California bullet train headed first to San Jose -- a big Bay Area win

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SACRAMENTO -- In a huge win for the Bay Area, the state will build the first 250 miles of bullet train track between San Jose and the Bakersfield area and now aims to offer service on the line in less than a decade, according to a report set to be released Friday.

The new plan represents a seismic shift from the California High-Speed Rail Authority's 2012 decision to build the first segment of the San Francisco-to-Los Angeles rail line between Burbank and the Central Valley.

In the draft report obtained Wednesday by this newspaper, the authority says it had to change course to keep costs down, in large part because the southern segment will entail expensive tunneling costs through the Tehachapi and San Gabriel mountains.

Getting even a significant portion of the project built early -- by 2025 -- would help its political survival. And, as the report notes, the Silicon Valley-to-Central Valley line will better position the state to attract private investors, whom Gov. Jerry Brown and supporters of the project hope will pay for part of the cost, now estimated at \$64 billion -- down from \$68 billion.

"This is a prudent and realistic strategy for moving forward to deliver a high-speed rail in California that is consistent with our principles and the intent of Proposition 1A and that initiates service as soon as possible," the report states.

Proposition 1A, which put the bullet train in motion by authorizing \$9.95 billion in state bonds, was approved by voters in 2008 but has been beset by construction delays, funding shortages and political turmoil.

The first construction started in Fresno last July, 2½ years behind schedule.

Late Wednesday, Silicon Valley government officials and business leaders roundly praised the news that the first bullet train service would connect to Diridon Station in downtown San Jose. But the new direction is sure to generate plenty of blowback from Southern California politicians, who see the train as a way to improve the region's gridlocked transportation system.

Bay Area leaders, however, say the train to Silicon Valley would also open up a world of opportunities here.

"We are talking about a trip from Madera taking 40 minutes to downtown San Jose when you cannot get from the Almaden Valley to downtown San Jose in 40 minutes," said Carl Guardino, CEO of the Silicon Valley Leadership Group. "The unemployment rate in the Central Valley is twice the amount as the rest of California, and this is going to provide such opportunities for workers throughout the Central Valley and then a way for travelers to get from the Central Valley to jobs in Silicon Valley."

Bullet train proponents say another reason it will be such a game changer for the Bay Area is that it will make it easier to electrify Caltrain from San Jose to San Francisco because the bullet trains and Caltrain will run on the same tracks. And that, San Jose Mayor Sam Liccardo said, will "improve commutes for residents in the South County, all to the benefit of our efforts to grow jobs in downtown San Jose."

Moreover, Guardino said, getting the train here by 2025 means it would arrive at about the same time as the scheduled BART extension to downtown San Jose.

"So we would have electrified Caltrain, BART and high-speed rail all coming together at the Grand Central Station of the West: Diridon Station," said Guardino, a member of the state's transportation commission.

"It is obviously a great victory for Silicon Valley, and it reflects on our solidarity in support of the project," said Rod Diridon Sr., whom that station is named after. Diridon, past chairman of the High-Speed Rail Authority, is director emeritus at the Mineta Transportation Institute at San Jose State.

He said "L.A. lost" because there was too much opposition in the San Fernando Valley and north Los Angeles County "by a very small group of horse and cattle owners in the area."

"Eventually it will go through, undoubtedly because it's really necessary, and L.A. County and city will not stand for them being left out."

Yet Southern California stands to gain, too, according to the report. The authority plans to spend roughly \$2 billion to improve existing transportation infrastructure that connects Los Angeles to Burbank and Anaheim ahead of bullet train service in that region.

To finance the roughly \$20 billion cost of the Silicon Valley-to-Central Valley segment of the rail line, the authority has proposed using a mix of Proposition 1A bond money, federal funding and an appropriation of as much as \$500 million annually from California's cap-and-trade system, which forces large polluters to pay into a state fund.

Republicans in Congress have been highly critical of the bullet train and reticent to appropriate another dime of federal funding, but the report notes that transportation projects of this magnitude typically rely on the federal government as a funding partner.

Ridership will be key in the state's efforts to attract private investors. The report estimates that the San Jose-to-Central Valley line would draw 2.2 million to 4.1 million riders in 2025 and as many as 69.3 million riders by 2060.

News of the change in direction came as little surprise to Palo Alto Mayor Pat Burt, whose city was at the epicenter of a fight against the rail authority's plans several years ago to build an elevated four-track system.

Burt said the Caltrain advisory group he belongs to anticipated the move when the authority sped up the environmental review process for the Bakersfield-to-San Jose segment about six months ago.

The Peninsula and South Bay cities represented by the group want the authority to provide a grade-separation plan for 40 rail crossings, including a "fair share" of the funding.

"If we simply have a consensus in what we insist upon, they will end up agreeing to it," Burt said.