

Memorandum

TAB 24

To: CHAIR AND COMMISSIONERS

CTC Meeting: January 19-20, 2011

Reference No.: 4.7, 4.4 & 2.6d
SUPPLEMENTAL ITEM
Action


From: BIMLA G. RHINEHART
Executive Director

Subject: **UPDATE ON CONDITIONS OF APPROVAL -- RESOLUTION PA-10-06**
ACQUISITION OF THE SANTA CRUZ BRANCH LINE PROJECT

ISSUE:

Subsequent to the release of the Commission's meeting agenda and related staff reports, the Department has revised its position regarding the Santa Cruz County Regional Transportation Commission (SCCRTC) project and is now recommending that the Commission allocate \$14.5 million to SCCRTC for the right of way phase of the project (Agenda Item 25, Ref. No. 2.6d).

The Department has not taken a position on the SCCRTC valuation report to determine that the cost is fair and reasonable, as required statutorily and in the Commission's Right of Way Review Policy, Resolution G-95-09 (Agenda Item 23, Ref. No. 4.7).

RECOMMENDATION:

Based on the valuation information received from SCCRTC, and as stated in the Department's report under Agenda Item 23, the property rights are valued at \$12.275 million, of which \$1.1 million is assigned to properties with questionable legal title and \$75,000 for estimated lease income. Thus properties with clear title are valued at \$11.1 million. Assuming the Department determines that the valuation is fair and reasonable, staff presents the following for consideration by the Commission:

1. Deny the application as already recommended in the staff report, since SCCRTC failed to provide the necessary information to support the requested allocation amount of \$14.2 million;
2. Approve the project at \$11.1 million based on the appraised value of properties with clear title;
3. Approve the project at \$12.275 million as provided in the appraisal report; or,
4. Approve the project for the \$14.2 million based on the negotiated price between SCCRTC and Union Pacific.

Staff notes that the Department's recommendation to allocate \$14.5 million includes \$14.2 million to purchase the right of way and \$300,000 for pre-acquisition activities. Because the Commission has previously allocated \$800,000 for these pre-acquisition activities, and because the SCCRTC has not contributed any local funds to the project, staff strongly recommends that no additional State funds be allocated for any work prior to the acquisition of the right of way.

As part of the same allocation, SCCRTC also requested an additional \$350,000 in PTA funds for design activities. The Department is not recommending that allocation, and staff concurs.

TAB 24



County of Santa Cruz

BOARD OF SUPERVISORS

701 OCEAN STREET, SUITE 500, SANTA CRUZ, CA 95060-4069
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FIRST DISTRICT

ELLEN PIRIE
SECOND DISTRICT

NEAL COONERTY
THIRD DISTRICT

GREG CAPUT
FOURTH DISTRICT

MARK W. STONE
FIFTH DISTRICT

January 14, 2011

California Transportation Commission
1120 N Street, Room 2221
Sacramento, CA 95814

RE: SUPPORT FOR THE PURCHASE OF THE
SANTA CRUZ BRANCH RAIL LINE

Dear Members of the Commission:

Over the last 20 years, residents of Santa Cruz County have spoken forcefully about the desire to acquire the 32-mile rail line that stretches across our county. When Proposition 116 was on the ballot, it passed with a 60% approval in Santa Cruz County.

Over the past 10 years, the Santa Cruz County Regional Transportation Commission (SCCRTC) has researched, reviewed and debated the merits of this purchase. Many community organizations and members have expressed support for this purchase (see attachment). In May of this year, the SCCRTC voted unanimously to seek funding for the purchase of the rail line.

As you are aware, last June the California Transportation Commission (CTC) voted unanimously to support the purchase after five conditions were met. They included:

1. Provide the CTC a copy of the executed Administration, Coordination and License Agreement between the RTC and operator (Sierra Northern Railway);
 - ✓ Approved and executed by the SCCRTC on October 14, 2010, and delivered to CTC staff the same day.
2. Commit, by resolution, to be responsible for initiating recreational passenger rail service, in accordance with Public Utilities Code (PUC) Section 99640;
 - ✓ Resolution 04-11 making this commitment was approved by the SCCRTC on August 5, 2010, and was delivered to CTC staff on August 6, 2010.

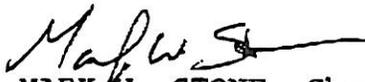
January 14, 2011
Page 2

3. Commit, by resolution, to be responsible for continuing freight rail service for as long as would be required by the Surface Transportation Board (STB);
 - ✓ Resolution 04-11 making this commitment was approved by the SCCRTC on August 5, 2010, and was delivered to CTC staff on August 6, 2010.
4. Commit, by resolution, to be responsible for hazardous waste clean-up and not seek State transportation funds for any clean-up costs and to indemnify the State for both present and future hazardous waste clean-up liabilities; and
 - ✓ Resolution 29-10 making this commitment was approved by the SCCRTC on May 6, 2010, and was delivered to CTC staff on August 6, 2010.
5. If the RTC ceases to use the Branch Line for the original purpose as approved by the CTC, RTC commits, by resolution, to reimburse the State the allocated amount or the then fair market value of the property.
 - ✓ Resolution 04-11 making this commitment was approved by the SCCRTC on August 5, 2010, and was delivered to CTC staff on August 6, 2010.

After years of debate and successful efforts by the SCCRTC to meet all the requirements, the CTC will be voting soon on final approval of funds to support this historic purchase.

Our Board unanimously urges members of the California Transportation Commission to approve the purchase of the Santa Cruz Branch Rail Line and to provide full funding for the purchase through Proposition 116 funds and State Transportation Improvement Program funds that have already been programmed for this purchase.

Sincerely,



MARK W. STONE, Chairperson
Board of Supervisors

MWS:ted
Attachment

cc: Clerk of the Board
George Dondero, Santa Cruz County Regional Transportation
Commission

4335B5

0079

Business Community

Santa Cruz Chamber of Commerce
Capitola-Soquel Chamber of Commerce
Santa Cruz County Conference and Visitors Council
City of Santa Cruz Redevelopment Agency
Downtown Business Association of Santa Cruz
Santa Cruz Beach Boardwalk
O'Neill Wetsuits, LLC
Santa Cruz Bicycle Industry Coalition
The Holcomb Corporation
Think Local First
Barry Swenson Builder
Beckmann's Bakery
Kelly's Bakery-Swift Street Courtyard
Comstock, Thompson, Kontz & Brenner
Davenport Roadhouse Restaurant & Inn

Labor

Monterey/Santa Cruz Central Labor Council
SEIU 521 Santa Cruz County Chapter
International Brotherhood of Electrical Workers
United Transportation Union

Transportation Community Groups

California Rail Foundation
The Transit Coalition
Train Riders Association of California
Transportation Agency for Monterey County
Community Traffic Safety Coalition of Santa Cruz County
Pajaro Valley Transportation Management Association

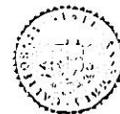
Environmental Community Organizations

Friends of Rail Trail
Sierra Club Santa Cruz County Group
Friends of Santa Cruz State Parks
People Power!
Ecology Action
The Campaign for Sensible Transportation

Local Government

Santa Cruz County Board of Supervisors
Capitola City Council
Santa Cruz City Council
Patricia Stephens, President, Association of Monterey Bay Area Governments
Michael C. Watkins, County Superintendent of Schools

Assembly California Legislature



LUIS A. ALEJO
ASSEMBLY MEMBER, TWENTY-NINTH DISTRICT

January 18, 2011

James Earp, Chairman
California Transportation Commission
1120 N Street, Room 2221 (MS-52)
Sacramento, CA 95814

RE: Support for Santa Cruz County Regional Transportation Commission's Allocation Request for Proposition 116 and PTA Funds for Acquisition of the Santa Cruz Branch Rail Line (Item 2.6d, January 19, 2011, agenda)

Dear Chairman Earp and Members of the California Transportation Commission,

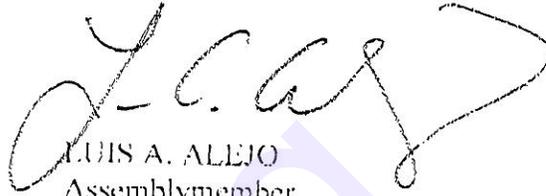
I would like to convey my strong support for the Santa Cruz County Regional Transportation Commission's (SCCRTC) allocation request for Proposition 116 and Public Transportation Account funds for acquisition of the Santa Cruz Branch Rail Line.

The funding will preserve a 32-mile rail corridor, implement recreational rail service between Santa Cruz and Davenport, and continue existing freight rail service. A later phase of commission's plan will invest over \$5 million to improve bridges and other railroad infrastructure. This corridor provides access to Santa Cruz County's community attractions including parks, beaches, schools, downtown areas, and community centers and residential areas.

I applaud the hard work of the SCCRTC in conducting the fullest range of due diligence and analysis for this rail road property including two title reviews, three appraisals, various inspections, and business plans. The SCCRTC has secured a purchase price of \$14.2 million, which is a fraction of Union Pacific's original asking price, with appraisals that account for title issues and all other impacts to property value. The SCCRTC has also negotiated agreements that ensure protection of the entire corridor even if freight service becomes infeasible in the future.

I urge you to approve the finding for this tremendously important project to the Santa Cruz County community, which has extensive support from all elements of the community. This project will have a positive impact on the region's economy, transportation system and environment.

Sincerely,



LUIS A. ALEJO
Assemblymember
28th District

cc: George Dondere, SCCRTC Executive Director

Meetings
Handout



January 18, 2011

Hand-delivered and e-mailed to: juan.guzman@dot.ca.gov

Dario Frommer, Chair
California Transportation Commission
1120 N Street
Room 2221 (MS-52)
Sacramento, CA 95814

RE: Item 25 - Support for Allocation for Acquisition of the Santa Cruz Branch Rail Line

Dear Chair Frommer,

The Transportation Agency for Monterey County supports the Santa Cruz County Regional Transportation Commission's efforts to purchase and improve the *Santa Cruz Branch Rail Line* and urges you to approve Item 25 on your agenda to allocate funding for this project.

Acquisition and improvement of this 32-mile coastal rail corridor is critical to providing future interregional rail and bike access connecting the Monterey peninsula and Santa Cruz, the two major cities along the Monterey Bay. Providing improved rail transit and bicycle/pedestrian access between these two is an important alternative to widening Highway 1, which is limited by coastal restrictions and funding constraints.

In 2003, the Transportation Agency for Monterey County purchased the Monterey Branch rail line. The purchase of the Santa Cruz Branch Line will link Santa Cruz to the Union Pacific Main Line in Pajaro, Monterey County, where future connections can be made north, south and to Monterey via our branch line. As a result, this rail service provide transportation alternatives for commuters traveling between Monterey County and Santa Cruz County to the San Francisco Bay Area.

We ask you and your colleagues to approve the funding allocation for acquisition of the Santa Cruz Branch Line. Thank you for your support of improved regional transportation in the Monterey Bay area.

Sincerely,

Debra L. Hale
Executive Director

cc: Senator Joe Simitian
Assemblymember Bill Monning
SCCRTC – via email to lmendez@sccrtc.org



MONTEREY BAY CENTRAL LABOR COUNCIL, AFL-CIO

931 E. Market Street • Salinas, CA 93905 • Phone: (831) 422-4626 • Fax: (831) 222-3270

June 24, 2010

California Transportation Commission
1120 N Street, Room 2221 (MS-52)
Sacramento, CA 95814

Dear Commissioners:

The Monterey Bay Central Labor Council supports the Santa Cruz County Regional Transportation Commission's (SCCRTC) purchase of the Santa Cruz Branch Rail Line.

Back in 1990 voters passed a bond for local passenger trains presenting an historic opportunity to acquire a 300-acre, 32-mile transportation corridor in Santa Cruz County. Public ownership of this line will allow the SCCRTC to plan for future transportation benefits for the region. This purchase offers the potential to develop train service within Santa Cruz County and link Santa Cruz to the rest of the state via the Pajaro Station. This project has been studied for more than 10 years; the SCCRTC knows the condition of the rail and is committed to improving and preserving this rail corridor to ensure that rail service continues and expands. In addition to providing transportation benefits, this acquisition will produce local jobs.

The Monterey Central Labor Council is the "union of all the unions", representing over 64 labor unions on California's central coast. We are governed by and represent thousands of working families in the Monterey Bay Area.

We urge your consideration of the multiple benefits this project offers to the transportation, labor, environmental and economic needs of the region.

Thank you for your consideration

In Solidarity,

Cesar Lara, Executive Director

cc: Supervisor John Leopold

SAM FARR
17TH DISTRICT, CALIFORNIA

1221 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-0517
202) 225-2861

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DRUG ADMINISTRATION, AND RELATED AGENCIES
HOMELAND SECURITY
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AND RELATED AGENCIES
CO-CHAIR, CONGRESSIONAL ORGANIC CAUCUS
CO-CHAIR, CONGRESSIONAL TRAVEL AND
TELEPHONE CAUCUS
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Congress of the United States
House of Representatives
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January 14, 2011

The Honorable James Earp
Chairman
California Transportation Commission
1120 N Street
Room 2221 (MS-52)
Sacramento, CA 95814

Dear Mr. Chairman:

It is my understanding that the California Transportation Commission is considering approval of state funding for the purchase of the Santa Cruz Branch Rail Line by the Santa Cruz County Regional Transportation Commission (RTC) next week. I strongly believe this to be an extremely wise investment which will most likely not be available again, and would urge the Commission to approve the RTC request.

I have been an advocate of this project from its inception, having secured federal funding for the project in 2003. It has the potential to provide a variety of benefits and future transportation uses in a corridor that is integral to the movement of goods and people from the town of Davenport in Santa Cruz County to the community of Pajaro in Monterey County where the rail line connects to the main coast rail line and planned future passenger rail service from the San Francisco Bay Area and Los Angeles. Your funding is critical to preserving this potential transportation resource. I don't have to remind the Commission that once lost, these resources will never come back.

As you know, the RTC has come to an agreement with Sierra Northern Railway for operation and maintenance of the line. It is my understanding that if Sierra some time down the road requests permission from the federal Surface Transportation Board (STB) to abandon freight service on the rail line, there is under Federal law an option to railbank. This process permits public agencies to preserve rail corridors that are abandoned for freight service to remain under federal jurisdiction, thus ensuring that the clouded title portions of the corridor would not revert to private ownership and the entire corridor can continue to be used for passenger rail and other transportation purposes.

I strongly urge the Commission to approve funding for this project, which is so important to the Santa Cruz County community. It is rare that such a positive impact can be made on the economy, transportation system, and environmental protection of a region in the state, and the CTC has such an opportunity this month. Thank you for your time

and attention to this matter. Please direct any correspondence regarding this matter to Alec Arago in my Salinas district office.

Sincerely,

A handwritten signature in black ink that reads "Sam Farr". The signature is fluid and cursive, with the first name "Sam" being larger and more prominent than the last name "Farr".

Sam Farr
Member of Congress

cc: California Transportation Commissioners
SF/aa

Meeting Handout

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E-MAIL
Senator Simitian@sen.ca.gov

WEBSITE
<http://www.senatorsimitian.com>

California State Senate



SENATOR S. JOSEPH SIMITIAN

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January 18, 2011

James Earp, Chairman
California Transportation Commission
1120 N Street, Room 2221 (MS-52)
Sacramento, CA 95814

Re: Santa Cruz County Regional Transportation Commission's Request for Proposition 116 and PTA Funds to Acquire the Santa Cruz Branch Rail Line

Dear Chairman Earp and Members of the California Transportation Commission:

The California Transportation Commission has before it a request from the Santa Cruz County Regional Transportation Commission (SCCRTC) for funds from Proposition 116 and the Public Transportation Account to acquire the Santa Cruz Branch Rail Line. This project will provide immediate benefits to the Santa Cruz area and will establish a possible future connection to San Francisco. I heartily support the application and urge you to approve it.

Preservation of this rail corridor is enthusiastically endorsed by the Santa Cruz County community for its benefits to the regional economy, the transportation system and the environment.

By acquiring this 32-mile corridor between Santa Cruz and Davenport, the SCCRTC will establish recreational rail service with access from downtown in each of the cities to state parks and beaches along a coastline of dramatic scenery. A later phase of development anticipates investment of more than \$5 million to improve bridges and other railroad infrastructure. The project will continue existing freight service, and lay the groundwork for future passenger service to San Francisco and Los Angeles.

SCCRTC has analyzed this project extensively. It has undergone two title reviews, three appraisals, various inspections and business plans. Recognizing their financial

obligations, the SCCRTC has negotiated a purchase price (\$14.2 million) that is appreciably lower than Union Pacific originally sought. Should freight service be discontinued in the future, the SCCRTC has negotiated agreements that would continue to ensure protection of the entire corridor.

Preservation of existing rail corridors is vital because establishing new rights-of-way is extraordinarily time-consuming and expensive.

For the good of Santa Cruz County, the coast, and the state's transportation system, I urge the California Transportation Commission to fund this project.

Sincerely,



S. Joseph Simitian
State Senator, Eleventh District

cc: George Dondero, SCCRTC Executive Director



420 CAPITOLA AVENUE
CAPITOLA, CALIFORNIA 95010
TELEPHONE (831) 475-7300
FAX (831) 479-8879

January 12, 2011

James Earp, Chair
California Transportation Commission
1120 N Street
Room 2221 (MS-52)
Sacramento, CA 95814

RE: The City of Capitola's support for SCCRTC's Acquisition of the Santa Cruz Branch Rail Line

Dear Chair Earp,

In 2008, the City Council of the City of Capitola passed a motion supporting the Santa Cruz County Regional Transportation Commission's efforts to acquire the Santa Cruz Branch Line.

As Mayor, I feel the acquisition of this 32 mile coastal rail corridor is a vital element of the Central California Coast region's efforts to provide multi-modal solutions to its significant transportation problems. Acquisition of the rail line has been a priority for SCCRTC since the completion of the *1998 Major Transportation Investment Study for the Watsonville-Santa Cruz-UCSC Corridor*. SCCRTC's goal to acquire this underutilized right-of-way offers a unique opportunity to provide vastly improved access to all primary destinations in Santa Cruz County including the downtowns of Santa Cruz, Capitola and Watsonville. In Capitola this right-of-way runs through the City and would provide key transportation options to and from our Village and commercial center along the 41st Avenue corridor. I also see this as a one time opportunity to gain local control over a prime transportation corridor in the County.

The projects envisioned for this right-of-way will help to reduce congestion by making more efficient and effective use of existing transportation resources. In addition, the projects would enhance economic activity associated with the local tourism industry, a key sector of the local economy which has suffered recently due to world events and economic conditions beyond local control.

Thank you for your consideration and your past support of transportation initiatives in Santa Cruz County. I hope that you and your colleagues will view this important project favorably.

Sincerely,

Dennis Norton, Mayor

cc: SCCRTC – fax 831-460-3215
Assembly Member Bill Manning
Senator Barbara Boxer



SIERRA RAILROAD COMPANY

221 First Street
Davis, CA 95616
Tel: 530-759-9827
Fax: 530 759-9872

James Earp, Chairman
California Transportation Commission
1120 N Street, Room 2221 (MS-52)
Sacramento, CA 95814

January 13, 2011

RE: Support for Santa Cruz County Regional Transportation Commission's Allocation Request for Proposition 116 and PTA Funds for Acquisition of the Santa Cruz Branch Rail Line (Item 2.6d, January 19, 2011, agenda)

Dear Chairman Earp and Members of the California Transportation Commission:

I am writing to convey our company's strong support for the Santa Cruz County Regional Transportation Commission's (SCCRTC) allocation request for Proposition 116 and Public Transportation Account funds for acquisition of the Santa Cruz Branch Rail Line.

Sierra Railroad is the operator of freight service and future recreational rail service on the Santa Cruz Branch Line. We are very enthusiastic about the potential for a successful passenger rail operation in Santa Cruz which links well-known visitor and scenic destinations, including the Santa Cruz Beach Boardwalk, Swift Street Courtyard - a popular wine tasting destination in a redeveloped warehouse district on the Santa Cruz Westside, Natural Bridges State Park, Wilder Ranch State Park, and historic Davenport. Future extensions are possible to the Santa Cruz Harbor and Twin Lakes State Beach, Capitola Village, New Brighton State Beach, Seacliff State Beach - home of the historic cement ship, and Aptos Village. Our company also looks forward to working closely with the SCCRTC on development of a pedestrian and bicycle trail adjacent to the rail line in those locations where the right of way width would support these uses while also ensuring continued safety and enhancement of rail operations.

Public ownership of this important transportation resource at the negotiated price is an excellent deal in my experience, and I urge the California Transportation Commission to approve this final fund allocation step in the RTC's lengthy effort to purchase this well-located, existing transportation resource.

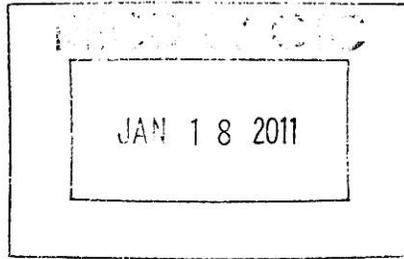
Thank you very much for your consideration.

Best wishes,

Michael G. Hart

Michael G. Hart
President, CEO
Sierra Railroad Company

cc: Bimla Rhinehart, Executive Director, CTC
George Dondero, Executive Director, SCCRTC



420 CAPITOLA AVENUE
CAPITOLA, CALIFORNIA 95010
TELEPHONE (831) 475-7300
FAX (831) 479-8879

January 12, 2011

James Earp, Chair
California Transportation Commission
1120 N Street
Room 2221 (MS-52)
Sacramento, CA 95814

RE: The City of Capitola's support for SCCRTC's Acquisition of the Santa Cruz Branch Rail Line

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The projects envisioned for this right-of-way will help to reduce congestion by making more efficient and effective use of existing transportation resources. In addition, the projects would enhance economic activity associated with the local tourism industry, a key sector of the local economy which has suffered recently due to world events and economic conditions beyond local control.

Thank you for your consideration and your past support of transportation initiatives in Santa Cruz County. I hope that you and your colleagues will view this important project favorably.

Sincerely,

Dennis Norton, Mayor

cc: SCCRTC – fax 831-460-3215
Assembly Member Bill Monning
Senator Barbara Boxer

Juan
Guzman/HQ/Caltrans/CAGov
01/10/2011 02:37 PM

To Sarah Skallet/HQ/Caltrans/CAGov@DOT
cc
bcc
Subject NON-support letter - Item 4.4

Juan Guzman
California Transportation Commission
(916) 653-2072

----- Forwarded by Juan Guzman/HQ/Caltrans/CAGov on 01/10/2011 02:35 PM -----



Michelle Spevy
<mspevy@hotmail.com>
01/09/2011 01:19 PM

To <juan.guzman@dot.ca.gov>
cc
Subject NON-support Santa Cruz Branch Rail Line

January 10, 2011

James Earp, Chair
California Transportation Commission
1120 N Street
Room 2221 (MS-52)
Sacramento, CA 95814

RE: NON-Support for SCCRTC's Application and Allocation Request for Proposition 116 and STIP Funds for Acquisition and Improvement of the Santa Cruz Branch Rail Line

Dear Chair Earp,

As a reminder, there are many Santa Cruz citizens who do NOT support this purchase nor improvement of this rail line. We do not have the funds to improve it to the degree where it can be useful. If there are funds available, they should be used for more conventional and badly needed repair of our existing infrastructure: roads, bridges, freeways, etc. This is a short rail line from nowhere to nowhere and has no hopes of connecting to light rail et al due to the natural obstructions and fault lines along this route. It has not been profitable for many years for the current owner and will not foresee breaking even for proposed use. It will NOT contribute to our tourist industry in an appreciable way as, again, it starts from nowhere and goes nowhere. The self interests of lobbying groups will not be served as a proposed walk/bike trail as most of the easement is privately held by multiple landowners. These same self interests also violate the intention of state funds being held in regards to this purchase and improvement. Even if these easements could be obtained, the amount of monies needed to make a rail trail feasible is, again, insurmountable. Also, mixed use paths are now being discouraged due to the lack of space to safely accommodate both multiple-wheeled personal vehicles and the casual or serious ambulatory activity.

This idea is past its time. A more holistic approach is needed in this area as opposed to using these funds earmarked for regional boondoggles.

Sincerely,
Michelle Spevy

SAM FARR
17TH DISTRICT, CALIFORNIA

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AND RELATED AGENCIES
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D. CHAIR, CONGRESSIONAL TRAVEL AND
TOURISM CAUCUS
D. CHAIR, HOUSE OCEANS CAUCUS

Congress of the United States
House of Representatives
Washington, DC 20515-0517

January 14, 2011

The Honorable James Earp
Chairman
California Transportation Commission
1120 N Street
Room 2221 (MS-52)
Sacramento, CA 95814

Dear Mr. Chairman:

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I have been an advocate of this project from its inception, having secured federal funding for the project in 2003. It has the potential to provide a variety of benefits and future transportation uses in a corridor that is integral to the movement of goods and people from the town of Davenport in Santa Cruz County to the community of Pajaro in Monterey County where the rail line connects to the main coast rail line and planned future passenger rail service from the San Francisco Bay Area and Los Angeles. Your funding is critical to preserving this potential transportation resource. I don't have to remind the Commission that once lost, these resources will never come back.

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and attention to this matter. Please direct any correspondence regarding this matter to Alec Arago in my Salinas district office.

Sincerely,

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Sam Farr
Member of Congress

cc: California Transportation Commissioners
SF/aa

Meeting Handout

Juan
Guzman/HQ/Caltrans/CAGov
01/18/2011 08:45 AM

To Sarah Skallet/HQ/Caltrans/CAGov@DOT
cc
bcc
Subject Fw: Santa Cruz Branch Line

Another note related to Tab 24

Juan Guzman
California Transportation Commission
(916) 653-2072

----- Forwarded by Juan Guzman/HQ/Caltrans/CAGov on 01/18/2011 08:44 AM -----



Bill
<william.delaney@gmail.com>
>
01/16/2011 05:00 PM

To <juan.guzman@dot.ca.gov>
cc
Subject Santa Cruz Branch Line

Dear CTC Commissioners:

I wish to amplify my comments to the Commission of June 29, 2010 in regard to two topics.

1. Explanations in the local Santa Cruz press of CTC staff consideration of valuation issues related to the rail line purchase are premised on a sales price of \$14,200,000. It is my opinion that recognition should be made by the CTC of the fact that the ultimate price may exceed that amount by up to \$5,000,000 to the extent that Santa Cruz County does not make repairs to the line. As agreed to with Union Pacific, the County would make further payment to that railroad, considered part of the purchase price.

2. It is a condition of the grant to Santa Cruz County that a "promise" be made to the State to repay \$20,000,000 if some level of rail passenger service is not provided. As a citizen of the County, I am concerned about several aspects of this arrangement.

First, is the matter of whether this arrangement would be legally binding on future elected officials. There are examples here of current bodies renegeing on long past agreements and resisting compliance to the point of taking legal action.

Second, is the open-ended nature of the "promise", as forever is a long time. I would hope something more specific and not open ended could be required that would reduce the amount "promised" for every decade for which service is provided.

Third, is the vagueness of the requirement to provide some level of rail passenger service. I would hope the State would require very specific service standards that would quantify this requirement so that the public would know if the County were in danger of failing to keep its "promise".

Finally, in my opinion, the County should be subject to some fiduciary requirements concerning this \$20,000,000 obligation in terms of accounting standards, maintenance of some reserve accounts and insurance to protect the public.

Thank you for your consideration!

William W Delaney
750 Bay Avenue #1206
Capitola CA 95010
Mailing address: PO Box 595, Capitola CA 95010-0595
January 16, 2011

Meeting
Handout



charles paulden
<yogacharles@yahoo.com>
01/16/2011 08:56 PM

To "California_Transportation_Commission@dot.ca.gov"
<California_Transportation_Commission@dot.ca.gov>
cc <ventana-santacruz-excom@lists.sierraclub.org>, Fran
Gibson <fragibson@comcast.net>
bcc

Subject Santa Cruz Rail Line Funding

It is my understanding the this Wednesday, 1/19, the Transportation Commission is scheduled to vote on whether to allocate \$14.8 million to buy the rail line and cover related costs.

I encourage your Board to approve the allocate \$14.8 million to buy the Santa Cruz Branch Line.

The desire to purchase the line has been in our General Plan and Local Coastal Plan for decades.

It will make a great addition to the Coastal experience.

It will allow people to enjoy our area without the individual car and take them where cars do not travel.

It is a 32 mile transportation corridor that would be prohibitively expensive to acquire if it were not now intact.

While there maybe some variation in the projected value, considering that widening the freeway for 1-2 miles is \$20 million, this seems to be a bargain.

I agree with Mr. Landes, who wrote that his March 2010 appraisal and one conducted in September 2009 by the first appraiser "are far below what he and I have seen rail corridors sell for and further substantiates our opinion that either at \$14.3 million or \$12.275 million, the Santa Cruz Branch Line is a bargain for the general public while meeting the requirement of fair and reasonable price' to be paid the railroad."

The fact that we might be able to incorporate it into the Coastal Trail and Bike Path, along the Monterey Bay National Marine Sanctuary, only increases its worth as a public asset of Local, State and National Value.

Please move this project forward.

Thank you
Charles Paulden



Stephanie Raugust
<raugust@sbcglobal.net>
01/16/2011 09:17 PM

To <California_Transportation_Commission@dot.ca.gov>
cc
bcc
Subject Rail Line

Please fund the purchase of the rail line once and for all.
Remember the Louisiana Purchase was once said to be a waste of a lot of money.
In for sight this will be the deal of a lifetime.
Your grandchildren will thank you.
Kristen Raugust

Stephanie Raugust
P.O.Box 105
Davenport, CA 95017
831-423-8566 H
831-334-8279 C

Meeting Handout



420 CAPITOLA AVENUE
CAPITOLA, CALIFORNIA 95010
TELEPHONE (831) 475-7300
FAX (831) 479-8879

January 12, 2011

James Earp, Chair
California Transportation Commission
1120 N Street
Room 2221 (MS-52)
Sacramento, CA 95814

RE: The City of Capitola's support for SCCRTC's Acquisition of the Santa Cruz Branch Rail Line

Dear Chair Earp,

In 2008, the City Council of the City of Capitola passed a motion supporting the Santa Cruz County Regional Transportation Commission's efforts to acquire the Santa Cruz Branch Line.

As Mayor, I feel the acquisition of this 32 mile coastal rail corridor is a vital element of the Central California Coast region's efforts to provide multi-modal solutions to its significant transportation problems. Acquisition of the rail line has been a priority for SCCRTC since the completion of the *1998 Major Transportation Investment Study for the Watsonville-Santa Cruz-UCSC Corridor*. SCCRTC's goal to acquire this underutilized right-of-way offers a unique opportunity to provide vastly improved access to all primary destinations in Santa Cruz County including the downtowns of Santa Cruz, Capitola and Watsonville. In Capitola this right-of-way runs through the City and would provide key transportation options to and from our Village and commercial center along the 41st Avenue corridor. I also see this as a one time opportunity to gain local control over a prime transportation corridor in the County.

The projects envisioned for this right-of-way will help to reduce congestion by making more efficient and effective use of existing transportation resources. In addition, the projects would enhance economic activity associated with the local tourism industry, a key sector of the local economy which has suffered recently due to world events and economic conditions beyond local control.

Thank you for your consideration and your past support of transportation initiatives in Santa Cruz County. I hope that you and your colleagues will view this important project favorably.

Sincerely,

Dennis Norton, Mayor

cc: SCCRTC – fax 831-460-3215
Assembly Member Bill Monning
Senator Barbara Boxer



420 CAPITOLA AVENUE
CAPITOLA, CALIFORNIA 95010
TELEPHONE (831) 475-7300
FAX (831) 479-8879

January 12, 2011

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Sincerely,

Dennis Norton, Mayor

cc: SCCRTC – fax 831-460-3215
Assembly Member Bill Monning
Senator Barbara Boxer

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JUDICIARY
LABOR AND EMPLOYMENT
WEBSITE: www.assembly.ca.gov/monning

Assembly California Legislature



WILLIAM W. MONNING
ASSEMBLYMEMBER, TWENTY-SEVENTH DISTRICT

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FAX (831) 425-2570

99 PACIFIC STREET, SUITE 555-D
MONTEREY, CA 93940
(831) 649-2832
(831) 649-2935

SANTA CLARA COUNTY DIRECT LINE
(408) 782-0647

June 30, 2010

James Earp, Chair
California Transportation Commission
1120 N Street, Room 2221 (MS-52)
Sacramento, CA 95814

This letter is to express my support for the Santa Cruz County Regional Transportation Commission's (RTC) application to purchase and improve the Santa Cruz Branch Rail Line (Branch Line) with Proposition 116 funds allocated by the California Transportation Commission.

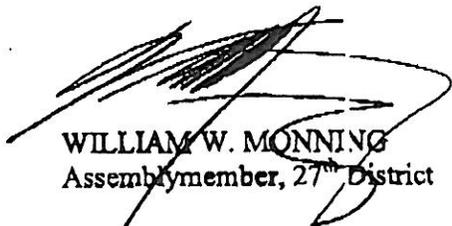
While I understand that negotiations are ongoing as to the passenger rail component of the application, I am confident that the applicants are committed to finalizing an agreement that will ensure the Branch Line will be used for passenger rail service.

I applaud the efforts of the RTC and the broad community alliance that has formed to support passenger rail service along the Branch Line, combined with expanded bicycle and pedestrian trails. The purchase and improvement of the Branch Line will provide environmental and health benefits to the community, as well as assist in meeting the region's fossil fuel reduction goals. At a time when California is taking steps to reduce greenhouse gas emissions, the Branch Line builds upon the existing public transportation system serving Santa Cruz County.

Recognizing the commitment of the Santa Cruz County Regional Transportation Commission to fulfill its obligations to the California Transportation Commission, I respectfully request your favorable consideration of the Santa Cruz Regional Transportation Commission's application to fund the purchase of the Santa Cruz Branch Rail Line with Proposition 116 funds.

Thank you for your time and consideration. If you have any questions, please feel free to contact me at (916) 319-2027.

Sincerely,



WILLIAM W. MONNING
Assemblymember, 27th District

WWM:bf



SIERRA RAILROAD COMPANY

221 First Street
Davis, CA 95616
Tel: 530-759-9827
Fax: 530 759-9872

James Earp, Chairman
California Transportation Commission
1120 N Street, Room 2221 (MS-52)
Sacramento, CA 95814

January 13, 2011

RE: Support for Santa Cruz County Regional Transportation Commission's Allocation Request for Proposition 116 and PTA Funds for Acquisition of the Santa Cruz Branch Rail Line (Item 2.6d, January 19, 2011, agenda)

Dear Chairman Earp and Members of the California Transportation Commission:

I am writing to convey our company's strong support for the Santa Cruz County Regional Transportation Commission's (SCCRTC) allocation request for Proposition 116 and Public Transportation Account funds for acquisition of the Santa Cruz Branch Rail Line.

Sierra Railroad is the operator of freight service and future recreational rail service on the Santa Cruz Branch Line. We are very enthusiastic about the potential for a successful passenger rail operation in Santa Cruz which links well-known visitor and scenic destinations, including the Santa Cruz Beach Boardwalk, Swift Street Courtyard - a popular wine tasting destination in a redeveloped warehouse district on the Santa Cruz Westside, Natural Bridges State Park, Wilder Ranch State Park, and historic Davenport. Future extensions are possible to the Santa Cruz Harbor and Twin Lakes State Beach, Capitola Village, New Brighton State Beach, Seacliff State Beach - home of the historic cement ship, and Aptos Village. Our company also looks forward to working closely with the SCCRTC on development of a pedestrian and bicycle trail adjacent to the rail line in those locations where the right of way width would support these uses while also ensuring continued safety and enhancement of rail operations.

Public ownership of this important transportation resource at the negotiated price is an excellent deal in my experience, and I urge the California Transportation Commission to approve this final fund allocation step in the RTC's lengthy effort to purchase this well-located, existing transportation resource.

Thank you very much for your consideration.

Best wishes,

Michael G. Hart

Michael G. Hart
President, CEO
Sierra Railroad Company

cc: Bimla Rhinehart, Executive Director, CTC
George Dondero, Executive Director, SCCRTC

SAM FARR
17TH DISTRICT, CALIFORNIA

COMMITTEE ON APPROPRIATIONS
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Congress of the United States
House of Representatives
Washington, DC 20515-0517

TAB 24
1221 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-0517
(202) 225-2861

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(831) 424-2229
701 OCEAN STREET
ROOM 318
SANTA CRUZ, CA 95060
(831) 429-1976
www.farr.house.gov

January 14, 2011

The Honorable James Earp
Chairman
California Transportation Commission
1120 N Street
Room 2221 (MS-52)
Sacramento, CA 95814

Dear Mr. Chairman:

It is my understanding that the California Transportation Commission is considering approval of state funding for the purchase of the Santa Cruz Branch Rail Line by the Santa Cruz County Regional Transportation Commission (RTC) next week. I strongly believe this to be an extremely wise investment which will most likely not be available again, and would urge the Commission to approve the RTC request.

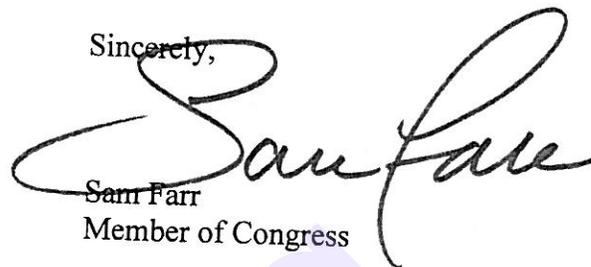
I have been an advocate of this project from its inception, having secured federal funding for the project in 2003. It has the potential to provide a variety of benefits and future transportation uses in a corridor that is integral to the movement of goods and people from the town of Davenport in Santa Cruz County to the community of Pajaro in Monterey County where the rail line connects to the main coast rail line and planned future passenger rail service from the San Francisco Bay Area and Los Angeles. Your funding is critical to preserving this potential transportation resource. I don't have to remind the Commission that once lost, these resources will never come back.

As you know, the RTC has come to an agreement with Sierra Northern Railway for operation and maintenance of the line. It is my understanding that if Sierra some time down the road requests permission from the federal Surface Transportation Board (STB) to abandon freight service on the rail line, there is under Federal law an option to railbank. This process permits public agencies to preserve rail corridors that are abandoned for freight service to remain under federal jurisdiction, thus ensuring that the clouded title portions of the corridor would not revert to private ownership and the entire corridor can continue to be used for passenger rail and other transportation purposes.

I strongly urge the Commission to approve funding for this project, which is so important to the Santa Cruz County community. It is rare that such a positive impact can be made on the economy, transportation system, and environmental protection of a region in the state, and the CTC has such an opportunity this month. Thank you for your time

and attention to this matter. Please direct any correspondence regarding this matter to Alec Arago in my Salinas district office.

Sincerely,

A handwritten signature in black ink that reads "Sam Farr". The signature is fluid and cursive, with a large initial "S" and "F".

Sam Farr
Member of Congress

cc: California Transportation Commissioners
SF/aa

Meeting Handout

Tab 24



County of Santa Cruz

BOARD OF SUPERVISORS

701 OCEAN STREET, SUITE 500, SANTA CRUZ, CA 95060-4069
(831) 454-2200 • FAX: (831) 454-3262 TDD: (831) 454-2123

JOHN LEOPOLD
FIRST DISTRICT

ELLEN PIRIE
SECOND DISTRICT

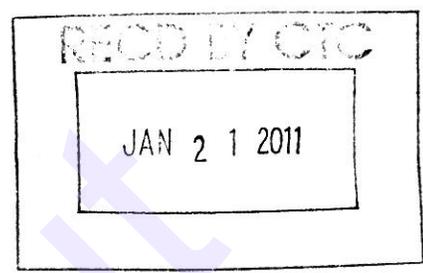
NEAL COONERTY
THIRD DISTRICT

GREG CAPUT
FOURTH DISTRICT

MARK W. STONE
FIFTH DISTRICT

January 14, 2011

California Transportation Commission
1120 N Street, Room 2221
Sacramento, CA 95814



RE: SUPPORT FOR THE PURCHASE OF THE
SANTA CRUZ BRANCH RAIL LINE

Dear Members of the Commission:

Over the last 20 years, residents of Santa Cruz County have spoken forcefully about the desire to acquire the 32-mile rail line that stretches across our county. When Proposition 116 was on the ballot, it passed with a 60% approval in Santa Cruz County.

Over the past 10 years, the Santa Cruz County Regional Transportation Commission (SCRTC) has researched, reviewed and debated the merits of this purchase. Many community organizations and members have expressed support for this purchase (see attachment). In May of this year, the SCRTC voted unanimously to seek funding for the purchase of the rail line.

As you are aware, last June the California Transportation Commission (CTC) voted unanimously to support the purchase after five conditions were met. They included:

1. Provide the CTC a copy of the executed Administration, Coordination and License Agreement between the RTC and operator (Sierra Northern Railway);
 - ✓ Approved and executed by the SCRTC on October 14, 2010, and delivered to CTC staff the same day.
2. Commit, by resolution, to be responsible for initiating recreational passenger rail service, in accordance with Public Utilities Code (PUC) Section 99640;
 - ✓ Resolution 04-11 making this commitment was approved by the SCRTC on August 5, 2010, and was delivered to CTC staff on August 6, 2010.

3. Commit, by resolution, to be responsible for continuing freight rail service for as long as would be required by the Surface Transportation Board (STB);
 - ✓ Resolution 04-11 making this commitment was approved by the SCCRTC on August 5, 2010, and was delivered to CTC staff on August 6, 2010.
4. Commit, by resolution, to be responsible for hazardous waste clean-up and not seek State transportation funds for any clean-up costs and to indemnify the State for both present and future hazardous waste clean-up liabilities; and
 - ✓ Resolution 29-10 making this commitment was approved by the SCCRTC on May 6, 2010, and was delivered to CTC staff on August 6, 2010.
5. If the RTC ceases to use the Branch Line for the original purpose as approved by the CTC, RTC commits, by resolution, to reimburse the State the allocated amount or the then fair market value of the property.
 - ✓ Resolution 04-11 making this commitment was approved by the SCCRTC on August 5, 2010, and was delivered to CTC staff on August 6, 2010.

After years of debate and successful efforts by the SCCRTC to meet all the requirements, the CTC will be voting soon on final approval of funds to support this historic purchase.

Our Board unanimously urges members of the California Transportation Commission to approve the purchase of the Santa Cruz Branch Rail Line and to provide full funding for the purchase through Proposition 116 funds and State Transportation Improvement Program funds that have already been programmed for this purchase.

Sincerely,



MARK W. STONE, Chairperson
Board of Supervisors

MWS:ted
Attachment

cc: Clerk of the Board
George Dondero, Santa Cruz County Regional Transportation
Commission

Business Community

Santa Cruz Chamber of Commerce
 Capitola-Soquel Chamber of Commerce
 Santa Cruz County Conference and Visitors Council
 City of Santa Cruz Redevelopment Agency
 Downtown Business Association of Santa Cruz
 Santa Cruz Beach Boardwalk
 O'Neill Wetsuits, LLC
 Santa Cruz Bicycle Industry Coalition
 The Holcomb Corporation
 Think Local First
 Barry Swenson Builder
 Beckmann's Bakery
 Kelly's Bakery-Swift Street Courtyard
 Comstock, Thompson, Kontz & Brenner
 Davenport Roadhouse Restaurant & Inn

Labor

Monterey/Santa Cruz Central Labor Council
 SEIU 521 Santa Cruz County Chapter
 International Brotherhood of Electrical Workers
 United Transportation Union

Transportation Community Groups

California Rail Foundation
 The Transit Coalition
 Train Riders Association of California
 Transportation Agency for Monterey County
 Community Traffic Safety Coalition of Santa Cruz County
 Pajaro Valley Transportation Management Association

Environmental Community Organizations

Friends of Rail Trail
 Sierra Club Santa Cruz County Group
 Friends of Santa Cruz State Parks
 People Power!
 Ecology Action
 The Campaign for Sensible Transportation

Local Government

Santa Cruz County Board of Supervisors
 Capitola City Council
 Santa Cruz City Council
 Patricia Stephens, President, Association of Monterey Bay Area Governments
 Michael C. Watkins, County Superintendent of Schools