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Trish Christensen**

1114 J Street
Modesto, CA 95354
(209) 577-5757
FAX (209) 577-2673



March 1, 2021

Tom Richards, Chair
California High-Speed Rail Authority (CHSRA)
boardmembers@hsr.ca.gov
770 L Street, Suite 620
Sacramento CA 95814

RE: Support for CHSRA Revised Draft 2020 Business Plan

Dear Honorable Chair Richards,

The Modesto Chamber of Commerce strongly supports CHSRA's Revised Draft 2020 Business Plan (released February 9, 2021) that includes pursuing Merced-Fresno-Bakersfield Interim Service with stops at Kings/Tulare and Madera to provide electrified, high-speed rail (HSR) service to Californians at the earliest possible time. Independent peer review has confirmed the Merced-Fresno-Bakersfield corridor, which includes HSR service and improvements in supporting Altamont Corridor Express (ACE) and San Joaquins rail and bus services, obtains the highest forecast gain in ridership and does so at the lowest increase in cost. The 171-mile electrified Interim Operating Segment extending north to Merced and south to Bakersfield coordinated with improvements aligned with the State Rail Plan north of Merced to Sacramento and to the Bay Area and bus connections south of Bakersfield to Southern California will create significant benefits including:

- Merced-Fresno-Bakersfield HSR Interim Service will leverage the maximum degree of connectivity to other rail services, while important project development work also continues in other parts of the state.
- Merced to Bakersfield HSR Interim Service will generate significant economic benefits, with over \$38 billion in total economic activity and over 200,000 job-years of employment.
- Reduces travel times for rail passengers between Sacramento and the Bay Area to Bakersfield by up to 90 to 100 minutes.
- Provides much faster, more frequent, and more reliable passenger rail service than is currently available in this corridor; more than doubling service frequency – more than doubling passenger rail ridership in the corridor.
- Improves access and connectivity to other California destinations through better connections with expanded ACE and San Joaquins rail services to the north at a multimodal hub in Merced and Thruway Bus Service at Bakersfield for travel to Southern California.
- Corridor-wide ridership increases from 2.6 million passengers in 2017 to 8.8 million passengers in 2029 that results in reduced state subsidies for passenger rail services.
- Electrified HSR improves air quality in the Central Valley and reduces GHG emissions by shifting from diesel to clean, electrically powered trains.

- Provides an overall infrastructure configuration offering significant benefits to both passenger and freight movement.
- Allows for early testing of electrified high-speed operations and passenger use and reduces ramp-up time for future extensions.
- Interim service unlocks the socio-economic benefits associated with electrified high-speed rail passenger service prior to the completion of the Silicon Valley to Central Valley Line.

Rail passengers in California will greatly benefit from slashing 90 to 100 minutes off train travel between Southern California and the Sacramento and Bay Area regions in the north. Direct connections in Merced to ACE and the San Joaquins will also translate into faster connections to the Capitols, Caltrain, BART, SacRT, Valley Link and VTA systems, which will also experience higher ridership. The success of this early interim HSR service is essential towards implementing the ultimate HSR rail system between the Bay Area, Sacramento, San Joaquin Valley and Southern California.

The Modesto Chamber of Commerce also strongly supports the Revised Draft 2020 Business Plan recommendation that \$4.1 billion in remaining Prop 1A HSR bond funds be directed to complete delivery of the 119-mile electrified Central Valley Segment, and the remaining \$100 million in HSR bond funds be used for early design and completing environmental review on San Francisco to Los Angeles Phase 1 segments. This funding is required to implement Merced-Fresno-Bakersfield HSR Interim Service and to extend HSR to San Francisco and Southern California in the future.

The Modesto Chamber of Commerce is very pleased to submit this letter of support for the staff recommendations of the CHSRA Revised Draft 2020 Business Plan.

Sincerely,



President & CEO
Modesto Chamber of Commerce

cc Brian Kelly, CEO; Brian Annis, CFO; Chad Edison, CalSTA; Assembly Transportation Committee; Senate Transportation Committee