

2011 STATE "VALLEY VOICE" PRIORITIES

1 - SAN JOAQUIN VALLEY TRANSPORTATION FUNDING



1. Protect Planning, Programming, and Monitoring (PPM) funds from budget cuts.
2. Support Governor Brown's comprehensive strategy that addresses the impacts of Proposition 22 and 26 to state, regional, and local transportation, and transit projects in the proposed 2011 State Budget.

2 - PROPOSITION 84 PLANNING FUNDS/SB 375 CLEANUP LEGISLATION



1. Support additional rounds of funding and adequate resources to assure the Valley meets the requirements of SB 375 and its transportation and land use goals
2. Advocate for CEQA exemption and/or streamlining for transportation projects that are consistent with a Sustainable Communities Strategy beyond the very narrow guidelines currently established.
3. Advocate for local agencies to be able to use the EIRs and EIS prepared for the Regional Transportation Plan when performing project-level CEQA analysis for transportation projects.

3 - HIGH SPEED RAIL/SHORT HAUL RAIL



1. Provide economic stimulus, generate energy independence, improve air quality and combat climate change by maximizing both passenger and freight rail transportation.

4 - HOUSING/UNEMPLOYMENT CRISIS



1. Provide support for programs/jobs that help the San Joaquin Valley recover from the housing/economic crisis.

Request: Provision of reliable transportation funding; support a comprehensive strategy for Propositions 22 and 26 1

SAN JOAQUIN VALLEY TRANSPORTATION FUNDING

CONTACT:

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GOAL:

1. Protect Planning, Programming, and Monitoring (PPM) funds from budget cuts.
2. Support a comprehensive strategy that addresses the impacts of Proposition 22 and 26 to state, regional, and local transportation, and transit projects.

NECESSITY

The population of the San Joaquin Valley is expected to grow by 15 million people in the next 25 years. Yet the Valley has one of the worst road infrastructure systems in the state. Adding to that, in 2009 economic growth in California declined 2.8 percent, while tax revenues dropped 8 times that much, creating a challenging future for the transportation planning goals of the San Joaquin Valley.

The Valley lies in one of the worst polluted air regions in the nation. Cleaner air hinges on reducing congestion, lowering greenhouse gas emissions, and expanding public transportation infrastructure. If planning, programming, and monitoring funds are jeopardized, it will result in a San Joaquin Valley that is unable to prepare for the anticipated population and move its residents forward.

Provision of Reliable Transportation Funding--- California's current transportation funding system is based primarily on user fees such as the fuel excise tax, sales tax on diesel

fuel, weight fees, bridge tolls, and transit fares. For many years the motor vehicle fuel excise tax provided adequate revenues to fund critical improvements along with the rehabilitation and maintenance necessary to maintain the system; however, increased automobile fuel efficiency, the emergence of alternate technologies and fixed taxation rates have eroded the fuel excise tax's ability to meet these requirements. The recent gas tax swap enacted in 2010 increased the gasoline excise tax and eliminated the sales tax on gasoline sales but is essentially revenue neutral and does not provide additional stability for transportation funding. Going further, the state's repeated diversions of transportation funds, to meet General Fund shortfalls and to pay debt service on general obligation bonds creates constant funding gaps, uncertainty and chronic instability.

Proposition 22 and Proposition 26, passed by voters in November 2010, greatly impacts transportation projects across the state of California. Certain provisions within these two

propositions negatively impact transportation funding. This loss of transportation revenue would be devastating to California's transportation programs by affecting regional and local projects across all systems and modes. The overall economic wellbeing of infrastructure investments and thousands of jobs will be threatened if the legislature does not adopt a comprehensive strategy to address the unintended consequences of these two propositions. The most effective path to provide certainty and avoid the risk of losing these transportation funds and provide the State this much needed and promised general fund relief is to pass a comprehensive package to fix the funding issues within the transportation provisions of Propositions 22 and 26. The San Joaquin Valley supports a Comprehensive Fix to Proposition 22 and 26 because it is a reasonable compromise that will help address the General Fund's \$25 billion deficit, while also saving local and state transportation programs.

Request: Additional funding to fully comply with SB 375 requirements

PROPOSITION 84 PLANNING FUNDS/SB 375 CLEANUP LEGISLATION

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DESCRIPTION

SB 375 is an unfunded mandate on Metropolitan Planning Organizations (MPOs) and local governments. To meet the bill's provisions, preliminary modeling tools and procedures are being developed. Securing the necessary technology and personnel continues to be outside the financial capabilities of most planning agencies in the Valley.

Proposition 84 was passed in 2006 and has become a competitive statewide funding source for SB 375 compliance. The San Joaquin Valley was successful in this most recent round of competitive grant funds and secured more than \$5.7 million of the \$24.8 million awarded. While incredibly helpful and encouraging, a continuing and consistent external funding source will need to be identified to ensure that MPOs and local governments can meet the requirements of SB 375. Guidelines for new funding sources should provide equally for urban and rural communities and be consistent with the requirements of SB 375.

GOAL:

1. Support additional rounds of funding and adequate resources to assure the Valley meets the requirements of SB 375 and its transportation and land use goals.
2. Advocate for CEQA exemption and/or streamlining for transportation projects that are consistent with a Sustainable Communities Strategy beyond the very narrow guidelines currently established.
3. Advocate for local agencies to use EIRs prepared for the Regional Transportation Plans when performing project-level CEQA analysis for transportation projects.

NECESSITY

Perhaps the most significant piece of land use legislation in more than a decade, city and county officials throughout the San Joaquin Valley continue to evaluate how SB 375 will affect their planning operations and procedures, land use decision-making authority, general plan housing elements, and modeling costs. As California continues to address a massive budget deficit, there are substantial concerns that adequate resources, tools, and funding sources will not be made available to assist the implementing agencies.

The San Joaquin Valley will require substantial resources and funds that are allocated fairly and do not favor urban communities over rural, unincorporated communities

to fully comply with SB 375. MPOs urge the legislature to prioritize SB 375 funding in future state budgets for this currently unfunded planning mandate.

As the fastest growing region in California, the San Joaquin Valley is hopeful that the State will consider our unique challenges, including the high concentration of prison facilities, vast military lands, and other federal lands, for which there is no local land use authority.



Request: Maximize rail infrastructure for passenger travel and goods movement

HIGH SPEED RAIL/SHORT HAUL RAIL

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GOAL:

Provide economic stimulus, generate energy independence, improve air quality and combat climate change by maximizing the use of both passenger and freight rail transportation.



DESCRIPTION

1. Support the San Joaquin Valley as the first constructed segment of the California High-Speed Rail system and support the location of a maintenance facility in the San Joaquin Valley.
2. Support preservation and upgrade of Short Haul Rail as a vital tool for the movement of goods and improvement of air quality throughout the state.

NECESSITY

The San Joaquin Valley will serve as the backbone of the California High-Speed Rail system, offering speeds of up to 220 miles per hour. In fact, the unique geography of the Valley makes it the only location in the state where the high speed trains will reach their full speed. The State should prioritize development of the San Joaquin Valley segment as the first segment constructed for the entire high-speed rail system.

The central location of the Valley on the proposed rail alignment between San Francisco and Los Angeles makes it an ideal location for the proposed High Speed Rail Heavy Maintenance Facility. Placement of the facility in the Valley would provide economic stimulus and job growth in a historically disadvantaged region of the State.

The development of short haul rail in the San Joaquin Valley will benefit five areas:

Economic Stimulus – Transportation investment on average results in 45,000 new jobs per \$1 billion in expenditures. In addition, rail increases state revenue through exports;

Trade Deficit Reduction – Better rail infrastructure between the Valley and the ports will help increase the 40 percent share of the \$24 billion in agricultural products exported from the Valley;

Energy Independence – Products shipped by rail are 10 times more energy efficient than trucks, reducing oil consumption and our dependence on foreign sources;

Improved Air Quality – Rail access between the Valley and the port could reduce 400 trucks per day on I-5 – one of the largest reductions in diesel emissions for any project in the state;

Combat Climate Change – Using rail to transport more freight between the Ports and the Valley would eliminate hundreds of tons of greenhouse gas emissions per year.



Request: Help nation's top foreclosure center SAN JOAQUIN VALLEY recover from the housing and unemployment crisis

HOUSING/UNEMPLOYMENT CRISIS

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NECESSITY

The San Joaquin Valley includes the 2nd (Stockton), 3rd (Bakersfield), 4th (Modesto), and 6th (Merced) highest foreclosure rates in the country.

More than 13% of mortgages in the San Joaquin Valley have been in foreclosure. Home values have plummeted. Over 60,579 homes have been lost to foreclosure in the Northern San Joaquin Valley alone since the housing crisis began in mid-2006.

While California's unemployment rate, at 11.4% is high, rates in all eight San Joaquin Valley counties now exceed 13%.

Fresno	15.1%	Kern	14.4%
Kings	14.1%	Madera	13.7%
Merced	17.2%	San Joaquin	15.4%
Stanislaus	16.0%	Tulare	15.3%

When families lose their homes, they are displaced, the home loses its value, and often remains empty, inviting vandalism and squatters. Neglected or vandalized homes diminish the value and appeal of an entire neighborhood. Counties have lost millions of dollars in property tax revenue resulting in budget cuts, reduction in staff and services.

GOAL:

1. Provide support for jobs and programs that help the San Joaquin Valley recover from the housing and unemployment crisis.
 - Support legislation that would provide flexibility for rural housing trusts in the San Joaquin Valley to better participate in the Proposition 1C Local Housing Trust Fund program.
 - Support legislation and administrative policies for a fair share allocation of Proposition 1C housing funds, and state funded CDBG programming for valley projects and programs.

With thousands of homes still waiting for formal foreclosure notices, communities are at the mercy of the market until 2012, when the next spike in existing home loan interest rates is expected to occur.

