

CITY OF SUNNYVALE

The Heart of Silicon ValleySM

456 WEST OLIVE AVENUE SUNNYVALE, CALIFORNIA 94086 (408) 730-7473

March 31, 2017

Glenn Hendricks
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Gustav Larsson
Vice Mayor

Jim Griffith
Councilmember

Larry Klein
Councilmember

Nancy Smith
Councilmember

Russ Melton
Councilmember

Michael S. Goldman
Councilmember

The Honorable Elaine Chao
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

Dear Secretary Chao:

As bipartisan mayors and local officials, we are writing to express our strong support for the approval of the pending Full Funding Grant Agreement (FFGA) for Caltrain's Peninsula Corridor Electrification Project (PCEP). Approval of Caltrain's \$647 million FFGA will leverage more than \$1.3 billion investment from local, regional, and state sources into our national economy and generate much needed jobs in our communities.

The PCEP has been planned for nearly 25 years, and will replace Caltrain's aging diesel fleet with high-performance electric commuter rail trains. Electrification will immediately increase the system's capacity and provide a foundation for additional improvements that will equip the corridor to accommodate, and help foster, sustained job and economic growth.

We are very concerned with the Federal Transit Administration's (FTA) announcement on February 17 that a decision regarding the FFGA has been delayed pending development of the President's 2018 Fiscal Year Budget. Deferring the approval of this funding puts the project and the associated 9,600 jobs at risk. Caltrain has awarded contracts and is ready to start construction immediately, but this work cannot begin unless the FFGA is signed in time to support critical project deadlines.

Caltrain, as the project sponsor, has been working with the Federal Transit Administration since 2009 to ensure that it meets all of the rigorous statutory and regulatory FFGA requirements of this competitive discretionary program. The project was subject to thorough evaluation, including ridership studies, design assessments, financial analyses and cost benefit analyses by the FTA and U.S. Department of Transportation.

Caltrain has tremendous local support for this project, which is demonstrated by the significant overmatch, as the federal request

makes up only 32% of the total project cost. The project was rated highly and was recommended for an FFGA, and previously appeared in the President's budget funding recommendations and bipartisan appropriation bills.

We strongly encourage you to proceed with the expeditious approval of Caltrain's FFGA for the PCEP, which will fuel our economies and bring jobs to our regions.

Thank you for your attention to this important matter. We look forward to working with you to advance this project for the benefit of generations to come.

Sincerely,



Glenn Hendricks
Mayor

cc: The Honorable Ro Khanna, Congressional District 17
Sunnyvale City Council
Deanna J. Santana, City Manager
Manuel Pineda, Director of Public Works