

Rail Ridership and Revenue Forecast Results: Southern California to Las Vegas

Presentation to LA Metro Board of Directors
by the

High Desert Corridor Joint Powers Authority

Ad-Hoc Congestion, Highway and Roads Committee

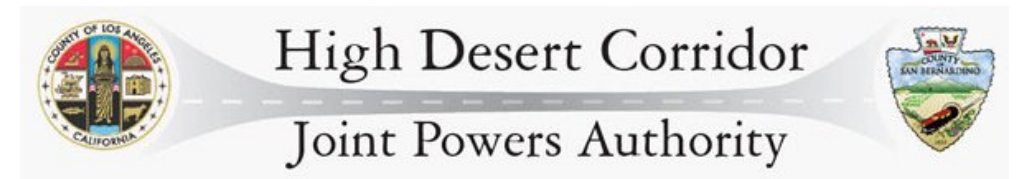
September 20, 2017





Study Sponsor: High Desert Corridor Joint Powers Authority

- Formed in 2006 by San Bernardino and LA Counties
- Purpose: to develop multipurpose corridor from Palmdale to Victorville, Apple Valley and Adelanto
- Components - rail, highway, green energy
- Key Stakeholders: San Bernardino County, SBCTA, LA County, LA Metro, CHSRA, CalSTA, Caltrans, Metrolink, SCAG, XpressWest, Cities







The Scale of the Existing Market for Travel to Las Vegas

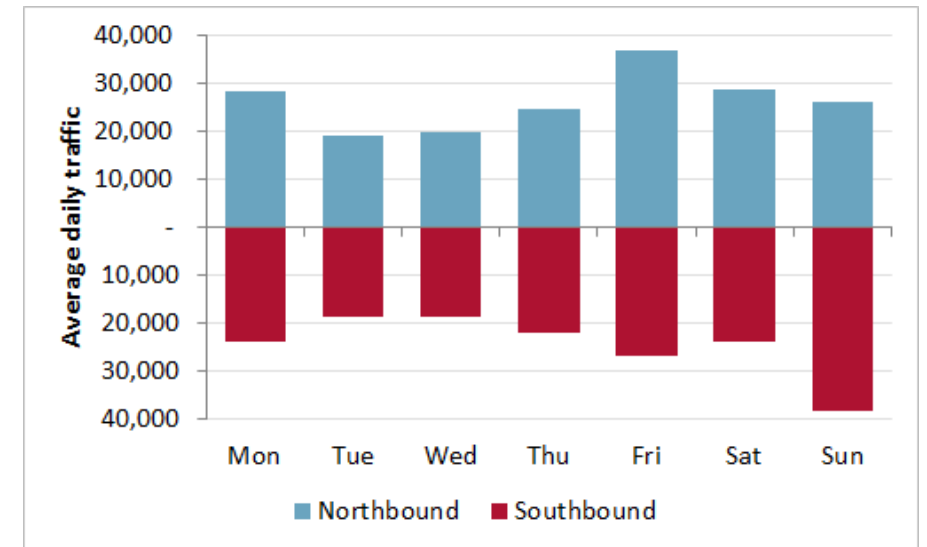
- Las Vegas attracted over 42.9 million visitors in 2016
 - Tourists
 - Convention and business visitors
 - Personal travel to visit friends and relatives
- California residents approximate 29% of all visitors
 - Of these, 80-85% reside in Southern California
- Many international visitors to Las Vegas also arrive via California
 - 75% of international visitors don't fly directly to Las Vegas





The Existing Travel Options

- 90% of visitors from Southern California travel to Las Vegas by road
 - Uncongested drive time from Southern California is 4-6 hours
 - Travel times at peak times (Friday northbound, Sunday southbound) are often significantly longer
- Main alternative is travel by plane
 - From six major airports in Southern California





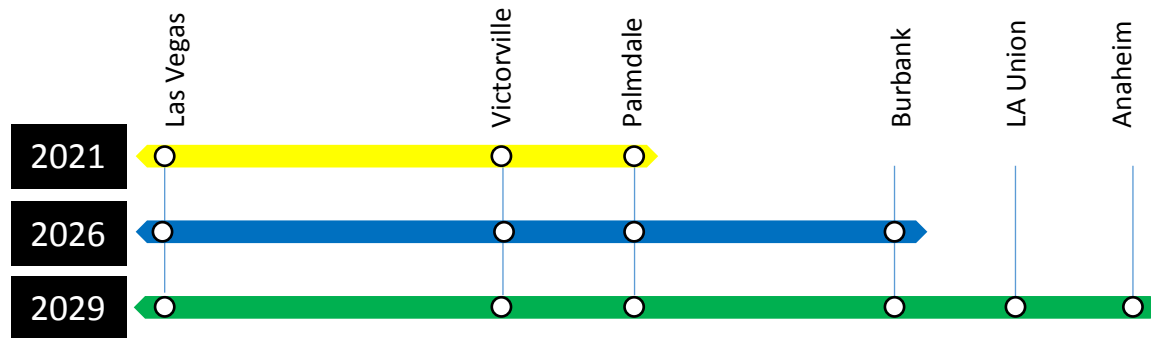
Summary of Study Results

- Proven large scale demand between California and Las Vegas
- Potential 27% market share for HSR
- Forecast annual ridership of 3 million round-trips in 2021, rising to 11 million by 2035 with full corridor open, and 14 million by 2050
- Forecast revenues based on competitive fares:
 - \$600 million in 2025 (Palmdale to Las Vegas)
 - \$800 million in 2029 (Burbank to Las Vegas)
 - \$1 billion per year in in 2035 (LA/Anaheim to Las Vegas)
 - \$1.6 billion per year in 2050





Phased Implementation



- 2021: Phase 1: Las Vegas-Palmdale
- 2026: Phase 2: Las Vegas-Burbank
- 2029: Phase 3: Las Vegas-Anaheim
- 2029: Phase 4: Connection with CaHSR services to Central Valley and Northern California





Primary Benefits of HSR on the Corridor

- Congestion relief (with high speed rail) for one of the nation's most congested corridors (Interstate-15)
- LA and LV metro areas connected by 2.5 hour HSR trip
- Two hour trip savings - with improvements in safety, reliability, and convenience
- Will stimulate economic development
- Potential for significant private investment (P3)
- Connectivity to state-wide and regional transportation networks





The Good News

- Critically important project
- Environmental work complete
- Public Sector interest at Federal, State, Regional and Local levels
- Ridership and Revenue Study completed
- Private Sector interest

