

Chapter 1:

The Promise and Peril of 2040

The Sacramento region needs to be bold and intentional in its planning to ensure success in a rapidly arriving future.

The year is 2040. Since 2020, the Sacramento region has grown by a quarter, boosting its population to three million. The additional 620,000 residents have largely found homes and opportunity in the developed footprint that has defined the region for the last 20 years. Local government leaders, in close partnership with the business and development communities, have doubled down on revitalizing existing communities, investing in postwar suburbs and once rundown commercial corridors. At the same time, they have made concerted efforts to protect the region's agricultural economy and natural resources, increase density in our urban cores, and bring new life to rural towns by rehabilitating historic downtowns.

Generation Zs who started their working lives in some of the new, affordable mini-apartments that became the rage of Sacramento's midtown have now found more space to raise families in the suburbs that ring the region's urban core. In doing so, they brought their appreciation of more compact and connected living with them.

Local governments anticipated their arrival and investments in the 2020s have paid off. What had once been under-used office parking lots and strip malls in places like Rancho Cordova and Woodland now host mid-rise apartment buildings and other missing middle housing types like fourplexes, with shared amenities that promote connections and make it easier for multiple generations to live close to one another. Additionally, start-ups and small business are attracted to new flexible spaces offered in the ground floors of office and apartment buildings in walkable and mixed-use communities like downtown Roseville.

These options have flourished in response to the region's changing demographics. Compared to 2019, the region has 253,000 more over-65-year-olds, and within that group, 210,000 more over-75-year-olds. Generally, the majority are working longer and want to age in place in their own homes and communities. Local governments have responded by focusing on walkability and adding on-demand, accessible shuttles to help older adults stay active, avoid social isolation, and connect to community resources. These communities have also created places for people with disabilities to live, work, and play.

Housing for seniors has been reimagined, primarily by not thinking of it as housing only for seniors. One of the most notable of these reimaginings is the Sunrise Renaissance, a national award-winning repurposing of the Sunrise Mall. Built in the 1970s, the mall came on hard times in the early 2000s as online retail boomed and more attractive modern malls opened nearby. The City of Citrus Heights, in response to the mall's inevitable decline, responded by working with property owners to turn the site into a new downtown with townhouses and apartments of various sizes, entertainment, office space, and more modern retail. The move worked and the area has attracted young families, seniors, and singles who love its eclectic mix of local retailers, the

extreme mini-golf park, and the driverless electric shuttle that connects the mixed residential and retail areas with recreational features and community gardens.

Our region's collective commitment to a more compact development pattern has mostly spared increasingly vital agricultural and forest lands, concentrated in the rural parts of our six counties, which drive an important portion of the region's thriving economy. Smart investments and partnerships between UC Davis and farming communities have taken advantage of the region's agricultural assets to improve an already thriving food export model. Our agricultural transportation network not only helps to feed our region's residents and communities throughout California but also connects the region's vast farming lands to ports in West Sacramento and Stockton where high value products are shipped to all parts of a world that increasingly values the safe, reliable, high-quality food that is produced in California.

These exports are one of the key ingredients that have helped the region hold onto its identity as a safe and pleasant place to live while at the same time taking advantage of its central location in the Northern California Mega Region that encompasses the Bay Area and stretches east to the world-famous year-round playgrounds of Lake Tahoe and the High Sierra.

Comfortable and speedy trains connect the region to the Bay Area and to the fast-growing valley cities to the south. These connections have taken thousands of vehicles off the roads and transformed the old joke about Sacramento ("Only two hours from San Francisco — four with traffic") into "Only 90 minutes to San Francisco — 60 if you take the train." The improved transportation connection between the Sacramento and Bay Area regions have helped convince many tech companies to co-locate offices in both areas.

Smart and innovative leadership has helped the region escape the fate of other turn of the century economic peers, mid-size cities that were slow to adapt to post-global financial crisis changes and lacked some of the region's advantages — California's allure, a desirable climate, ready access to local food and agriculture, and a stable, highly-skilled, concentration of workers. Strong connections between the region's acclaimed universities (the lower cost of living compared to the high rents in the Bay Area and Los Angeles have attracted top students, increasing the international appeal of UC Davis, Sacramento State, and a collection of top-notch community colleges) and the region's agricultural and high-tech industries have boosted high-paying jobs.

Having understood that the regional economy could not fully thrive without expanding opportunities for all sectors of society, regional leaders have prioritized equity in their transportation and educational investments, making it easier for all people to access training, jobs, and opportunity.

But the region is not all hustle and bustle. We're known nationally as a thriving mid-size metropolitan region that offers a pleasant lifestyle compared to its faster paced and more crowded coastal neighbors. High-tech innovations in the agricultural sector have boosted productive value and allowed towns like Marysville and Isleton to focus on their natural assets, historical significance, and charm. Such gems within the Mega Region have become increasingly valued by residents and tourists alike. Local and Bay Area residents flock to the locally owned restaurants and boutiques that have breathed new life into restored and strengthened historic buildings that also host small businesses that have flourished due to the region's embrace of entrepreneurs.

These rural towns have thrived by defining themselves as distinct from the region's crescent of developed communities that stretches from West Sacramento to Lincoln. They have attracted increasing numbers of remote workers who have taken advantage of improved telecommuting options and more flexible employer policies to seek a strong sense of community and additional elbow room.

Whether the appeal is better access to nature and recreation, or refuge from crowds and traffic, these small-town residents appreciate and defend the farmland, forests, and parks that still make up the clear majority, more than three-quarters, of the region's land. A network of trails connects the region, making nature accessible for all residents, helping provide safe paths for children to get to school, and supporting the agritourism sector that has boosted the profile of rural counties such as Yuba and Sutter.

These rural communities are served by a well-maintained road network after far-sighted communities made innovative use of transportation funds. Yuba County led the way when it worked to fix state regulations so that it could advance SB 1 funds to repair 15 percent of its entire road network in just the summer of 2019, saving its residents \$4 million in the process. Using this model and other innovative ways to stretch transportation dollars have paid dividends and rural and suburban communities alike have started to make headway on what once seemed insurmountable backlogs of maintenance and reconstruction needs

The new I Street Bridge, long a landmark gateway between the cities of West Sacramento and Sacramento, is a soaring architectural icon used by drivers, cyclists, and pedestrians traveling between the compact, chic riverside city of West Sacramento and the bustling, entertainment rich downtown Sacramento. The bridge is just one of the highlights of a transportation network that provides plenty of choices for people looking to move about around the region. Self-driving shared cars and clean, electric express buses zip along the region's interstates and arterial roadways providing fast, stress-free travel for commuters, sports fans heading to catch a ballgame at Sutter Health Park or attend an event at the Golden 1 Center, or travelers catching a flight out of Sacramento International Airport.

Micro-mobility options like bike- and scooter-share and fully autonomous shuttles have flourished, making it easy for people to connect to transit, make a quick trip to the store, or meet friends for a night out. Modern light rail trains and on-demand microtransit shuttles offering a quiet, reliable, and productive trip to work have become the commute option of choice for many residents. Our light rail network, as well as the express lanes on the I-80 and State Route 99 payways (that term replaced freeways in the 2030s), have become the backbones of a transportation network that absorbed 20 years of population growth without the massive expense of adding new lanes while at the same time preventing unchecked growth in congestion.

Innovative and cost-effective investments have been increasingly necessary since the early 2020s, as the decline in gas tax revenues became steeper. As the transportation fleet became much more fuel efficient, driven largely by the widespread adoption of electric vehicles, gas tax revenues fell off a cliff.

The Sacramento region, in partnership with other mid-size metropolitan regions, had prepared well for this moment. By having already done pilot tests of variable road pricing as an option for transitioning away from the gas tax, we were able to lead the way in creating a sustainable and flexible funding source for transportation based on mileage-fees rather than fuel purchases. This new system would finally raise enough

revenue to start to make headways on decades worth of deferred maintenance and rehabilitation of our transportation infrastructure.

At the same time, the price signals sent by mileage fees and tolls that change in response to real-time traffic conditions resulted in less rush-hour congestion. The Sacramento region became known as a calm traffic oasis compared to bigger metropolitan areas in other parts of the country that were slower to adapt their transportation systems.

The additional revenue generated by an innovative roadway pricing system has been invested back into the transportation network wisely — maintaining and upgrading farm-to-market routes and existing roads and transit networks rather than an endless cycle of paving new roads and stretching transit services to serve constantly expanding suburbs and worsening traffic.

Drivers and transit riders alike loved the results and their happiness carried over to civic leaders. The City of Woodland even marked the completion of its ambitious maintenance program by adopting a city motto seven years ago: “Pothole Free Since ‘33.”

Our optimistic vision is not risk-free.

The above scenario of the region’s future is of course an optimistic one but it is not a fantasy. Take away some of the whimsical touches and it can be read as the outcome of implementing the priorities recommended in the following plan.

But nor is it a given. It is not the likely outcome of the growth path we are on now, which is why this plan is built around goals that demand change and bold action from partners throughout the region. These goals are:

- Build vibrant places for today’s and tomorrow’s residents.
- Modernize the way we pay for transportation infrastructure.
- Foster the next generation of mobility solutions.
- Build and maintain a safe, reliable, and multimodal transportation system.

The risks of not proactively taking bold steps to prepare for the dramatic changes we expect in transportation over the next 20 years are dire. Those risks include:

- Sprawl and its side effects: congestion, longer travel times, increased freight costs, and worse health.
- An economy that lags our peers because our stagnating cities fail to attract talented workers and we have not managed to connect existing workers to training and new opportunity.
- A region split between denser areas well served by a high-tech, electric fleet and rural and disadvantaged areas relying on 30-year old internal combustion technology.
- Crumbling transportation infrastructure because we failed to develop a sustainable way to pay for it.
- An economy, land use pattern, and transportation system that leaves vulnerable populations behind.
- Our economy hollows out and the people leave because we lost our competitive advantage.

THINK OF THE PLAN THAT FOLLOWS AS A ROAD MAP TO A BRIGHTER FUTURE.