

# Memorandum

**TAB 25**

**To:** CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

**CTC Meeting:** January 19-20, 2011

**Reference No.:** 2.6d.  
Action Item  
**REPLACEMENT ITEM**

**From:** NORMA ORTEGA  
Chief Financial Officer

**Prepared by:** Steven Keck  
Division Chief  
Budgets

**Subject:** FINANCIAL ALLOCATION FOR LOCAL PROPOSITION 116 MASS TRANSPORTATION PROGRAM AND STATE TRANSPORTATION IMPROVEMENT PROGRAM PROJECT RESOLUTION MFP-10-  
RESOLUTION BFP-10-

## RECOMMENDATION:

The Regional Transportation Commission for Santa Cruz County (Recipient) has requested the California Transportation Commission (Commission) allocate \$14,500,000 in Proposition 116 bond and Public Transportation Account (PTA) funds for the Santa Cruz Branch Line Right of Way Acquisition. In addition, the Recipient is requesting an allocation of \$350,000 in PTA funds for Plans, Specifications and Estimates.

The California Department of Transportation (Department) recommends \$14,500,000, as supported by the appraisal information provided by the Recipient of \$12, 275,000 and a negotiated settlement between the Union Pacific Railroad and the Recipient. The Department did not participate, nor was privy to, any negotiations on the ultimate price.

Attachment

2.6 Mass Transportation Financial Matters

REPLACEMENT ITEM

Project # Allocation Amount Recipient RTPA/CTC District-County	Project Title Project Description	Dist-PPNO Program / Year Programmed: Phase Prgm'd Amount	Budget Year Item # Fund Type Program Code	Amount by Fund Type
<b>2.6d. Proposition 116/STIP - Locally Administered Multi-Program Transit Project</b>			<b>Resolution BFP-10-__</b>	
			<b>Resolution MFP-10-__</b>	
1 \$14,850,000	<b>Santa Cruz Branch Rail Line Acquisition</b> Acquisition of the rail line for the purpose of preserving the rail corridor for future multi-modal uses, including continuation of existing freight and recreational rail service.  (Contributions from local sources: \$4,491,250.)  (Future Consideration of Funding, Resolution E-09-105)	05-0932 P116/10-11 PA-10-06 PUC 99640 R/W \$10,200,000	P116	\$10,200,000
Santa Cruz County Regional Transportation Commission <b>SCCRTC</b> 05-Santa Cruz	<u>Outcome/Output:</u> Completion of design engineering and acquisition of 31 miles of right of way from Pajaro in Monterey County to Davenport in north Santa Cruz County.  <b>THE DEPARTMENT RECOMMENDS \$14,500,000 AS SUPPORTED BY THE APPRAISAL INFORMATION PROVIDED BY THE RECIPIENT OF \$12,275,000 AND A NEGOTIATED SETTLEMENT BETWEEN THE UNION PACIFIC RAILROAD AND THE RECIPIENT. THE DEPARTMENT DID NOT PARTICIPATE, NOR WAS PRIVY TO, ANY NEGOTIATIONS ON THE ULTIMATE PRICE.</b>	05-0932 RIP/10-11 PS&E \$350,000 R/W \$4,300,000	2009-10 101-0046 PTA	\$4,650,000

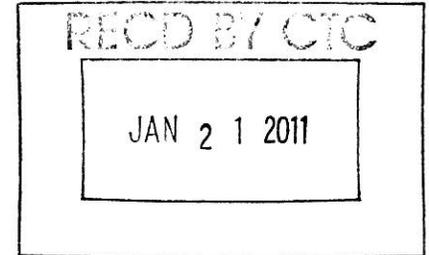
Yellow Handwritten Replacement Item

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Assembly  
California Legislature

LUIS A. ALEJO  
ASSEMBLYMEMBER, TWENTY-EIGHTH DISTRICT

Tab 25



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 funding 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,

A handwritten signature in black ink, appearing to read 'L. Alejo', written in a cursive style.

LUIS A. ALEJO  
Assemblymember  
28<sup>th</sup> District

cc: George Dondero, SCCRTC Executive Director

Meetings  
Handout