



community report

JANUARY 12, 2015

A GROUND BREAKING OCCASION? NO!

We feel certain you saw the announcements last week about the High-Speed Rail Authority's big "groundbreaking" celebration in Fresno. No ground was actually broken, but a piece of steel track did receive the signatures of the Governor, the Attorney General, and other federal, state, and local officials. There was lots of fanfare, but what does it all mean?

In three words, "*not very much!*"

When faced with difficult facts, the High-Speed Rail Authority tends to issue press releases and make pronouncements about how great it will be to have a high-speed rail system in California. The ceremony in Fresno falls right into that traditional pattern. The fanfare and hoopla involved in this non-public celebration (any dissenters were fenced right out) was intended to convey the impression that the Authority's high-speed train project is now safely and securely on track and underway. The Authority's Chair said that the project was now at "a point where continuous construction begins." Is that true?

In two words, "*Not really!*"

Before meaningful and "continuous" construction can actually start, here are some obstacles that will have to be overcome:

- The Authority *needs to, but doesn't, have the money to finance that "continuous" construction*. The estimated cost of the project is \$68 billion (and this is truly an underestimate). The Authority has a little over \$6 billion, best-case scenario.
- Currently available federal funding is on the order of \$3.3 billion. That's part of the \$6 billion figure just mentioned. *Further federal funding for the project is not going to be available for years, if ever*. At the "groundbreaking" ceremony, the Governor said, in essence, "don't worry; the federal government is going to fund this project." There is absolutely no basis in fact for this rosy prediction.
- Furthermore, the \$3.3 billion in federal funding is supposed to be expended by September 2017, and *it is unlikely the Authority can spend those funds fast enough to utilize the total* \$3.3 in federal funding by the 2017 deadline.
- Every dollar of currently available federal funding must be matched, dollar for dollar, by state funding. So far, *NO state bond funding is available for construction*, and the Governor's proposed use of so-called Cap And Trade funds would not provide enough revenue to be considered an adequate source for the match.

cc-hsr community report

continued

- Not only is **Cap And Trade funding not sufficient** to provide a \$3.3 billion match for the federal government, the **use** of Cap and Trade funding for the High-Speed Rail project **is legally improper**, and a lawsuit has already been filed to prevent that improper expenditure.
- Because the **project, as currently planned, does not comply with the requirements of Proposition 1A**, the High-Speed Rail Bond Act, it is quite possible that no bond funding will ever be available to match federal dollars or to construct the project. A trial on the key issues related to the availability of Proposition 1A funding will take place this spring.
- On a non-money issue, the **Authority is seriously behind schedule in its eminent domain acquisitions**, so the Authority won't actually have access to the land that would allow "continuous construction" to begin.
- Also on a non-money issue, and perhaps even more important, the Authority's own engineers have revealed that **there is no way that the chosen route** for the Initial Operating Segment from the Central Valley into Los Angeles **can be physically negotiated by high speed trains**. Either the grade will be dangerously steep to go down the mountain or it will be extremely expensive to go through the mountain in a tunnel. In either case, the current route will have to be redesigned and possibly relocated. That will take time not mentioned and money not available.
- Finally, and the bottom line: Principled **opposition is not going to disappear**. Jim Patterson, a former Fresno Mayor, and now a member of the California Assembly, was quoted as saying, "we all support progress. What we don't support is financial foolishness and governmental deceit." CC-HSR is right there with him!

There was lots of fanfare and lots of hoopla last Tuesday in Fresno. Does this mean that the High-Speed Rail project is going to happen?

In one word, "**No!**"

Help us continue our coverage.

Since 2008, CC-HSR has been working through litigation, lobbying, and public outreach to make sure that the state's proposed High-Speed Rail project does not bring devastating impacts to the San Francisco Peninsula, or to other parts of California. Return go to our web site **www.cc-hsr.org** to make a donation to support our work. CC-HSR is totally supported by the community, and this latest decision by the STB, and the anticipated approval in January of the proposed Caltrain "Pre-HSR" project, means that we will probably have to be back in court very soon. We truly need your help!

AND, please Know This: WE APPRECIATE Your Support!

CC-HSR is totally supported by the community, and we truly appreciate your help! Thank you again for your support and assistance for our work!

Visit Our Website To Make A Contribution