



Response to errors in February 27, 2025 *Guardian* article: "<u>Trump and California don't see</u> eye to eye, but critique of high-speed train has many on board" by Andrew Gumbel

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It is disappointing that a global news publication like the *Guardian*, which purports to be a progressive and trustworthy <u>news source on the climate crisis (and its solutions)</u>, has its journalist covering California's most important single greenhouse gas-reduction project echo the right wing talking points of Koch brothers-funded think tanks and pro-fossil fuel interests.

This *Guardian* journalist Andrew Gumbel puts quite a negative slant on the California High Speed Rail project, following a similarly biased and misleading <u>article he did back in 2022</u>. Gumbel purposely uses derisive, loaded terminology. Even the title and subtitle of this piece are disingenuous agit-prop statements: implying that there are many more detractors "on board" than there are supporters of California High Speed Rail (CHSR). Despite this framing, Gumbel could provide no recent quotes against the project from Democrats, only years-old and decontextualized quotes, while freely platforming the Republicans who have been on a mission to terminate and undermine the project for years. The article's subtitle frames his negative bias towards the project: "dream of going from LA to San Francisco in three hours is past deadline, over budget, and after 16 years, incomplete."

Gumbel makes no mention of the vast greenhouse gas emissions reductions that the project will enable. The completed CHSR system will remove the equivalent of more than 400,000 cars from roads each year. LA to San Francisco is one of the top ten busiest domestic airline routes in the U.S., with nearly 250,000 total seats daily (both directions combined), or nearly 125,000 seats each way). Airport expansion in California is unlikely. The only proposed large airport expansion project is for an expanded terminal at Oakland International Airport, which is facing significant local opposition, and there is no move toward re-opening the Palmdale Airport to passenger airline service. For context, building an equal amount of travel capacity via freeway and airport expansions would cost twice as much, face opposition and delays similar to HSR – and bring none of the environmental or economic benefits associated with a high-speed, electrified train. Building high speed rail reduces the high costs highways impose on society, such as death and disability from air pollution and road accidents, the financial burden of car ownership, and high costs of maintenance and repair. It is the single most important project in the state for reducing greenhouse gas emissions in the years ahead. Disinformation about the CHSR project is thus climate-denying disinformation. Response to February 27, 2025 Guardian article on California High Speed Rail – RailPAC and CER

The media loves stoking drama and controversy about large rail and transit construction projects, while similarly-sized highway construction projects (with similar cost overruns and delays) are rarely portrayed so negatively. While California High Speed Rail does have <u>1.5x higher costs</u> than European high speed rail projects, highway projects run 2-3x more than peer countries – yet media narratives, like this latest article by Gumbel in the *Guardian*, overwhelmingly portray CHSR as a uniquely troubled boondoggle. Streetsblog has extensively covered the <u>significant anti-HSR bias</u> by Vartabedian at the *Los Angeles Times* and by other media outlets.

The CHSR project has made some tremendous strides lately, which Gumbel fails to mention:

- In June 2024, the California High Speed Rail Authority (CHSRA) environmental cleared the full 463 miles of route from San Francisco to LA. with design advancing along all segments of the Phase 1 route that are not already under construction. The only remaining section requiring environmental approval is the LA-Anaheim section, which is expected by the end of 2025. For a megaproject the scale of the California High Speed Rail project, these environmental clearances of the different project segments are critical milestones, and huge steps forward to getting construction started. They shield the project from the majority of possible lawsuits, making the project attractive to the private sector (including for station-oriented development).
- Construction progress- more of the route's roadbed and structures including major grade separations and bridges are regularly being completed. The CHSR project is the largest construction site in the United States. Thousands of construction workers each day are at work at over 40 construction sites along a 119-mile section in the Central Valley. As of December 2024, 53 of the total 93 structures within the 'Initial Operating Segment' are completed (57 percent) and another 33 are under construction. 60 guideway miles are completed of the 119-mile segment, with 36 miles currently under construction. The CHSRA is on track to award in 2025 the track and electric overhead contact system construction and train procurement contracts.
- The Authority has begun work to extend the 119 miles currently under construction, with the 52 remaining miles of the 171-mile Merced to Bakersfield segment in the advanced design/pre-construction phase.

Aside from the governor and CHSRA- the six people Gumbel quotes are opposed to the project. He selectively does not quote project supporters, such as <u>mayors along the route</u> and state Senator Scott Wiener (D-San Francisco), a powerful leader in the state Democratic party, who <u>said in a</u> recent statement:

"High-Speed Rail — or as I call it, a modern, integrated rail system for California — is essential for the future of our state. It will prevent traffic from clogging our roads, support massive growth in our economy, slash air pollution, and restore California's status as a leader on sustainable transportation. It's an embarrassment that California does not have a modern statewide rail system — Trump wants to prolong that embarrassment instead of doing something to help."

It should also be noted that there are Republican politicians in California who are actually vocal

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supporters of the CHSR project, such as <u>Fresno Mayor Jerry Dyer</u> and <u>former Governor Arnold</u> <u>Schwarzenegger</u>. Gumbel writes:

> "California's beautiful dream of a bullet train whisking passengers from Los Angeles to San Francisco in less than three hours has been more than 16 years in the making, approved by voters but dogged by so many delays, broken deadlines and cost overruns that it has only just reached the initial stages of laying down track."

In all transportation megaprojects most of the overall project development time is spent before construction, it is not just high speed rail projects. In the railroad world, most of the construction work is everything leading up to the laying of track. Especially for high speed rail, there is a large amount of complex civil works, such bridges and viaducts, that need to be completed before you can lay any ties or rails. When the roadbed is fully prepared, track laying can actually happen as fast as a mile a day. A small fraction of the time and effort involved in building a new railroad track involves the specific act of laying the streel rails. All infrastructure along the guideway needed for track laying is nearing completion along significant sections of the initial operating segment in the Central Valley, with <u>all 'pre-track' civil infrastructure completed by the end of 2026.</u> Track laying along the main route is expected to start in 2025.

Gumbel continues:

"With or without federal funding, California will have to come up with the lion's share of the budget **and currently has no plan in place to do so,** beyond a <u>study</u> [the link Gumbel gives goes to a 'page doesn't exist' on the website of State Senator Dave Cortese (D-San Jose)] proposed by the state legislature to explore public-private partnerships and the possibility of using revenue from new economic development along the track to keep financing more of it."

Actually, there is a plan in place for this. The CHSRA has a <u>Business Plan</u>, which goes into this in detail. See the latest CHSRA funding overview below from the 2024 business plan:

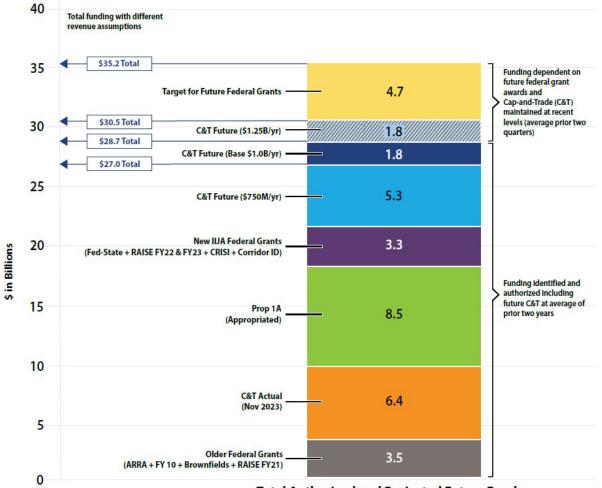


Exhibit 3.0: Currently Available, Authorized, and Future Funding

Total Authorized and Projected Future Funds

*Totals may not sum due to independent rounding

**Portion of future C&T revenues may be used to fund admin support activities

***Portion of Prop 1A may be used to fund admin support activities

Also, refer to this budget table from the 2025 project update report:

Funding Source	Total Funding A	Total Expended* B	Total Remaining C = A - B
Federal Funds			
ARRA Grant: Construction	2.1	2.1	0.0
ARRA Grant: Planning	0.5	0.5	0.0
FY10 + Brownfields + RAISE FY21 Grants	1.0	0.0	1.0
IIJA Federal Grants (Fed-State + RAISE FY22 & FY23 + CRISI FY23 + Corridor ID)	3.3	0.0	3.3
New RCE FY23-24	0.1	0.0	0.1
State Funds			
Proposition 1A Project Development	0.6	0.6	0.0
Proposition 1A Central Valley Segment Construction**	6.6	5.7	1.0
Proposition 1A Bookends	1.1	0.6	0.5
Cap-and-Trade (Received through November 2024) **	7.4	3.8	3.7
Subtotal	22.7	13.2	9.4
Future Cap-and-Trade***	5.5	0.0	5.5
Total	28.2	13.2	14.9

Note: Totals may not sum due to independent rounding. *Total Expended shown is as of December 31, 2024. **Both Cap-and-Trade and Prop 1A balances shown are net of funds set aside for administrative support activities. *** Future Cap-and-Trade funding assumes a midpoint of \$1.0 billion per year

Gumbel then adds:

"That comes on top of what supporters and detractors alike describe as years of top-heavy bureaucracy, too much money spent on consultants, and endless negotiating with property owners and public utilities who have felt little pressure to respond to the rail authority's requests."

There is some truth to these statements, but does reducing support for the project or canceling it altogether, as the article implicitly advocates for, resolve these issues? Reducing the barriers that delay and drive the costs of mega projects is what needs to happen, not eliminating mega projects.

[Text below adapted from previous Californians for Electric Rail post :]

The state's independent auditor released a report on February 21, 2025. Consistent with prior findings, the reports highlighted these causes for delays and high costs:

- California started construction before design was complete at the behest of the federal government, leading to costly design changes
- Overreliance on consultants, to the point that consultants were managing contracts
- Issues with utility relocations and 3rd party construction permits
- o Issues with land acquisition and related lawsuits
- Funding uncertainty

It's true that the inability of the state to manage contracts and keep a handle on consultants is a problem. However, California has made important progress in hiring in-house engineers, designers, and contract managers at the CHSRA to a much greater degree than other transit agencies, and they now have authority to self-certify under the National Environmental Policy Act (NEPA).

As reported in the 2025 project construction update:

"Due to right-of-way (ROW) planning and management improvements, the Authority has been able to exceed ROW delivery forecasts, and as of December 2024, 99 percent of the ROW parcels within the 119-mile Central Valley Segment have been delivered to the design-builder. The Authority has also made significant advancements toward resolving commercial issues and relocating utilities, with 1,523 of 1,836 utilities relocated (83 percent) and an additional 150 (7 percent) in progress."

3rd parties responding slowly to requests for information or demanding costly concessions for construction permits continues to be an issue for parts of the right-of-way not yet under construction. Rail supporters have advocated for legislation to reduce their leverage in these negotiations, and <u>state Senator Scott Wiener introduced legislation to do so</u> in February 2025. But again, cutting high speed rail's budget will not make progress on this issue.

Issues with land acquisition and associated lawsuits have led to delays and cost increases for high speed rail. According to the 2018 state audit:

"The Authority's acquisition of the land was delayed in part by a 2011 lawsuit over whether the Authority had met legal requirements to issue bonds, which the Authority stated it needed to do in order to purchase property.... Land acquisition delays have cost \$64 million for Project 1 and extended its completion deadline by 17 months. The Authority also issued change orders because of land acquisition delays in Project 2/3 and Project 4. In total, these change orders have resulted in more than \$115 million in additional costs."

Another serious delay was lawsuits that tied up money for the first years which *forced* the CHSRA to start construction without all of the right-of-way acquired. Waiting until all the rights-of-way had been acquired before starting the project would have caused them to lose the stimulus money due to the Federal law requiring how the money be dispersed. So missing that opportunity would have killed the project outright. Who was behind these lawsuits? Who has made land sales difficult? It's the base of the California Republican party, including the Howard Jarvis Taxpayers Association and the Central Valley farmers the GOP represents. Right-wing forces who opposed electric clean transportation, including the Koch brothers, funded the legal fights of landowners (mainly farmers): encouraging landowners to obstruct the purchase of land, forcing the authority to use eminent domain. This caused the project further delays and cost overruns. However, the CHSRA has seen significant success in litigation and property acquisitions for the initial 119-mile initial operating segment are nearly complete, as noted above. Property acquisitions for the 52 miles of extensions to Merced and Bakersfield are well underway.

The final major reason for high costs and delays? Funding uncertainty. According to a detailed 2022 cost and timeline issues analysis of CHSR by <u>Ethan Elkind and colleagues at UC Berkeley</u>, "Mehdi Morshed, the longtime executive director of CHSRA, cited political disagreements between elected officials as the primary factor causing construction delays at the time." The Trump administration

repeatedly attempted to defund CHSR during his first term. In addition to attempting to <u>defund</u> <u>Caltrain electrification</u>, Trump attempted to de-obligate and demand repayment of \$929 million awarded in 2011. While ultimately unsuccessful, the legal challenges related to these attempts drained state funds and created uncertainty in the budget that slowed construction. The Administration's current CHSR "investigation" is a repeat of the same playbook: delay funding which slows or stops construction. The resulting delay raises costs as a result of construction inflation, then call for abandonment of the project because it is delayed and more expensive. As described by the Elkind report:

> "Uncertainty from administration to administration may also contribute to a lack of private investment support, an inability for agencies and communities to plan for the long term, and increased concern about stranded assets if the project cannot be completed."

The biggest delays to laying CHSR track <u>has been legislators (ultimately unsuccessfully)</u> trying to block funding and the Track and Systems contract. Stopping and starting construction multiple times is much more expensive than providing sufficient funding for construction to proceed continuously. The same legislators complaining about how the project is taking too long, are the same ones who are slowing down the project by blocking funding. The reason it isn't completed yet is because the project has not yet received enough money. It needs more money now, so it can be completed sooner. Biased coverage like Gumbel's article exacerbates CHSR's issues by reducing political support for the project.

Gumbel writes, "Fiona Ma, the Democratic state treasurer, told the *Guardian* in 2023 she thought the government should get out of rail-building and defer to private enterprise because 'government is not in the business of being efficient' ".

This is an indication that state treasurer Fiona Ma ideologically opposes public investment in rail infrastructure because she thinks government will always be inefficient at rail infrastructure construction. However, this is not her area of expertise as she has no direct professional experience in rail infrastructure construction project management. Fiona Ma in particular may have a conflict of interest as she oversees state-backed private activity bonds for Brightline West as treasurer. Contrary to what is implied by Ma's statements and Gumbel's article, both Brightline West and Brightline in Florida are not entirely privately funded as they relied on massive government grants and loans/bonds (about half for the Brightline West).

Brightline West is also not on time or on budget and hasn't even started construction yet. While the company has made significant progress towards building its high speed rail line to Las Vegas, it cannot be assumed that Brightline West will automatically do a better job. If you dig into Brightline West's bond offer, their per-mile costs are not that much lower than CHSR. The main differences that Brightline West has with CHSR in the Central Valley are:

a) unusually low contingency that will drive up costs later and investors are likely to make them change

b) the Rancho Cucamonga-Las Vegas route is mostly single track, meaning Brightline West must run fewer trains and receive less revenue than CHSR.

c) the project is on a highway median, which saves costs but limits Brightline West to lower maximum speeds than the 220 mph max speeds planned for CHSR.

If you adjust for these differences, <u>Brightline West's projected costs are only 35% lower</u>, for a less complex route with fewer structures.

Gumbel continues:

"Many policy insiders, including Ma, favor the private rail-building approach taken by the Floridabased company Brightline, which is building a high-speed line from Las Vegas to the eastern Los Angeles suburbs. In fact, Brightline is <u>considering</u> a branch line to connect its route to the future high-speed LA-San Francisco line.

The only problem? The connection point, in the desert town of Palmdale north of Los Angeles, is 95 miles short of the Central Valley high-speed segment and unlikely to be linked up to it for decades."

State treasurer Ma is not a rail policy or construction cost expert as noted above, and actual <u>experts</u> on rail and transit costs (such as the NYU Transit Costs Project) have emphasized the importance of state capacity and government involvement in reining in High Speed Rail construction costs. Brightline West itself is not considering a 'branch line" to Palmdale. This is the <u>High Desert Corridor</u>, a <u>public joint-powers agency</u> created for the purpose, who are working with both CHSRA and Brightline West.

As for Palmdale, the plan is to connect it to the Central Valley through the Tehachapi tunnels, and to Los Angeles through the San Gabriel tunnels, sequentially after the Central Valley initial operating segment starts running in the early 2030s. While it is true that there is not an official timeline, and construction funds have not yet been secured for the Bakersfield-Palmdale-LA sections- it would not have to wait until the 2040s or later. More likely construction would begin by the early 2030s. Palmdale is not just a "desert town"- together with its neighbor Lancaster and surrounding communities it's a metro area of more than a half million people, with more daily trips to/from the Los Angeles basin, than the Los Angeles basin has with San Francisco. The <u>City of Palmdale and</u> <u>CHSRA jointly received a \$1 million grant in January</u> for planning and design of a new high speed rail station.

California High Speed Rail has its issues, but biased, inaccurate media coverage that seeks to undermine support for the project does not contribute towards fixing the issues. Instead, pieces like these merely amplify bad faith Republican attacks in service of cancelling the project, attacks that if successful would lead to \$13 billion in sunk costs with no public benefit beyond the jobs created. We invite the *Guardian* to more thoroughly investigate reforms, including increased funding, that will allow this much-needed project to be completed on a faster timeline.