

# Southern California Delivering the World to Your Doorstep Everyday

Southern California Working Group



# Strategic Growth Plan

- Proposition 1B provides a strategic opportunity to invest in the growth of our State's economy and improved environmental quality
- The bond provides a balanced plan of investment; funds are provided for congestion relief, trade corridors, public transit, state highway system and a special earmark of \$1 billion for Route 99
- International trade is a key economic engine for the State
- In 2005, the \$256 billion of containerized cargo moving through the Ports of Los Angeles and Long Beach generated 890,000 jobs in California and 3.3 million jobs in the entire U.S.

# California Ports Infrastructure, Security and Air Quality Improvement Account

- Proposition 1B allocates \$3.1 billion for goods movement and emission reduction programs
- Priority given to “Trade Corridors of National Significance”
- Requires priority for areas with high freight volumes to and from international ports of entry and border crossings

# The Governor's Goods Movement in California Policy Statement

“ . . .efficient, safe delivery of goods to and from our ports and borders. . .”

“ . . .environmental impact of goods movement must be reduced to ensure protection of public health. . .”

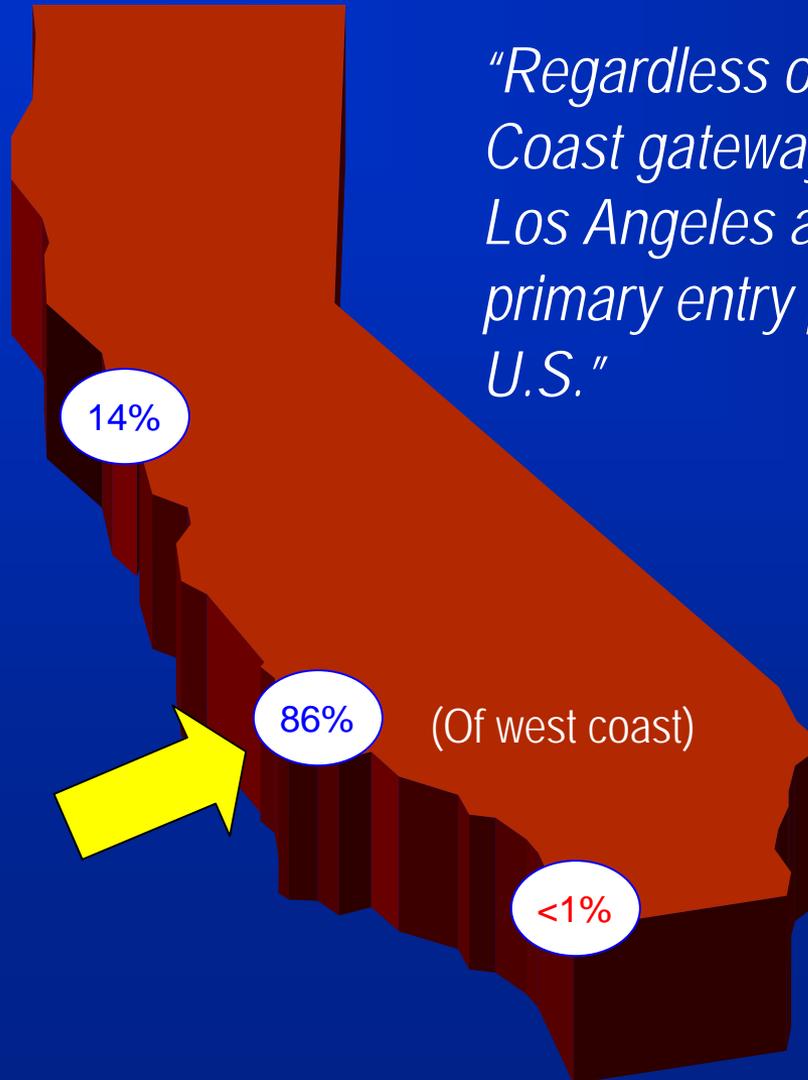
“ . . .focus on the entire ‘coast to border’ facilities. . .”

“ . . .critical to the national goods movement network. . .”

# West Coast “Gateways of Choice”

*“Regardless of efforts to develop alternative West Coast gateways, Los Angeles and Long Beach will remain the primary entry points for eastbound imports into the U.S.”*

*Waterfront Coalition White Paper, May 2005*



# Cargo Forecast (millions of TEUs)

	L.A./L.B.	Oakland
2006	15.8	2.4
2010	19.7	2.7
2020	36.0	4.2
2030	42.5	6.45

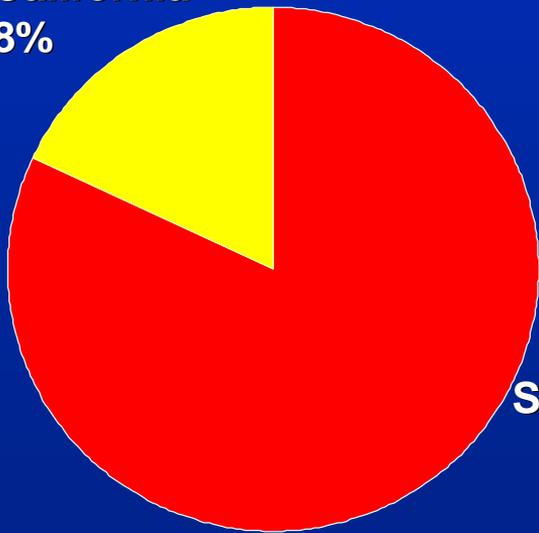
# Economic Benefits

- The San Pedro Bay Ports handle more than 40 percent of the nation's total import traffic
- 886,000 jobs in California are directly and indirectly related to international trade activities conducted through the San Pedro Bay Ports
- International trade moving through the San Pedro Bay Ports also generated more than \$6.7 billion in state and local tax revenue benefits
- In 2006, 2.8M TEUS of imports through LA/LB were consumed in California

# PM2.5 Disproportionate Exposure South Coast Air Basin

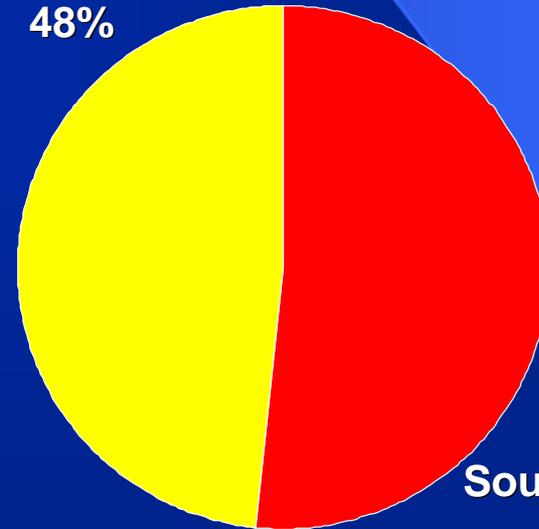
Population-Weighted Exposure Above NAAQS Based on  
2000-2002 AIRS Data

Rest of California  
18%



South Coast  
82%

Rest of Nation  
48%



South Coast  
52%

# Southern California Consensus Trade Corridor Improvement Fund Working Group

- The Southern California working group has been meeting for several years to address goods movement in the region
- The participating agencies represent the region's goods movement needs from international ports of entry to the borders
- The group's focus is now on the allocation of the TCIF bond proceeds to ensure that the unique challenges of our trade corridor are met

# Response to BT&H Criteria

- Criteria well-considered, consistent with our principles
- Support efforts to expedite process
- Separate screening from prioritization criteria
- Recommend customization of weighting by corridor
- Suggest grouping criteria

# Trade Corridors Improvement Fund (TCIF)

## Southern California Coalition Consensus Position

### Three Step Process:

- 1) Justified Geographic Investment:  
Regional Allocation
- 2) Project Screening
- 3) Regional System Factors

# Trade Corridors Improvement Fund (TCIF)

## Southern California Coalition Consensus Position

### 1) Justified Geographic Investment; Regional Allocation

Allocate funds by TCIF region based upon:

- Annual TEUs of containerized cargo
- Annual waterborne (TEUs)
- waterborne, non-containerized, non-liquid bulk cargo (tons)
- vehicle hours of delay/day (measure of congestion)
- Annual heavy-duty truck miles traveled
- freight train miles/day
- vehicle hours/day of delay @ rail xings
- pop. exposed to DPM/NOx health risk

# Trade Corridors Improvement Fund (TCIF) Southern California Coalition Consensus Position

## 2) Project Screening

- Eligibility
- Deliverability
- 1:1 match

# Trade Corridors Improvement Fund (TCIF) Southern California Coalition Consensus Position

## 3) Regional Systems Factors

Projects nominated from system plan developed by regional stakeholders, based on regionally determined criteria, consistent with Prop. 1B

- Criteria to include:
  - Reduction of emissions/health risk, motorist delays
  - Leveraging of private funding
  - Federal trade corridors of national significance
  - System-wide benefits
  - Safety improvement

# Southern California Working Group Project Benefits

- 1) A systems approach rather than merely isolated projects
- 2) Project selection process that considers not only traditional criteria, but orderly delivery of components of a much more extensive system with a combination of TCIF funds and other funds
- 3) Addresses community and quality of life concerns
- 4) Projects meet the 2013 construction start date
- 5) Local funding commitments
- 6) Region's unique analytical capabilities and freight planning experience

# Conclusion

- The Southern California working group has built a coalition
- The working group played a role in the development of the GMAP and the development of the bond
- The working group urges that the \$2 billion TCIF bond proceeds are allocated in proportion to the level of need in each trade corridor
- Incorporate our regional efforts by allocating bond proceeds first to the 4 TCIF regions using our recommended criteria and allow the regions to recommend projects in their trade corridor

# Questions & Answers