

Prop. 1A Gains Speed as Election Nears

\$9.95 billion bond measure on November's statewide ballot would help build high-speed transit system

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Will traffic-choked residents be able to leave gridlock behind in their rear-mirrors? They may have a chance to find out in the coming years, if high-speed rail becomes a reality in the state.

Everything is riding on Proposition 1A, a \$9.95 billion bond measure on the November ballot. If approved, it would provide \$9 billion to help build a high-speed train system in California and \$950 million for improvements to local and regional passenger rail projects that would connect to the new service.

Dan Leavitt, deputy director of the Sacramento-based California High-Speed Rail Authority, said this might be California's last chance to get a mode of transportation that is being built or planned in every part of the developed world, and has proven to be a safe, reliable means of transportation, he said.

"This is not science fiction," Leavitt said. "This is everyday transportation in a good part of the world."

As envisioned, the 800-mile network would connect Sacramento, San Francisco and the Central Valley with Los Angeles, Orange County, the Inland Empire and San Diego. The cost to build the system, which is projected potentially to carry up to 117 million passengers per year by 2030, is pegged at \$40 billion.

Phase one would run from San Francisco to Los Angeles to Anaheim. According to the CHSRA, the system would whisk passengers from San Francisco to Los Angeles in just two hours and 38 minutes. A jaunt between Los Angeles and San Diego would take a mere one hour and 18 minutes. Someone could board a train in Ontario and be getting up to speed on matters at the state Capitol in less than three hours. The trip from Ontario to Sacramento would take two hours and 41 minutes.

In July, the CHSRA finalized the high-speed rail route, approving environmental documentation for the San Francisco Bay Area to the Central Valley section.

Observers hope high-speed rail spurs more transit-oriented development centered on stations. Development consultant Larry Kosmont, president of the **Kosmont Cos.**, said clients really are not focused on high-speed rail at the moment, however.

"Half of my clients are refugees of the financial markets right now," Kosmont said. "The only train they want to be on is out of town."

Just the same, he called Proposition 1A an important measure for California, saying it would help the state's commerce and business activity if the system were built.

Proposition 1A replaced a previous high-speed train measure on the state ballot. AB3034, signed by Gov. Arnold Schwarzenegger in August, revamped the earlier Proposition 1 by adding new taxpayer safeguards and cost controls. For example, it imposes limits on certain types of spending and outlines various requirements and criteria for the appropriation of bond proceeds. Leavitt said Proposition 1A also opens up bond funds to additional high-speed rail corridors. The original bond measure only provided funding from San Francisco to Los Angeles; the new measure allows funds for links to Sacramento via the Central Valley and to San Diego via the Inland Empire.

In addition, Proposition 1A identified the link to Anaheim as part of the first phase, Leavitt said. Planners of a major transit project in that city, the Anaheim Regional Transportation Intermodal Center, certainly are supportive. The Orange County Transportation Authority and city of Anaheim both are working to ensure it will be able to accommodate the new system.

The facility will be fully functional without the addition of high-speed trains, according to Jennifer Bergener, a section manager with OCTA. However, she said, they would be a key component in making ARTIC a premier facility offering connections to other regions throughout the state.

"The grand vision for ARTIC includes a connection with high-speed rail," Bergener said.

Mixed Reactions

But not everyone is all aboard. Tom McClintock, the Republican state senator from Thousand Oaks, has called it a waste of taxpayer money to spend \$40 billion to build a train that, he contended, would ferry people between San Francisco and Los Angeles in two hours longer than it would take them to fly.

Meanwhile, a trio of watchdog groups rails against the proposed system in a "due diligence" report that concludes it will cost additional billions to build while failing to achieve ridership projections and environmental goals. The Reason Foundation, Howard Jarvis Taxpayers Association and Citizens Against Government Waste characterized it as a "mega-project" taking many years and many billions of dollars to construct, noting such mega-projects often fail to live up to their advertised promises.

According to the group's study, the final price tag to complete the system will be \$65 billion to \$81 billion, not the \$40 billion the CHSRA cites. And instead of the 65 million to 96 million intercity riders the CHSRA projects by 2030, the state can expect just 23 million to 31 million riders per year in 2030.

The study also asserts that the authority has given short shrift to terrorism concerns and community opposition.

The project does have its proponents in the development world. One of them is Rich Robbins, principal of San Rafael-based **Wareham Development**.

"High-speed rail should have been built 30 years ago," Robbins declared. "As a vision, it's needed. As a joint development, it kicks the state and its infrastructure in a direction to get people out of their cars."

Wareham led a public-private alliance that built Emeryville Amtrak station, the first new train station in California in more than 60 years. Since then, Robbins noted, a strong intermodal system has built up around the station, which also provides links to Bay Area Rapid Transit, AC Transit and the Emery-Go-Round Shuttle. More than 100,000 passengers pass through the center each month.

The station serves Amtrak's Capitol Corridor line that links San Jose with Sacramento via Oakland. Robbins said the fast-growing line shows that people will take rail if it is reliable. He also sees potential opportunities for transit-oriented development around the station.

"Undoubtedly, it's going to happen, if we can keep it in a template that doesn't allow too much political intervention but just fair and square bidding," Robbins said.

On the other hand, there are some changes Robbins would like to see in the high-speed rail system's design. For example, he thinks it should be bigger and include a connection from San Francisco to the East Bay.

The Reason Foundation report notes that a "missing phase" - an Oakland-East Bay-San Jose line that was originally in the plan - would have raised the project cost to \$54.3 billion.

Funding the Rail

Leavitt said the governor expressed support for a statewide high-speed train system in January, but wanted to see some modifications in the language to ensure appropriate oversight for the expenditure of funds.

As well, Leavitt said, the governor wanted to make sure the system could fully use the ability to do public-private partnerships.

The high-speed train proposal relies on three funding avenues: state and local funding; federal funding, which is projected to provide 25 percent to 33 percent of the construction costs, or \$10

billion to \$12 billion; and public-private partnerships representing an estimated \$4.5 billion to \$7 billion in initial investment opportunities.

The authority said federal funding would come in part from existing programs, but also would require the creation of new grants geared specifically for high-speed rail. It expects the commitment of state and federal dollars to attract private-sector funding.

Kosmont, an expert on public-private partnerships, agreed with the argument.

"I find they work rather well with transit-oriented projects because of the direct relationship to mobility and employment," he said. "There's an underlying interest in the private sector to invest in those kinds of initiatives, because they can see the demographic and practical requirements for it."

He'd like to see public-private partnerships used to bring about development around the high-speed rail stations. At the same time, he said it would behoove the state to formalize transit-oriented districts legislatively. As it stands now, TOD legislation always has fallen short of assigning tax increment dollars to those areas that build up around stations, and that's because there's no real mechanism in state law to do it.

"If we make these bond investors part of the public-private partnerships, that should enable TODs to take advantage of tax increments within the vicinity of these stations," Kosmont said.

Recent polling shows Proposition 1A running 56 percent to 60 percent in favor, with 14 percent undecided. The measure needs 50 percent plus one vote to pass, Leavitt said. If it is approved, bidding could begin in 2010 with construction starting as early in 2011.

But if Proposition 1A fails, Leavitt said, this could be it.

"The system will not be built in California without substantial public funds," he said. "This may be California's last shot at getting a high-speed train system."

Planning for the Future

The rail authority's appointed officials say the benefits of building the system far outweigh the cost. CHSRA Chairman Quentin Kopp said it will cost two to three times less than expanding freeways and airports to accommodate the millions of new Californians anticipated by 2030. Specifically, it would avert the need to build 3,000 miles of new freeway lanes and 91 airport departure gates.

Moreover, the costs to purchase the necessary right-of-way will escalate and become more difficult to accomplish as land gets taken over by development.

The authority will need to purchase right-of-way because the system cannot share track with conventional freight service. The authority's preference in some areas is to work in partnership with local commuter services such as Caltrain, sharing alignments in a four-track configuration at reduced speeds.

The CHSRA doesn't expect the Metrolink crash that occurred in Chatsworth in September to have a large impact on Proposition 1A's support. The wreck, which killed 26 passengers and injured more than a hundred others, was a terrible tragedy for transportation in this country, Leavitt said. But for its project, all it can do is talk about the safety record of high-speed train systems throughout the world.

"It has proven over decades of operation to be the safest, most reliable form of transportation," he said.

According to Leavitt, California's system would use the latest, state-of-the-art safety equipment, such as automated train control systems. It would be completely grade-separated, allowing no intrusion into the right-of-way and will not be sharing track with heavier freight traffic.

He said the system has been studied for more than 10 years. Established in 1996, the CHSRA is a state entity responsible for planning, constructing and operating a high-speed train system serving California's major metropolitan areas.

High-speed rail is key to California's future for a number of reasons, Leavitt said, beginning with the growth in the state's population, which is expected to reach 50 million in 20 years.

According to the CHSRA, it would ease delays at airports by diverting passengers to high-speed trains. It also would offer benefits to the environment, saving 12.7 million barrels of oil and 12 billion pounds of carbon dioxide emissions by 2030.

"California's major airports are expected to be at capacity in the next 20 years, and they are big supporters of high-speed rail," Leavitt said.

In addition, planners contend that by maximizing the use of existing transportation corridors and railroad rights-of-way, the system would also minimize the impact on California's landscape. "This is an opportunity to be able to increase mobility in the state of California, to link our major metropolitan areas in a manner that helps our economy, but also is sensitive to our environment," Leavitt said.

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