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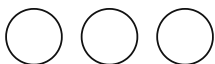
Bay Area high-speed rail will displace hundreds of residents, businesses



Video courtesy of the California High-Speed Rail Authority ×

Alec Regimbal, SFGATE

Updated: Sep. 29, 2022 4:18 p.m.



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FRESNO — In 2012, Brady Matoian was in his office in the
bizarre call from a friend. Matoian's business, OK Produce, appeared a [Read More](#) y in the past

of a new high-speed rail line that would run through the city's center, the friend told him.

Matoian assumed his friend was pranking him, but when he looked up a map of the line's proposed route, he saw it was no joke: The tracks were set to cut right through the heart of the building that had housed his family's wholesale produce business for more than 50 years.

"We had 16 doors; and the high-speed rail line was going to go down door eight, so we're talking dead center, like a field goal," Matoian told SFGATE. "It wasn't going to just clip the side or anything, it was going to go straight through."



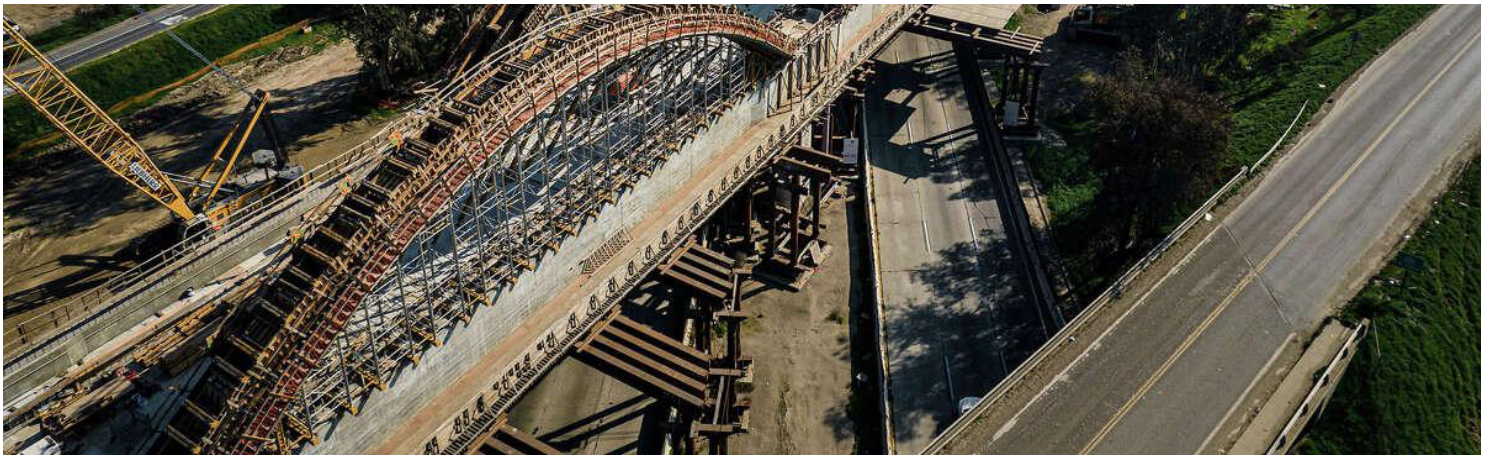
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The building that housed OK Produce was one of several hundred structures in California's Central Valley that the state purchased and demolished to make way for the 500-mile high-speed rail system that may one day connect Los Angeles to San Francisco. While early plans called for core segments of the tracks to be completed statewide by 2020, complications have resulted in numerous setbacks since the agency first broke ground in 2015.

Construction so far has been limited to a 171-mile section through the sparsely populated Central Valley, where California's High-Speed Rail Authority has spent more than \$1.4 billion buying property — a process that has served as a major source of the delays.





A construction site in Fresno for California's high-speed rail line is seen on Jan. 25.
Ryan Christopher Jones/NYT

Now, officials are trying to apply lessons learned through trial and error to the next phase of development, building rail lines through and between the state's sprawling coastal metropolises.

Earlier this year, the agency's board of directors approved initial plans for two Bay Area segments, one from the Central Valley up to San Jose and another continuing to San Francisco. Rail officials expect to spend roughly \$8 billion buying dozens of residential units and more than 100 businesses that stand in the way of the planned Bay Area lines; property owners have already begun receiving notices that that the incoming lines may affect them.

If everything goes as planned, bullet trains could be running to San Francisco by 2033. But it's a risky gambit, upending hundreds of lives for a project whose future is anything but secure.



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Troubled beginnings

California's high-speed rail system is easily the most ambitious, and controversial, infrastructure project in North America today. California voters narrowly approved the initiative in 2008, earmarking a \$9.95 billion bond that, in combination with federal dollars, would pay for bullet trains to whisk riders between Los Angeles and San Francisco in roughly 2 hours and 40 minutes.



Video Courtesy of the California High-Speed Rail Authority

In the intervening years; though, the effort has been beset by legal challenges, construction delays and disagreements among state political leaders. Costs have also skyrocketed; the estimated price tag for the entire system now exceeds \$100 billion, a far cry from the initial \$45 billion estimate. Today, nearly 14 years after the init **SFGATE** been built. Some disconnected pieces of the framework pergolas — can be found scattered across a 119-mile str eventually will form the bulk of a 171-mile rail line betwe

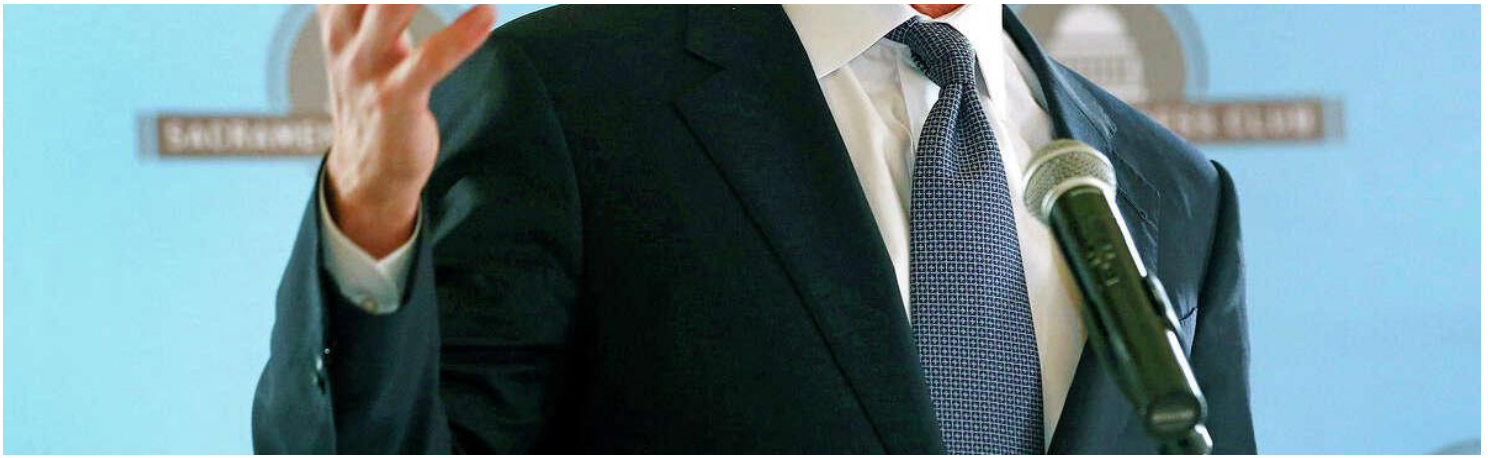
While the rail system's critics see an unwieldy, ultra-ex

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completion date in sight, its supporters view the bullet train as a cost-efficient, environmentally friendly alternative to the state's perennially clogged freeways and airports.

Nowhere are those opposing viewpoints more vividly on display than in the state Legislature. Disagreements over the project's viability, and disputes over how state dollars should be spent, have dominated talks in recent years. But one thing many Republicans and Democrats agree on — including some Democratic leaders — is that the current approach of building in the Central Valley first is the wrong one.





In this Oct. 19, 2016, file photo, then-Lt. Gov. Gavin Newsom speaks about California's high-speed rail project at the Sacramento Press Club in Sacramento, Calif. In his first State of the State Address, Newsom said the state's primary focus going forward would be to finish the 171-mile segment between Bakersfield and Merced before expanding into the coastal areas.

Rich Pedroncelli/AP

In his first State of the State address in 2019, California Gov. Gavin Newsom shocked the project's critics and supporters alike when he said the state would shift its focus to getting the Central Valley segment up and running, at an estimated cost of \$23 billion, before moving on to denser metro areas.

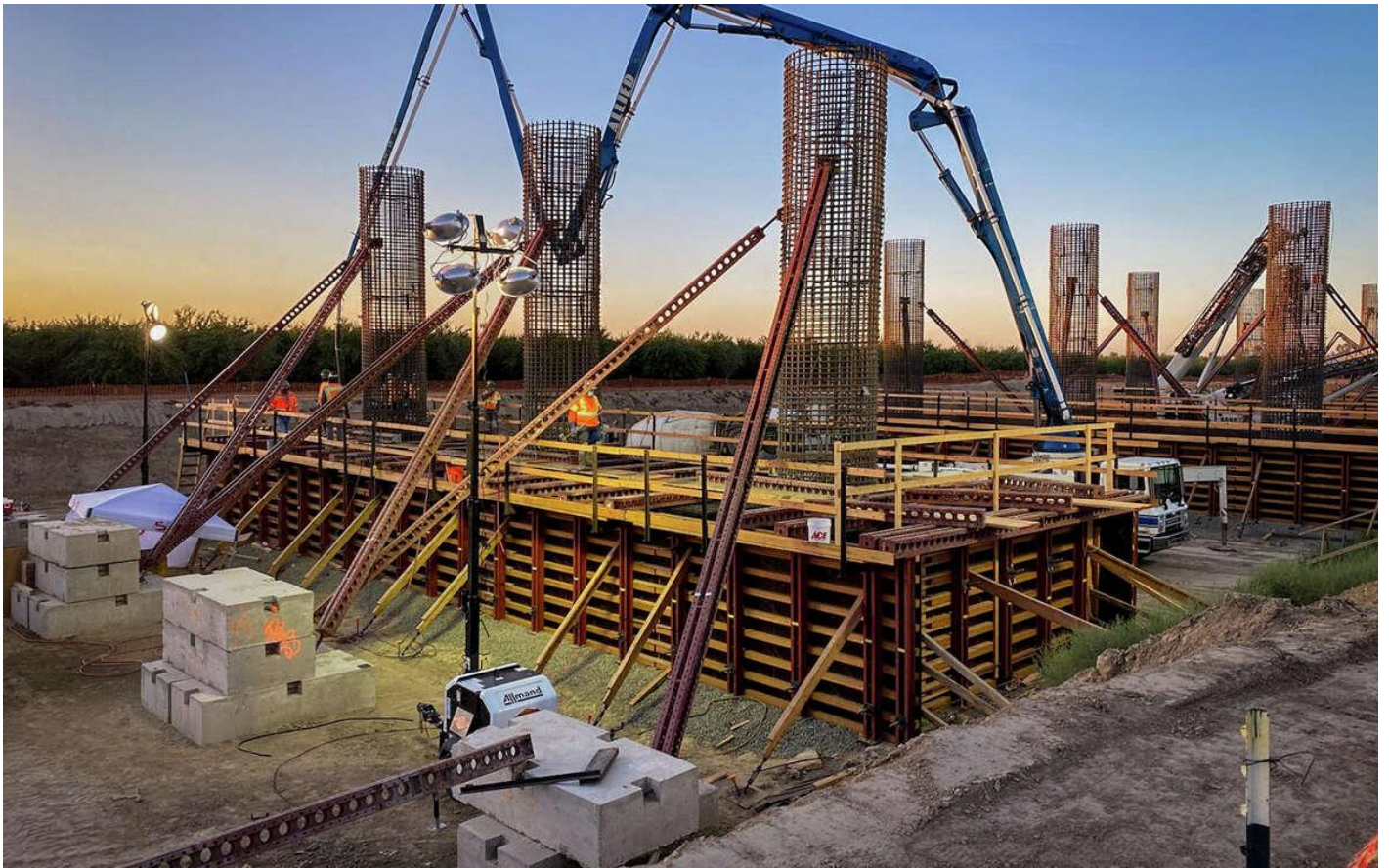
In an interview with the New York Times earlier this year, Newsom echoed an argument frequently heard from other project proponents: If the state can get one segment operational, the rest of the project will inevitably follow.

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"The pivot was never to abandon the vision," he said. "T

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(Images courtesy of the California High-Speed Rail Authority)

‘The bullet train to nowhere’

There’s a simple reason why construction has so far been relegated to the Central Valley, according to Rail Authority CEO Brian Kelly: Some of the first federal money the agency could get required them to build there. In the early days of the project, California’s rail authority applied for four grants through the Federal Railroad Administration. They were awarded just one, a \$2.5 billion check that came with strings attached.

“When the FRA awarded the money for the project, that money came attached to a specific location,” Kelly said in an interview with SFGATE. “That was the application that won, so that was the place to apply the federal money we got.”

The grant stipulated that the funds had to be used for construction on a specific 119-mile stretch between Madera and Shafter, two smaller cities in the Central Valley. And all that money had to be spent by 2017, or it would disappear, Kelly said.

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Next Up: Horoscope for Tuesday, 10/11/22 by Christopher Renstrom



Brian P. Kelly listens to testimony by Brian Maroney, toll bridge program chief engineer, during a hearing at the Capitol in Sacramento, Calif., on Aug. 6, 2014. Kelly, who took over the state High-Speed Rail Authority in 2018, said his agency has learned from "painful lessons" in the Central Valley and that it won't repeat past mistakes as the project moves forward. Michael Macor/The San Francisco Chronicle via Getty Images

Driving through Fresno along Highway 99, which slices vertically through California's Central Valley, you can see the towering concrete viaducts that will one day carry high-speed rail tracks. Off the highway, the pastoral backroads of Madera, Fresno, Kings, Tulare and Kern counties are dotted with pergolas, trenches, bridges and underpasses — all pieces of the framework required to run a high-speed rail line through a densely populated state.

Critics have dubbed this 171-mile segment, which will extend from Merced, "the bullet train to nowhere." That idea behind the project is that people want to travel to Los Angeles, San Francisco and other cities of the Central Valley.

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Experts who study high-speed rail projects, too, have questioned the viability of a rail line detached from the state's major coastal hubs. Paul Finkelman, a professor at Oxford

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Paul Finkelman, a professor at Oxford University, has written a book about the challenges of building a high-speed rail line in California.

rural line detached from the state's major coastal hubs. Bent Flyvbjerg, a professor at Oxford University and the IT University of Copenhagen, said rail officials should have done the opposite, focusing on the state's urban areas before breaking ground in the Central Valley.

"They're building the easiest part first, and that's exactly what you don't do," he told SFGATE. "If you think about it tactically, you would build the most difficult parts first because, once they are there, it would be meaningless not to finish."



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In this aerial image taken on Aug. 28, 2021, the Cedar Viaduct stands during construction of a high-speed rail project through the Central Valley in Fresno, Calif.

Patrick T. Fallon/AFP via Getty Images

But Kelly hopes that finishing the segment his agency has been working on for seven years will reinvigorate support for the project as a whole.

“We have to start somewhere,” Kelly said. “I think as we show progress, and people start to see it, touch it, feel it, the project becomes less abstract, and that will only push us further to get out of the Valley and into the other urban areas.”

‘Painful lessons’

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To date, the Rail Authority has bought 2,115 parcels of land representing 91% of the land it needs to complete the I-5 and Merced. That’s caused problems for some residents

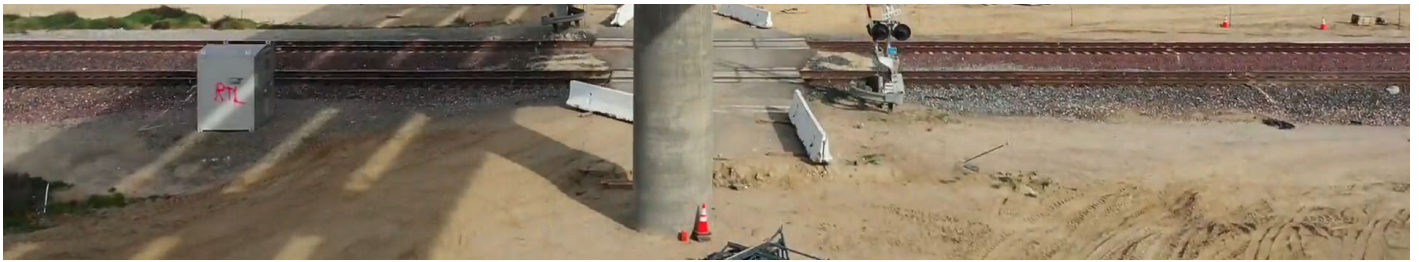
construction sites. Noisy bulldozers trundle by their houses daily, show [Read More](#) as of exhaust

into their front yards; crops planted on land purchased by the state have been left to wither, creating eyesores infested by insects and rodents.

All properties are purchased at fair market value, according to the Rail Authority, and those who are forced to relocate are offered financial compensation. However, a 2021 Los Angeles Times investigation found that a family from Cambodia was offered just \$163,000 for their land and restaurant — far less than an average home in Fresno sells for — and did not initially receive any relocation assistance.

People whose properties are in the way have little say in the matter. Even if they resist moving, rail officials can fall back on eminent domain — a legal process where the government asserts ownership of private property for public use — as a “last result,” as the ensuing court battles last well over a year on average.





Video courtesy of the California High-Speed Rail Authority

Every day, about 1,000 workers head out to 35 construction sites throughout the Central Valley, piecing together the skeleton of that line. The work often involves closing major roads on and off for weeks at a time; while the work is usually done on nights and weekends, it's still been a major headache for locals, who blame the project for increasing commute times, and even the risk of vehicle collisions.

In 2019, residents of a large neighborhood in Madera complained that crashes soared after construction of an overpass blocked one of the two major egresses out of the community, which meant thousands of drivers had to pack into the only open exit during their commutes.

Any large infrastructure project requires a number of preliminary steps, which are usually _____ × conducted before construction begins. The land must be commissioned on how the project might impact people and any possible negative effects need to be planned for

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Because the Rail Authority had just a few years to spend to go a more risky route, breaking ground on sections a

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completing impact and other reports along the way. This leaflet approach contains many of

completing impact and other reports along the way. This reaping approach explains many of the construction delays that have beleaguered the project, according to Kelly.

“That’s what you call ‘construction-at-risk,’” he said. “A lot of the [land] became more difficult to get. There were lawsuits filed, and a lot of property owners wanted to go all the way through the confirmation process. So, you get yourself into a position where you’re holding up work cause you don’t have the [land].”





Workers tie rebar on a support structure located on the south end of the Cedar Viaduct section of the California high-speed rail project.

Robert Gauthier/Los Angeles Times via Getty Imag

Kelly said the Rail Authority is learning from the “painful lessons” in the Central Valley, and has no plan to repeat the mistakes of the past when building future segments. Instead, the agency intends to complete every preliminary step for the remaining tracks before breaking ground. Ideally, that means construction itself will go relatively quickly, and residents won’t be subjected to prolonged road closures and other headaches that have plagued many Central Valley residents for seven years.

“We will not go into construction-at-risk,” Kelly said. “That’s a lesson learned. We will have our right-of-way in hand, we will have our utility relocation done, and then we’ll talk about getting into construction.”



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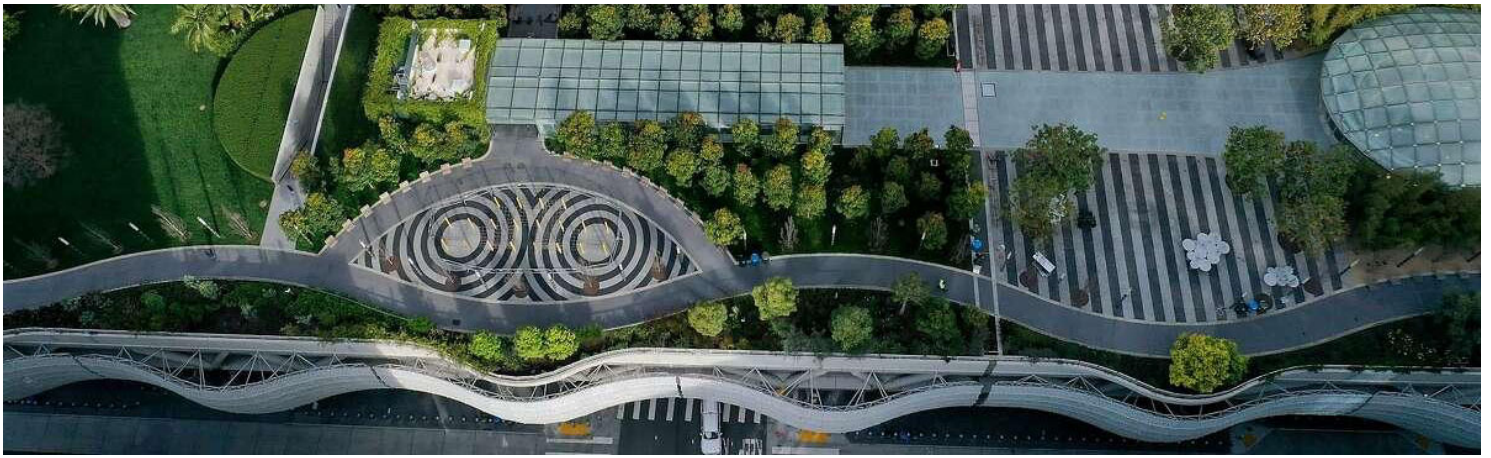
Westward expansion

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To date, land purchases account for about 14% of the project's total expenditures. That percentage is likely to increase, though, as rail officials move out of the Central Valley and into the pricey coastal areas:

Earlier this year, the Rail Authority's board of directors signed off on initial plans for two more segments: a 90-mile line between Merced and San Jose and a 43-mile line between San Jose and San Francisco. Morgan Galli, the deputy director for the Rail Authority's Northern California region, told SFGATE that they've recently begun notifying people whose properties may be impacted.





An aerial drone view of an empty Salesforce Park during the coronavirus pandemic on March 30, 2020, in San Francisco. A high-speed rail line station from San Jose to San Francisco will be established here sometime in the next 11 years.

Justin Sullivan / Getty Images

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The Merced to San Jose line is set to run west, from a high-speed rail junction in Merced County, through Pacheco Pass; then north into downtown Gilroy before cutting northwest through San Jose and into Santa Clara. The second segment would continue due north, up the peninsula from Santa Clara, before coming to a stop at San Francisco.

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Between Merced and San Francisco, the Rail Authority anticipates having to buy more than 200 structures; including 82 residential units and 156 businesses. Both lines are expected to be operational by 2033. The Rail Authority declined to provide a figure for how many people may be forced out of their homes over the next 11 years.

While the paths have been approved, no money has actually been allocated, Galli said. There won't be a clear timeline until the state actually acquires the funding it needs to buy the land and build the tracks.





A conceptual rendering of a proposed high-speed rail station slated for Fresno, Calif.
Image courtesy of the California High-Speed Rail Authority

It's certainly going to need a lot of money: An estimated \$5.3 billion to buy land for the 90-mile Merced to San Jose line, and about \$2.8 billion for the 43-mile stretch between San Jose and San Francisco. That second figure alone represents roughly twice the amount spent so far on land for the 171 miles of track in the Central Valley.

When impacted residents ask Galli why they should uproot themselves for a project they don't support, she answers them from a utilitarian perspective.

"Typically, for us, we have to approach it as, 'This is a state project that benefits throughout California,'" she said. "It isn't unlike other large-scale projects, or even local projects; that have impacts on people for t

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Still, both the total cost of the segments — \$25 billion, in total — and the estimated number of displacements are

without an agreement the Rail Authority made with Caltrans in 2004. Together, the two

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without an agreement the Rail Authority made with Caltrain in 2004. Together, the two agencies plan to operate a “blended system” between San Jose and San Francisco, in which bullet trains and regular commuter trains share electrified tracks. So far, Caltrain has electrified 6 of the 51 miles required.



A full-scale mock-up of a high-speed train is displayed at the Capitol in Sacramento, Calif., on Feb. 26, 2015. The California High-Speed Rail Authority's biennial business plan, released Feb. 8, 2022, shows the estimated cost of the project rising by about \$5 billion, compared to the 2020 plan, up to as much as \$105 billion.
Rich Pedroncelli/AP

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The existing Caltrain tracks; even when electrified, won't be as advanced as those found in other segments. Because of this, rail officials anticipate having to run bullet trains through portions of this segment at relatively slower speeds — around 110 miles per hour. That may endanger the agency's promise of a 180-minute travel time between Los Angeles and San Francisco, though they hope to make up for it by running bullet trains at top speed, roughly 220 miles per hour, through the middle of the state.

'We're going to make this happen'

Despite the project's sluggish start, the Rail Authority has made significant progress in 2022. Along with the two Bay Area segments, the agency's board of directors signed off on initial plans for two other project segments further south — a 14-mile route between Los Angeles and Burbank, and a 30-mile route between Burbank and Palmdale — earlier this year.

The Rail Authority also secured a huge victory this summer, when Democratic leaders in the state Legislature agreed to release the remaining \$4.2 billion in bond funding from the 2008 ballot initiative, as part of a compromise that included plans to hire an inspector general to oversee the project. Rail officials plan to use the bond funds to help complete the Central Valley segment.

For Kelly, the Rail Authority's string of accomplishments over the past year marks a turning point in the trajectory of a project that has long been dismissed as a pipe dream.

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Video courtesy of the California High-Speed Rail Authority

“Even though there’s some pushback with some of these segments, the overwhelming thing for us is that there’s a better sense that we’re doing this, this is coming, we’re going to make this happen,” Kelly said. “The tide is moving.”

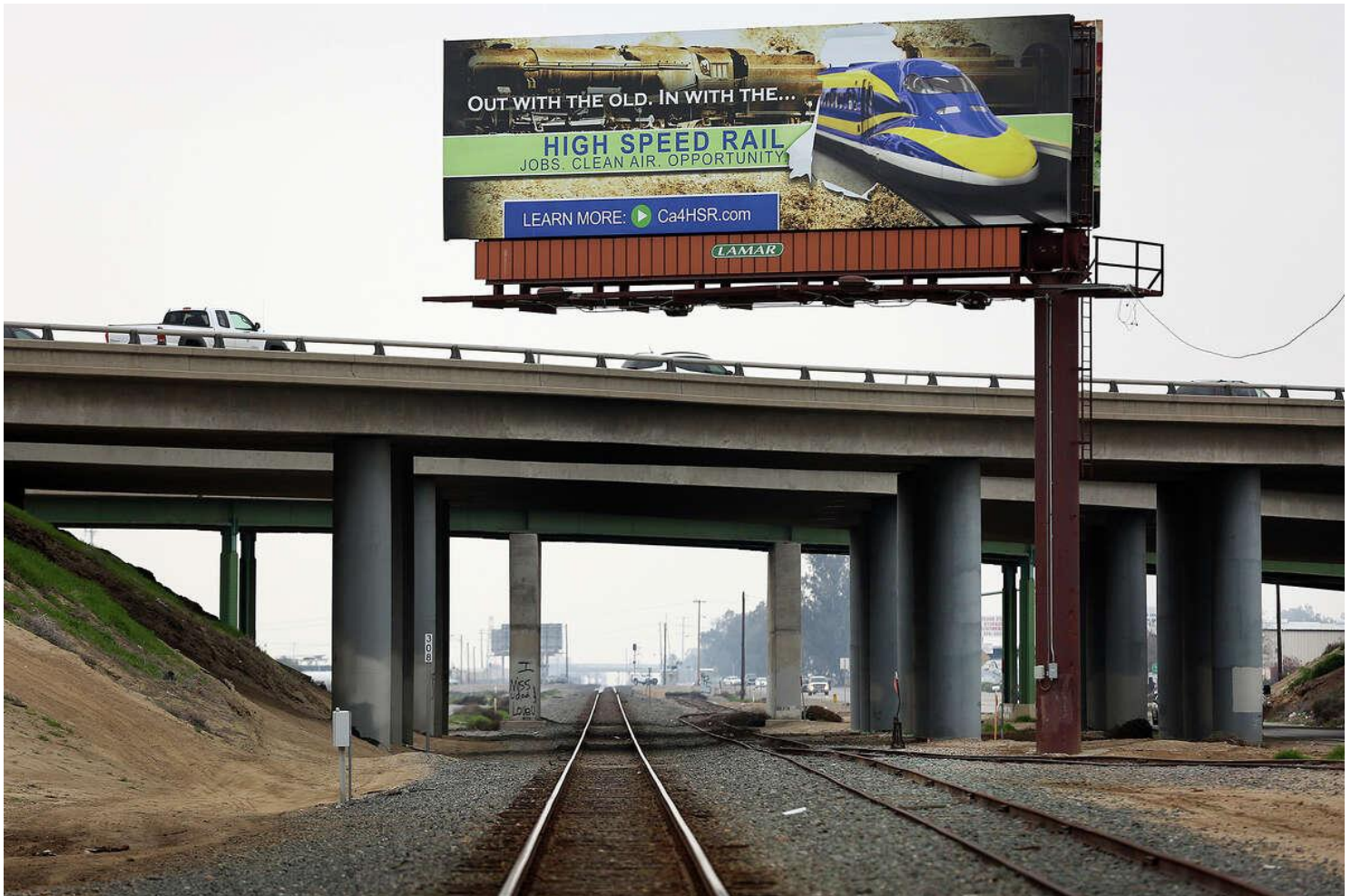
Matoian, the owner of OK Produce in Fresno, said he agreed to speak with SFGATE about his experience because he wants other California business owners to understand that a call from the Rail Authority isn’t exactly the death knell some think it is.

“The transition took five years off my life,” Matoian said. “But I did it.”

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After learning he'd have to move his business in 2012, he found a suitable building in 2014, with help from city officials and members of Fresno's Economic Development Corporation, a nonprofit resource for local businesses that supports the rail project. He received some funds from the Rail Authority to purchase a new building, and also used money he'd been saving for a planned expansion of the old one.



A billboard sign promoting the high-speed rail project is prominently displayed along state Route 99 in Bakersfield, Calif., on Jan. 28, 2015.

Al Seib/Los Angeles Times via Getty Imag

Matoian said his willingness to accept the reality of wha
willingness to collaborate with state officials, rather tha
allowed his business to thrive, even with the turbulence

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“If you fight every progressive thing in the world, you’d
working together, and by not digging our heels in the sa

being kicked out of our nest and decided to fly our flock. We stopped and just said, ‘Let’s

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being kicked out of our nest and decided to fly our flock. We stopped and just said, 'Let's make this a win-win for all of us.'"

Editor's note: This story was updated at 11:05 a.m., Sept. 29, to clarify information on the notices sent to Bay Area residents. In addition, an earlier headline referred to residents being displaced by the rail line; it has been updated to clarify that both residential units and businesses will be affected.

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Written By
Alec Regimbal

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Alec Regimbal is a politics reporter at SFGATE. He graduated from Western Washington University with a bachelor's degree in journalism. A Washington State native, Alec previously wrote for the Yakima Herald-Republic and Seattle Post-Intelligencer. He also spent two years as a political aide in the Washington State Legislature.



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