

Tim Carmichael, President of CCA testimony on the Governor's Strategic Growth Plan in front of the Senate Transportation and Housing Committee, January 24th, 2006

Good afternoon. I am Tim Carmichael, President of the Coalition for Clean Air. I greatly appreciate the invitation by the committee to share our perspective on the Governor's Strategic Growth Plan and other relevant funding considerations.

There are many details to be worked out but the BIG question is whether the leadership of California is genuinely interested in investing in a sustainable future for our great state or if this is merely about some short-term band-aid fixes. The California environmental community strongly supports investing in California's future. We recognize that investments of this magnitude, if done correctly, can offer significant benefits to the quality of life, a strong economy, and a healthy environment.

Guiding Principles

- **All of the bonds being considered should reflect the future Californians envision** including: air that is safe to breathe and water that is safe to drink, a clean environment, healthy communities, and access to parks and open space.
- **Building more roads or adding freeway lanes are not lasting solutions to the problem of traffic congestion.** As we have seen in California, building and widening roads only provides very short-term relief to air pollution and traffic congestion. The benefits are not sustained. Therefore, you must ensure that a sufficient portion of this bond is dedicated toward significant improvements in rapid transit, land use decisions, and overall air quality.
- The California environmental and public health communities are **strongly opposed to relaxing environmental protections to accelerate construction.** Californians deserve a clear sense of the impacts each project will have on our quality of life and our environment. That is the only way to ensure we fund the smartest projects, challenge contractors to think creatively and achieve long-term solutions to environmental problems.
- The cost to eliminate public health, environmental and community impacts for ongoing expansion projects must be included in the total price for those projects and funded as a single cost. That is, **any "mitigation" costs must be included within the cost of a project.**
- As the "Strategic Growth Plan" proposes to spend all of the state's bonding capacity for the next 10-15 years, **we must examine all of the state's public investment needs when considering which programs to fund.** This is particularly important in the area of natural resources, where bonds have been a chief source of funding for parks and open space. The bond package should include significant funding for natural resources.
- The **Administration must** be required to demonstrate that the bond expenditures over the next 15 years combined with existing regulations and programs will **ensure that**

California attains and sustains attainment with federal health-based air quality standards - PM2.5 standards by 2014 and 8-hour ozone standards by 2021. This is especially important because failure to attain these standards jeopardizes federal funding for transportation projects. The Administration should show how these funds will achieve the statewide **commitment to reduce diesel-related health risks 85% by 2020.** In addition the Administration should also show how near-term funding will achieve the **Governor's commitment to a 50% reduction in air pollution by 2010.**

- In addition, the State must demonstrate how this funding reduces greenhouse gases and meets the State's goals to minimize the impacts of climate change
- An infrastructure funding package **must ensure that it provides protection for all community residents and that it does not create disproportionate environmental impacts in communities of color and economically disadvantaged areas.** The funding package must address the most impacted areas and populations first (as opposed to looking just at statewide average emission reductions). This is particularly important in the area of goods movement infrastructure projects (e.g., Ports, rail yards and rail lines, truck routes).
- There is a growing understanding that California's **dependence on petroleum is harmful to the State.** This dependency results in harm to public health, damages the environment and increases the vulnerability of our economy. Thus the **State's plan for transportation infrastructure must fund technologies, projects, and systems that reduce our dependence on petroleum.**
- **Public funds should go toward public projects.** While leveraging private funds is a laudable goal, we should not be subsidizing developers or profitable industries.
- To minimize the debt for our children and ensure that the State maintains the ability to make discretionary expenditures, we must use **reasonable fees to repay bond money in every case feasible.** For projects related to the **goods movement system, we strongly believe that ALL bond money should be backed by fees** applied to that system. We continue to support a reasonable fee on shipping containers passing through California ports. The people of California should not have to pay to clean up the pollution of a growing and profitable industry.

Specific suggestions:

TRANSPORTATION

1. Net benefit to air quality and environment:

Our state cannot grow in the same reckless manner it has in the past if we want healthy communities. Business as usual will mean we spend billions of dollars to put a band aid on the state. Given the state's funding needs, it is critically important that every dollar be spent wisely to ensure Californians receive the maximum benefit from the investment and that this investment puts us on the path of long-term solutions to pollution, petroleum dependence, sprawl and gridlock.

RECOMMENDATIONS:

- All funding must prioritize projects that improve the state's environment, even while the funding is aimed at other objectives such as improving the flow of goods through California or reducing traffic. Less mitigation will be necessary if we can target projects in this way. The unacceptable alternative is to take on public debt for projects which degrade the environment, worsen air or water quality, or destroy sensitive habitat.
- Projects must contribute to the State's goal of **attainment of federal air quality standards** and sustain that level of air quality. Failure to do this **jeopardizes federal funding for transportation projects**.
- In addition to the macro demonstration called for above, we believe that there must be a demonstration that the funding has a **net air quality benefit at the community level**.
- Focus investment on public transportation rather than roads and highways. **For every dollar we spend on roads we should spend at least two on other modes of transportation**. If we are serious about reducing air pollution, greenhouse gas emissions, and dependence on petroleum we must invest in alternatives to the automobile – light rail, buses etc.
- Fund **bus rapid transit corridors**, especially where densities and local funding cannot support immediate development of light rail or subways.
- **Road pricing** projects that produce funds for transit operations while reducing vehicle miles traveled (VMT).
- **Individualized marketing** that ensures people have adequate knowledge **about transportation choices** available and how to employ those choices should be incorporated into all transportation projects.
- Invest in **bike and pedestrian projects** and ensure all surface transportation projects should promote “complete streets” that support various modes of transportation as appropriate. No transportation project funded through this bond should decrease or degrade existing bicycle and pedestrian access or safety.
- Invest in developing refueling and other **infrastructure for alternatives** to petroleum in our transportation sector.
- One way to minimize the negative AQ effects of this massive bond is to require **clean construction equipment** for all infrastructure funded by this bond

2. Smart growth focus:

State leaders must prioritize projects that reduce the demand for travel instead of accepting long commutes, more cars, and more miles traveled as a given. When we spend time commuting 25 or 50 or 100 miles back and forth for work, we lose valuable time with our families. Smart growth strategies mean we are putting our money into solutions that last. Let's not fund sprawl, let's invest in livable communities: more compact mixed-used communities, transit oriented development, infill development and cleanup of land, public transportation and bus rapid transit, and protection of important habitat areas, greenbelts, working landscapes and open space, and less contaminated stormwater runoff.

RECOMMENDATIONS:

- The state should use **incentives to encourage local governments** to use smart growth strategies.
- **Fund transit-oriented development that helps reduce growth in VMT**, while providing greater variety in housing options that allow people to live closer to services and have greater access to effective public transit systems.
- **Performance-based corridor projects** that identify specific high-use corridors and employ a suite of proven measures (road pricing, HOV lanes, express public transit, etc.) to reduce VMT, increase mobility and transportation efficiency, and reduce air pollution contributions from transportation.

3. Mitigation for transportation development

Whether California spends \$12 billion, \$26 billion, or \$107 billion on transportation infrastructure, only \$1 billion is earmarked for AQ improvements and no money is earmarked for mitigation. The community impacts of infrastructure development and expansion are significant, often impacting schools, day care facilities or neighborhoods already burdened by pollution. Adequate mitigation is critical, but too often, mitigation is viewed as optional or as something that will be added to a project “if possible.” Mitigation for every project should be fully integrated and accepted as a core component of the project and its cost.

RECOMMENDATIONS:

- Funding for mitigation must be explicit in, and included as part of, the cost of the project and allocated concurrently.
- Before a project is undertaken, its mitigation plan should be in place with funding secured.
- The infrastructure mitigation that is needed must be coordinated with state environmental programs and goals to maximize benefits.
- Public funding should not be used to pay for mitigations targeted by regulation.
- Investing in the Environmental Enhancement and Mitigation Program, a proven mitigation program, is one way to achieve this goal. The EEMP has helped improve the quality of life throughout California by funding over 500 conservation projects that reduce air and noise pollution, enhance recreational opportunities, and conserve natural resources in nearly every California county. EEMP programs also help prevent crime and drug dependency by providing at-risk youth with job skills and employment experience.

GOODS MOVEMENT SYSTEM

The Ports and Goods Movement System is a huge source of pollution and plays a significant role in the State’s economy. The pollution impacts are very serious in port communities and communities in the Inland Valleys and San Joaquin Valley. The ports and shipping companies want better infrastructure and the impacted communities deserve reduced pollution. The incredible volume of goods passing through our ports presents an opportunity to address both of these needs without leaving our children with horrendous debt.

RECOMMENDATIONS

- Use a **reasonable fee** on shipping containers to fund **all** Port/Goods Movement infrastructure and pollution reduction projects. This is consistent with the "polluter pays" and "appropriate beneficiary pays" principles.
- Projects should include:
 - Shoreside Power for Ships [electrify 80 piers]
 - Renewable power generation source to provide the necessary capacity for dockside power
 - Fueling infrastructure/support of use of alternative fuels
 - Replace and retrofit pre-94 trucks serving the GM system
 - Retrofit trucks from 94-03
 - Retrofit ships to use shore-side power
 - Retrofit ship engines to reduce emissions
 - Replace Switching Locomotives
 - Rail electrification
 - On-dock rail improvements using low or zero-emission technologies

AIR QUALITY

The Governor's proposal is missing key opportunities to reduce emissions and protect public health.

RECOMMENDATIONS

- Several funding categories should be added to the current proposal to ensure the State is prioritizing reducing air pollution and improving public health. Projects should include:
 - Replacing all pre-87 school buses
 - Retrofit all '87 – '03 school buses
 - Expanding the "scrappage" program to accelerate the retirement of the most polluting vehicles
 - Additional Carl Moyer funds to meet \$300 million/year suggested by ARB
 - Funding for increased Transit (especially buses, incl. Bus Rapid Transit and/or van/shuttle/jitney services)
- The **public should not be footing the entire bill for air quality improvement**. Bond funding can provide capital for key projects. **Reasonable fees should be used to repay bond money spent in every case feasible.**