



June 13, 2012

Assemblymember Galgiani  
State Capitol, 10<sup>th</sup> & L Sts, Room 5155  
Sacramento CA 95814  
Attention: Victoria Grajek, Chief of Staff

RE: Intercity Passenger Rail Act of 2012 for San Joaquin Corridor – Letter of Support

Dear Assemblymember Galgiani,

The California Central Valley Economic Development Corporation, including the seven EDC's from San Joaquin, Stanislaus, Madera, Fresno, Kings, Tulare and Kern Counties, is pleased to provide this letter of support for Assembly Bill (AB) 1779, which would enable the transfer of administrative responsibility of the San Joaquin intercity passenger rail service from the Department of Transportation to a new joint powers authority.

We appreciate that AB 1779 follows the model of the Capitol Corridor Joint Powers Authority (CCJPA), and is permissive legislation, which would enable regional governance/management of the existing San Joaquin intercity passenger rail service between Bakersfield-Fresno-Stockton-Sacramento-SF Bay Area.

In addition to more cost effective administration and operations, the CCJPA has shown that there are several other potential benefits to local authority administration of intercity passenger service including:

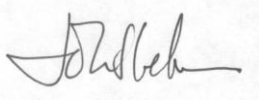
- The ability to have a stronger voice in advocating for service improvements and expansions
- Local decision-making that is more responsive and adaptive to passenger issues
- The ability to take better advantage of joint marketing and partnerships with local agencies
- More engagement by local communities to support the service

We support defining the composition of the San Joaquin Joint Powers Authority (Authority), and extending the time for creating the Authority and executing an interagency transfer agreement with the Department of Transportation to December 31, 2013. In order to transfer responsibility of the San Joaquin intercity passenger rail service to the Authority, AB 1779 will require that the transfer must result in administrative or operating cost reductions. AB 1779 currently prevents any existing sources of local or regional transit funding to be used to expand or maintain the San Joaquin intercity passenger rail service. While we appreciate the safeguards that provides to local partners, we would ask that the use of local or regional transportation funding be permissive, but not required. We believe this would allow, but not require our elected representatives to make the determination as to whether such investments are in the best interest of their constituents.

With more efficient administration and stronger local/regional support, a regionally managed San Joaquin intercity passenger rail service can result in much higher frequencies of service, and increases in ridership and revenue. We believe those increases in San Joaquin intercity passenger rail service and ridership will result in more jobs, improvement to our air quality, and will help promote sustainable development.

We are pleased to provide this letter of support for AB 1779 to help move California forward.

Sincerely,

A handwritten signature in black ink, appearing to read "John S. Lehn", is centered on a light gray rectangular background.

John S. Lehn  
Board Chair, CCVEDC