



**CALCOG Priorities for Transportation Bonds
February 6, 2006**

1. **Proposition 42 Protection:** Before we discuss bonds for new projects, we need to **ensure that all of the funds that are supposed to go to transportation are going there.** This means a Constitutional Amendment to permanently protect Proposition 42 funds, as well as using the bonds to pay for whatever portion of the loans are not covered in this year's budget and without relying upon tribal gaming funds that are still not certain.
2. **State Transportation Improvement Program (STIP):** The majority of additional funding for transportation should go into the **primary existing process for project selection instead of a new process** that is limited to state highways. The STIP process assures each part of the state an equitable share of funds and allows for the selection of the best projects of any type instead of only considering state highway projects.
3. **Special Programs outside the STIP process for specific statewide programs:** While the majority of new funds need to go to the underfunded STIP, some projects of statewide significance would not be built through the STIP. A program administered by the California Transportation Commission whereby regional agencies and Caltrans would **jointly nominate** projects for the new federal **border infrastructure** program, **goods movement** including grade separation projects, **transportation security**, and major state highway projects which are much larger than could be accommodated with most counties' share of STIP funds (or generated from a local sales tax) and have sufficient congestion relief value to neighboring counties to be of statewide significance. All of these would be program categories with specific projects selected, subject to performance, eligibility standards, and state local participation. **No projects should be directly selected by a legislative earmark.**

In addition to these categories, there should also be a new **State Local Partnership Program** whereby state funds are made available as a match to fund local projects that are partially funded through revenues developed locally. We hope to work with State officials in developing the details of such a program.

4. **Housing, parks, and infrastructure for local governments to implement regional blueprints:** Reducing congestion cannot occur without better coordination of land uses. Regional agencies have mapped the urban areas where more intense development should occur under programs often called "Regional Blueprints" (Attached is a paper more fully explaining these new innovative plans.) Assisting local governments in attracting development to the best locations is essential to reducing congestion. Each region of the state should be allocated their fair share of substantial funds for local infrastructure, housing and parks, and other open space needs as well as funds to support better local land use planning.



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5. **Local Government Financing:** Local governments also need better revenue raising tools by expanding the flexibility of assessment districts such as Mello-Roos assessments, and tax increment financing to ensure the financial viability of projects in these priority investment locations
6. **Regional Blueprints:** To ensure these plans are completed and updated, the federal transportation planning funds made for regional agencies in this year's budget should become a reliable permanent source in statute and the planning programming and monitoring funds that are part of the STIP need to become more reliable (and not dependent upon the fluctuations in STIP size.) (Attached is a specific legislative proposal to accomplish that reflecting a consensus among our agencies Caltrans and the Transportation Commission.)
7. **Tolls (such as HOT Lanes):** Public and Private financing authority should be expanded to convert HOV (High Occupancy Vehicle) lanes to HOT (High Occupancy or Toll) lanes where there is excess capacity of these lanes to generate funds to provide more alternatives to increase mobility. In addition we support the Governor's proposal for additional new toll facilities both publicly and privately financed. However, each project should reflect local, regional, and state concurrence.
8. **Design-Build:** We support the Governor's Design-Build and design sequencing proposals as models which give us the flexibility to expedite large projects.
9. **CEQA:** Regional transportation, air quality plans, and environmental analyses done should reduce the need for the regional growth, air, and transportation impacts to have to be considered again in environmental review of local general plans and local projects. CEQA should be amended to reinforce this tiering concept, using the regional blueprints to address regional environmental issues.
10. **Additional Revenues:** No amount of general obligation bonds will be enough to significantly address our unmet transportation needs for projects in adopted regional plans are about \$100 billion beyond available funds for the next 20 years. Increases in user fees (such as the gas tax and tolls for existing roads), and taxes must be considered to advance the state significantly in addressing its unfunded transportation needs. The **annual deficits** in maintaining the state highways and local streets and roads are each at least \$2 billion short of what is needed. Transit operations face similar deficits.