



California Partnership for the
San Joaquin Valley

September 21, 2009

The Honorable Curt Pringle
Chairman
High Speed Rail Authority
925 L Street, Suite 1425
Sacramento, CA 95814

RE: ARRA Track 2 Grant Application – Central Valley Segments

Dear Chairman Pringle,

The California Partnership for the San Joaquin Valley (the “Partnership”) has been and remains a strong supporter of California’s High-Speed Rail program. The American Recovery and Reinvestment Act (ARRA) Track 2 Grant Application to the Federal Railroad Administration (FRA) offers an excellent opportunity to expedite its implementation. This letter is in support of the recommendation of the HSRA staff to include in the state’s ARRA Track 2 application to FRA the engineering and construction costs for the two non-urban segments in the Bakersfield to Merced corridor, totaling approximately \$2.25 to \$2.5 billion.

In response to the direction provided by the Board of the Authority at its September 3rd board meeting, the California Partnership for the San Joaquin Valley, along with a coalition of regional stakeholders from all eight Valley counties, has evaluated all options and offers the following observations and conclusions:

- The Valley is first and foremost committed to the earliest possible implementation of the Phase One plan of the HSRA, enabling riders to travel through the San Joaquin Valley between Anaheim/L.A. and San Jose/San Francisco and points in-between. Attainment of the revenue projections in the HSR business plan relies heavily on ridership from the high population areas in L.A./Anaheim and San Francisco/San Jose into and through the 220 mph corridor between Merced and Bakersfield. As you know, the Authority has projected that 44% of the ridership on the proposed high speed train involves people traveling in and out of the Valley or within the Valley. Accordingly, we support the HSRA prioritization of the San Francisco to San Jose, Merced to Bakersfield and L.A. to Anaheim corridors for the ARRA application.

5010 N Woodrow Ave.
2nd Floor, M/S WC 142
Fresno, California 93740

559.294.6021 T
559.294.6024 F

www.sjvpartnership.org

- We understand that the ARRA funding is likely to be insufficient to fully build out these three corridors, even with a one-to-one match. Each of the three corridors must prioritize the segments to be built first.
- Ideally, Valley stakeholders would have liked to see the Merced to Bakersfield corridor built at one time so that Valley travelers would be able to enjoy the benefits of high-speed station-to-station connectivity throughout the Valley, similar to what is planned for the Los Angeles to Anaheim corridor. We understand, however, that the amount of funding under the ARRA program, even with a one-for-one match, is insufficient to achieve this goal.
- Valley Stakeholders have evaluated and prioritized various options. The non-urban segments between Merced and Fresno and between Fresno and Bakersfield clearly meet the FRA criteria, including the requirement for “independent utility,” and stand the best chance of competing with applications from other states in what is expected to be a strong national competition. Meeting the criteria for “independent utility” in the urban segments is more challenging and may put the Valley corridor at a disadvantage in the competition. Accordingly, we support the HSRA recommendation to include the non-urban Merced to Fresno and Fresno to Bakersfield segments in the ARRA application. We oppose any proposal that funds one of these two segments at the exclusion of the other.
- As a separate matter to be taken up after the outcome of the ARRA application is known, we will be urging the HSRA to set aside some of the Proposition 1A funding to complete the Merced to Bakersfield corridor at the earliest possible date, in particular the “through-Fresno” segment that is vital to achieving the high-speed connectivity that Valley travelers would like to see.

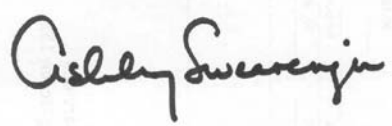
For the reasons stated above, we urge the board to approve the two Track 2 projects in the Merced to Bakersfield corridor recommended by the HSRA staff at the September 3rd Board meeting.

Thank you for your consideration. As always, the Partnership wishes to make itself available to assist the High-Speed Rail Authority as it proceeds with this grant application and as it advances its plan to make the High Speed Train a reality for all Californians.

Sincerely,



Fritz Grupe, Deputy Chair



Mayor Ashley Swearengin, Deputy Chair

cc: Governor Schwarzenegger