



Metro

Los Angeles County
Metropolitan Transportation Authority

One Gateway Plaza
Los Angeles, CA 90012-2952

44

EXECUTIVE MANAGEMENT AND AUDIT COMMITTEE
April 16, 2009

**SUBJECT: REAUTHORIZATION OF FEDERAL SURFACE TRANSPORTATION
FUNDING BILL**

ACTION: APPROVE STAFF RECOMMENDATION

RECOMMENDATION

Adopt the following position:

- A) **Metro 2009 Federal Reauthorization Plan** – Proposal from our agency that outlines our objectives with respect to the surface transportation authorization bill to be considered by Congress and the Obama Administration. This document also includes a list of mobility projects for which we will be seeking authorization. **SUPPORT**


- B) **Southern California Surface Transportation Reauthorization Consensus Document** – Proposal from Metro and the transportation commissions of San Diego, Riverside, San Bernardino, Orange and Ventura Counties, along with the Ports of Los Angeles and Long Beach, Los Angeles World Airports, SCRRA (Metrolink) and Southern California Association of Governments. **SUPPORT**

- C) **California Consensus on Federal Transportation Authorization 2008**– Proposal from various California transportation organizations and associations on consensus principles and regulatory recommendations that benefit programs and projects within the State of California. **SUPPORT**

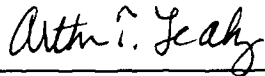
ATTACHMENTS

- Attachment A-1 Metro Priority Federal Reauthorization Project List
- Attachment B-1 Southern California Surface Transportation Reauthorization Consensus Document
- Attachment C-1 Southern California Authorization Consensus Document

Prepared by: Raffi Hamparian, Government Relations Manager, Federal Affairs
Marisa Yeager, Government Relations Administrator, Federal Affairs



Matthew Raymond
Chief Communications Officer



Arthur T. Leahy
Chief Executive Officer

PROPOSAL: METRO 2009 FEDERAL REAUTHORIZATION PLAN

SUBJECT: REAUTHORIZATION OF THE SAFE, ACCOUNTABLE, FLEXIBLE, EFFICIENT, TRANSPORTATION EQUITY ACT – A LEGACY FOR USERS (SAFETEA-LU)

STATUS: PENDING APPROVAL OF METRO BOARD OF DIRECTORS

ACTION: SUPPORT

RECOMMENDATION

Adopt a “SUPPORT” position on Metro’s 2009 federal authorization plan in advance of congressional consideration of plans to reauthorize SAFETEA-LU.

PROVISIONS

We have worked with regional and statewide stakeholders to build a broad consensus on fundamental principles to incorporate in the authorization legislation that will replace SAFETEA-LU. This consensus is outlined in the Southern California Surface Transportation Reauthorization Consensus Document and the California Consensus on Federal Transportation Authorization Plan that are included in this board report. Our authorization priorities are accurately captured in these two documents and can be squarely placed in four distinct categories:

- **Funding:** Our goal is to dramatically increase the amount of federal funding dedicated to the next surface transportation bill. SAFETEA-LU failed to deliver the resources necessary to dramatically improve mobility in Los Angeles County.
- **Reform of Existing Programs:** For example, we are seeking a dramatic reform of the New Starts and Fixed Guideway (Rail) Modernization Programs which fund the creation of new transit systems and help maintain rail cars on our current rail system. Other reforms include amending the existing Growing States/High Density States formula to ensure that it includes funding for Los Angeles County.
- **Endorse the creation of a Goods Movement Trust Fund:** This new fund, modeled after the existing Highway Trust Fund, would include a return to source clause to ensure that resources from this fund would be used in areas most impacted by the movement of goods. For example, Los Angeles County’s transportation network and environment is greatly impacted by the flow of over 45% of the nation’s seaborne cargo through the twin ports of Los Angeles and Long Beach.

- Priority Metro Projects: Seek the inclusion of our priority projects in the authorization bill to replace SAFETEA-LU.

We were instrumental in crafting the Southern California Surface Transportation Reauthorization Consensus Document that included the participation of five other regional transportation agencies (Orange, Riverside, San Bernardino, San Diego and Ventura Counties). This document was also endorsed by Mobility 21, a five-county coalition of public and private transportation stakeholders.

In addition to the four broad principles listed above and the longer list of principles in the Southern California Surface Transportation Reauthorization Consensus Document, we are eager to address a number of other important matters in the next surface transportation bill. These include working cooperatively with respect to the authorization requests from the eighty-eight cities in Los Angeles County, Los Angeles County, the Southern California Transit Training Consortium, the Southern California Regional Rail Authority, among others. In addition, we are committed to addressing a number of outstanding issues not addressed in SAFETEA-LU, including, but not limited to, the need to secure federal funds for ferry services provided between Catalina Island and the mainland.

IMPACT ANALYSIS

The current federal transportation authorization act, also known as the Safe, Accountable, Flexible, and Efficient Transportation Equity Act – A Legacy for Users (SAFETEA – LU), will expire after September 30, 2009.

The impact of a new authorization bill is best understood by examining the financial impact of the previous bill, the Safe Accountable Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU). SAFETEA-LU, which was signed into law in August 2005, provided over \$240 billion in programmatic and project based transportation funding nationwide. For Los Angeles County, SAFETEA-LU will have delivered over \$3.8 billion in highway and transit funding through September 30, 2009. The \$3.8 billion of federal funding represented an increase of \$833 million over the amount authorized in the previous authorization bill known as the Transportation Equity Act for the 21st Century (TEA-21).

Our agency, in concert with our federal advocates in Washington, DC, are prepared to vigorously engage the Los Angeles County Congressional Delegation, Congressional leaders and members of the Obama Administration to advance our reauthorization project-based and programmatic priorities. This will involve a parallel effort, with robust lobbying to advance a number of objectives we have with respect to formula programs occurring at the same time that we work to ensure that our priority project list is incorporated into the successor legislation to SAFETEA-LU.

SUPPORT

N/A

OPPOSITION

N/A

ATTACHMENT A-1

LOS ANGELES METRO PROJECT LIST

| HIGHWAY | |
|----------------|--|
| | Alameda Corridor East grade Separations Phase II |
| | BNSF Grade Separations in Gateway Cities |
| | Countywide Soundwall Construction (Metro regional list and Monterey Park/SR-60) |
| | High Desert Corridor (environmental) |
| | Highway Operational Improvements in Arroyo Verdugo subregion |
| | Highway Operational Improvements in Las Virgines/Malibu subregion |
| | I-10 Carpool Lanes: I-605 to Puente Ave |
| | I-10 Carpool Lanes: Puente Ave to Citrus Av to SR-57 |
| | I-10 Carpool Lanes: Citrus Ave to SR-57 |
| | I-405 NB Carpool Lanes: I-10 to US-101 |
| | I-405, I-110, I-105, and SR-91 Ramp and Interchange Improvements (South Bay) |
| | I-5 Carpool Lanes: SR-118 to SR-170 |
| | I-5 Carpool Lanes: SR-170 to SR-134 |
| | I-5 Carpool & Mixed-Flow Lanes: I-605 to Orange County Line |
| | I-5 Carmenita Road Interchange Improvement |
| | I-5 North Capacity Enhancements from SR-14 to Kern County line (truck Lanes) |
| | I-605 Corridor "Hot Spot" Interchanges |
| | I-710 North Gap Closure (tunnel) |
| | I-710 South and/or early Action Projects |
| | SR 2 South Freeway Terminus Upgrade & Improvements to Glendale Boulevard |
| | SR 14 Carpool Lanes: Avenue P-8 to Avenue L |
| | SR 60 Carpool Lanes: I-605 to Brea Canyon Rd |
| | SR 71 Freeway:I-10 to Mission Blvd |
| | SR 71 Freeway: Mission Blvd to Rio Rancho Blvd |
| | SR 138 Widening (7 of 13 segments) |
| TRANSIT | |
| | Crenshaw Transit Corridor |
| | Eastside Light Rail Access (Eastside Gold Line Phase I) |
| | East San Fernando Valley North South Rapidways |
| | Eastside Transit Corridor Phase I |
| | Eastside Transit Corridor Phase II |
| | Exposition Light Rail Transit Line |
| | Ferryboat Urbanized Area Formulation Program |
| | Gold Line Foothill Light Rail Transit Extension |
| | Green Line Extension to Los Angeles International Airport |
| | Green Line Extension: Redondo Beach Station to South Bay Corridor |
| | Los Angeles County Bicycle Program |
| | LOSSAN Corridor Improvement Projects |
| | Metro and Municipal Regional Clean Fuel Bus Capital Facilities and Rolling Stock (Metro – CNG buses) |
| | Metro Sustainability Program |

| | |
|--|--|
| | Metrolink Positive Train Control |
| | Regional Connector (links local rail lines) |
| | San Fernando Valley I-405 Corridor Connection |
| | West Santa Ana Branch Corridor |
| | Westside Subway Extension – to be opened in segments |

PROPOSAL: CALIFORNIA CONSENSUS ON FEDERAL TRANSPORTATION AUTHORIZATION

AUTHOR: STATEWIDE TRANSPORTATION STAKEHOLDERS AND TRANSPORTATIONS COMMISSIONS OF SAN DIEGO, RIVERSIDE, SAN BERNARDINO, ORANGE AND VENTURA COUNTIES, ALONG WITH PORTS OF LOS ANGELES AND LONG BEACH, LOS ANGELES WORLD AIRPORTS, SCRRA (METROLINK) AND SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

SUBJECT: REAUTHORIZATION OF FEDERAL SURFACE TRANSPORTATION FUNDING BILL

STATUS: PENDING APPROVAL OF METRO BOARD OF DIRECTORS

ACTION: SUPPORT

RECOMMENDATION

Adopt a “SUPPORT” position on the California Consensus on Federal Transportation Authorization 2008.

PROVISIONS

The California Consensus on Federal Transportation Authorization is a broadly worded document that outlines seven critical areas of special concern to our state with respect to the new surface transportation authorization bill to be considered by Congress later this year. Given the need to secure a general consensus among statewide stakeholders, this document does not delve into specifics. Rather, it represents broad agreement on a basic set of principles that all major transportation stakeholders in California can support in the months to come. Below is a summary of the seven principles outlined in the California Consensus on Federal Transportation Authorization plan.

1. Ensure the financial integrity of the Highway and Transit Trust Funds.
2. Rebuild and maintain California’s existing network of highways and bridges and transit systems.
3. Support the establishment of a dedicated source of funding for a national goods movement program.
4. Establish a special federal program to improve congestion in major metropolitan areas.
5. Strengthen the federal commitment to safety and security, consistent with California’s existing Strategic Highway Safety Plan.

6. Provide federal funding to mitigate the air, water, and other environmental impacts of transportation projects.
7. Streamline federal regulations in order to streamline project delivery for highway and transit projects.

IMPACT ANALYSIS

The current federal transportation authorization act, also known as the Safe, Accountable, Flexible, and Efficient Transportation Equity Act – A Legacy for Users (SAFETEA – LU), will expire after September 30, 2009. The national debate on the form, content, and funding provisions of the next authorization has already begun. We are supportive of the concept behind this statewide consensus document, which is that California will best be able to influence the crafting of a new transportation authorization bill if it can present a unified front on a basic set of principles.

The California Consensus on Federal Transportation Authorization plan was developed through a series of open meetings and workshops that began in December 2007. The California Department of Transportation and Business, Transportation and Housing Agency led the effort with extensive input from the State's metropolitan planning organizations, regional transportation planning agencies, other transportation agencies, the private sector, and multiple public interest groups. The plan this year is for statewide stakeholders to use this document to raise awareness of California's intentions for the next authorization with the State's Congressional delegation as well as other statewide and national organizations on authorization policy and positions. The group will share this document to influence congressional committee staffers as they draft their proposals, which is expected to begin in the months to come.

The possible impact of a new authorization bill is best understood by examining the financial impact of the previous bill, the Safe Accountable Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU). SAFETEA-LU, which was signed into law in August 2005, provided over \$240 billion in programmatic and project-based transportation funding nationwide. For Los Angeles County, SAFETEA-LU will have delivered over \$3.8 billion in highway and transit funding through September 30, 2009. The \$3.8 billion of federal funding represented an increase of \$833 million over the amount authorized in the previous authorization bill known as the Transportation Equity Act for the 21st Century (TEA-21). Of this federal funding, thus far we have obligated \$1.86 billion, or 98.4% of discretionary, formula and earmarked funds for our own transit projects and programs through September 2008.

Through the adoption of these statewide principles, combined with aggressive lobbying efforts, our goal is to markedly increase the flow of federal funds to our agency in the next authorization bill.

Once the Board reviews and approves this document, we will share it with Congressional leaders on transportation-related committees and members of the Los Angeles County Congressional Delegation.

SUPPORT

Alameda Corridor- East Construction Authority
Alameda County Congestion Management Agency
American Concrete Pavement Association, Southwest Chapter
Automobile Club of Southern California
Automobile Club of Northern California
Bay Area Council
Bay Planning Coalition
Calaveras Council of Governments
California Business Transportation & Housing Agency
California Association of Councils of Governments
California Department of Transportation
California Marine and Intermodal Transportation System Advisory Council
California State Association of Counties
California Transportation Commission
City of Redding
City of San Juan Capistrano
City of San Luis Obispo
Contra Costa County Transportation Authority
Council of Fresno County Governments
El Dorado County Transportation Commission
Lake County/City Area Planning Council
League of California Cities
Mendocino County Council of Governments
Merced County Association of Governments
Metropolitan Transportation Commission
Mobility 21 Coalition
Modoc County Local Transportation Commission
Placer County Transportation Agency
Port of Oakland
Regional Council of Rural Counties
Regional Economic Association Leaders
Riverside County Transportation Commission
Sacramento Area Council of Governments
San Francisco Chamber of Commerce
San Joaquin Council of Governments
San Luis Obispo Council of Governments
San Luis Obispo County
Santa Barbara County Association of Governments
Santa Clara Valley Transportation Authority
Santa Cruz County Transportation Commission
Shasta County Regional Transportation Planning Commission
Sierra County Transportation Commission

Silicon Valley Leadership Group
Solano Transportation Commission
Sonoma County Transportation Authority
Town of Tiburon
Transportation Agency for Monterey County

OPPOSITION

N/A

California Consensus on Federal Transportation Authorization 2008

Under the leadership of Governor Arnold Schwarzenegger, the California Business, Transportation and Housing Agency, and the California Department of Transportation, stakeholders from across California have united on a basic set of principles that we ask our delegation in Washington, DC to adopt in the upcoming debate on the future of this nation's transportation policies.

1. Ensure the financial integrity of the Highway and Transit Trust Funds

The financial integrity of the transportation trust fund is at a crossroads. Current user fees are not keeping pace with needs or even the authorized levels in current law. In the long-term, the per-gallon fees now charged on current fuels will not provide the revenue or stability needed, especially as new fuels enter the marketplace. This authorization will need to stabilize the existing revenue system and prepare the way for the transition to new methods of funding our nation's transportation infrastructure.

- Maintain the basic principle of a user-based, pay-as-you-go system.
- Continue the budgetary protections for the Highway Trust Fund and General Fund supplementation of the Mass Transportation Account.
- Assure a federal funding commitment that supports a program size based on an objective analysis of national needs, which will likely require additional revenue.
- To diversify and augment trust fund resources, authorize states to implement innovative funding mechanisms such as tolling, variable pricing, carbon offset banks, freight user fees, and alternatives to the per-gallon gasoline tax that are accepted by the public, and fully dedicated to transportation.
- Minimize the number and the dollar amount of earmarks, reserving them only for those projects in approved transportation plans and programs.

2. Rebuild and maintain transportation infrastructure in a good state of repair.

Conditions on California's surface transportation systems are deteriorating while demand is increasing. This is adversely affecting the operational efficiency of our key transportation assets, hindering mobility, commerce, quality of life and the environment.

- Give top priority to preservation and maintenance of the existing system of roads, highways, bridges and transit.
- Continue the historic needs-based nature of the federal transit capital replacement programs.

3. Establish goods movement, as a national economic priority.

Interstate commerce is the historic cornerstone defining the federal role in transportation. The efficient movement of goods, across state and international

boundaries increases the nation's ability to remain globally competitive and generate jobs.

- Create a new federal program and funding sources dedicated to relieving growing congestion at America's global gateways that are now acting as trade barriers and creating environmental hot spots.
- Ensure state and local flexibility in project selection.
- Recognize that some states have made a substantial investment of their own funds in nationally significant goods movement projects and support their investments by granting them priority for federal funding to bridge the gap between need and local resources.
- Include adequate funding to mitigate the environmental and community impacts associated with goods movement.

4. Enhance mobility through congestion relief within and between metropolitan areas.

California is home to the six of the 25 most congested metropolitan areas in the nation. These mega-regions represent a large majority of the population affected by travel delay and exposure to air pollutants.

- Increase funding for enhanced capacity for all modes aimed at reducing congestion and promoting mobility in the most congested areas.
- Provide increased state flexibility to implement performance-based infrastructure projects and public-private partnerships, including interstate tolling and innovative finance programs.
- Consolidate federal programs by combining existing programs using needs, performance-based, and air quality criteria.
- Expand project eligibility within programs and increase flexibility among programs.

5. Strengthen the federal commitment to safety and security, particularly with respect to rural roads and access.

California recognizes that traffic safety involves saving lives, reducing injuries and optimizing the uninterrupted flow of traffic on the state's roadways. California has completed a comprehensive Strategic Highway Safety Plan.

- Increase funding for safety projects aimed at reducing fatalities, especially on the secondary highway system where fatality rates are the highest.
- Support behavioral safety programs – speed, occupant restraint, driving under the influence of alcohol or drugs, road-sharing, etc. -- through enforcement and education.
- Address licensing, driver improvement, and adjudication issues and their impact on traffic safety.
- Assess and integrate emerging traffic safety technologies, including improved data collection systems.

- Fund a national program to provide security on our nation's transportation systems, including public transit.

6. *Strengthen comprehensive environmental stewardship.*

Environmental mitigation is part of every transportation project and program. The federal role is to provide the tools that will help mitigate future impacts and to cope with changes to our environment.

- Integrate consideration of climate change and joint land use-transportation linkages into the planning process.
- Provide funding for planning and implementation of measures that have the potential to reduce emissions and improve health such as new vehicle technologies, alternative fuels, clean transit vehicles, transit-oriented development and increased transit usage, ride-sharing, and bicycle and pedestrian travel.
- Provide funding to mitigate the air, water and other environmental impacts of transportation projects.

7. *Streamline Project Delivery*

Extended processing time for environmental clearances, federal permits and reviews, etc. add to the cost of projects. Given constrained resources, it is all the more critical that these clearances and reviews be kept to the minimum possible consistent with good stewardship of natural resources.

- Increase opportunities for state stewardship through delegation programs for NEPA, air quality conformity, transit projects, etc.
- Increase state flexibility for using at-risk design and design-build.
- Ensure that federal project oversight is commensurate to the amount of federal funding.
- Require federal permitting agencies to engage actively and collaboratively in project development and approval.
- Integrate planning, project development, review, permitting, and environmental processes to reduce delay.

PROPOSAL: SOUTHERN CALIFORNIA AUTHORIZATION CONSENSUS DOCUMENT

AUTHORS: RCTC, SANBAG OCTA, SANDAG, VCTC, METROLINK, SCAG, LACMTA AND SCAQMD

SUBJECT: REAUTHORIZATION OF FEDERAL SURFACE TRANSPORTATION FUNDING BILL

STATUS: PENDING APPROVAL OF ALL STAKEHOLDERS

ACTION: SUPPORT

RECOMMENDATION

Adopt a “SUPPORT” position on Southern California Authorization Consensus Document.

PROVISIONS

Our staff has been working closely with transportation agencies in the counties of Orange, Riverside, San Bernardino, San Diego and Ventura, and with the Southern California Association of Governments, Southern California Regional Rail Authority (Metrolink) and the South Coast Air Quality Management District to prepare a document outlining a regional, Southern California-specific agenda for the legislation that will replace the existing surface transportation authorization bill, the Safe Accountable Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU). We also are collaborating with Mobility 21 to ensure that the broad consensus on the authorization of a new transportation bill is extended to stakeholders in the private sector, including area Chambers of Commerce.

Below is a summary of the eight principles outlined in the Southern California Authorization Consensus Document.

1. Encourage a strong federal commitment to rail security, including assistance in instituting Positive Train Control on the Metrolink commuter rail network.
2. Support the reforms needed to ensure a reliable and viable federal source of funding for transportation projects and programs.
3. Support the establishment of a dedicated source of funding for a national goods movement program.
4. Encourage additional support for programs, such as the Congestion Mitigation and Air Quality Program that simultaneously improves our environment and reduces congestion.
5. Ensure that transportation related discretionary funds are distributed based on proven performance measures so precious resources are not spent on weak programs and projects.

6. Reform the New Starts and Small Starts programs.
7. Support the creation of a new federal program for major metropolitan areas.
8. Increase the effectiveness of federal programs related to seniors and the disabled, bicycle-pedestrian paths, transit oriented development, clarify federal rules related to public private partnerships, among other recommended reforms.

IMPACT ANALYSIS

The Southern California Authorization Consensus Document was developed through a new and fresh effort to achieve a regional consensus with respect to the reauthorization of SAFETEA-LU.

The impact of a new authorization bill is best understood by examining the financial impact of the previous bill, the Safe Accountable Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU). SAFETEA-LU, which was signed into law in August 2005, provided over \$240 billion in programmatic and project based transportation funding nationwide. For Los Angeles County, SAFETEA-LU will have delivered over \$3.8 billion in highway and transit funding through September 30, 2009. The \$3.8 billion of federal funding represented an increase of \$833 million over the amount authorized in the previous authorization bill known as the Transportation Equity Act for the 21st Century (TEA-21).

Through the adoption of these regional principles, combined with aggressive lobbying efforts, our goal is to markedly increase the flow of federal funds to our agency in the next authorization bill.

It should be noted that the two documents presented here – the Southern California agenda and statewide platform – are fully consistent with one another from a policy standpoint and are not in conflict. The statewide document developed by Caltrans is more general in scope, whereas the Southern California principles represent an effort by regional agencies to address issues specific to our area.

Once the Board reviews and approves this document, we will share it with Congressional leaders on transportation-related committees and members of the Los Angeles County Congressional Delegation.

SUPPORT

Orange County Transportation Authority
Riverside County Transportation Commission
San Bernardino County
South Coast Air Quality Management District
Southern California Association of Governments
Southern California Regional Rail Authority (Metrolink)
Ventura County Transportation Commission

OPPOSITION

N/A

**Southern California's National Policy Priorities for the next
Federal Transportation Authorization Bill**

Our Mission Statement: A performance-based bill that promotes multi-modal mobility and concurrently improves the environment and the economy.

The transportation stakeholders of Southern California, representing 21 million Americans, present to Congress and the Administration a unified voice on our policy priorities for the next surface transportation authorization bill.

In addition to supporting a number of reforms recommended by the Section 1909 National Surface Transportation Policy & Revenue Study Commission ("Section 1909 Commission"), Southern California has participated in the development of the statewide *California Consensus Principles* for the next authorization.

Guaranteed, Reliable, Increased Long-Term Funding

Infrastructure is a long-term investment in America's economy, environment, and standard of living. A national vision is necessary to promote a strong federal transportation infrastructure program. Congress must pass authorizing legislation that:

- Increases investment to close our national transportation infrastructure deficit;
- Ensures funding sources that are stable and predictable over the long-term; and
- Keeps our existing infrastructure in good repair while expanding the system.

Goods Movement as a National Economic Priority

Congress must create a national goods movement program that works for the most severely impacted states and regions. Currently there is no federal goods movement policy. As a result, there is an enormous policy vacuum in dealing with: congestion, air quality and safety impacts on Southern California and other metropolitan regions. The national goods movement program must achieve the following:

- Growing our regional and national economy by strengthening the nearly 1 million California jobs related to Southern California goods movement;
- Dramatically reduce the more than 6,200 annual premature deaths in Southern California due to the effects of particulate matter and ozone pollution, much of which is generated by the goods movement industry.¹
- Treat the nation's multi-modal national goods movement network as a system rather than individual projects;
- Concentrate investments in corridors and hubs with a high magnitude of goods movement activity; and

¹ South Coast Air Quality Management District

- Reduce congestion and mitigate the local impacts of international trade.

The national goods movement program should be funded by a “Freight Trust Fund.” The Coalition for America’s Gateways and Trade Corridors (CAGTC) has developed a model for a Freight Trust Fund that Congress should support while establishing this new program. The Freight Trust Fund must include:

- **Firewall** – Goods movement funds must be used on the national goods movement network;
- **Defined Freight Corridors** – National corridors must be defined, recognizing that goods move beyond a port of entry or intermodal facility and to market;
- **Strategic and logical investments** – investments must be made where the impacts are most severe that achieve the greatest national benefit; and
- **Performance-based** – Consistent with the recommendations of the Section 1909 Commission, performance standards related to efficient management of increasing freight volumes must be established.
- **Separation From Other Funds** – the Freight Trust Fund must be established and remain completely separate from the Highway Trust Fund so that it clearly supplements (not competes or comingles with) these and other transportation funding purposes.

Congress has received a plethora of input from credible sources on how revenue can be raised for a freight trust fund, including legislation introduced in the 110th Congress. These proposals include many viable options for Congress to choose from.

Simultaneous improvement of congestion and the environment

Consistent with the Section 1909 Commission, any effort to improve multi-modal mobility must contain the policy objective of reducing the transportation sector’s impacts on the natural environment. Specifically, the next authorization must include policies and funding to dramatically reduce nonattainment pollutants, toxic diesel exhaust, and greenhouse gases and that pose a threat to the quality of life for our 21 million residents.

- The Congestion Mitigation Air Quality (CMAQ) program must be concentrated on the areas with the greatest challenges to attain air quality standards.
- Federal transportation funds should be expanded and prioritized for expenditures that provide substantial support in meeting regional air quality needs and achieving federal air quality attainment deadlines.
- Federal policy should provide funding to states and regions who take proactive measures to:
 - Curb nonattainment pollutants, toxic diesel exhaust, and greenhouse gases;
 - Link land use to transportation planning; and
 - Protect critical species through multi-species habitat conservation plans.

Environmental and congestion benefits of transportation projects cannot be realized while projects are tangled in bureaucratic inefficiencies that currently exist at the federal level. The next authorization must simplify the process of vetting projects so that congestion and environmental relief can be delivered expeditiously without weakening environmental protections. Consistent with the Section 1909 Commission, specifically, the next authorization bill must:

- Bolster funding for agency staff resources to expedite reviews;
- Expand use of programmatic EIS's to address overarching environmental issues within a given area; rather than the current sequential project-by-project approach.

Getting the most out of the federal dollar: performance-based funding

Discretionary funds should be distributed based on performance measures. Projects that decrease congestion, reduce greenhouse gases, nonattainment pollutants and toxic diesel exhaust, and leverage non-federal dollars should be prioritized. Federal dollars should fund projects of national and regional significance and go as far as possible to assist state and regional authorities to achieve federal mandates and goals. Specific changes can provide greater accountability and return on the federal dollar:

- Congressionally directed projects should be grounded in objective criteria such as identification of matching funds, regional transportation plans, and long range transit plans.
- Reward and incentivize local funding to raise additional public and private revenue to leverage federal dollars.
- Revise the High Density States Formula to include California or eliminate the program altogether.
- Maximize opportunities for private investment where it is feasible and in the public's interest.

A truly performance-based system is also mode-neutral. Dollars should be spent where they move the most people and provide the greatest air quality, economic, and congestion reduction benefits regardless of whether it is on a highway, bus, train, bike, or sidewalk. Every region is different. Federal policy should provide flexibility and encourage mobility solutions that fit the dynamics of each region.

Rail Safety Infrastructure Investments

The federal commitment to building and maintaining a safe and secure passenger and freight rail network must be strengthened. In Southern California, passenger and freight trains operate on the same tracks on a rail network that is already stretched to capacity and

facing growing demands. The new authorization bill must provide sustained federal investment in rail safety measures such as:

- Signal and technology systems upgrades (including Positive Train Control and other technologies);
- Grade separation and grade crossing improvements;
- Construction of local, regional and national rail network capacity;
- Innovations in rolling stock design and manufacturing; and
- Expand rail safety education outreach programs (i.e. Safe Route to Schools).

Transit Investment and Reform

New/Small Starts Reform

New Starts and Small Starts have helped expand Southern California's rail and bus rapid transit network. However, the New Starts program needs to be substantially overhauled to address inefficiencies. Consistent with the projections of the Section 1909 Commission, annual New Starts funding should be drastically increased to meet the growing demand for mass transit in Southern California and throughout the nation.

Specifically, the following New Starts reforms should be enacted:

- Change the current risk assessment methodology;
- Streamline the internal US DOT process in the evaluation of projects;
- Establish a bilateral commitment to timeframes; and
- Reduce the amount of time from record of decision to construction.

Rail Modernization

The current rail modernization formula fails to reflect the fact that newer rail systems have emerged in recent years and the maintenance needs of these systems are becoming more pronounced. The formula allocates nearly \$2 billion annually in rail modernization funds that disproportionately benefits 11 older rail systems (otherwise known as "Tier 1" cities). Taken together, these transit entities have enjoyed preferential treatment for over two decades and receive 70% of the entire rail modernization allocation. Southern California transit agencies believe a complete restructuring of the rail modernization program is needed in order to properly allocate funds in a more evenhanded manner.

Specifically, any restructuring of the rail modernization program must eliminate any mention of specific Tier 1 cities and distinctions between Old Area and New Area recipients in formula funding.

Invest in Metropolitan Mobility to move the Economy forward

Metropolitan areas account for 85% of US population, and over 85% of employment, income and production of goods and services according to the U.S. Conference of Mayors. Economic growth is inextricably linked to the ability of metropolitan areas to grow, develop

and deliver effective transportation programs to connect markets with sources of raw materials. The new federal transportation program must:

- Invest in metropolitan regions, in addition to regular federal-aid highway and transit allocations;
- Be performance based, require performance standards, measurements, and reporting to reduce travel time, improve freight mobility, improve safety, reduce carbon emissions, and conserve energy; and
- Allow for non-traditional funding sources to solve urban congestion problems when traditional ways of doing business will not work; congestion pricing can increase mobility and efficiency, generate revenue while maintaining equity.

Important Mobility Issues for the Next Generation Authorization Bill

In our effort to support the adoption of a performance-based surface transportation bill that promotes multi-modal mobility and concurrently improves the environment, we believe the following issues must also be addressed:

- Increase federal commitment to smart bicycle and pedestrian programs that will serve to reduce congestion and simultaneously improve the health of all Americans;
- Foster innovative and alternative methods of enhancing mobility through allowing the private sector to invest in infrastructure, particularly when traditional public mechanisms cannot provide needed improvements; responsible federal policy can allow important mobility projects to move forward by:
 - Increasing federal flexibility for private investment to fund transportation infrastructure projects where both public and private interests are served;
 - Requiring assessments of design-build and advanced delivery mechanisms, as well as all public and private funding sources for all transportation infrastructure projects before designating its delivery or funding mechanisms.
- Encourage transit oriented development; and
- Encourage mobility options for seniors, people with disabilities and low-income residents.
- Emphasize plans & projects that will recognizably improve mobility and reduce congestion.

*This consensus document represents the transportation priorities of **businesses and governments** in the 6-county region of: Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura.*