

From *The Atlantic*

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In California's Commuter Rail Drama, Nobody's a Winner

Except, ironically, proponents of high-speed rail, the likely target of a major federal grant delay.

LAURA BLISS | Feb 23, 2017



Choo-choo-choose me, FTA! (Jeff Chiu/AP Photo)

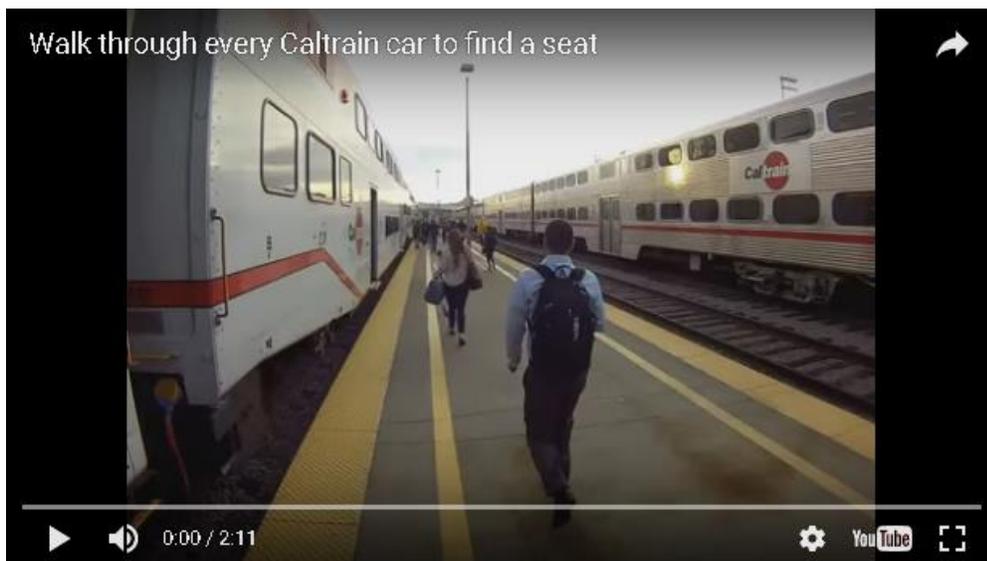
When state governments go to war with Uncle Sam, the direction of contention usually faces one way: conservative states' rights versus progressive civil rights, as upheld by the federal government. (See: [immigration enforcement](#), [same-sex marriage](#), ["bathroom" laws](#), [racial integration](#), [slavery](#).)

But for the next four years, the biggest scuffle in federalism flips that around. Now it's California, embattled bastion of progressive ideals, duking it out with President Donald Trump and a Republican-majority Congress.

On [immigration](#) and [climate](#) in particular, the [state will be butting heads with the White House](#), which could have major implications for what it's able to achieve—especially given the ambitious infrastructure plans California has been long cooking up.

Now, what many are interpreting as an early funding strike against California lands in the transportation sector. The Federal Transit Administration has put the brakes on a \$647 million grant destined for Caltrain, the Bay Area commuter rail system in sore need of an upgrade. This might be a White House knock against California, or it may be a Republican knock against the state's high-profile rail aspirations—certainly, the two aren't mutually exclusive. However, no one is likely to score any points off it.

Sorry, but what's Caltrain?



Caltrain is a 50-mile commuter rail line running through San Francisco, San Mateo, and Santa Clara counties. The spine connects 19 cities and roughly 3 million people, including the powerhouse workforce of Silicon Valley. It's estimated that the companies along the tracks—among them Facebook, Google, Tesla, and Adobe—generate 14 percent of the state's GDP. It's also where [43 percent of the country's venture capital is invested](#). Getting this region to work on time doesn't just serve California (which is [the sixth-largest economy in the world](#)). It's essential for the U.S. economy in general.

[In California, the Future Is Still Electric](#)

As Silicon Valley's population has surged in recent decades, transportation services have failed to keep pace. Highways are increasingly congested, and

transit options are limited. Bus ridership has dropped as service has failed to compete with single-passenger cars and a surge of private shuttles. And Caltrain can't keep up with demand. Ridership has doubled since 2005, but [it's still running on 30-year-old cars](#). Passengers riding at peak times find standing-room-only conditions, and schedules can be wildly unreliable at other hours of the day. (A report released today by the urban planning think tank SPUR [describes Caltrain's woes in detail](#).) It's a familiar story of transit disinvestment.

So the deal with this grant is ...?

Transportation officials have been plotting to overhaul Caltrain since the 1990s, and slowly they've scraped together the local, regional, and state funds to do so. The biggest planned transformation is to switch most of the train fleet from smoke-spewing diesel to electric power. That would allow the system to run more efficiently and could bump up capacity by as much as 25 percent. It also means sparkly new trains. All of this costs money: Electrification is pegged at nearly \$2 billion.

A key chunk of that sum is a \$647 million grant from the FTA. Caltrain has worked for two years to meet every requirement, and on January 19—one day before President Obama left office—the FTA gave the green light on the big grant, triggering a normal month-long review period.

But on the day a decision was due, the FTA said the grant's approval would be delayed. A spokesperson explained that this way, the Caltrain project could be reviewed as part of Trump's fiscal considerations for 2018. No timeline was given, but the administration's budget should be arriving [sometime in late spring](#).

Is this a swat at California?



Swiss Embassy
@SwissEmbassyUSA



@Caltrain just ordered 16 brand new 515-foot-long double-decker #Swiss trains from #Stadler
railcolomews.com/2016/08/16/us-...

11:56 AM - 18 Aug 2016



Trump has made clear that he sees defunding as an appropriate response to the rogue state; perhaps this FTA grant deferral is an early example.

But that interpretation assumes the White House is up to speed on the particulars of the state's rail modernization plans, [which may be generous](#). More likely, this hold-up may reflect the efforts of one very influential Republican congressman: House Majority Leader Kevin McCarthy, who represents the Trump-loving Central Valley city of Bakersfield.

Earlier this month, with a delegation of California Republicans, McCarthy [sent a letter to the new Secretary of Transportation](#), Elaine Chao, urging her to delay the FTA grant. But their logic was not informed by any specific concern regarding Caltrain, exactly. Rather, it was related to California's high-speed rail line, the \$64 billion SF-to-LA megaproject that, God bless it, [simply refuses to die](#). According to the [L.A. Times](#), the Republicans wrote:

...providing additional funding at this time to the [high-speed rail] authority would be an irresponsible use of taxpayers dollars... we request no further monies be granted to the [California High-Speed Rail] Authority or the state of California for high speed rail until a full and complete audit of the project and its finances can be conducted and those finding be presented to the public.

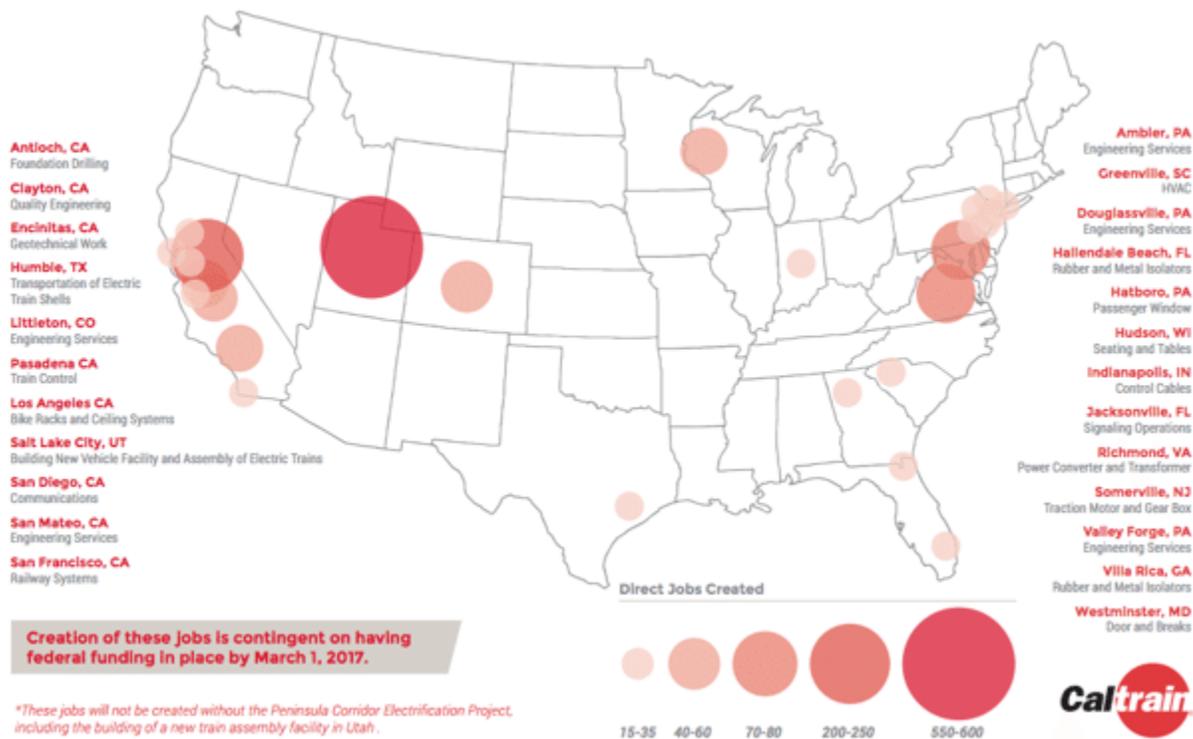
But, contrary to the language used in the letter, the FTA's grant would not go towards the high-speed rail authority—it would go directly to Caltrain, which operates independently.

Many conservatives see high-speed rail as a textbook boondoggle, offering little value to rural districts and encroaching on taxpayers and local authorities. Governor Jerry Brown, who's pushed the project forward at every turn, would disagree; proponents ([which, polls suggest, include 52 percent of California adults](#)) see it as essential means of support for the state's growing population and economy. But McCarthy has been among the project's loudest opponents; as California, and [particularly the Central Valley](#), struggled through the drought, he repeatedly called to transfer [high-speed rail funds to water storage projects](#).

That's a [false opposition when it comes to California's infrastructure priorities](#), and McCarthy's letter demonstrates another wrongheaded conflation. Plans for Caltrain predate high-speed rail, and they are two distinct, though intertwined, projects. Caltrain's electrification *will* help high-speed rail move along more quickly, when HSR construction eventually reaches the Bay Area (which could be as soon as 2025), since the systems are supposed to share the same San Jose-to-San Francisco corridor. Caltrain has also received a chunk of funding from the high-speed rail authority.

But Caltrain is much more than a preamble to the bullet train. As a California superior court judge has ruled, the two projects are driven by independent goals, and one could be implemented without the other. [Plenty of critics of high-speed rail](#) believe Caltrain's electrification should move ahead, because of its clear value to a critical economic region.

Who wins and loses here?



According to Caltrain, modernizing the system will create over 9,600 total direct and indirect jobs nationwide. (Caltrain)

As of now, the FTA grant is deferred, not rejected. If the money is approved before March 1—the deadline Caltrain already gave contractors for their notice to proceed—then all should be well. If the funding is accounted for within

Trump's budget, then some contracts might be screwed up, and Caltrain's timeline may be set back a couple of months. That isn't nothing; as Yonah Freemark, a transit consultant and scholar, points out, the longer projects are delayed, the more expensive they tend to become.

But those train-happy outcomes seem unlikely, given the partisan energies thrashing about. If the FTA sides with Republicans in Congress, and ultimately rejects the grant, the Bay Area's future viability as a economic powerhouse, as well as California's climate goals, could be at risk. "If we are not able to receive the grant, then we will not have a Caltrain electrification project moving forward," says Caltrain spokesman Seamus Murphy. "We'd continue to operate with diesel, would not be able to accommodate job growth, trains would be overcrowded."

Clearly, the [growing number of workers](#) who rely on Caltrain stand to lose. As long as the train runs on diesel, local air quality will also suffer, and the state's targets for driving down carbon emissions will be harder to meet. And as Murphy points out, Caltrain has already drawn up contracts with equipment manufacturers in Utah, Florida, Virginia, Wisconsin, Colorado, and beyond; all told, [nearly 10,000 jobs sprinkled across the U.S. hinge on the FTA's decision](#). As with so much California-related, big investments here pay dividends to lots of other places.

Guess who won't lose? High-speed rail, the likely target of these shenanigans. Setting back the electrification of the Caltrain corridor in HSR's planned 800-mile spine is a frustration, to be sure, but it doesn't halt the project. In fact, there's very little that the federal government can do, right now, to stop high-speed rail construction (which, by the way, has already started, and is [transforming Bakersfield's neighbor, Fresno](#)). The project is not currently seeking federal funding; state funds are sufficient to shepherd the project through another several years of construction.

So by blocking Caltrain's money, the FTA would be hurting local commuters, including those working at Silicon Valley's most powerful businesses. It would set back the state's environmental aspirations. It would throw into question thousands of manufacturing jobs—the very jobs President Trump is intent on creating. And it would do very little to harm the project that many California Republicans despise.

What's next?

A wealthy state, and especially a wealthy region, could make up a loss of \$647 million, either through referendum or paying up local funds. Or perhaps any

number of tech oligarchs could jot off a check. But realistically, this would take time. “There is no rock that exists that has \$647 million hiding underneath,” says Murphy. And it wouldn’t exactly be fair, so long as other regions are getting the federal funds they qualify for.

Which raises the question: What does all of this mean for federal transportation funding, writ large?

That remains extremely hard to say. There are many confusing dynamics here. In the past, President Trump has stated that he likes [high-speed rail in general](#), and has said more supportive things about [transit than most presidents](#). Republicans, meanwhile, traditionally oppose all things railroad-related. And here, California’s GOP leaders either don’t know the funding facts about their state’s rail projects, or are willing to misstate them, to serve a rather muddled goal.

In that sense, even if President Trump wasn’t personally involved in this round, a Republican attack on Caltrain has one thing in common with [his rhetoric on infrastructure](#), and so much else: It all seems pretty confused.

<https://www.citylab.com/commute/2017/02/in-californias-rail-drama-nobodys-a-winner/517488/>