Though shovels are ready, Trump officials delay grant for Caltrain upgrade

SAN JOSE — The railway shuttles 65,000 people a day between San Francisco and San Jose, its cars crammed with Silicon Valley workers tapping on sleek
laptops and hoisting bikes into designated cars. But the signs of aging are unmistakable — 1980s control panels devoid of digital technology, the dusting of sea-green foam that has escaped from the seat cushions and settled on the floor.

All of that was supposed to change with the launch of a $2 billion upgrade, underwritten in part by a $647 million grant from the Federal Transit Administration approved days before President Barack Obama left office. But then the Trump administration arrived, and within a month the FTA informed Caltrain that it was “deferring a decision.”

The delay has infuriated California officials, who had hoped the long-awaited project would mesh nicely with President Trump’s call for fresh spending on the nation’s aging infrastructure. But in this era of distrust and polarization, an otherwise popular initiative has become a GOP target, seen as a pet project of the former president.

The move to shelve the grant is reverberating far beyond the Golden State, alarming officials in cities across the nation. The White House wants to slice nearly $1 billion from the transportation budget this year, with the cuts aimed primarily at urban transit projects such as the Purple Line in Maryland’s Montgomery and Prince George’s counties.

More cuts may be in store: Trump’s budget request for fiscal 2018 ignores two major New York City projects: an extension of the Second Avenue subway line and a new train tunnel under the Hudson River. In a note to Congress last month, the White House budget office wrote that when it comes to improvements to Caltrain and the D.C. Metro system, “localities should fund these localized projects.”
Christopher Leinberger, chair of George Washington University’s Center for Real Estate and Urban Analysis, said the cuts suggest Trump is “playing to the base,” because he got much less support in urban areas than in “drivable suburban locations.”

“This is about pure politics,” Leinberger said.

Last month, the American Public Transportation Association sent a letter to Transportation Secretary Elaine Chao calling the Caltrain delay “concerning.” In more than two decades, the association wrote, “no project has failed to secure final signature after successfully meeting evaluation criteria.”

Transportation officials were noncommittal, saying the project would be considered along with other priorities for fiscal 2018.

For Caltrain general manager and chief executive Jim Hartnett, whose company started planning for the upgrade in the late 1990s, the delay is
disheartening. The project, which would finance a switch from diesel engines to high-performance electric commuter rail trains, has already received $73 million in federal appropriations but cannot tap the cash without the Transportation Department’s approval.

“We are more than shovel-ready,” Hartnett said. “Our shovel is in the ground and ready to turn.”

At Caltrain’s San Jose Diridon Station last month, company officials pointed out the signs of wear and tear on a railway system that was inaugurated during Abraham Lincoln’s presidency.

More than two-thirds of its locomotives date to 1985; more than half of its passenger trains are that old. There is no diagnostic software. “When something goes wrong, we put in a part and hope for the best,” said Caltrain’s director of rail operations, Joe Navarro.

A few weeks ago, half of the red-and-silver Caltrain signs started peeling off the side of a passenger car at the South San Francisco stop, prompting a half-hour delay. Doing a “midlife” overhaul, which extends a locomotive or passenger car’s life by an additional decade, costs $2.2 million per locomotive and $1.5 million per car.
“We’re the second-oldest railroad west of the Mississippi, and we have advanced that far beyond the steam engine,” Navarro said. “We’re running diesel.”

Caltrain first contemplated an electric rail line two decades ago, but the idea has taken on new urgency as Silicon Valley has boomed and ridership has doubled since 2005.

Officials approached the FTA about the project in 2001, while also tapping local funding sources, including money approved by Proposition 1A, a 2008 ballot measure intended to connect transit projects to the state’s planned high-speed rail system.

This annoyed Rep. Jeff Denham (R-Calif.), who chairs a key House Transportation and Infrastructure subcommittee. Denham has lobbied Chao to deny the grant because the new Caltrain cars would run slower than 220 mph, the rate that defines high-speed rail. He urged California Gov. Jerry Brown (D) to find a different source of state financing for Caltrain and then reapply for the federal money.

“I am supportive of Caltrain and the electrification project, but they have to be funded the right way,” Denham said. “I would expect any new administration to fund what their new transportation policy is going to be and what their priorities are.”

Brown, who met with Chao last month to discuss the grant, said of Denham in a phone interview: “That’s called blackmail.”

Californians “voted for a bond issue” for high-speed rail “but envisioned other projects” using the cash, the governor said. “To go against it is the rawest, stupidest form of politics.”
For the moment, Caltrain has obtained a four-month delay from its contractors in exchange for paying a penalty, meaning it could still proceed with the project if it gets an infusion of federal funds by June 30.

The electrification upgrade is expected to generate 4,700 jobs in more than a dozen states, including Utah, where the new trains would be manufactured. Caltrain officials have reached out to more than a dozen members of the House and Senate who represent areas that would benefit from the project.

In an interview, Senate Finance Committee Chairman Orrin G. Hatch (R-Utah) said the project “would be very beneficial to Utah, no question.”

Although it may be challenging to free up the money, Hatch said, “we’re going to do what we can to get that done.”