

December 2, 2025

Dear Commissioners,

In December the Regional Transportation Commission will consider the Zero Emission Passenger Rail and Trail (ZEPRT) Project Concept Report (PCR). Concurrently, the Commission is evaluating options for delivering Coastal Rail Trail Segments 8-11 on the corridor.

The ZEPRT Report includes detailed findings. Among these is an estimated capital cost of \$4.2 billion dollars and annual operating costs of \$34-41 million. The ZEPRT Report also evaluated the condition of the existing infrastructure, finding that nearly all the existing tracks and 29 the 33 bridge structures must be fully replaced and cannot be used for any future passenger rail service.

At the same time, the City and County of Santa Cruz have grant funding to construct Segment 8-11 of the Coastal Rail Trail. As design for these projects has progressed, there is insufficient funding to construct the Ultimate Trail configuration while still delivering all segments of trail with existing grant agreements. Staff for the City, County, and RTC have evaluated an interim design and determined that it can be delivered within the available budgets.

Changing to an Interim Trail is a departure from how we have approached this project to date. Over the past months, we've spent significant time coordinating with outside agency partners to explore if this approach would allow us to both build a trail in the near term and continue to plan for rail service in the future. Caltrans Division of Rail has confirmed that removing the rail for this project would not eliminate our corridor from State Rail Planning efforts, and that the corridor would remain within the Corridor ID program. Funding partners have indicated that this would be an allowable scope change for the trail. This concurrence gives us confidence that we can deliver our trail projects while planning for future rail.

What has become apparent is that we have two visionary projects, but these projects are on different time horizons. Currently, we recommend moving forward with the Rail Trail projects in the Interim Trail configuration. We also commit to continuing to work with our partners at Caltrans Division of Rail to continue the Corridor ID process, planning for future rail in the long-term planning horizon as identified in the 2024 State Rail Plan. To that end, we plan to include the following elements in a motion at the December RTC meeting.

Proposed Motion:

1. Accept the ZEPRT Report
2. Agree to use future STIP funding allocated at the November 2025 meeting to the ZEPRT EIR for a combined rail and trail project for the Santa Cruz Branch Line and direct staff to seek full funding for this project.
3. Approve a Resolution of Support for Future Rail and continued partnership with the Caltrans Division of Rail on Corridor Identification and Development.
4. Direct Staff to return within two months with a proposal to allow the construction of the Interim Trail without the need for adverse abandonment of the freight easement or railbanking.
5. Direct Staff to prepare the final design for and take any other actions to implement the Interim Trail on Segments 9-11 as expeditiously as possible. Suspend project activities on the Ultimate Trail segments 9-11.
6. Direct Staff to work with project sponsors to advance construction of Segment 8 Ultimate Trail.
7. Direct Staff to revise the Rail Trail Cooperative Agreements with the City and County of Santa Cruz to implement the above direction.

Sincerely,

Eduardo Montesino  
Commission Chair

Manu Koenig  
Commission Member

Steve Clark  
Commission Member

Gerry Jensen  
Commission Member

Fred Keeley  
Commission Member

Kim DeSerpa  
Commission Member