To: TALC Member and Affiliate Representatives
From: Stuart Cohen, TALC Executive Director.
RE: Recommended Oppose Position to Governor's Transportation Bonds
Date: January 19, 2006

Please respond by Monday January 23 at 5 p.m. to the four questions below. Sorry for the short notice, but the need for TALC's leadership on this issue has only become apparent in the last few days.

Summary

Two large infrastructure bond proposals are now under consideration in Sacramento. The first of these efforts, developed last year, is SB 1024. This measure represents a first step by Senator Perata and Senator Torlakson in their effort to renew California's commitment to infrastructure investment, and puts money into a variety of projects, including promoting affordable housing and transit oriented development. Governor Schwarzenegger recently announced his own infrastructure proposal: The Strategic Growth Plan.

The Governor's proposal includes $107 billion in total funding for transportation related items over the next 10 years. $12 billion are in general obligation bonds, while much of the other revenue is either already anticipated from existing sources or depends on assumptions about new revenue sources such as high occupancy toll lanes (which are likely to happen anyway to some extent). In other words, the most important new component, and the one that will help to shape the transportation system significantly are the Governor's transportation bond proposals, which would be split between two election cycles: the first $6 billion in 2006 and the second $6 billion in 2008.

A comparison of the Governor's bond proposals and SB 1024 is listed on the following page (as provided by MTC). While there are a few positive elements in the Governor's overall transportation plan, including some funding for intercity rail and token amounts of money for bicycle and pedestrian improvements, the vast majority of funding is for highway and port expansion. While the Governor has said this is just the beginning point for his proposal, and is planning two hearings on the matter, the overall plan is so oriented towards highways and long-distance travel that there is no way to see how this plan could be changed enough to promote sustainability instead of sprawl. It also should tap into sources such as gas user fees to help cover the cost of the bonds, instead of relying on the general fund.

It is important for the environmental and social equity communities to make a clear and hopefully unified statement on the Governor's proposal. All indications are that some significant infrastructure proposal will be put forward as early as February, after negotiations by leaders from the Senate, the Assembly and the Administration.

Recommendation and Potential Action:
At the January 24 TALC board of directors meeting this issue will be considered. If there is concurrence from member organizations, TALC will take a position of opposition to the Governor' s transportation bond proposals. If such a position is taken, TALC staff would participate in, lead, or co-lead an effort to develop a letter of opposition for statewide distribution and sign-ons, and potentially other campaigns activities.

Responses Needed
1. Is your organization comfortable with TALC opposing this plan (even if your organization has not yet taken a formal position)?

2. Would it be possible for your organization to take an oppose position and if so who should we contact?

3. Would your organization have any staffer volunteer resources to help with the campaign?

4. Are there any projects are principles your group like to propose (maintaining funding for high-speed rail, insuring additional funding for transit operations etc.)

Please send your responses to Hoang Banh at Hoang@transcoalition.org
For additional information please e-mail Stuart Cohen at Stuart@transcoalition.org

Additional Description

A general comparison of the transportation elements included in SB 1024 and the Governor's proposal are as follows.

Transportation Funding Categories ($ in millions)	**SB 1024**	**Governor's Proposal**
Repayment of Proposition 42 Loans to General Fund	2,300	N/A
State Transportation Improvement Program (STIP)	1,500	1,500*
High Speed Rail	1,000	N/A
Highways Corridor Mobility Projects Performance Projects (state interregional focus routes and regional priorities)	N/A	5,600
Transit/Rail Intercity passenger rail Pedestrian/bike paths and park and ride facilities	N/A	700
Technology/Intelligent Transportation Systems	N/A	200
Regional Housing and Community Growth	975	N/A
Affordable Housing Incentive Program (for local street and road repairs)	425	N/A

Transit Oriented Development Implementation	275	N/A
Port Infrastructure/Trade Infrastructure	2,000	3,000
Port Emission Reduction Efforts (Carl Moyer Program)	400	1,000
Port, Harbor and Ferry Terminal Security	100	N/A
Environmental Enhancement and Mitigation	100	N/A
TOTAL	**$9,075**	**$12,000**

* SHOPP (State Highway Operations and Protection Program)

Link to the Governor's Strategic Growth Plan Overview:
http://www.governor.ca.gov/govsite/pdf/press_release_2006/SGP_Overview.pdf

Link to the Governor's Working List of Proposed Transportation Projects:
http://www.governor.ca.gov/govsite/pdf/press_release_2006/SGP_Projects.pdf

SB 1024

At this time, SB 1024 is a $10.3 billion General Obligation bond measure funding various infrastructure improvements to be placed before the voters at the November 2006 election. Approximately 78 percent of the total bond proceeds, or $8 billion, would be available for transportation improvements, including $2.5 billion for goods movement projects and related mitigation and security. The remaining $2.3 billion would be spent primarily on flood control, air quality and resource conservation projects.

The Perata/Torlakson legislation includes funding for regional, general and specific planning. Regional agencies would administer a loan pool that would assist local governments in bringing their plans into conformance with regional transportation and land-use strategies (dubbed Regional Growth Plans in the bill). The regional plans would be prepared with State funding.

As local governments bring their plans into conformance with the Regional Growth Plans, they will become eligible for state incentive funding: for transportation, parks and other urban infrastructure, for open-space conservation, for brownfield remediation, and for in-fill and affordable housing. Special funding is also proposed to assist Transit Oriented Development (TOD) projects and affordable housing.

Of note, the Governor's proposal includes no support for planning and no contingent funding for local governments. There are no infrastructure incentives for regionally appropriate development.