structure and activities

- Other key tasks are also underway, including:
 - Completing a Funding Plan (led by SFCTA)
 - Completing the Ridership Analysis (led by SFCTA)
 - Developing a re-brand/repositioning of project (led by TJPA)
 - Developing a benefits case (led by SFCTA)
 - Evaluating governing entity/organization options (led by SFCTA and MTC)
 - Evaluating and select a project delivery method (led by SFCTA and TJPA)

DTX's Key Milestone Schedule



* SUBJECT TO FUNDING

DTX Project Cost

- The DTX 2016 Cost Estimate Range (escalated to mid-point of construction 2027) is between \$4.4 and \$5b
- A bottom-up Cost Estimate Refresh is currently underway and will be completed by December 2022
- This aligns with our scheduled request for entry into the FTA New Starts Final Engineering phase in February 2023
- After review and upon entry into Final Engineering, the revised bottoms-up cost “sets the price” of the project for FTA funding participation purposes.
- Any potential FTA share will be based on this price and will be the cap on FTA funding participation.

Funding Milestones

Assuming capital cost of ~\$5B and FTA grant amount of ~\$2.5B, DTX funding strategy targets the following milestones for commitment of non-FTA funds:

Milestone	Amt (\$ millions)	Cumulative Amt (\$ millions)	Timing	Basis
1 (30% non-FTA)	\$ 900	\$ 900	By Feb 2023	Entry to Engineering requires 30% non-FTA funds committed
2 (50% non-FTA)	\$ 600	\$ 1,500	By Aug 2023	Submit for FTA rating & inclusion in 2024 federal budget
3 (100% non-FTA)	\$ 1,500	\$ 3,000	By April 2025	Required for FFGA approval
Total Non-FTA Funds		\$ 3,000		
Total FTA Funds*		\$ 2,000		
TOTAL		\$ 5,000		

Caltrain's DTX engagement

Current and Previous Activities include:

- Caltrain and CHSRA jointly led and completed the DTX Operational Analysis
- Caltrain staff participate in the ESC, IPMT, and key working subgroup groups

Potential Future Activities include:

- Support and coordination for FTA's required elements, including:
 - Ridership modelling, operation and maintenance planning, financial modelling
- Project procurement role
- Project delivery packaging and role
- Project acceptance role

Master Cooperative Agreement (MCA)

The MCA seeks to formalize Caltrain's and TJPA's roles, rights, and responsibilities in the development, construction, operation, and maintenance of the DTX. Specifically, the MCA:

- Supports Caltrain's full participation in project development and implementation
- Governs and defines Caltrain and TJPA relationship during the life cycle of the project
- Enables Caltrain and TJPA staff to work on the project in an efficient and effective manner

Advice and input will be sought from the JPB to inform the terms of the MCA.

MCA Points of Negotiation

The MCA will be organized into eight “points of negotiation”, including:

- **Project Definition** (including infrastructure and stations)
- **Process** (including TJPA funding to cover Caltrain’s project support costs)
- **Design Activities**
- **Operations and Maintenance Plan** (including asset maintenance and ownership)
- **Project Construction** (including Caltrain’s role in delivery)
- **Forecasted Operating and Capital Costs**
- **Project Commissioning and Acceptance**
- **Standard Contractual Terms**

Next Steps

MCA Element	Anticipated Board Consideration or Action
Develop and confirm the Term Sheets	Q2/Q3 2022
MCA Term Sheet review	Q3/Q4 2022
MCA Authorization for Execution	Q4 2022



Thank you!