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April 9, 2024

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Mr. Brian Kelly, Chief Executive Officer
California High-Speed Rail Authority
Attn: Draft 2024 Business Plan
770 L Street, Suite 620
Sacramento, CA 95814

RE: Draft 2024 Business Plan

Dear Mr. Kelly:

MTC applauds the California High-Speed Rail Authority's continued progress in advancing this transformative project. We appreciate the opportunity to comment on the California High-Speed Rail Authority (CHSRA) Draft 2024 Business Plan as part of our continued partnership with the CHSRA, as well as CHSRA's acknowledgement of the San Francisco Bay Area region's ongoing support for high-speed rail.

We strongly agree with the call to extend the state's Cap-and-Trade Program, and for the state to develop a committed, stable funding source to ensure timely and cost-effective delivery of the project. The long-term funding opportunities available through an extension would be mutually beneficial for the Bay Area and High-Speed Rail by supporting terminal projects like The Portal (Caltrain Downtown Extension) in San Francisco and transit connectivity to High-Speed Rail throughout the Bay Area region. We also support the call for greater, ongoing federal commitment to deliver high-speed rail projects in California and other states as part of a comprehensive national effort to address the climate crisis.

The Bay Area region has demonstrated its commitment to bringing high-speed rail to the region as soon as possible, as reflected in the projects and investments included in our current regional plan, Plan Bay Area 2050. We appreciate the Authority's continued partnership and financial support in completing environmental clearance for the Northern California segments and advancing project design and delivery. We look forward to continuing this proactive partnership as key Bay Area projects advance, including The Portal (also known as the Downtown Rail Extension Project), the Millbrae-SFO Station, Diridon Station, key grade separation projects, and electrification of the rail corridor south of San Jose to Gilroy.

MTC also suggests the Authority expand on its commitments to delivering High-Speed Rail and associated projects in the Bay Area by:

- More prominently highlighting the \$550 million planned investment in The Portal, with a plan to identify, commit, and allocate this investment in a timely manner to help the project secure a federal Capital Investment Grant Full Funding Grant Agreement.

- Continuing to collaborate closely with the Transbay Joint Powers Authority on delivery of The Portal, including on proposed value engineering steps related to the time gap between that project's completion and the arrival of high-speed rail.
- Addressing the overall funding gap for full high-speed rail implementation and identifying funding sources to deliver connectivity to the Bay Area.

New high-speed rail stations in the Bay Area will require continued support from both the region and CHSRA to address detailed station access planning and project development as well as land use planning and urban design. This includes a continued focus on transit-oriented land use planning that supports implementation of Plan Bay Area 2050 strategies to increase the concentration of jobs and housing, particularly affordable housing, within walking distance of high-quality transit and to prioritize seamless connectivity between different transit and shared mobility modes at high-speed rail stations.

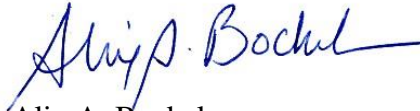
The Business Plan should continue to address the need for proactive economic development efforts from state and local partners to ensure that high-speed rail provides an expansion of economic opportunity within the Central Valley, and that a high-speed rail connection between the San Francisco Bay Area and the Central Valley does not result in the latter becoming a bedroom community for the Bay Area due to its lower housing costs. We encourage CHSRA to continue to support and advocate for economic development in the Central Valley region, including working with state, regional and local partners to leverage high-speed rail connections to create new, long-term economic opportunities within the Central Valley.

Furthermore, for high-speed rail to deliver the economic and greenhouse gas reduction benefits the project was intended to realize, it must serve a variety of travel purposes and needs, *not* just commute trips. Successful high-speed rail systems in other parts of the world serve the same variety of trip purposes that California's current intrastate airline carriers do; the characterization of high-speed rail in California as "commuter rail" in the Draft 2024 Business Plan limits its potential to provide California residents and visitors with a sustainable and attractive transportation alternative to airline and automobile travel.

Lastly, while there is still uncertainty about the pandemic's effects on the future, it seems increasingly likely that higher rates of remote work will persist and become the "new normal". The Draft 2024 Business Plan characterizes these effects as "short-term" due to "limited authoritative information"; however, these effects are likely to have both positive and negative impacts on potential ridership and revenue estimates for CHSRA. We strongly encourage CHSRA to coordinate with its MPO partners on the appropriate land use and economic assumptions it uses in modeling and ridership forecasting to ensure consistency with both state and regional forecasts and models.

Thank you for your consideration of these comments. We look forward to continuing to work with you on delivering this transformative project. Please feel free to contact Kara Vuicich on our staff (kvuicich@bayareametro.gov) with any questions or to discuss further.

Sincerely,

A handwritten signature in blue ink that reads "Alix A. Bockelman". The signature is fluid and cursive, with a long horizontal stroke at the end.

Alix A. Bockelman

Chief Deputy Executive Director

AB:KV

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