



## TRANSPORTATION COALITION PROPOSAL

Our unifying principle is that auction revenues derived from vehicle fuels should be used to fund transportation system needs in a way that implements the AB 32 regulatory program building on the framework of SB 375 and other GHG reduction strategies.

Based on research which illustrates the benefit of combined approaches to transportation investments, this proposed Livable Community Infrastructure Program would leverage a cost effective investment portfolio across transportation efficiency measures, land use incentives, and improved transportation options to yield the greatest GHG reductions associated with the transportation sector.

### Coalition Principles/Program Framework

- 1) Auction revenue from fuels should implement the AB 32 regulatory program to reduce GHG emissions from transportation
- 2) Favor cost-effective and integrated transportation and land use strategies
- 3) Project funding determinations should be done primarily at regional level under statewide criteria for evaluating GHG impacts. Criteria for project selection should be uniform statewide and developed by the State of California. Regions shall administer competitive funding processes and select projects based on these criteria.
- 4) Allow flexibility at the regional and local level to develop most cost effective projects
- 5) Assist local governments in meeting regional GHG reduction goals
- 6) Create performance-based approach to maximize regional flexibility with improved modeling and verification systems to ensure effective results
- 7) Promote innovation, collaboration, economic development and rural sustainability
- 8) Support co-benefits: air quality, public health, resource protection, equity, affordable housing, agriculture, and safety

### Additional Considerations for Program Framework

- Integrate interregional rail modernization and roadway operational improvements with regional investments that implement or enhance long-term GHG reduction strategies in statewide and regional transportation plans.
- Use statewide criteria to ensure compliance with SB 535.
- Continued dialogue on implementation details between members of the Transportation Coalition and key agencies/organizations to ensure ultimate success of the program in meeting both AB32 goals and project implementation.

### Program Design

- 1) Allocate transportation funds primarily on a regional basis:
  - Direct funds to MPO's or other regional transportation agency outside of an MPO.
  - In the SCAG region, the allocation of a preponderance of the funds would be by the county-level RTPAs, with SCAG administering oversight to ensure implementation of the Sustainable Community Strategies, as well as the planning and other funds identified in the regional agreement between SCAG and the RTPAs in its region.
  - Use an objective standard, such as population, as basis for funding allocation between regions to ensure all parts of the state have equitable funding.

- Establish statewide modeling to allow region-to-region consistency in evaluating and verifying the effectiveness of all eligible projects, including those related to travel demand reduction, system efficiency and safety improvements, demographic characteristics and integrated land use and transportation strategies.
- 2) Allocate funding within regions to achieve optimum mix of GHG reductions and co-benefits:
- Structure program whereby regional agencies are required to establish competitive grants for local entities that incentivize integrated strategies that combine land use changes with infrastructure investment at the neighborhood scale to achieve greatest long-term GHG benefits.
  - Funds must be used for local land use strategies and transportation investments that implement an approved Sustainable Communities Strategy/ Alternative Planning Strategy within existing urbanized or developed areas and reduce GHG emissions.
  - Allow areas outside of MPO regions to seek funding for long-term GHG reduction strategies contained in their Regional Transportation Plan.
  - Support rural sustainability through funding maintenance, farm to market and interconnectivity needs that implement the adopted regional strategy
- 3) Allocate funding to administer competitive grant program for intercity and interregional rail modernization, and roadway operational and maintenance improvements, that implement or enhance GHG reduction strategies in statewide and regional transportation plans.
- 4) CARB will establish minimum standards for the development of regional and interregional funding programs, including criteria for evaluating GHG impacts that ensure program compliance while retaining flexibility to meet transportation goals. CARB will periodically review each region's effectiveness in meeting the standards to ensure legal compliance with AB 32 requirements.

#### Eligible Uses of Funds

Implementing SB 375 and other GHG-reducing regional plans outside of metropolitan planning organizations (MPOs) requires Livable Community Infrastructure to rebuild aging infrastructure within urban infill and existing rural communities. This includes transportation efficiency measures such as network and demand management strategies, transit service and operating costs, road and bridge maintenance, retrofits for complete streets and urban greening, and clean technology infrastructure. All of these transportation investments yield greater and more cost-effective GHG reductions when co-implemented with land use incentives and improved transportation options, such as developing land use modifications to support regional plans, transit-oriented development, and other community infrastructure needed for infill development.

Keeping in mind that all expenditures must implement the AB 32 regulatory program to reduce GHG emissions, we support a broad array of eligible expenditures within existing urbanized or developed areas as follows:

1) Transportation efficiency measures:

- Network and demand management (e.g. transit/bike priority signalization; trip reduction programs; safe routes to school; roundabouts/roadway modifications; congestion pricing)
- Transit service, maintenance and operating costs (e.g. Bus Rapid Transit)
- Road and bridge maintenance, operations and retrofits for complete streets and urban greening (e.g. pavement and striping conditions; streetscape enhancements; bike/ped safety enhancements)
- Clean technology infrastructure and planning (e.g. EV station planning and implementation)
- Multi-modal network connectivity to reduce travel distances and improve access to parks, schools, jobs, housing, and markets for rural and urban communities (e.g. neighborhood scale planning)

2) Land use incentives and improved transportation options:

- Funding to develop and implement land use modifications to support regional plans (e.g. updating zoning codes, parking standards, Level of Service policies)
- Other community infrastructure (e.g. water, sewer, greening) to support Transit Oriented Development, affordable housing, urban infill and small walkable communities in rural neighborhoods
- Transit infrastructure and clean technology conversion (e.g. hybrid busses; station enhancements)
- Multi-use facilities and accommodations for bicyclists, pedestrians and Neighborhood Electric Vehicles (e.g. multi-use trails)
- Multi-modal network connectivity within new development (e.g. street design)
- Interregional rail modernization and related community infrastructure (e.g. Capitol Corridor enhancements)

3) Administration/Evaluation Measures:

- Administrative costs and development and use of evaluation, monitoring and verification systems to validate AB 32 compliance, including modeling systems to evaluate regional proposals against program criteria, and verification and measurement systems for on-going evaluation and modification of regional and state programs.