



SAN FRANCISCO TO SAN JOSE COMMUNITY WORKING GROUPS MEETING SUMMARY MARCH 2, 2021

SUMMARY

Introductions and Agenda Review

Joey Goldman, facilitator, welcomed the Community Working Group (CWG) members, and thanked them for joining. He introduced California High-Speed Rail Authority (Authority) staff, shared the webinar objectives, and reviewed the agenda.

A participant list is in Appendix A. The presentation is available on the Authority's website:

https://hsr.ca.gov/docs/events/2021_Winter_San_Francisco_to_San_Jose_CWG_Presentation.pdf.

Revised Draft 2020 Business Plan

Boris Lipkin presented an overview of the Revised Draft 2020 Business Plan. Every two years, the Authority is tasked with releasing an updated Business Plan for public review and adoption by the Authority Board of Directors. The 2020 Business Plan release and adoption was delayed to allow the Authority time to analyze the COVID-19 pandemic's effects on the high-speed rail program. The Revised Draft 2020 Business Plan looks at the pandemic's effects all areas of the program including (but not limited to) workforce, revenue, costs, and schedules. It also introduces the Authority's revised approach to risk management in light of the pandemic.

The Revised Draft 2020 Business Plan was released on March 12, 2021, triggering a 30-day public review period, which was to be followed by a vote on its adoption by the Authority Board of Directors on March 25, 2021.

Boris Lipkin concluded the presentation by sharing optimism about a positive relationship with the Biden administration, and the opportunities that support might offer.

Questions, Comments, and Responses

- A member asked if initial high-speed rail service could be operated on existing tracks in the San Joaquin Valley to serve Sacramento and Oakland before the planned high-speed rail alignment is complete.
 - Authority staff responded that there will be a cross-platform connection in Merced, but that high-speed rail equipment would be kept on the high-speed line. Passengers would use the San Joaquin and ACE trains to get to Sacramento and the Bay Area.
- A member asked Authority staff to elaborate on comments made by members of the public and news outlets regarding litigation and cost overruns.
 - Authority staff confirmed that there is ongoing litigation regarding Proposition 1A funding and how funds are being used. A lower court trial ruled in favor of the Authority, but the decision was appealed by the litigants.

- Authority staff said that recent news articles on construction did not accurately capture the issue. While there have been challenges and change orders related to construction, the Authority has been transparent about these challenges and they have been addressed.
- Authority staff elaborated that the federal government required that American Recovery and Reinvestment Act of 2009 (ARRA) funds for construction in the Central Valley had to be used by September 2017. This resulted in three construction packages being conducted simultaneously, which had implications on right-of-way acquisitions, and subsequently overall cost. The Authority was ultimately able to meet the deadline, but there have been lingering legacy challenges. The Authority staff also directed members to the Revised Draft 2020 Business Plan for more information on this topic.
- A member suggested that the Authority share facts and examples about costs and difficulties of developing a project of this magnitude to raise public awareness about the challenges.
- A member asked if the Authority collaborated with Caltrain on its service plan, which recently received funding through Measure RR, and asked about the compatibility of the Caltrain and High-Speed Rail Authority service plans.
 - Authority staff answered that they have been collaborating with Caltrain since long before it received dedicated funding through Measure RR, and that this coordination will continue. Staff also noted that the plans are compatible.
- A member asked Authority staff to address the safety concerns related to high-speed express service through two-track stations.
 - Authority staff responded that safety features (warning signals, bells, lights, and safety strips) will be provided at stations, including existing Caltrain stations.

California High-Speed Rail Funding 101

Boris Lipkin presented information about funding sources for the California High-Speed Rail program since its inception. The four main funding sources are Proposition 1A bonds, federal recovery act grants, federal appropriations, and state cap-and-trade revenues.

Questions, Comments, and Responses

- A member asked for clarification on cap-and-trade allowances after May 2020.
 - Authority staff explained that the cap-and-trade system permits entities to emit specific amounts of carbon dioxide for a fee. In some past cap-and-trade auctions, allowances not purchased were sold in subsequent auctions. Carbon dioxide allowances not purchased in the May 2020 auction will likely be sold at future auctions.
- A member asked for an explanation of the yellow line on the “CHSR Quarterly C&T Auction Proceeds” graph (slide 28).
 - Authority staff explained that the yellow line indicates cap-and-trade revenue of \$500 million per year for the Authority, and the blue line indicates cap-and-trade revenue of \$750 million per year. These numbers represent a range of revenue from cap-and-trade auctions that the Authority uses for its planning.
- A member asked if revenue from a cap-and-trade auction exceeds \$750 million per year, the upper limit of the Authority planning budget, is it possible to save the excess to reduce the volatility.
 - Authority staff responded that the Authority attempts to manage cashflow so that they are not dependent on the cap-and-trade auction cycle. Since Proposition 1A and federal funds have been depleted, this year’s funds will come mainly from cap-and-trade accumulated revenue. This will make the Authority more exposed to the fluctuations of the cap-and-trade auction, which could impact construction and timelines if Proposition 1A funds are not appropriated later this year.

Transbay Joint Powers Authority

Lily Madjus Wu and Steven Polechronis provided a partner update on behalf of the Transbay Joint Powers Authority (TJPA) on the Downtown Rail Extension (DTX).

Questions, Comments, and Responses

- A member asked for clarification on the word *indicative* as was used in the presentation – “Funding Plan Update (Indicative).”
 - The TJPA presenter clarified that some cost ranges will need to be revised as the funding plan is finalized; the figures shared are projections and will require updates.
- A member asked why construction has not yet started on the project.
 - The TJPA presenter noted that the delay is a result of a funding gap. The design process has begun but they are required to participate in a multiyear FTA New Starts process to qualify for federal funding. Additionally, a significant proportion of the funding plan is linked to Regional Measure 3. The TJPA is working to source significant funding to support an accelerated program.
- A member commented that the projected cost of the project (\$4.5-\$5.5 billion) seems high and asked the presenter to provide a rationale.
 - The presenter explained that the cost is associated with the higher cost of underground construction, the location of the project, its size, and the services that will be provided at the facilities.
- A member asked if the overall cost could be reduced if the timeline were condensed.
 - The presenter responded that if funding were readily available, the timeline would be two to three years shorter, and that the total cost would be approximately \$200 million per year.

Additional Discussion

Joseph Goldman invited CWG members to share any outstanding questions before the meeting concluded.

- A member asked what grade limitations exist, given that Caltrain’s engineering standards limit the grades and design options to 1% maximum grade preference based on UPRR requirements.
 - Authority staff responded that the grade requirements are specified in the technical memorandum and vary by location but are generally set by Caltrain on their corridor in compliance with their agreements with UPRR. HSR trains can achieve steeper grades.
- A member commented that high-speed rail programs globally are increasing their grade requirements.

Public Comments

Members of the public were invited to share their comments.

- A member of the public commented that this CWG meeting conflicts with a Millbrae City Council committee meeting and that this is the second stakeholder meeting hosted by the Authority to do so.
- A member of the public commented that groups from the Millbrae are not well represented on the CWG, despite their effort to coordinate with the Authority to recruit new members. They noted that they would continue to recommend stakeholder groups to the Authority to attend the CWG meetings in the future. The member of the public also commented that the Draft Revised 2020 Business Plan incorrectly states that the Authority has completed planning agreements with the City of Millbrae. Rather, they pointed out, the Authority has prevented the development of affordable housing units and economic development in the City. Further, the commenter noted that the Authority proposed an underground station, but the Draft Environmental Impact Report/Impact Statement states that extra tracks will be added instead. They concluded by stating that that this process has not been fair for the City of Millbrae.
- A member of the public commented that the City of Millbrae feels ignored, despite hosting the only high-speed rail station in the county. They requested the Authority to secure enough funding to construct the rail

line and station underground in Millbrae and said that the City will be meeting with the Authority to discuss the request for additional funding, giving an example of how the City of Fresno had met with the Authority. They reiterated that the Authority's current proposal replaces a planned transit-oriented development area with a surface parking lot.

Action Items and Next Steps

- None

APPENDIX A – Participants

Community Working Group Members		
Affiliation	Name	In Attendance
Acterra	Lauren Weston	Yes
Atherton Rail Committee	Paul Jones	Yes
Bay Area Council	Gwen Litvak	No
Beresford Hillsdale Neighborhood Association	Robert Sellers	No
Burlingame Community Leader	Ross Bruce	No
Burlingame Resident	Joe Baylock	Yes
Caltrain Accessibility Advisory Committee	Bob Planthold, Fernanda Castello	No
Caltrain Citizens Advisory Committee	Paul Bendix	Yes
Candlestick Cove Neighborhood Association	Jignesh Desai	No
Chinatown Community Development Center	Chris Man	No
Clean Coalition	Craig Lewis	No
Coalition for San Francisco Neighborhoods	George Wooding	No
Friends of Caltrain	Adrian Brandt	Yes
Friends of Caltrain (San Francisco)	Andrew Sullivan	No
Friends of DTX	Brian Stokle	No
Greater East San Carlos Neighborhood	Dimitri Vandellos	No
Homeowners Assoc. of North Central San Mateo	Ben Toy	No
Housing Leadership Council of San Mateo	Evelyn Stivers, Leora Tanjuatco Ross	No
Legal Aid Society of San Mateo County	Stacey Hawver	No
Little Hollywood Neighborhood Association	Russel Morine	No
Loma Prieta Sierra Club	Gladwyn D'Souza	No
Menlo Park Chamber of Commerce	Fran Dehn	No
Millbrae Chamber of Commerce	Lorianne Richardson	No
Millbrae Resident	Nathan Chan	No
Mountain View Coalition for Sustainable Planning	Cliff Chambers	No
Muslim Community Association (MCA) of San Francisco Bay Area	Faisal Ahmed	No
Next Path Consulting	Debra Horen	No
None	Ted Olsson	No
North Fair Oaks Community	Ever Rodriguez, Rafael Avendaño	No
Old Quad Residents Association	Patricia Leung	No
On Lok, Inc.	Vickie Huynh	No
Peninsula Freight Rail Users Group (PFRUG)	Greg Greenway	Yes
Redwood City Chamber of Commerce	Amy Buckmaster	No
Redwood City Forward	Anthony Lazarus	Yes
Samaritan House	Laura Bent	No
San Francisco Bicycle Coalition	Janice Li	No

San Francisco Chamber of Commerce	Emily Abraham	Yes
San Francisco Giants	Josh Karlin-Resnick	No
San Francisco International Airport	Nile Ledbetter	Yes
San Francisco Labor Council	Rudy Gonzalez	No
San Francisco Tomorrow	Jerry Levine	No
San Francisco Transit Riders	Thea Selby	No
San Mateo Area Chamber of Commerce	Matthew Jacobs	No
San Mateo County Central Labor Council	Richard Hedges	No
San Mateo County Economic Development Association	Don Cecil	No
San Mateo County Health System	Brian Oh	No
Silicon Valley Bicycle Coalition	Emma Shlaes	No
Silicon Valley Central Chamber of Commerce	Christian Pellecchia	No
South Bay Islamic Association (SBIA)	Athar Siddique	No
South Beach Mission Bay Business Association	Patrick Valentino	No
South Beach, Rincon, Mission Bay Neighborhood Association	Alice Rogers, Bruce Agid	Yes
South San Francisco School Board/SamTrans Citizens Advisory Committee	John Baker	Yes
SPUR	Arielle Fleisher, Laura Tolkoff	No
Stanford University	Jessica Alba, Lesley Lowe	No
Sunnyvale Sustainable Affordable Living Coalition	Mike Serrone	No
Sustainable San Mateo County	Bill Schulte, Christine Kohl-Zaugg	No
Transportation Advocate	Wilbert Din	No
UCSF	Tammy Chan, Amiee Alden	Yes
UCSF - Alternate	Leah Pimentel	No
Urban Land Institute	Linda Klein, Jay Paxton	No
Visitacion Valley Historic Project	Mono Simeone	No
Visitacion Valley Planning Alliance	Fran Martin	No
Visitacion Valley Service Providers Collaborative	Marlene Tran	No
Washington Park Neighborhood Association (Sunnyvale)	Matt Brunnings	No
YIMBY	Jack Harman	Yes
YIMBY Action	Laura Foote	No
Youth United for Community Action	Ofelia Bello	No

Authority Staff: Boris Lipkin, James Tung, Morgan Galli, Rebecca Fleischer, Joey Goldman, Abby Fullem, Kai Walcott, Phyllis Potter, Anthony Lopez, and Natalie Daniel

Transbay Joint Powers Authority Staff: Lily Madjus Wu and Steven Polechronis