

# Peninsula Cities Consortium

**Atherton      Burlingame**  
**Belmont      Menlo Park**  
**Palo Alto**

Joint Hearing of the  
Budget Subcommittee #2 on Resources, Environmental  
Protection, Energy and Transportation  
chaired by Senator Simitian  
and  
California State Senate's Transportation & Housing Committee  
chaired by Senator Lowenthal

January 21, 2009

**High Speed Rail**

# Accomplishments of the PCC

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- The PCC has been the most active and constructive coalition of cities in the state.
- Local government, stakeholders, citizens and professionals work to educate and problem solve.
- First group of cities to identify the fundamental flaws in the Business Plan.
- Successfully advocated the adoption of the Context Sensitive Solution (CSS) process for the Peninsula segment.
  - First use of CSS on a rail project ever in the US.

# Peninsula Segment issues parallel the State issues

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- Process problems are causing unintended detrimental consequences.
- Large fundamental issues remain
  - Business Model: Private Franchise or Public Agency?
  - Inaccurate Ridership Estimates.
  - Funding gap and legally prohibited subsidies.
  - Heavy reliance on “hoped for” Federal funds.
  - No resolution to freight co-existence issues.
  - No assessment of the impacts on local and regional transit operations (e.g. Caltrain).

# Inadequate Ridership Study

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## □ **Problem**

- **Fundamentally flawed foundation** — major impact on which alternatives are viable for the Peninsula. Fare and ridership plan presented to the voters has been changed drastically.

## □ **Ask**

- **Independent Investment Grade Ridership Study-**  
accountable to a body other than the High Speed Rail Authority (HSRA)

## □ **Process Improvement**

- **Legislature to Require sound Ridership Study and Sound Business Plan before additional funding**

# Daily Boardings Comparison

Station	Amtrak 2008	Amtrak 2035*
New York	11,971	17,957
Washington	6,151	9,226
Philadelphia	5,436	8,153
Boston	3,614	5,421
Baltimore	1,397	2,096
New Haven	966	1,449
Newark	930	1,395
Providence	833	1,249
<b>Total system boardings</b>	<b>31,297</b>	<b>46,946</b>

Station	CA HSR 2035
San Francisco	24,100
Anaheim	23,500
Los Angeles	14,100
Palmdale	12,900
San Jose	7,600
Merced	5,300
Gilroy	4,700
Redwood City	3,900
<b>Total system boardings</b>	<b>120,700</b>

\* Assumes a 50% increase in ridership

Sources: Amtrack Northeast Corridor Report, Feb 2009 and CA HSR 2009 Business Plan

# Business Plan Issues

## □ **Problem**

- Construction budget for the Peninsula is inadequate to address the needs of HSR in our urban corridor. Key cost elements are omitted. No funds to implement prospective CSS outcomes.

## □ **Ask**

- Re-do business plan to make success possible
- What type of Business is it: Franchise or State Agency?
  - Effects whether marriage with Caltrain on Peninsula will benefit Caltrain operations
- Correct deficiencies identified by LAO
- Disclose accurate information about what the Peninsula construction funds can achieve
- Grossly deficient Risk Management Plan

## □ **Process Improvement**

- Business plan should be re-written and approved before any further funding goes toward engineering.
- A new governing board of top professionals with mega-project expertise and full accountability

# Independent Peer Review Committee

## □ **Problem**

- Oversight role envisioned by AB3034 not yet implemented and needs to be expanded.

## □ **Ask**

- Direct the Authority (HSRA) to provide funds needed for Independent Peer Review to perform its critical responsibilities
- Complete the appointment of the members of the Independent Peer Review immediately

## □ **Process Improvement**

- Clarify the role of the Peer Review Committee and require their oversight earlier
- Require quarterly reports of Independent Peer Review to legislature

# Outreach

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## □ **Problem**

- HSRA has obstructed the timely release of information to stakeholders. CSS started behind the project schedule and has fallen behind further.

## □ **Ask**

- HSRA should officially commit to CSS on the Peninsula and abide by its results. CSS is a better alternative than traditional Design, Announce, Defend (DAD) approach.
- HSRA should use CSS for the new Project Level EIR in the greater Bay Area now that the EIR has been re-opened.

## □ **Process Improvement**

- HSRA should adopt Context Sensitive Solutions state-wide

# Timeline Issues

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## □ **Problem**

- The current federal funding timeline is driving the project toward failure. The timeline is pushing forward a deficient plan and inadequate outreach.
- Rushed commitment to a date-certain undermines the integrity of the CEQA process and successful project planning

## □ **Ask**

- Legislature and Governor should request the federal government to extend stimulus funding deadlines.

# Conclusions

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- ❑ This project is crucial for the future of mass transit in California.
- ❑ It is the most significant project in the history of the Peninsula.
- ❑ California cannot afford a \$50 billion failure.
- ❑ Collaboration is the key to success.

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- For more information, please visit the PCC website:

[www.peninsularail.com](http://www.peninsularail.com)