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CONTACT:
Rachel Wall, 916.384.9026

**CALIFORNIA HIGH-SPEED RAIL PROJECT AWARDED
ADDITIONAL FEDERAL FUNDS**

\$300 million in reallocated funding will help complete system backbone in Central Valley

SACRAMENTO – Strong federal support for California’s high-speed rail project continued today with the U.S. Department of Transportation’s announcement of \$300 million in additional funding, bringing the total federal funding for this true high-speed rail project to nearly \$3.5 billion. Combined with matching state funds, California now has \$6.33 billion to invest in the development of its statewide high-speed train project.

This new money comes from federal support for Florida’s high-speed rail project, which that state’s governor canceled earlier this year. Following a competitive application process, Transportation Secretary Ray LaHood announced Monday that much of those funds have been redirected to 15 states, including California – which is set to begin construction on the statewide system next year.

The new money has been awarded to California to extend the initial Central Valley construction segment north toward Merced, funding the track and civil work from Fresno to the junction near Chowchilla, which will provide a connection to San Jose and San Francisco to the West and Merced and ultimately Sacramento to the North.

“President Obama and Vice President Biden’s vision for a national rail system will help ensure America is equipped to win the future with the fastest, safest and most efficient transportation network in the world,” said U.S. Secretary of Transportation Ray LaHood. “The investments we’re making today will help states across the country create jobs, spur economic development and boost manufacturing in their communities.”

Curt Pringle, chairman of the California High-Speed Rail Authority, said today: “It is a testament to the strength of California’s project that we have won 40 percent of every federal dollar awarded for the development of high-speed rail. In the past 15 months we have won the lion’s share of federal dollars, unlocked state bond funds and began engaging the private sector to secure their future participation, so that we can begin construction and begin creating thousands of quality jobs next year.”

Project engineers have set forth to determine exactly how far this additional federal funding, combined with the 20 percent state match pledged by the Authority, will extend construction on the initial Central Valley segment – the critical “backbone” of the statewide system where high-speed trains will travel at 220 miles per hour and connect Northern to Southern California. Every mile of track laid in the Central Valley represents another step toward a system that is expanding the route to eventually connect Sacramento, San Francisco, Los Angeles and San Diego and points between.

“It is clear that the federal government understands the importance of connecting Northern and Southern California with a more efficient, more convenient, and least costly new mode of transportation,” said Roelof van Ark, CEO of the California High-Speed Rail Authority. “Completing the backbone of our statewide system is what sets California apart from other

projects in development in the United States – our speeds of 220 mph and the 400-mile distance between the Bay Area and the Los Angeles Basin mean that what we are building is true high-speed rail like that seen in other continents around the world.”

The Authority's application, submitted April 4, 2011, sought funding to extend initial construction of its statewide system, and offered a 20 percent state match from the Proposition 1A (2008) funding.

Last month, California Governor Jerry Brown joined the state's two U.S. Senators in urging LaHood to reallocate the newly available funds to California.

“California's application seeks funding for projects that will be the building blocks for a statewide network of rail lines linking high-speed and intercity rail lines to regional rail lines,” Brown wrote in a letter introducing the state's application. “The projects will provide the foundation for a transportation system that will improve mobility, help the environment, reduce energy dependency, and put Californians to work.”

The additional funding will create 7,500 additional construction and construction-related jobs – in addition to the more than 100,000 jobs that will be created with the initial \$5.5 billion already secured to begin construction on the high-speed rail system.

The total funding awarded to California's high-speed rail project is now as follows:

- January 2010 ARRA award of \$1.85 billion + state match (50 percent) of \$1.85 billion = \$3.7 billion
- October 2010 Fiscal Year 2010 High-Speed and Intercity Rail funding award of \$715 million + state match (30 percent) of \$306 million = \$1.02 billion
- December 2010 ARRA re-allocation from the states of Wisconsin and Ohio, \$616 million + state match (50 percent) of \$616 million = \$1.234 billion
- Today's re-allocation of Florida ARRA funds of \$300 million + state match (20 percent) = \$375 million.

Total funding (federal + state) = \$6.33 billion

The strength of California's intercity rail program has led to additional federal funding awards to other transportation agencies totaling nearly \$600 million, bringing California's awards to 40 percent of all available dollars.

California's High-Speed Train Project

California's planned high-speed rail system continues to undergo environmental review, and nothing in the Authority's application for federal funds prejudices that review. The final track alignment through the Central Valley is dependent on the environmental review process, and therefore the ultimate number of track miles possible from re-allocated funds from Florida to California depends on that environmental determination. The draft environmental impact report

for the Central Valley segments is scheduled to be released Summer 2011 and then to go before the Authority's Board of Directors in late 2011 / early 2012 for a decision on the final alignment.

The California High-Speed Rail Authority is developing an 800-mile high-speed train system that will operate at speeds of up to 220 miles per hour, connecting the state's major urban centers, including the Bay Area, Fresno, Los Angeles and San Diego. The first phase of the project, San Francisco to Los Angeles and Anaheim, is projected to cost \$43 billion. Initial infrastructure construction will begin in the Central Valley, the backbone of the system, in 2012. The project is being funded through a voter-approved state bond, federal funding awards and public-private partnerships.