

Transportation Challenges Facing the Sacramento Region

Written Testimony of:

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Chairman Boxer, thank you for giving the Sacramento Area Council of Governments the opportunity today to discuss surface transportation priorities in the Sacramento region for the federal government. I think it is especially important and commendable that you and your staff have organized a series of field hearings here in the State of California and to give many people a chance to participate.

I do not believe we can or should provide specific recommendations for legislative or regulatory changes at this time. Instead, as we are very early in the process of reauthorization, I think we can provide a good picture of the challenges facing the Sacramento region as well as an outline of things we have done locally and regionally to address those challenges. We can identify what is currently working here in Sacramento and we can point out where gaps and shortfalls exist. It is our hope that you and your Committee can use this information as we move forward to help strengthen the product of your efforts—the legislation authorizing activities of the U.S. Department of Transportation in the coming years.

The Sacramento Area Council of Governments represents 22 cities, six counties, and serves a region including the Placer County Transportation Planning Agency, El Dorado County Transportation Commission, and 14 transit providers. We work in close collaboration with one another, five air quality management districts, and many advocacy groups and civic organizations to sustain the vitality of our region.

SAFETEA-LU's implementation has provided many benefits to the Sacramento region on a local and regional scale. The legislation provided funding for regional planning, local and regional highway improvement and construction, transit capital improvements, and increased services under programs such as the Job Access and Reverse Commute program. However, there clearly are good ways to expand and improve federal participation in local and regional transportation while ensuring the proper level of local and regional decision-making.

Reauthorization of the federal transportation bill provides an opportunity to increase the economic vitality and quality of life for our region through better planning and intelligent

infrastructure investments. Over the past several years, this region has become a national leader in truly integrating land use, housing, transportation and air quality planning, and involving thousands of our residents in the effort in unprecedented ways. In 2004, our Board of Directors adopted a Blueprint smart growth vision for the next half-century of growth in our region, and last March they adopted the Metropolitan Transportation Plan for 2035 (MTP2035) that focuses \$42 billion of transportation investments over 28 years to complement that growth pattern. We see reauthorization as an important opportunity to extend our success of recent years.

The Sacramento region currently has a population of 2.1 million people with a projection for another 1 million residents by 2035. As the Sacramento region adds an additional one million people, 535,000 jobs, and 525,000 homes by 2035, we must grapple with a geography that includes two rivers and a constrained regional transportation system with limited opportunities for expansion of the regional highway system. Since 1980, our population has increased 55 percent and our vehicle miles traveled have increased 120 percent, while capacity on our roads has only increased 30 percent since 1970.

Greater congestion, changing housing products, an aging population, clean air goals, and higher gas prices all point to a need to expand the travel choices available to residents in the Sacramento region. With ideal climate and terrain, our region could see more travel by bicycling and walking, now discouraged in some communities by heavy local auto traffic and discontinuous access. With more than a million empty seats in autos, but fewer than 10,000 empty seats in buses every morning and afternoon, carpools clearly have a place in the picture. Regardless, a large increase in the amount of travel by 2035 means that, even if transit use could be increased tenfold and bicycle and walk trips tripled, the region still would face a large increase in travel by auto. At least in some places the road system must be expanded too, and if planned smartly, road design can serve the needs of all travel modes—transit, bicycling, walking as well as auto—a concept known as complete streets.

In that context, SACOG through our recently adopted Metropolitan Transportation Plan for 2035 (MTP2035), takes these realities into account, along with an estimate of what the region can afford, and offers a balanced vision for transportation in the region's future.

The Sacramento Metropolitan Transportation Plan and Sacramento Blueprint

In December 2004, the SACOG Board unanimously adopted the Blueprint growth strategy outlining smart growth principles and preferred growth scenario for the Sacramento region in 2050 based on public input from 5,000 residents.

The Blueprint smart growth principles:

- Provide a variety of transportation choices
- Offer housing choices and opportunities
- Take advantage of compact development
- Use existing assets
- Mixed land uses and development types
- Preserve open space, farmland, natural beauty, through natural resources conservation
- Encourage distinctive, attractive communities with quality design

Since Blueprint adoption, the cities of Lincoln, Roseville and Rancho Cordova are among those who have used the Blueprint principles to update their general plans. Others of our 28 member jurisdictions in the progress of updating their general plans include, Galt, Live Oak, city and county of Sacramento, Wheatland, Woodland, Yolo County, Yuba County and the city of West Sacramento. And we're seeing residents across the region encouraging Blueprint supportive land uses and taking their interests to the ballot, as was the case in Yuba County for the proposed Yuba Highlands development that voters turned down on ballot Measure N by 77 percent in February of this year.

The Sacramento region successfully linked the Blueprint principles to development of the MTP2035 by using a refined version of the Blueprint preferred growth scenario scaled back from 2050 to 2035 as the base map for the 28-year transportation plan. Again, development of the MTP2035 was a collaborative process with coordination among staff from the 28 member jurisdictions and public input from 8,000 residents of the region through interactive workshops, public opinion research, and state of the art technical modeling to identify performance-based investment strategies reflective of the region's transportation priorities.

The MTP2035 places a high priority on transit expansion, with the objective of an effective transit system that both serves those who rely on transit and attracts riders who also have the choice to drive. The MTP2035 invests the maximum feasible share of the region's flexible capital funding into transit expansion, commensurate with funding to operate the buses and trains and the need for road capacity for transit to run on. This investment approximately triples the amount of transit available in 2035 compared to today; funds are not available to operate more service beyond that level and funds must also be invested in road improvements so that transit can move effectively through areas of congested traffic.

The MTP2035 is unique in its emphasis on more diverse travel options while providing for maintenance and strategic increases in capacity not only for highways, but for a variety of arterial roads and complete streets. The MTP2035 invests \$41.7 billion in a variety of programs and projects: \$14.3 billion for transit, a 21 percent increase over the previous MTP; \$12.4 billion for road maintenance, a 17 percent increase over the previous MTP; \$11.3 billion for road capital projects, a 2 percent increase over the previous MTP; \$2.3 billion for programs, planning and transportation enhancements, a 35 percent increase over the previous MTP; and \$1.4 billion for bicycle and pedestrian projects, a 56 percent increase over the previous MTP.

Some factors that must be considered in the vision of our regional transportation system are:

- Clean Air: Total smog emissions from motor vehicles in the SACOG region are now half what they were in 1980, because technology has reduced auto emissions by 98 percent comparing 1980 models to 2007 models. Still, ever-higher standards for clean air combined with the growth in travel mean that reduction in motor-vehicle emissions must continue.
- Demographic Changes: By 2035, the number of residents in the SACOG region age 55 and over is expected to grow dramatically. According to California Department of Finance projections, the number of people age 55 or older will increase by approximately 580,000. This represents a 153 percent increase between 2000 and 2035. As the population ages, older drivers will seek out other forms of transportation, as driving may not be a feasible option.

- Gas Prices: Adjusted for inflation, gasoline prices have increased to the highest level since 1980, while the region's population has increased by about 55 percent and the total miles of driving has increased by 120 percent. Recent gas prices of \$4 per gallon and higher start to affect people with lower incomes and cut into driving and quality of life. At the same time, many people do not have good alternative options to driving.
- Better Transit: It is the best of times and worst of times for transit in our region today. The combination of a slow economy and high gas prices has motivated unprecedented numbers of people to use transit, expanding the ridership base beyond our transit-dependent residents (i.e., those who do not have access to an automobile) to "choice riders" who increasingly find the total cost of transit more attractive than their automobiles. At the same time all types of funding for transit—local, state and federal—are being reduced, forcing our transit to cut services and raise fares. This is nothing short of tragic.
- Neighborhood Quality of Life: Too many drivers cut through parallel neighborhood streets to avoid traffic jams on major arterials, and too often drive at arterial speeds. These streets become less safe and less pleasant as a place for community interaction, especially in areas with discontinuous sidewalks and no bike lanes. When areas are chopped up by cul-de-sacs and gated and walled communities, those who would walk or bicycle must go the long way around, and fewer children can walk to school. This environment encourages people to drive all the time.
- Goods Movement: The amount of freight shipped by truck has tripled since 1980. Trucks often serve as rolling warehouses feeding just-in-time manufacturing and stores with computerized inventories. Rail transportation as a general rule is not efficient or profitable for trips that are less than 700-1,000 miles, and suburban factories are often not located on rail lines. The region's location at the crossroads of northern California's major interstate and state routes means that there are large volumes of through trucks to accommodate in addition to trucks making local deliveries.
- Climate Change: Land use planning, transportation planning, regional affordable housing needs allocations, and environmental quality protection are being integrated to address reduction of greenhouse gas emissions and air quality benefits through implementation of Assembly Bill 32, California Global Warming Solutions Act of 2006. Administrative rules may include regional targets set by the California Air Resources Board (ARB) in coordination with regional advisory committees. Last week, the California Legislature passed a groundbreaking law based largely on the success of the SACOG Blueprint, Senate Bill 375, addressing climate change, travel-demand models, sustainable communities strategies, and environmental review by linking transportation planning with affordable housing and California Environmental Quality Act reform. This is the first bill in the nation to integrate climate change, transportation, land use and housing planning. I encourage you to consider it as a model for application throughout the nation.
- Oil Consumption: The consumption of nonrenewable energy (primarily gasoline and diesel fuel) associated with construction activities and the operation of passenger, public transit, and commercial vehicles results in greenhouse gas emissions that

ultimately result in climate change. Alternative fuels such as natural gas, ethanol, and electricity (unless derived from solar, wind, nuclear, or other energy sources that do not produce carbon emissions) also result in greenhouse gas emissions and contribute to climate change.

- Public Health and Safety: Several active programs and studies (Safe Routes to Schools/Transit, Community Design and Complete Streets) are helping to increase public safety and walking and bicycling. These modes benefit public health by providing good exercise, are energy efficient, and are viable alternatives to driving alone.

Infrastructure Needs Can Not be Met with a Continued Declining Federal Share of Transportation Funds

The Sacramento region cannot afford for the federal investment of transportation funds to be smaller and desperately needs it to be more flexible. The federal percentage of region's MTP2035 of \$42 billion over 28 years is small, only 16 percent or \$6.8 billion. Some of the types of investments that are needed are summarized below.

Less than 10 percent of federal funds can be used for maintaining roads or operating transit services, two of our highest priorities. The transit system, comprised of a complex mix of services and agencies, can gain efficiency from better coordination of diverse services, better service features, and greater ridership. The current system focuses on lifeline service to transit-dependent residents and low-income and minority areas; much of the potential for more effective transit service must come from services tailored to attracting riders that otherwise could drive, in addition to preserving services for the transit dependent. Transportation demand management ties this all together, by helping people find ways to travel besides by driving.

Keeping existing facilities in a state of good repair and continuing operation of current services should be a higher priority for transportation agencies than system expansion. This responsibility falls primarily to local agencies, since federal and state funds that come to SACOG are mostly limited to capital purposes. Traffic operations improvements can squeeze more efficiency out of the existing road system.

Goods movement in the Sacramento region continues to include alternatives such as shipping products through the Port of Sacramento and freight on the Union Pacific lines. The Union Pacific lines are shared with one of the nation's busiest Amtrak lines for inter-city passenger service. Federal and state cooperation in resolving issues associated with securing more passenger access to these lines access will support both economic and environmental goals for the SACOG region. The region could benefit from attention to more efficient truck movement and delivery, which has been growing faster than other traffic and spreading into suburban areas.

Complete streets, designed for walking, bicycling and transit as well as autos, can offer good alternatives to driving locally, and reduce need for overall road expansion. Regardless, roads must also be expanded strategically, to provide good access for infill development, support bus transit, and confine congestion to peak commute hours (a standard condition for robust urban economies nationwide). The MTP2035 calls for targeted enhancements to the freeway system, creating a regional carpool/bus lane system, improving interchanges and adding auxiliary lanes. These

investments are necessary to preserve freeway capacity for trucking and interregional travel and to provide a viable option to surface streets for longer-distance regional travel.

Sacramento's six-county region includes unique urban land uses, with three major job centers and critically valuable rural lands that are part of California's prime agricultural lands. Understanding the region's local foodshed and our ability to process and move food to local markets can reduce the region's dependence on foreign fuel and agricultural commodities, reduce greenhouse gas emissions, and protect the region's air quality, while sustaining the economic viability of uniquely valuable non-urbanized lands. SACOG has used its Blueprint project and smart growth principles to encourage general plan updates in local member jurisdictions, the base map for our recently adopted Metropolitan Transportation Plan for 2035 (MTP2035), and is currently in the early phases of a new Rural Urban Connections Strategy project. Considering linkages between the U.S. Farm Bill and the new or reauthorized federal transportation bill could realize previously unforeseen benefits from integrated transportation and land use planning.

More Flexibility and Performance-Based Funding

Transportation programs, like many other areas of public policy in the Sacramento region, face shortfalls of funding compared to needs and growth. Transportation agencies must find ways to keep existing facilities in a state of good repair, continue operation of current services, and expand to deal with population and economic growth. However, with funding for road maintenance and rehabilitation falling 30 percent short of present need, and transit service capped by available operating funds in a region where fares typically cover about 20 percent of operating costs, new funding sources must be found to meet basic responsibilities to keep the system functioning. The region seeks funding sources that are stable, flexible and adjustable.

Federal and state funds that SACOG controls are mainly intended for capital expansion. SACOG intends to use its funds for regional-scale projects and related regional priorities; these projects have proven hard to fund locally, even under the present program structure whereby about 60 percent of funding to expand the system comes from local development-based sources. SACOG also intends to seek federal and state discretionary funding, targeted to projects well-tailored for particular programs, since any extra funds that can be obtained reduce overall program need and allow redeployment of local and regional funds.

With flexibility comes accountability. Performance-based infrastructure investments will provide greater value than categorical programs. We encourage Congress and key federal agencies to develop a performance matrix for project funding. Those performance metrics should relate to mobility, accessibility, safety and other traditional transportation variables, but also bring attention and accountability for the critical links between land use, transportation and air quality, including greenhouse gas emissions.

To get the most out of existing funding, all agencies should be encouraged to pursue operational and other efficiencies, using methods that include consideration of private funding opportunities and pricing, and cooperate to manage and use existing funds efficiently.

Regional Implementation

Land use, transportation, and air quality planning are best coordinated at a regional scale. Regional planning efforts completed during the SAFETEA-LU period provide a collaborative vision of how to move the region forward.

The SAFETEA-LU compliant MTP2035 was designed to match locally-determined Blueprint land uses, but its investment strategy will not succeed if land development patterns unfold substantially differently than outlined in the regional Blueprint. In fact, about 75 percent of the improved performance (e.g., reduced per household vehicle miles traveled and air emissions, slowing of congestion increases, big increases in transit, walking and bicycling) that comes from this MTP is derived from local governments implementing Blueprint land uses. The Blueprint growth scenario leads to more compact communities built around mixed-use community activity centers, applying to existing suburban communities, major new greenfield communities around the present urban edge, and rural communities; better balance of jobs and housing in communities, with a variety of housing types and prices in all communities to match an evolving market; and attention to siting of commercial and industrial businesses that require significant truck traffic. This development future yields shorter commutes overall, more local trips within communities for which walking, bicycling, and using transit become attractive options to driving, lower vehicle miles of travel (VMT), lessened growth in congestion, and more transit service and use.

In tandem with an incentive-based approach to implement Blueprint for urbanized areas in the region, the region has launched an investigation of the needs of the rural areas, including identifying areas with high natural resource values to be preserved and economic development opportunities. Blueprint, the rural initiative and MTP2035 together move this region significantly toward environmental sustainability by reducing air pollution and greenhouse gas emissions; conserving energy, water, and open space; and enhancing both urban and rural economic viability.

While SAFETEA-LU funds have supported some of our Blueprint planning and implementation efforts, FHWA has not approved some of the applications we proposed for these funds. We strongly recommend that the new bill expressly authorize and encourage regions to engage in the kind of integrated planning and implementation characterized by our Blueprint process.

Regional Planning for Greenhouse Gas Reductions in California

The State of California is the first to adopt legislation establishing targets and a timeline for reducing greenhouse gases in Assembly Bill 32. The regional greenhouse gas reduction targets are aimed at realizing emission reductions through the implementation of Blueprint-style land use and transportation plans. The draft Scoping Plan proposes that the ARB, along with other state agencies, will work with regional and local governments to develop regional targets to reduce greenhouse gas emission, and collaborate to design a comprehensive process to meet these needs. SACOG has been engaged with ARB in the development of the draft Scoping Plan.

The emission reduction assigned to this measure on first analysis appears rather modest, only 2 million metric tons of CO₂ equivalent (MMT_{CO₂E}) by 2020. In our MTP2035, we estimated that the SACOG region, which has 7 percent of the state's population, could achieve nearly 1

MMT_{CO₂}E by 2020 compared to a business-as-usual scenario. We expect to continue to provide technical information on our Blueprint and MTP2035 to ARB staff and encourage them to provide incentives for regions that exceed the modest draft target.

This year, State Senator Darrell Steinberg has authored Senate Bill 375 bringing together a diverse coalition of stakeholders including California League of Conservation Voters (co-sponsor), League of California Cities, California State Association of Counties, California Building Industry Association, Natural Resources Defense Council (co-sponsor), California Association of Councils of Governments, Environmental Defense Fund, Bay Area Council, and many more to further link transportation planning, land use planning, affordable housing, and California Environmental Quality Act reform to encourage the 17 region in the state of California to pursue and implement Blueprint regional plans. This legislation would further establish voluntary criteria for implementation of AB 32.

SB 375 integrates and aligns planning for housing, land use, transportation and greenhouse gas emissions for the 17 Metropolitan Planning Organizations (MPOs) in the state through amendments to several provisions in existing law.

Regional Transportation Plans (RTP)

The ARB by July 1, 2010, after considering the recommendations from a broadly based advisory committee, would provide targets to the MPOs for greenhouse gas emissions for cars and light duty truck trips from the regional land use and transportation system. The MPOs, through significant involvement with the public and their member cities and counties, would prepare a Sustainable Communities Strategy (SCS) as a component of their Regional Transportation Plans (RTP, or MTP in the Sacramento region) that meets the target, if feasible. They must use transportation and air emission modeling techniques consistent with guidelines prepared by the California Transportation Commission to document the greenhouse gas emissions. If the SCS does not meet the target, the MPO must adopt an Alternative Planning Strategy (APS) that does. However, the MPO is not required to implement the APS because it may include amounts of transportation funding and changes to land use patterns that go beyond what federal law allows. The ARB may accept or reject the MPOs determination that the SCS or APS meets the target, but it does not approve the SCS or APS and it may not suggest or require that the MPO make changes to either document. The adopted RTP must be an internally consistent document and current requirements that transportation funds may only be spent on projects consistent with the RTP are unchanged. Projects already programmed in the State Transportation Improvement Program through 2011 and projects, program and categories of projects in any county sales tax approved by the voters prior to December 2010 are expressly exempted from the provisions of the bill. Several safeguards in the bill are included to preserve local government land use authority.

California Environmental Quality Act (CEQA)

This legislation would change the methods of CEQA analysis that ARB accepts as meeting the greenhouse gas target required for residential and residential-oriented mixed-use projects consistent with an SCS or APS. 1) Such projects would not have to analyze their growth-inducing impacts or their impacts on climate change or on the regional transportation network. A lead agency would not be required to address a reduced-density alternative, because of car and light-duty truck trips.

Residential and residential-oriented mixed-use projects consistent with an SCS or APS that meets the greenhouse gas target. 2) A limited set of projects that meet a very stringent series of environmental and other criteria would be exempt from any CEQA analysis. 3) A more limited CEQA review than normal would be available to projects with a density of 20 dwelling units per acre that are within a half-mile of current or planned high quality transit service for any impacts that are sufficiently analyzed in the RTP EIR and provide adequate mitigation. 4) Local governments would be able to establish their own mitigation standards for local traffic impacts.

Regional Housing Needs Assessment (RHNA)

Each MPO's process for updating RHNA would occur every eight years instead of every five years to sync it with updates to RTPs, which occur under federal law in four year increments. The California Department of Housing and Community Development process for setting the regional housing allocations for the MPOs is amended to encourage providing sufficient housing to match the projected employment growth in a region, and the way the MPOs allocate the housing to each of the cities and counties must be consistent with the SCS. Local governments would be required to rezone their properties to be consistent with their updated Housing Element within three years (four years if the local government has completed 75 percent of its rezoning by the third year and meets one of three conditions: circumstances out of its control, lack of infrastructure to serve the sites, need for a major update to its general plan to meet its RHNA allocation). If a local government does not update its housing element within 120 days of the statutory deadline then it will have a four-year RHNA update cycle instead of an eight-year cycle.

New Federal Transportation Bill or SAFETEA-LU Reauthorization?

As the federal government pursues new legislation or reauthorization of the current federal transportation bill, SAFETEA-LU, some fundamental criteria should be considered. The SACOG Board of Directors took action to fully support the California Consensus Principles:

- Ensure the financial integrity of the Highway Trust Fund
- Rebuild and maintain transportation infrastructure in a good state of repair
- Establish goods movement as a national priority
- Enhance mobility through congestion relief within and between metropolitan areas
- Strengthen the federal commitment to safety and security, particularly with respect to rural roads and access
- Strengthen comprehensive environmental stewardship
- Streamline project delivery

The California Consensus Principles for reauthorization are also endorsed by the State of California and all the other MPOs in California.

Thank you for your time and attention, and I look forward to your questions.