

Nick Josefowitz, Chair Carol Dutra-Vernaci, Vice Chair Programming and Allocations Committee Metropolitan Transportation Commission Bay Area Metro Center 375 Beale Street San Francisco, CA 94105

September 12, 2018

Dear Commissioners,

We are writing regarding MTC Resolution No. 3914, Revised. "Allocation of \$10.1 million in AB 1171 Bridge Toll funds to Tri-Valley - San Joaquin Valley Regional Rail Authority for CEQA documentation and preliminary engineering on the Valley Link rail project."

SPUR has long been a big supporter of thinking and investing at the megaregional scale. Among other activities, we wrote the first-ever report on the Northern California Megaregion in 2007 (https://www.spur.org/publications/urbanist-article/2007-11-01/northern-california-megaregion), recently published an article arguing for the Bay Area to increasingly consider the megaregion (https://www.spur.org/news/2018-06-19/where-exactly-bay-area) and have also been working closely with the California High-Speed Rail Authority on the economic development potential of connecting the Bay Area with the San Joaquin Valley (https://www.spur.org/publications/spurreport/2017-09-13/harnessing-high-speed-rail).

We are also supportive of MTC taking a leadership role in planning at the scale of the Northern California megaregion, particularly around rail.

We are writing today as MTC Resolution No. 3914 to provide \$10 million in bridge toll funds to the Tri-Valley-San Joaquin Valley Regional Rail Authority is a big step for MTC with significant implications for both funding and travel. It is a step that should only be taken with greater clarity on goals.

We urge that you consider the following questions and issues before you move forward with this funding allocation:

Ι. What is the goal for adding this rail capacity into the Central Valley?

Is the goal of this rail project primarily about connecting Bay Area workers to lower-cost housing in the San Joaquin Valley? Is it about reducing existing congestion on I-580? Or are there other

goals or expected outcomes? Additionally, are there other transit alternatives to this specific project, such as bus investments or upgrading existing rail lines out of the Bay Area? MTC ordinarily takes great care to do extensive analysis of the impacts of its transportation investments. Has this project gone through the rigorous analytic standards of MTC?

II. How does this project support or reinforce existing Plan Bay Area policy goals?

MTC and the Bay Area have extensive policy goals around building adequate housing within the nine counties, requiring transit-oriented development around stations, maintaining urban growth boundaries and ensuring the protection of open space. Since this is a project that connects to adjacent metropolitan regions who have adopted different Sustainable Communities Strategies, has MTC sought to ensure that the adjacent regions have comparable supportive policy goals? If not, is MTC working with neighboring regions to develop comparable policy goals so that new transportation investments are not sprawl-inducing?

III. Ultimately, is this \$10 million a good use of Bay Area funding?

The CEQA funding is a key moment in this project. But this initial step is a request for MTC to provide 100% of the funding for a megaregional project. What is the right mix of Bay Area versus San Joaquin Valley funding for such a project and is it appropriate for the Bay Area to fund the entirety of the CEQA analysis? In particular, how might this set a precedent for a future approach to funding for megaregional projects? Should MTC establish a policy governing how to allocate funding works for megaregional projects?

In summary, SPUR encourages MTC to consider the above questions at this point in the project. As the Bay Area and adjacent metropolitan regions continue the process of further economic integration, it will become increasingly important to develop a policy framework and consistent approach to apply to interregional and megaregional transportation investments. We ask that MTC take the time to develop such a framework at this important early stage.

Thank you for your consideration and your support for better rail mobility across the Northern California megaregion.

Regards,

Egon Terplan

Regional Planning Director

SPUR