



CALIFORNIA HIGH-SPEED RAIL AUTHORITY

December 14, 2007

Olin Woods, Project Delivery Manager
Sacramento Area Council of Governments
1415 L Street, Suite 300
Sacramento, CA 95814

SUBJECT: CALIFORNIA HIGH-SPEED RAIL IN THE 2035 MTP

Dear Mr. Woods:

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Per your recommendation, the California High-Speed Rail Authority (CHSRA) has reviewed the language in the 2006 Metropolitan Transportation Plan (MTP) in order to provide comments for the *updated* 2035 MTP plan.

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SACOG, the Metropolitan Planning Organization for the entire Sacramento Region, has always been 'forward thinking' when it comes to supporting transportation projects that would improve air quality and reduce the region's dependence on single occupancy vehicles. For these and many other reasons, California's high-speed train project should be a component of the 2035 MTP plan. The CHSRA is confident that within the planning horizon of the MTP this project will be well on its way, and therefore, needs to be addressed in this critical SACOG document.

We are aware that SACOG staff understands the importance of intercity travel in California and how this 700-mile high speed train system would contribute positively to relieving the congestion on the state's highways, improving the environment and the economy, and that high-speed rail would eliminate the CO2 emissions that cause global warming by 8.7 metric tons (19 billion pounds) per year versus highway and air travel. Understanding that the 2035 MTP is a financially constrained document, the statewide planning and programming process in California encourages MPOs to work closely with project sponsors to develop and use sound cost estimating practices, particularly for major capacity and service enhancement projects. The CHSRA staff is in the process of developing project development financial information that will meet the needs of the MTP process.

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To the greatest degree possible, cost and revenue estimates for large projects included in the MPO, RTP and FTIP should be consistent with project-specific financial plans. One of the key directions for a financially constrained document is that the existing and proposed

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revenues must be identified in the financial plan and must cover all *forecasted capital*, operating and maintenance costs. Moreover, the financial plan must identify and/or recommend any *innovative financing techniques* needed to implement planned and programmed projects or strategies. And finally, the financial plan may also include listings of "illustrative" or additional projects that would be included *if reasonable additional resources, beyond those identified in the financial plan were to become available*.

To enable accurate and expeditious financial constraint and air quality conformity demonstrations and determinations, illustrative projects should be clearly documented as separate and distinct from the RTP or FTIP project listings used for such demonstrations and determinations, It is the strong belief of the CHSRA that the high-speed rail train project should, at a minimum, be mentioned as a clear component of any future transportation system in the 2035 MTP.

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At this time, the CHSRA is developing a comprehensive funding package. The CHSRA's financial plan, in fact, contemplates broadly a one-third private, one-third federal and one-third state investment.

Given the need for developing alternative forms of transportation, it seems that at a minimum California's high-speed train project should be given a placeholder in the 2035 MTP, with the expectation that the CHSRA will provide the project financing information required. CHSRA staff would be more than happy to work with SACOG staff to develop language that preserves a place for the high-speed train project in the 2035 MTP.

This is an on-going project for the improvement of California and should not be overlooked in the SACOG 2035 MTP.

Thank you for your consideration and please call me with any questions at 916-324-1541.

Sincerely,

Mehdi Morshed
Executive Director