



December 21, 2009

The Honorable Ray LaHood
Secretary
U.S. Department of Transportation
1200 New Jersey Ave, SE
Washington, DC 20590

The Honorable Joseph C. Szabo
Administrator
Federal Railroad Administration
1200 New Jersey Ave, SE
Washington, DC 20590

RE: Support for California's ARRA Track 2 Grant Application

Dear Secretary LaHood and Administrator Szabo:

On behalf of the largest cities in California, we write in strong support of California's high-speed rail American Recovery and Reinvestment Act (ARRA) Track 2 grant application to the Federal Railroad Administration (FRA). The state's application requesting \$4.7 billion in federal stimulus funding for engineering, design and construction on the state's high-speed train system will generate nearly \$10 billion in investment when state and local matching funds are included.

With trains operating at speeds of over 200 miles per hour, the metropolitan areas of San Diego, to Los Angeles, through the San Joaquin Valley and Sacramento, to the Bay Area would be inter-connected in a manner that would bring significant benefits to Californians. This project will provide our cities with critically needed jobs, encourage additional economic investment, reduce dangerous automobile emissions, and foster sustainable local development while ensuring transparency and accountability.

This project would provide economic stimulus to our cities which have been severely impacted by the economic downturn. California's application includes dozens of critical projects among every section of the 800-mile system, creating nearly 130,000 quality jobs in some of our hardest hit cities:

San Francisco to San Jose – 34,200 new jobs

- Improvements at San Jose Diridon and San Francisco 4th & King Stations and platform extensions at San Francisco Transbay Terminal
- Grade separations and safety state-of-the-art "positive train control"
- Electrification and other upgrades on shared alignment with Caltrain

Merced to Fresno – 10,500 new jobs

- Grade separations, guideway structures, utility relocation, earthwork and track

- Environmental mitigation and right-of-way acquisition

Fresno to Bakersfield – 16,500 new jobs

- Grade separations, guideway structures, utility relocation, earthwork and track
- Environmental mitigation and right-of-way acquisition

Los Angeles to Anaheim – 53,700 new jobs

- High-speed train facilities at Los Angeles Union Station, Norwalk Station, and the Anaheim Regional Transportation Intermodal Center
- Grade separations, utility relocation, guideway structures, tunneling, earthwork and track
- Environmental mitigation and right-of-way acquisition

Preliminary engineering and environmental work – 12,000 new jobs

- Includes preliminary work in all other system segments, including Los Angeles to San Diego via the Inland Empire, Los Angeles to Palmdale and Bakersfield, and the Altamont Corridor.

Once built, the high-speed rail system would create over 450,000 more permanent jobs expected by 2035. Furthermore, lower transportation and transaction costs will encourage new businesses to locate near the high-speed rail corridors, and the convenience and accessibility will have a positive impact on residential and commercial property values. California high-speed rail will have a positive economic impact on the state and the nation as a whole.

The environmental benefits of developing and operating a high-speed rail system in California are immense. California has the one of the most challenging air quality attainment problems in the nation. Today, nearly all Californians, about 99 percent, live in areas that are designated as nonattainment for the State and national (about 93 percent) health-based ozone and/or particulate matter (PM) standards. In the state's major urban areas with the worst air quality problems, the State ozone and PM standards can be exceeded over 140 days per year¹. Between 2008 and 2025, California's population is projected to increase from 38.1 million to 46.7 million. Annual increases will be about 500,000 people, equivalent to adding a city the size of Long Beach to the state's population each year. The emissions produced by millions of additional residents will only serve to exacerbate an already dire health problem should vehicle-miles-traveled continue to increase up to 2-1/2 times the rate of population growth. Mobile sources such as cars and diesel trucks represent 80% of the nitrous oxide (NOx) emissions that are regulated by the government and we anticipate that more stringent regulations on this and other ozone gases will continue to be implemented over time. The operation of the high-speed rail system in California would contribute significantly to the mitigation of these emissions and to reductions in greenhouse gases.

In addition to economic and environmental benefits, the state has the mechanisms in place to ensure accountability and transparency. The California High Speed Rail Authority has a decade of engineering and design work in place. In addition, the high-speed rail bond passed by Californians in 2008 established highly stringent oversight

¹ California Air Resources Board, "The California Almanac of Emissions and Air Quality - 2009 Edition." Extracted from <http://www.arb.ca.gov/aqd/almanac/almanac09/almanac09.htm> on November 24, 2009.

Secretary Ray LaHood & Administrator Joseph C. Szabo

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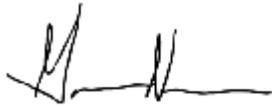
and accountability measures. The bond requires the creation of a peer review committee, a pre-appropriation review process, and a pre-expenditure review process. It also requires the State Auditor to perform periodic audits of the California High Speed Rail Authority following its expenditure of bond proceeds.

The project currently underway in California will be a model system for the rest of the nation, and we are unified behind this high-speed train project. Thank you for your consideration of the state of California's application. We look forward to continuing to work with you to make high-speed rail in this nation a reality.

Sincerely,



ASHLEY SWEARENGIN
Mayor – Fresno



GAVIN NEWSOM
Mayor – San Francisco



KEVIN JOHNSON
Mayor – Sacramento



ANTONIO R. VILLARAIGOSA
Mayor – Los Angeles



MIGUEL PULIDO
Mayor – Santa Ana



CHUCK REED
Mayor – San Jose



CURT PRINGLE
Mayor - Anaheim