



Chicago Transit Authority

2025 City of Chicago Investors Conference

May 15, 2025

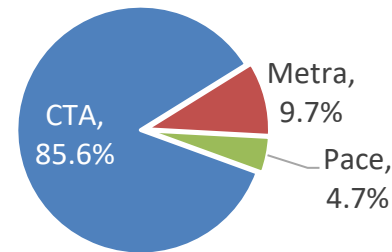


Northeastern Illinois Transit Region and CTA's Service Area

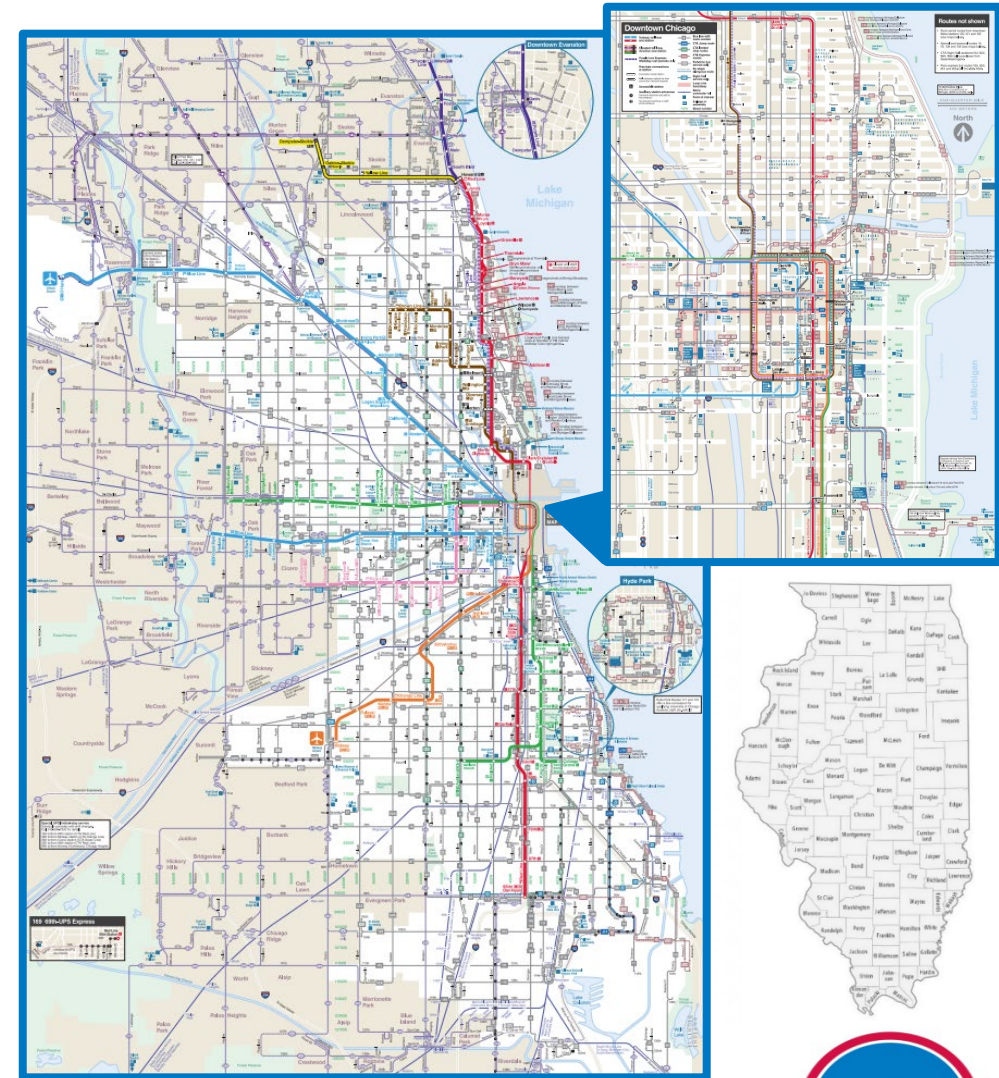
CTA's Service Area and Role in the Region

- Serves the six-county Northeastern Illinois region ("Northeastern Illinois Transit Region" or "Region"), including Cook, DuPage, Kane, Lake, McHenry and Will Counties
- Service area population of 3.2 million
- Part of the public mass transportation service system in the Region, consisting of the independent operations of the below entities (collectively referred to as the "Service Boards")
 - CTA
 - Commuter Rail Division ("Metra") of the RTA
 - Suburban Bus Division ("Pace") of the RTA

Ridership (2024)



Currently, CTA, with the 3rd largest ridership in the nation, carries 85% of all public transit riders in Region, with direct or connecting service to Metra and Pace and other modes.



CTA System Overview

- Operates the nation's second largest public transportation system
- One of only two public transit systems in the U.S. that provides 24/7 service
- Provides bus and rail service to the City and 35 surrounding suburbs
 - 96% of Chicago residents live within a half mile of CTA's services⁽¹⁾
- In 2024, CTA buses and trains provided approximately 953,787 average weekday rides and approximately 309 million rides in total
 - On September 25, 2024, reached a post-pandemic daily ridership peak of 1.14 million
 - 26.8% of Chicago households do not own a car (2020 census)

Rapid Transit System:

- 1,480 rail cars
- Operates eight routes and 224 miles of track
- Serves 146 stations, with one line terminating at O'Hare International Airport (5th busiest U.S. airport) and service also provided to Midway International Airport (32nd busiest)⁽²⁾

Bus System:

- 1,868 buses
- Operates 127 routes and 1,514 route miles
- Serves 10,633 bus stops

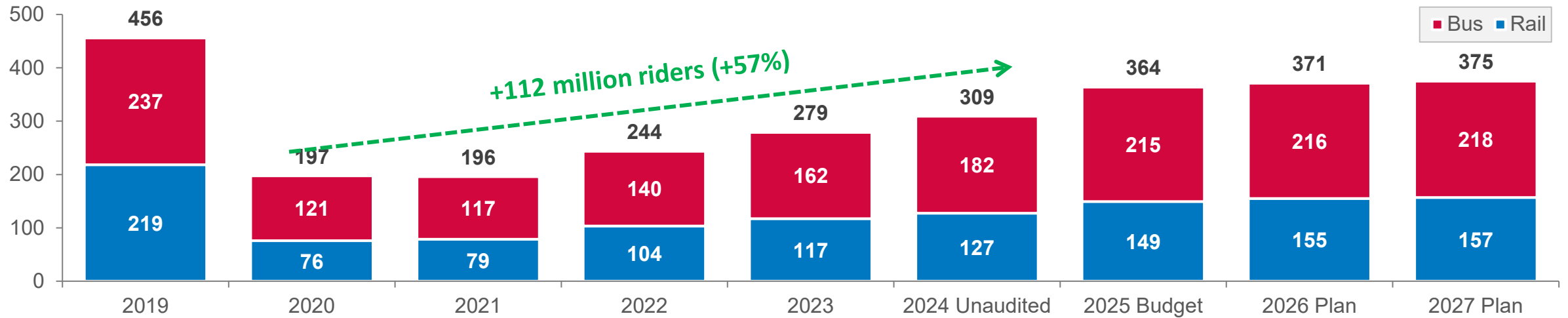


CTA operates an essential mass transit system that is vital to the mobility and economic success of the Chicago metro area

Chicago is Riding Again – And CTA is Leading It

- Ridership has continued to rebound and is expected to reach 80% of 2019 levels in 2025
- 2024 estimated ridership of 309.2 million, an increase of 20.1 million rides (+7.0%) vs. the 2024 Budget (289.1 million)
- For 2025, CTA has budgeted an increase of 54.6 million rides (+17.7%) over the 2024 Forecast

Ridership: Unlinked Passenger Trips (millions; FYE 12/31)



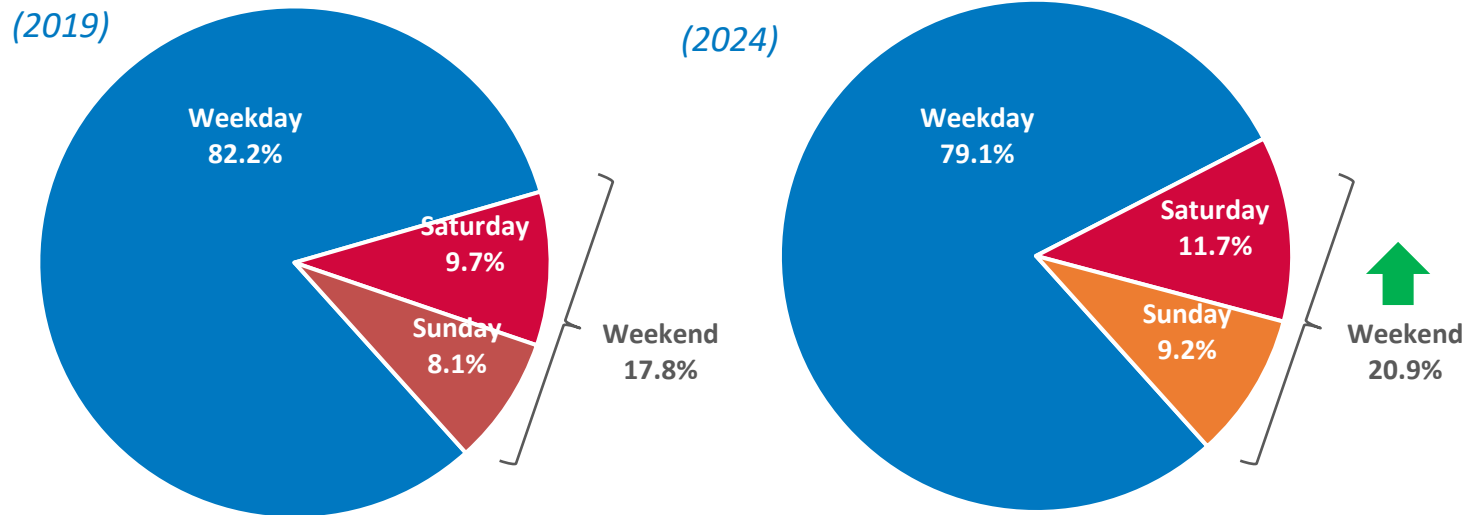
YoY Δ	--	-56.7%	-0.7%	+24.2%	+14.6%	+10.8%	+17.7%	+2.0%	+1.0%
% of 2019	n/a	43.3%	43.0%	53.4%	61.2%	67.8%	79.8%	81.4%	82.3%



Strategies to Increase Ridership Paid Off

- Key to increasing ridership from current levels is acknowledging and addressing shifts in CTA's customers' mobility patterns
 - While weekday ridership continues to comprise the majority of rides, weekend ridership has increased on a relative basis
 - CTA's 2024 Budget included 405,000 additional scheduled service hours (375,000 bus and 30,000 rail) to tailor offerings to meet the needs of all riders
- Additional strategies to increase ridership to pre-pandemic levels are at right

Shifting Ridership Composition Comparison



Frequent Network
10 min or better, all day
6am – 9pm weekdays
9am – 9pm weekends

Strategies to Increase Ridership

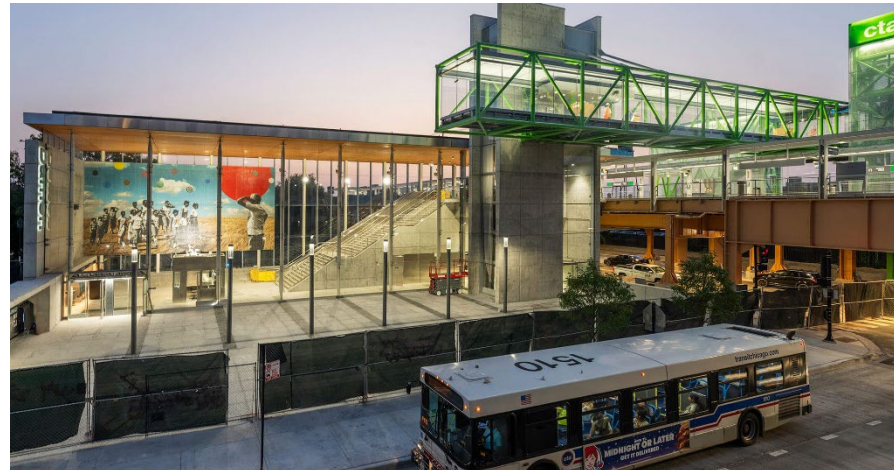
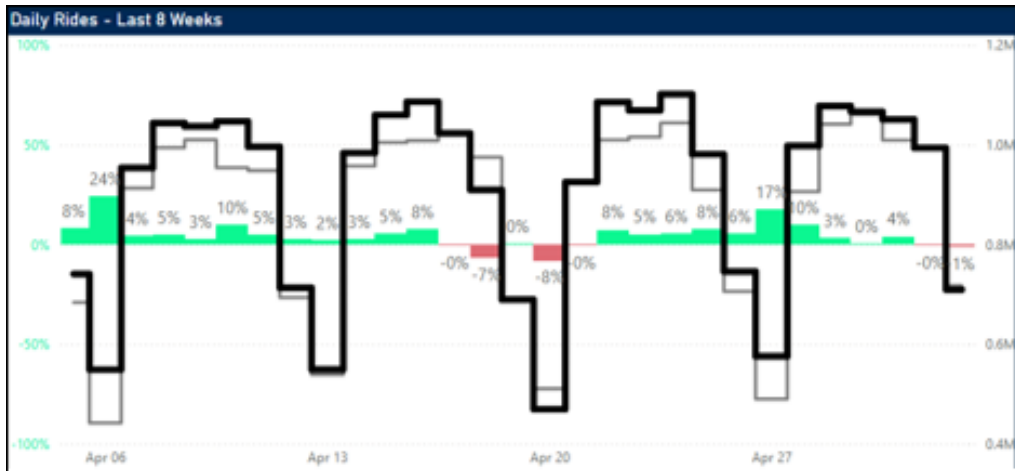
- **Service Operations:** Proactive measures to improve service reliability and enhance customer communications, reducing wait times
- Aggressive recruiting, hiring and training
- **Improved station accessibility:** both new and retrofitted stations
- **Increased service frequency:** ridership return on bus routes with added service (+15% growth YoY) outpacing routes without increased service (+9% growth YoY)
- **Evolving fare products:** offering new pass options with Pace and Metra to improve inter agency regional ridership experience



Ridership Themes

- **Current Retention Rates**
 - Overall bus retention is about 80% of 2019 levels
 - Overall rail retention is about 60% of 2019 levels
 - Saturday and Sunday Ridership is currently 90-100% of 2019 levels
- **Ridership peaks Tuesday – Thursday**
- **Event ridership is at or above 2019 levels**

Daily Ridership Trend



New Damen Green Line Station Opened July 2024

Ridership by Mode - March + April (unaudited)

Last year (gray)
This year (black)



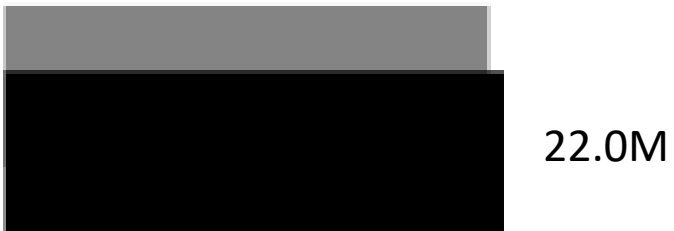
Bus

YOY #

YOY %

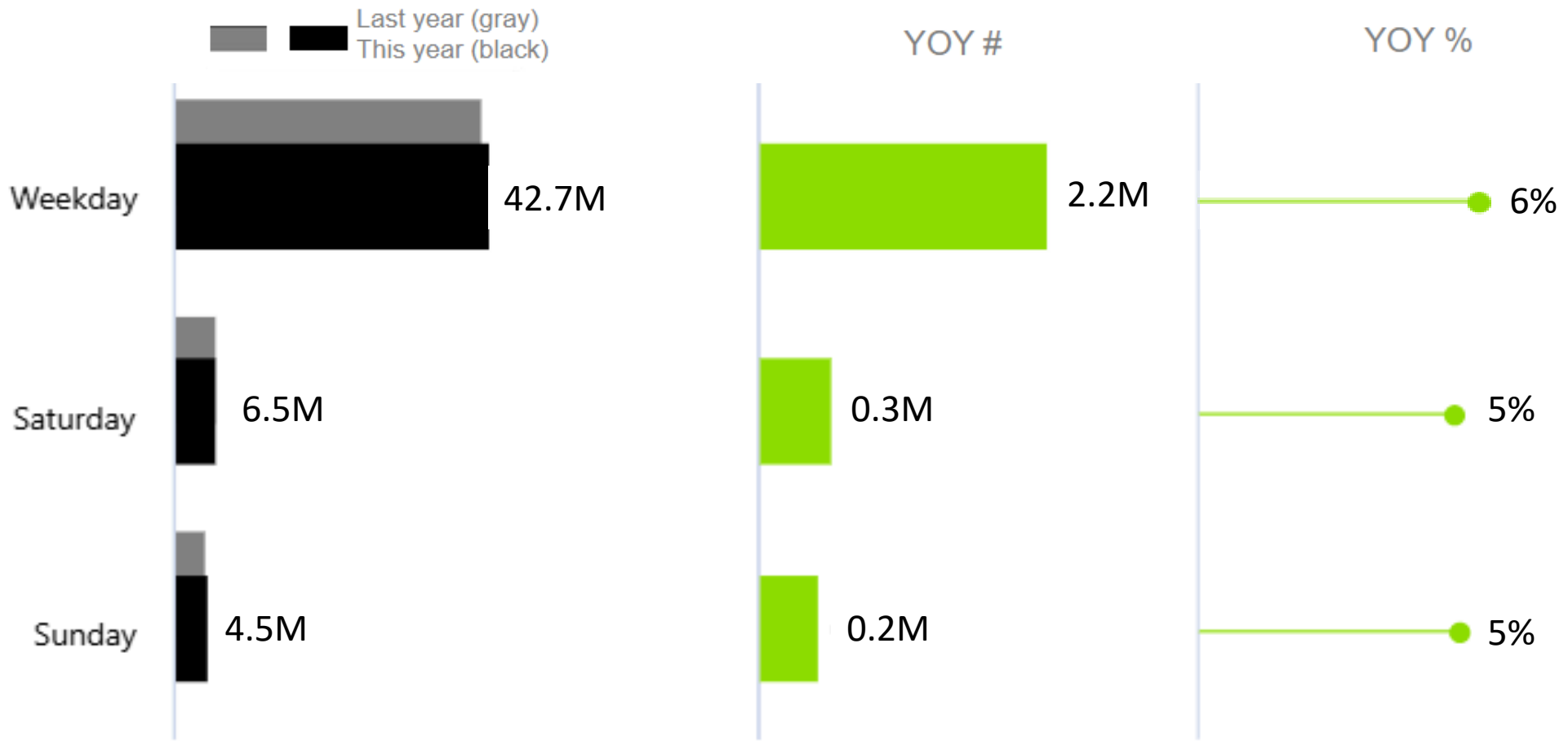


Rail

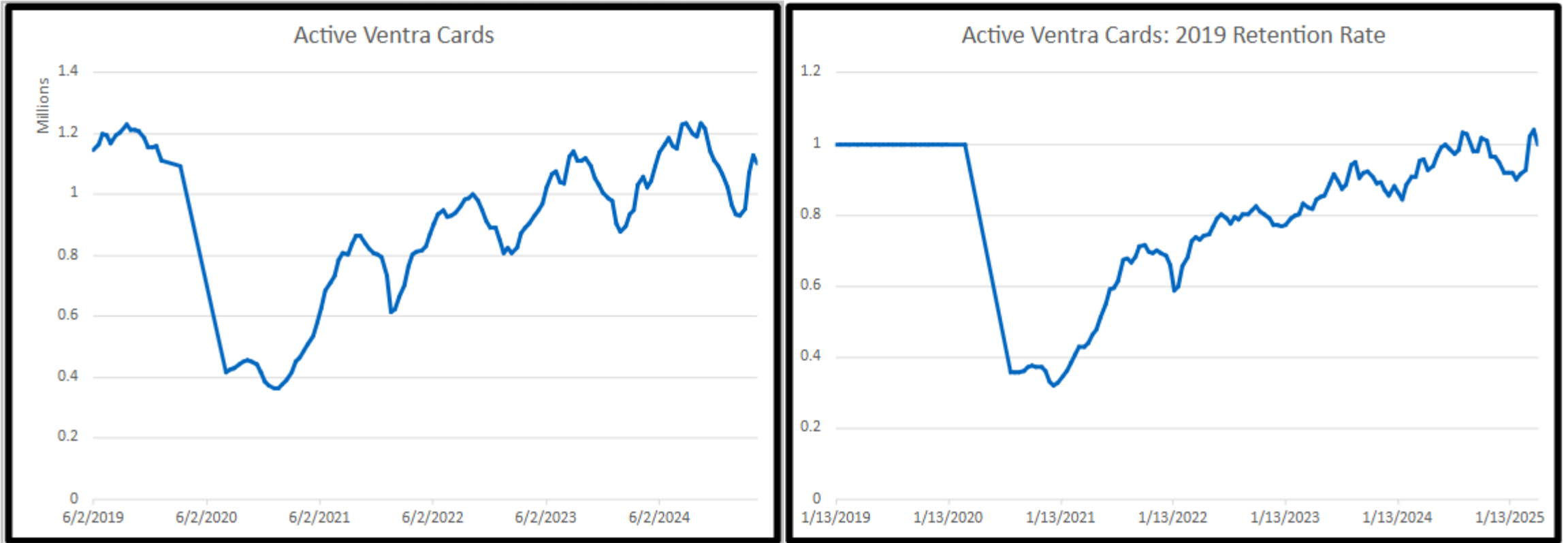


Ridership by Day Type – March + April (unaudited)

- Ridership in the most recent period is growing consistently across all days

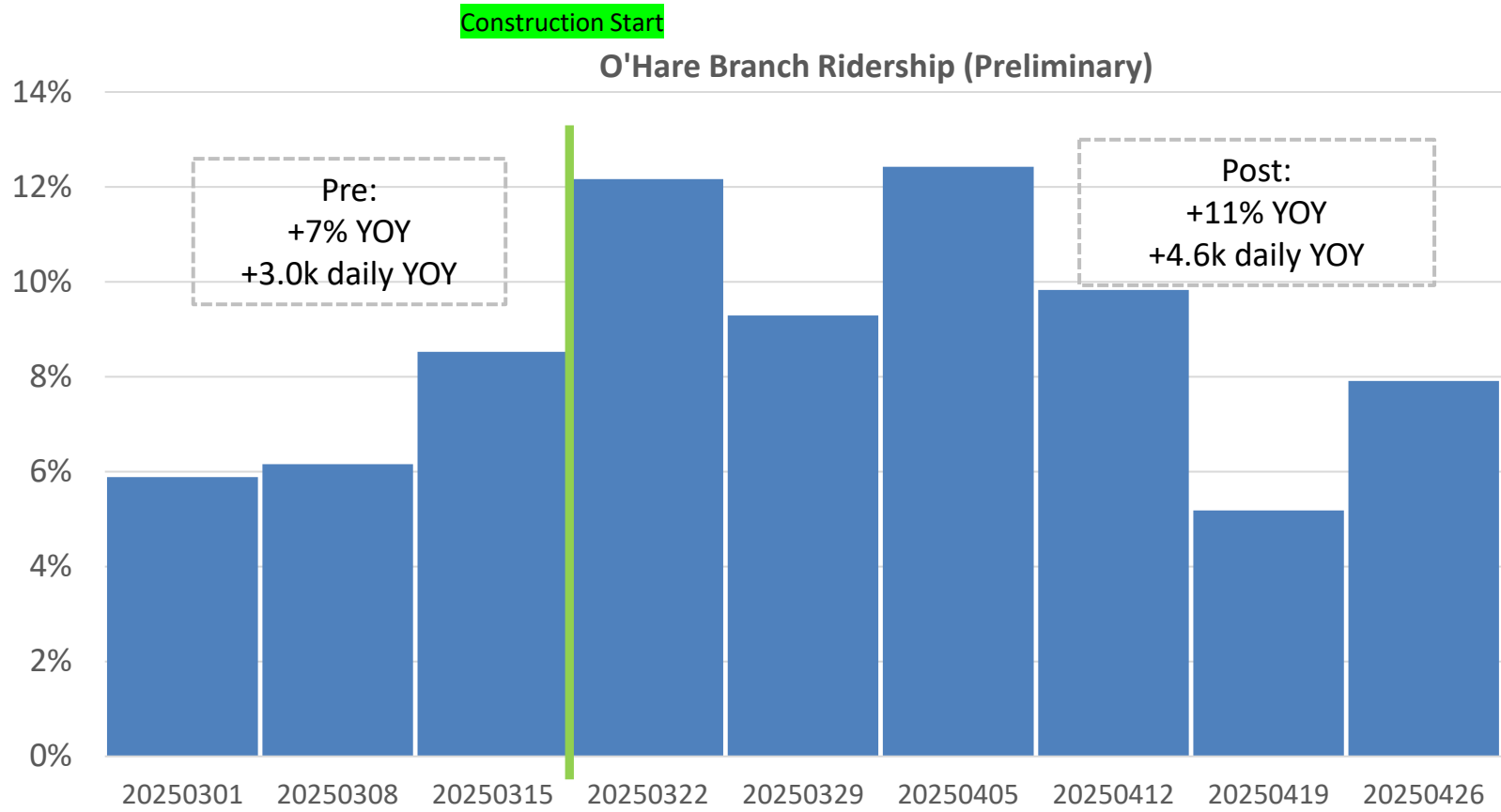


Number of people riding is at 2019 levels



Number of unique Ventra cards active in a four week period

Strong Blue Line Utilization Due to Kennedy Construction



Kennedy Construction has added about 1.6k daily entries to O’Hare Branch Ridership.



Rider Focused Initiatives

Regional Day Pass (RDP) Pilot Program

- Regional 30-day pass program already exists
- Integrated day pass that will allow unlimited rides on all three transit systems—CTA, Metra and Pace—for the calendar day of purchase.
- Riders will be able to purchase this pass using the Ventra App at a discounted price in comparison to purchasing two existing passes separately (the CTA/Pace 1-Day Pass and the Metra day pass).
- The fare revenue difference will be funded by the RTA and distributed to CTA, Metra and Pace.

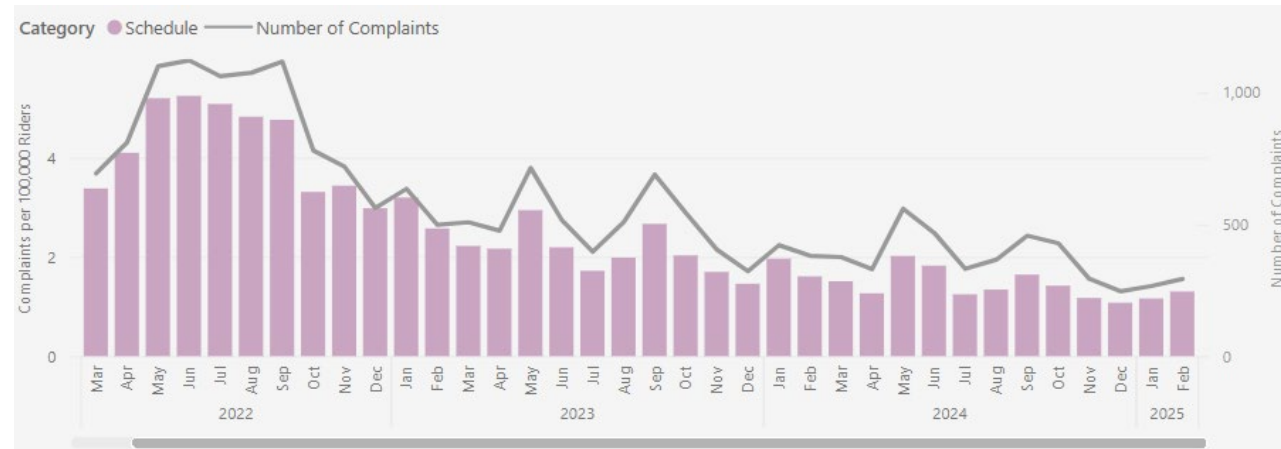


Chat with CTA Chatbot

- A virtual automated service featured on transitchicago.com. This communication tool allows riders to report issues and receive answers in real-time.
- Provides CTA with valuable customer feedback.
- Customers have the option to chat in five languages including English, Spanish, Polish, Filipino/Tagalog, and Simplified Chinese.

Service Frequency

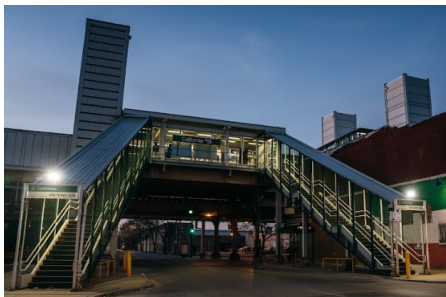
- Rail and bus schedule returns to pre-covid service levels
- Frequent Network
 - 10 minutes or better, all day
 - 6am – 9pm weekdays
 - 9am – 9pm weekends
- Number of complaints related to scheduling decreased



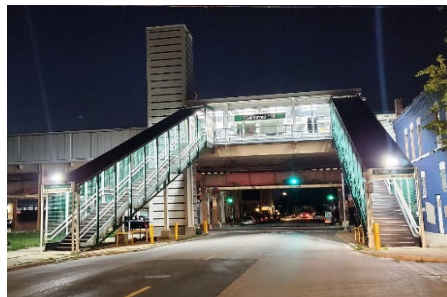
Rider Focused Initiatives

Safety & Security

- Modernize & Expand Surveillance Camera network
 - Upgrading more than 3,800 existing cameras to HD
 - An additional 2,000 HD cameras installed at stations
 - Addition of video monitors in CSA booths
- Police Strategic Decision Support Center
- ZeroEyes AI Technology
 - 24/7 monitoring of multiple cameras across the rail system to detect and alert law enforcement
- Refresh & Renew program
 - Promotes safety and security through cyclical maintenance and improvements
- Additional Security Guards
- Improved lighting at customer facilities

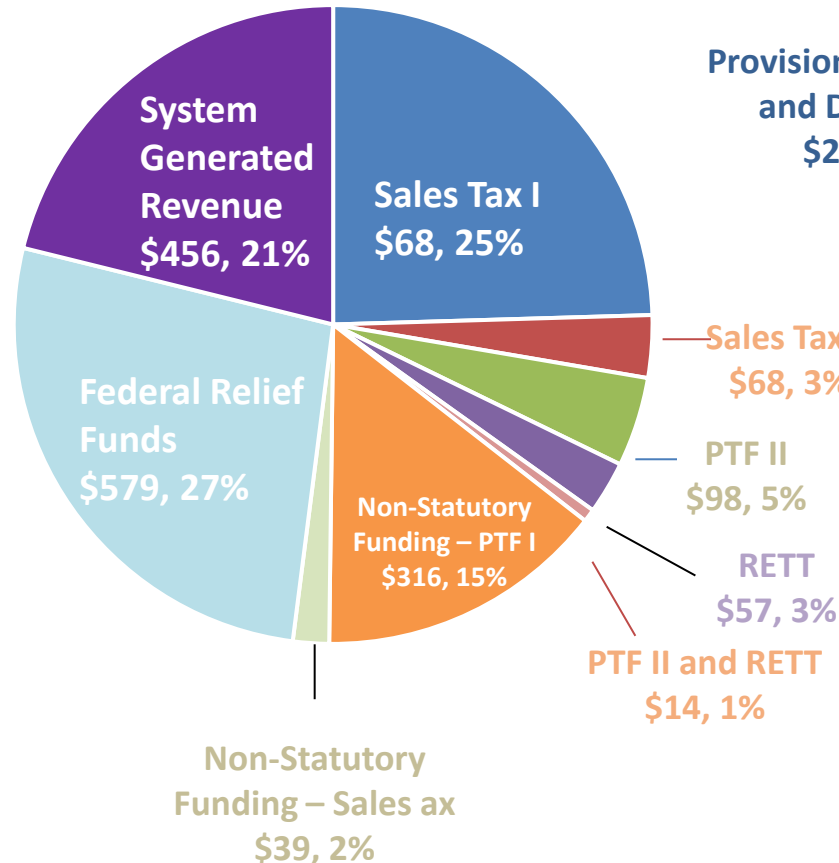


After

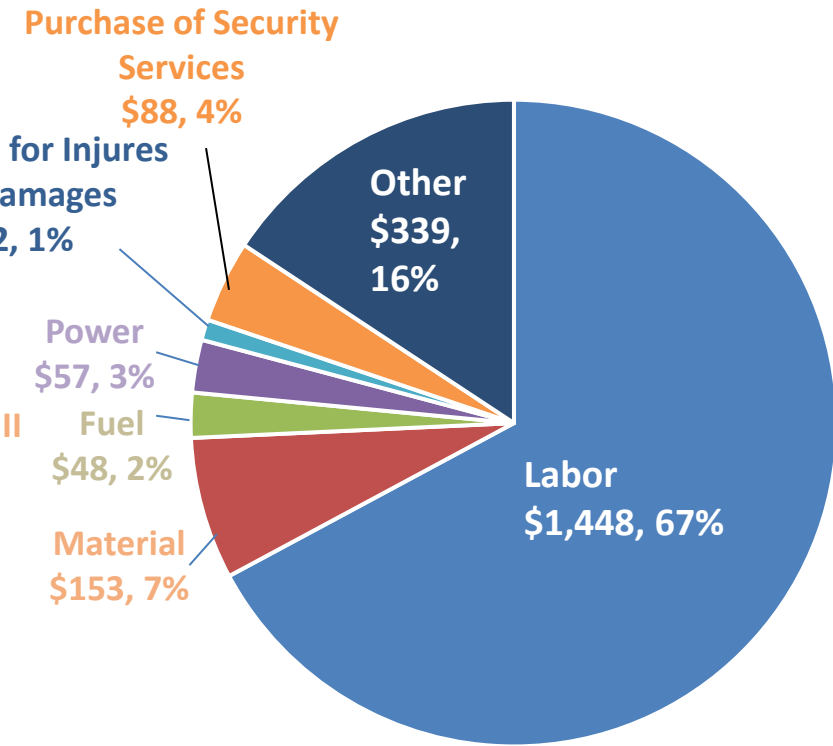


2025 Budget Summary

2025 Budgeted Revenues (\$millions)



2025 Budgeted Expenses (\$millions)



RTA Oversight

- Under the RTA Act, the RTA is responsible for providing financial oversight on the Service Boards' operating budgets
- Each agency submits an annual budget and two-year financial plan for approval to the RTA

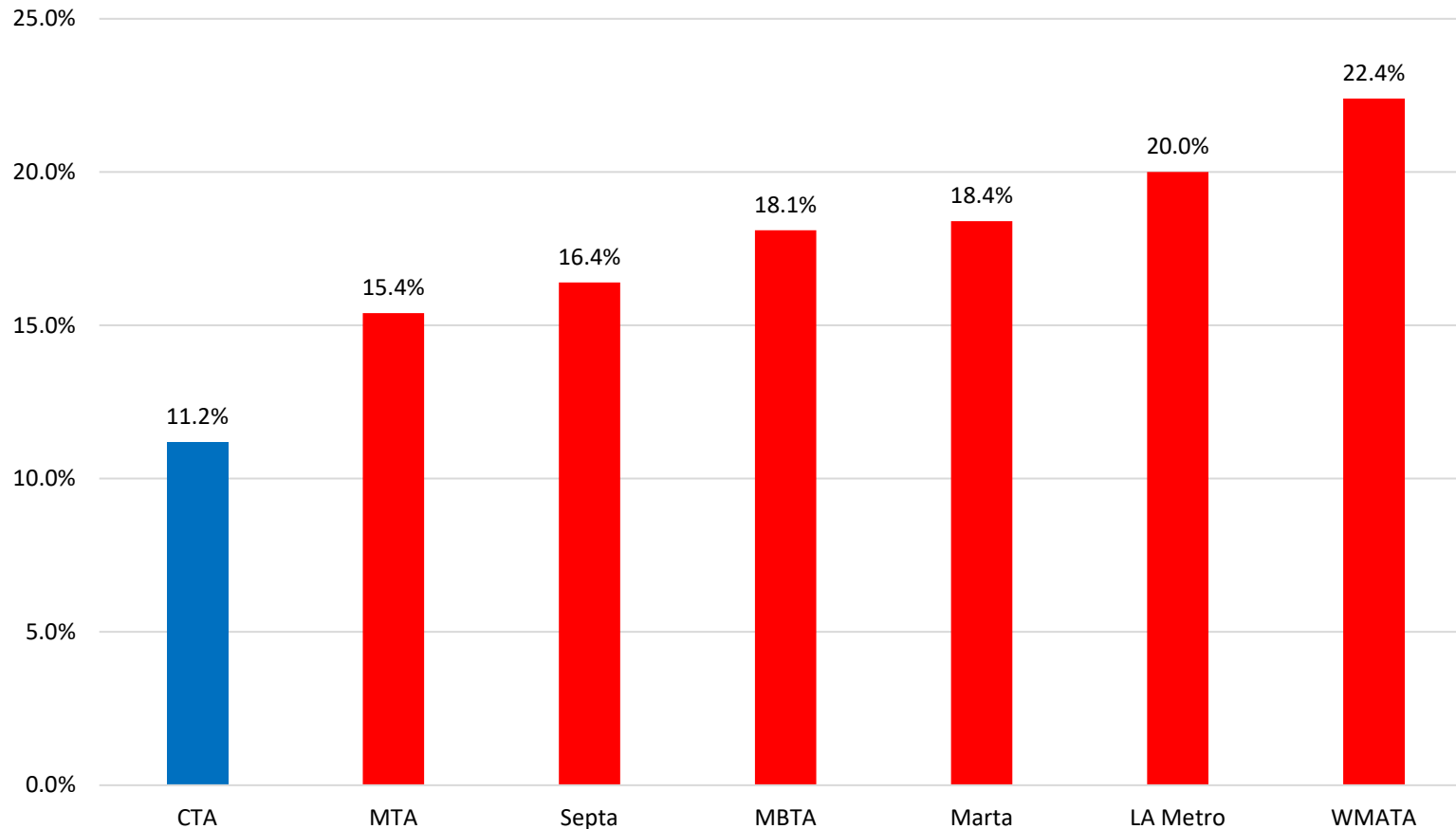
CTA 2025 Budget (\$millions)

- Operating Revenues:** \$2,156.5
- Operating Expenses:** \$2,156.5
- Estimated Operating Budget Gap:** \$578.7, expected to be fully covered by Federal Relief Funding (as defined herein)



CTA has Lowest Overhead Costs Among Peers

CTA vs. Peers
Admin Expenses % of Operating Expenses



Source: FTA's National Transit Database (NTD) – 2023 Actuals

FTA's National Transit Database Categories

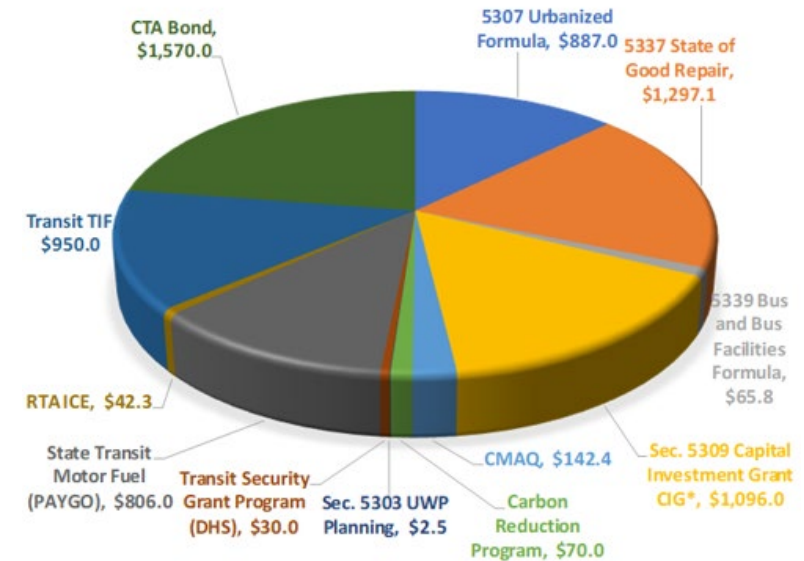
- Transit agencies are required to report operating expenses within four functions: 1) Vehicle Operations; 2) Vehicle Maintenance; 3) Facilities Maintenance; and 4) General Administration
- Within General Administration, the following functions are included:
 - Transit service development
 - Injury and damages
 - Safety
 - Personnel administration
 - Legal services
 - Insurance
 - Data processing
 - Finance and Accounting
 - Purchasing and stores
 - Engineering
 - Real estate management
 - Office management and services
 - Customer services
 - Promotion
 - Market research
 - Planning



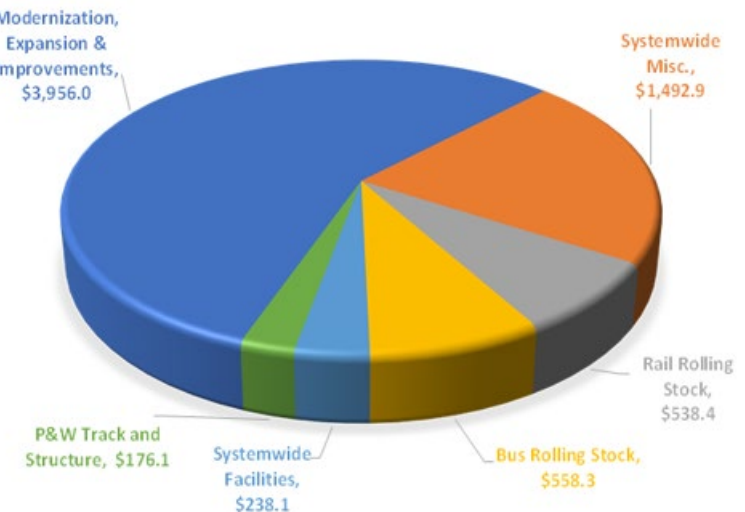
2025-2029 Capital Improvement Program

- **Program Size**
 - 2025-2029 CIP is \$6.95B
- **Funding Sources**
 - Federal funds: \$2,250.0M
 - State Motor Fuel Tax (MFT): \$805.9M
 - RTA ICE: \$42.3M
 - Transit TIF: \$950.0M
 - Discretionary Programs: \$1,340.9M
 - Capital Investment Grant (CIG): \$1,096.0M (RLE)
 - CTA bonds: \$1,569.9M in bonds
 - RLE \$1,353.0M
 - RLE Design Build Phase \$200.0M
 - Railcar \$16.9M
- **Major Projects**
 - Red Line Extension (RLE)
 - All Stations Accessibility Program (ASAP)
 - Bus System Electrification
 - Bus and Rail Fleet Modernization
 - Customer Service Upgrades
 - Employee Facilities Improvements
 - Communication and Security Investments
 - Technology Upgrades to Enterprise and Planning Systems
 - Rail Facilities and Rail Line Structure Investments
 - Ventra 3.0 Upgrade

FY 2025-2029 CIP Funding Source (in millions)



FY 2025-2029 CIP By Asset (in millions)



Ongoing Investments

All Stations Accessibility Plan (ASAP)

- Rail system fully accessible to people with disabilities by the year 2038
- Tactile bus signs implemented on 22 bus routes by year end

Rail & Bus Fleets

- **New 7000-Series Railcars**
 - More comfortable, more reliable commute, while lowering the agency's maintenance and repair expenses
 - Multiple interior digital information displays, new seating configuration and refreshed interior layout featuring clear windscreen panels
- **5000-Series Railcars Quarter-life Overhauls**
 - Rebuilding and completing needed repairs to various subsystems on the car, improving the performance and reliability of the railcars
- **New Buses**
 - New electric buses and charging infrastructure
 - Converting to a zero-emissions bus fleet



Red Purple Modernization (RPM) Project Budget

Sources	Estimated Amount
5309 Core Capacity Funds	\$ 956,607,771
CMAQ	125,000,000
Bryn Mawr TIF	10,000,000
CTA Bonds	399,114,845
Transit TIF PayGO	415,174,903
TIFIA	206,825,097
CTA Share of Finance Costs	90,685,606
TOTAL:	\$ 2,203,408,222

Bryn Mawr Station
Before



After



The RPM Phase One Transit TIF was the first Transit TIF designated in Illinois.



- Designated in 2016
- Includes area within ½ mile of Red and Purple Lines from Devon Avenue to North Avenue
- Excludes existing TIF districts
- Transit TIF parcels generate increment



Project Updates – Red Purple Modernization

Red Purple Modernization Overview

- Rebuild and modernize a critical 9.6-mile stretch of the Red and Purple Lines between Belmont and Linden
- Designed to enhance capacity, speed, reliability, and accessibility
- On time and on budget**
- Rebuilt stations open this summer**

RPM Phase One Timeline	2018	2019	2020	2021	2022	2023	2024	2025
Utility Relocation and Property Demolition		Utility/Demo						
Community Outreach		Community Outreach						
Workforce Development		Workforce Development						
Design by Walsh-Fluor Design-Build Team		Design						
Red-Purple Bypass (RPB)								
• Stage 1 – Construction of Bypass structure and track			RPB Stage 1					
• Stage 2 – Construction of southbound Red and Purple line structure and tracks				RPB Stage 2				
• Stage 3 – Construction of northbound Red and Purple line structure and tracks						RPB Stage 3		
Lawrence to Bryn Mawr Modernization (LBMM)								
• Pre Stage – Temporary station, track and signal construction		Pre-Stage						
• Stage A – Construction of northbound Red and Purple line structure and tracks and temporary stations				LBMM Stage A				
• Stage B – Construction of southbound Red and Purple line structure and tracks and permanent stations							LBMM Stage B	
Corridor Signal Improvements								
• 23 track miles of signal improvements				CSI – Corridor Signal Improvements				



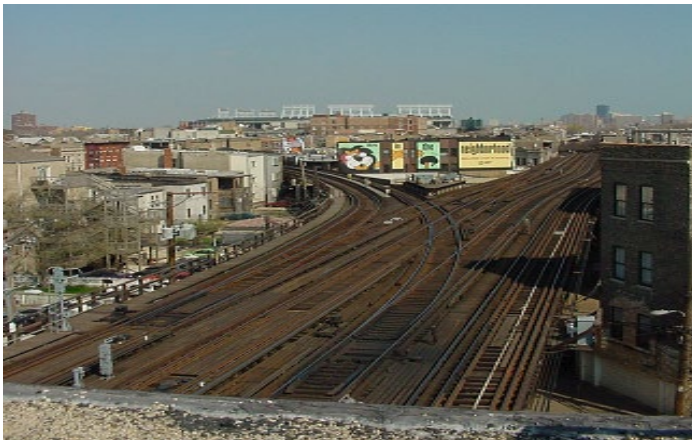
On Time and On Budget – Red Purple Modernization

Accomplishments to Date:

- Reconstruction of 4 Red Line stations (Lawrence, Argyle, Berwyn, Bryn Mawr) with full ADA accessibility
- New track bypass (pictures below) near Belmont reduces bottlenecks and improves train flow.
- RPM debt service covered through dedicated Transit TIF revenues — no impact on CTA’s operating budget
- **TIF revenues outperformed expectations**, totaling \$415M, reducing the original \$622M TIFIA loan to ~\$275M
- Delivered **on time, on budget** through the pandemic



Before



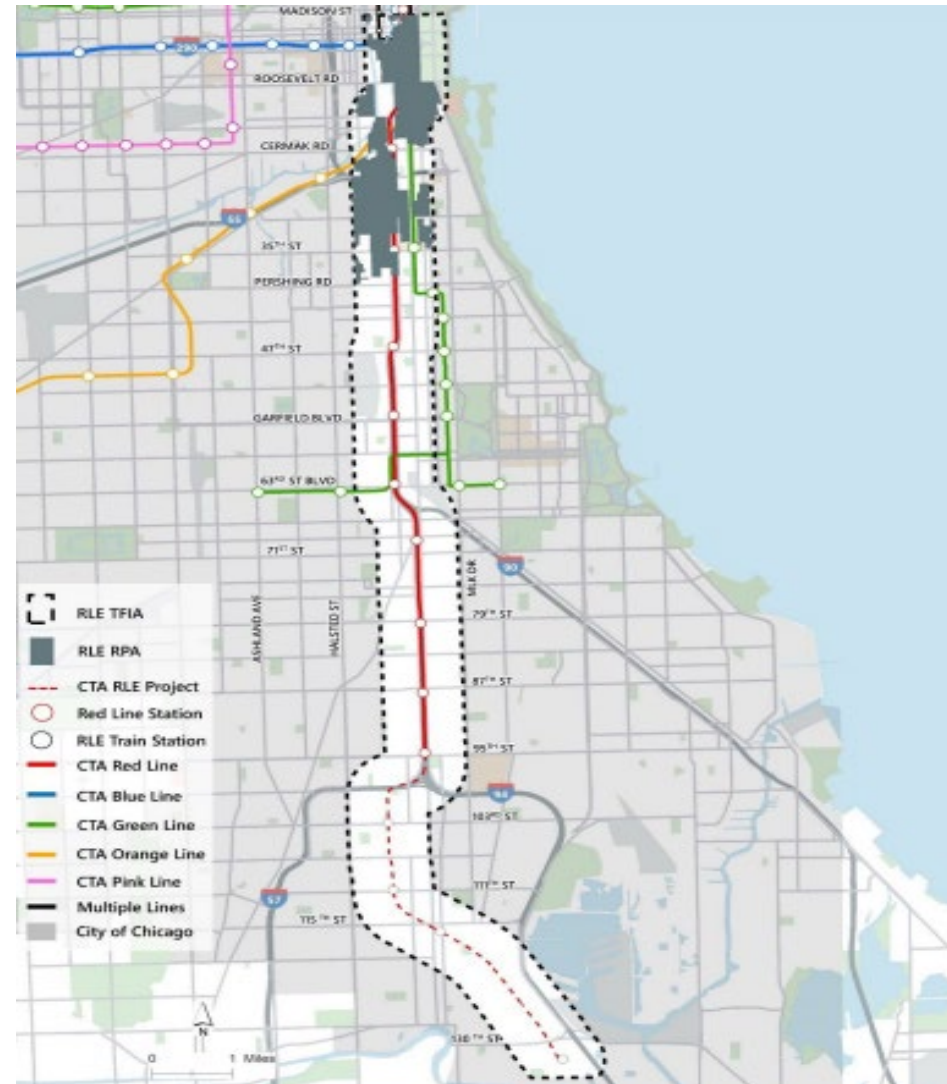
After



RLE Project Budget

Red Line Extension Project Budget	
Sources	Amount (\$millions)
Federal	
5309 CIG	\$ 1,974.0
CRP	100.0
CMAQ	30.0
Other Prior Funds	19.4
Total Federal:	\$ 2,123.4
Local	
State PayGO	\$ 440.5
Transit TIF	950.1
CTA Bonds	1,893.7
CTA Financing	342.4
Total Local:	\$ 3,626.7
Total Project Budget:	\$ 5,750.1

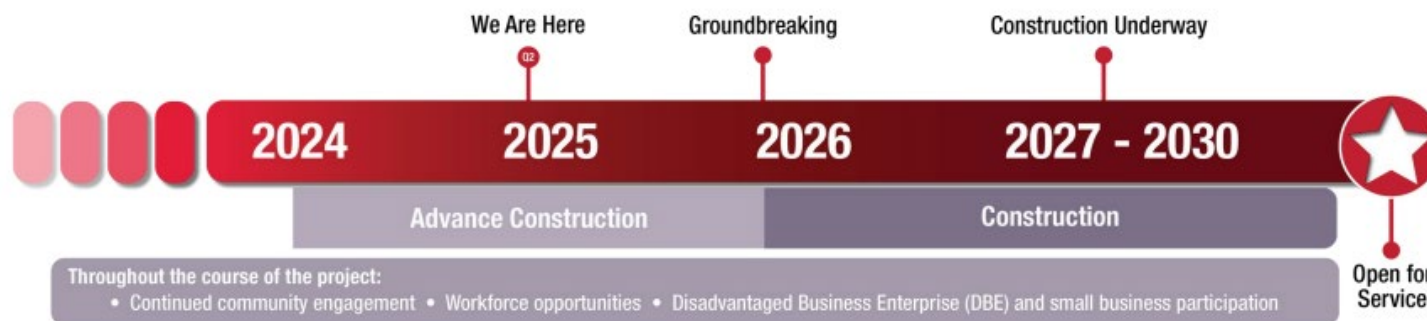
The RLE TIF District



Project Updates – Red Line Extension

Red Line Extension Project Overview

- Building a 5.5 mile extension of the Red Line starting at 95th Street Terminal (pictured) to 130th street
- Four new stations at 103rd Street, 111th Street, Michigan Avenue, and 130th Street
- Parking and bus connections at each station
- New train storage yard and maintenance facility at 120th Street



Project Updates – Red Line Extension

Accomplishments to Date:

- Federal Full Funding Grant Agreement executed for RLE: \$1.973 billion from FTA
- Environmental impact studies completed
- Land acquisition underway
- Final design >50% complete
- 12,500+ construction-related jobs; long-term operational and economic development impact

Project Funding Sources:

- \$1.973 billion: Federal “New Starts” – this includes the \$350 million recommended in the FY 2025 budget request
- \$950 million: Local Transit TIF
- \$130 million: Congestion Mitigation and Air Quality Improvement (CMAQ)/Carbon Reduction Program
- \$281 million: State funding (anticipated*)
- Remaining funding: CTA bond funds and other sources



TIFIA Loan Summary

95th Street Terminal (2014)

Loan Amount: \$79.2 million

Project Improvements: New station building, expanded platforms, wider bus lanes, wider sidewalks, more space in and around the station to improve mobility of passengers.

Your New Blue (2015)

Loan Amount: \$120 million

Project Improvements: Improvements to aging equipment, track infrastructure, signal systems, and the rehabilitation of stations to better meet the needs of riders.

7000 Series Railcars (2016)

Loan Amount: \$254.9 million

Project Improvements: Replace nearly one third of CTA's aging fleet, improve reliability and passenger comfort, and help reduce energy and maintenance costs.

RPM (Pending)

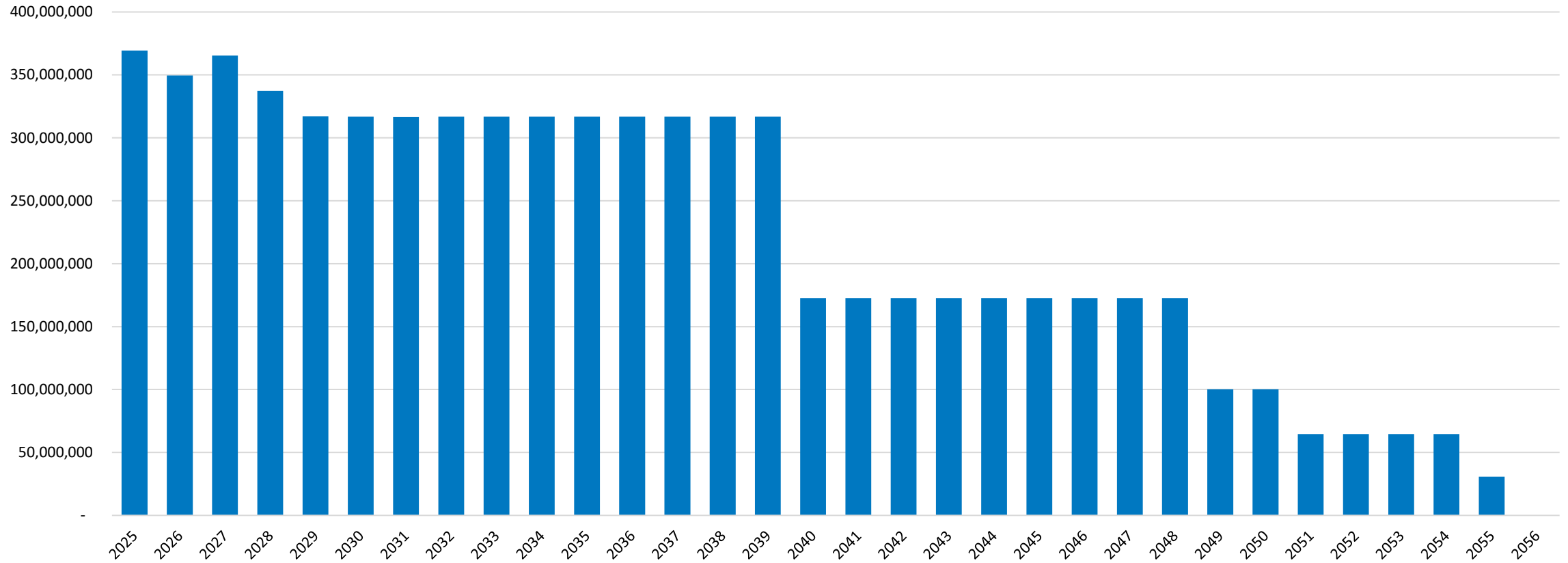
Loan Amount: Up to \$300 million

Fourth Supplemental Indenture for the RPM Project TIFIA Loan provides for Transit TIF Revenues to fund RPM debt service



Outstanding Debt Service

Chicago Transit Authority Aggregate Debt Service



Note: Excludes TIFIA Debt



CTA's Ratings Reflect Strong Bondholder Protections

CTA's Diversified Credits Fund Critical Infrastructure Needs

- Broad capital market access with multiple well-rated credits
- CTA's Sales Tax trend is very strong, reflecting economic activity
- New Red Purple Modernization ("RPM") TIFIA Loan is planned to incorporate innovative Tax Increment Financing ("TIF")

Effective Measures Increase Ridership and Farebox Revenues

- CTA analyzes ridership trends, preferences to tailor funding allocation
- Frequency of service, safety and cleanliness are important attributes

CTA's Budget Measures and the "Fiscal Cliff"

- RTA identified a 2026 budget gap of \$771 million for CTA, Metra and Pace, when Federal Relief Funds (total of \$2.2 billion for CTA) run out
- CTA's Budget initiatives included labor, fuel, utilities, capital investments, savings, and increased non-farebox revenues

State Legislature Considering Options to Address Fiscal Cliff:

- RTA's "Transit is the Answer" regional forums outlined options
- Chicago Metropolitan Agency for Planning ("CMAP") tasked with reporting on options
- Ongoing conversations in Springfield have been cordial and productive
- Long-term financial viability of a comprehensive and coordinated regional public transportation system is a goal shared by all parties

Lien	Moody's	S&P	Fitch	Kroll
Senior Lien Sales Tax	A1 (Negative)	AA (FN)	NR	AA (FN)
Second Lien Sales Tax	NR	AA (FN)	NR	AA- (FN)
5307 GARVEE	NR	A+ (FN)	BBB (FN)	NR
5337 GARVEE	NR	A+ (FN)	BBB (FN)	NR
Public Building Commission	A2 (Negative)	A+ (Negative)	NR	NR
TIFIA	NR	A+ (Negative)	NR	AA- (FN)

NR = Not Rated ; FN = Stable Outlook

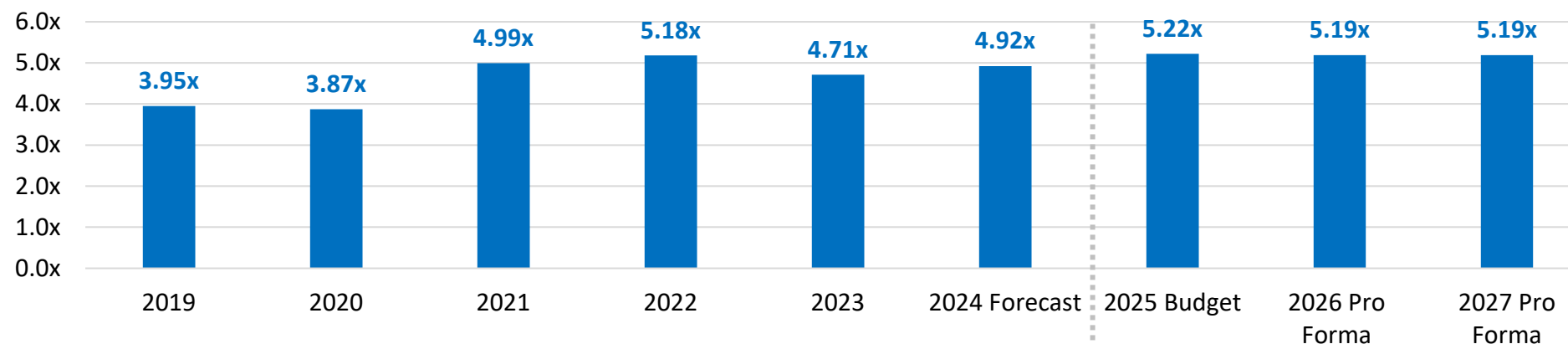


Sales Tax Bonds: Robust Debt Service Coverage

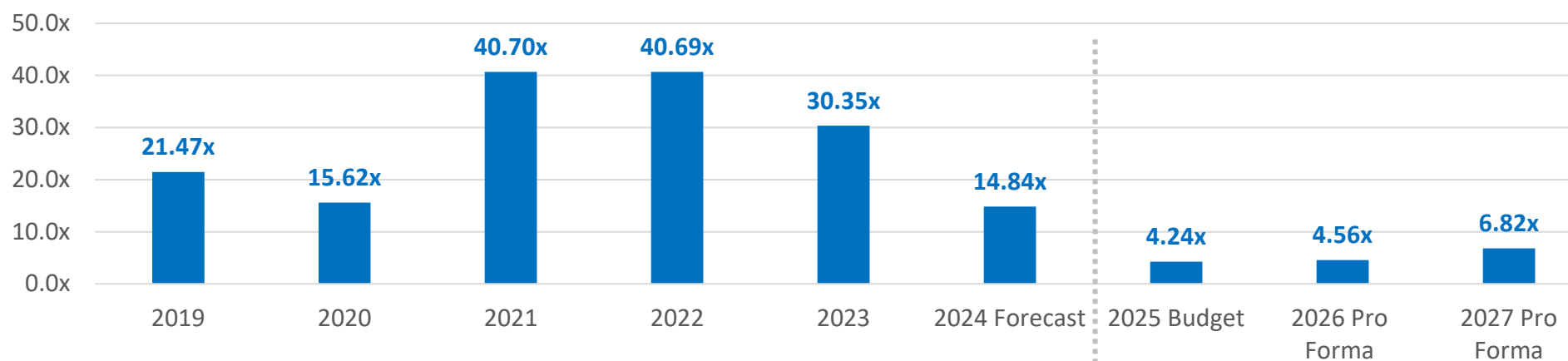
Key Takeaways

- Very strong historical coverage for First and Second Liens
- First Lien is CTA's main working credit, with Second Lien including Pension Obligation Bonds ("POBs") and short-term lines of credit facilities
- POBs are supported by commitment of Real Estate Transfer Tax, to reduce reliance on Sales Tax revenues, which back up the issue

First Lien Annual DSCR



Second Lien Annual DSCR

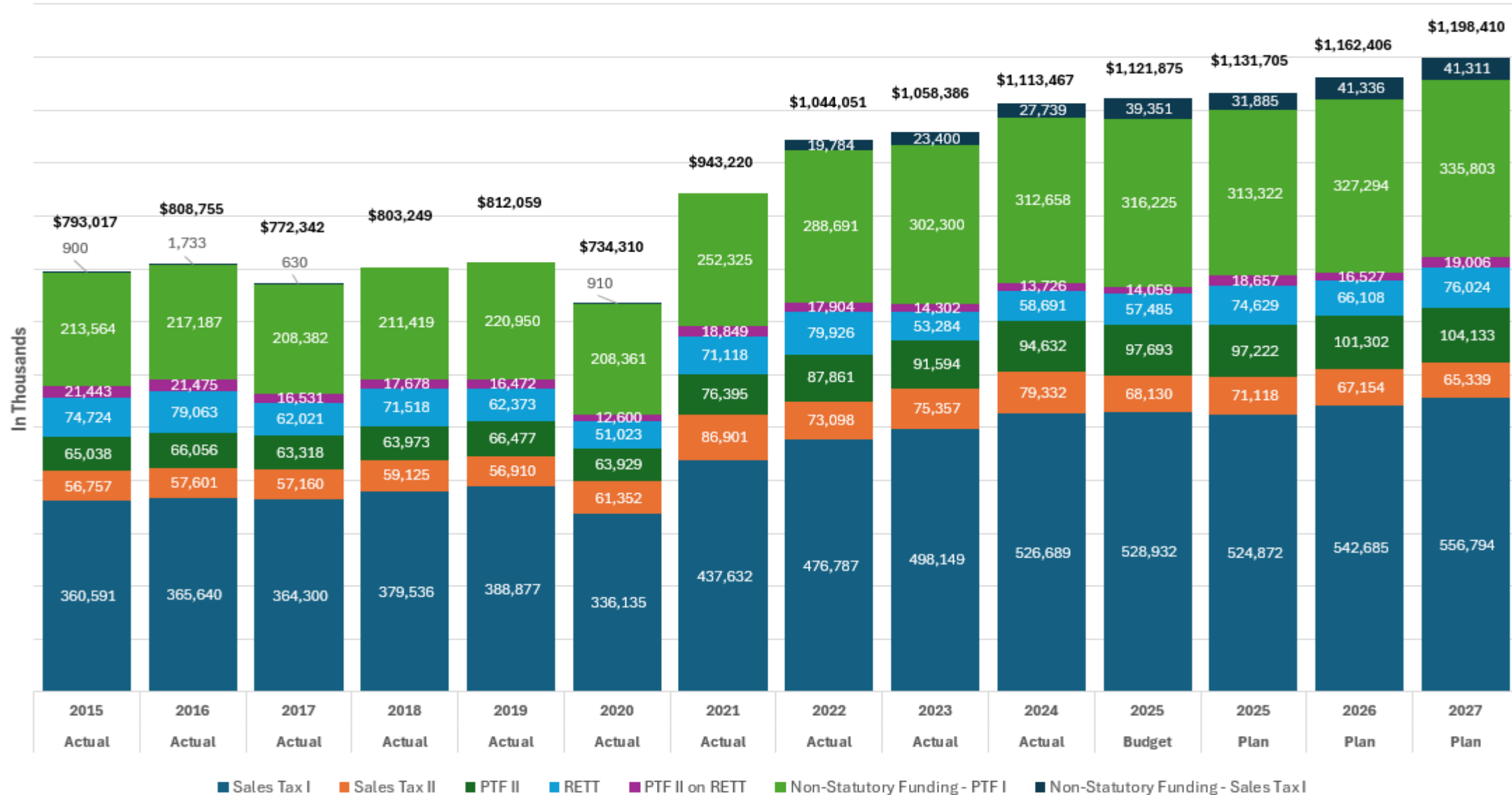


Note: DSCRs based on Net Total First Lien Parity Obligations (i.e., net of Pension Bonds paid by RETT Revenues).



Sales Tax Revenue Growth

Public Funding



Ongoing Process to Address 2026 Budget Gap

CTA, Metra and Pace, through the RTA, have identified a regional budget gap of \$771M in 2026, after Relief Funds have been exhausted.

CTA is having active discussions with legislators

- Over a dozen public hearings
- Support for public transit is strong

Two pieces of legislation have been introduced

- HB 2963 (Road Usage Charge Act)
- HB 5823 (Metropolitan Mobility Authority Act)



Key Credit Strengths

Strong Economic and Demographic Trends Underpin the Service Area

- Chicago (the “City”) is the 3rd largest economy ranked by GDP in the U.S. and the 7th largest in the world (as of 2022)*
- Economy is the most diverse within the US, with no one sector representing more than 14% of the economy (as of 2022)*
- Educational attainment and per capita income for the region exceed both the State and U.S. levels
- Chicago MSA is home to 30 Fortune 500 company headquarters locations—the 2nd highest concentration in the country

Essentiality of Service Provided

- One of the nation’s largest public transit systems, providing bus and rail service to the City and 35 suburbs
- One of only two U.S. public transit systems with 24/7 service, serving 85% of Northeastern Illinois Transit Region’s ridership
- Strong ridership recovery and growing, demonstrating CTA’s importance to the economy
- Number of users of the system has returned to historic levels.
- Redevelopment at CTA’s busiest station (Clark/Lake) by Google for their Midwest headquarters

Organizational Strength

- CTA runs one of the most efficient systems in the country
- Service now matches or exceeds 2019 levels due to unprecedented hiring

Strong Pledged Revenues and Bondholder Protections

- Broad and diversified Sales Tax base, with no single category comprising more than 25% of revenues
- Between 2014 and 2024 levels, Sales Tax Receipts are projected to increase by \$362 million (+4.1% 10-year CAGR)
- Strong coverage for Sales Tax (First Lien Sales Tax coverage above 4.5x since 2021) and TIF coverage, with strong history of growth in Assessed Value
- Sales Tax Bondholders are paid first, prior to all other CTA expenses and obligations, with solid Additional Bonds Tests of 2.0x First Lien MADS (12 consecutive of the prior 18 months)

*Source: Chicago Business Bulletin: https://worldbusinesschicago.com/app/uploads/2023/02/WBCResearch-Center_Year_In_Review_2023.pdf



