Southern California Leadership Council

**Key Policy Recommendations and Analysis
for the California State Legislature
Infrastructure Conference Committee**

The Southern California Leadership Council (SCLC) is a business-led and sponsored public policy partnership representing key business and community leaders in all 6 Southern California Counties. The Council, with the support of California's four former Governors, provides proactive leadership for a strong economy, a vital business environment and a better quality of life for everyone who lives here.

SCLC supports inclusion of an Infrastructure Bond Measure on the June, 2006 ballot and believes the Bond Measure should address statewide strategic infrastructure needs such as levies and goods movement infrastructure critical to public health and safety and economic vitality. Goods movement (trade) infrastructure must be a major focus.

We hereby offer the following key policy recommendations and analysis to our state leadership:

- SCLC believes that state funding alone will not enable California to address its critical infrastructure needs. Without new mechanisms to accelerate project delivery and private sector funding participation, our already critical infrastructure deficit will only deepen.
- SCLC has identified 40 critical projects which can be delivered in the next 10 years with state support of $6 billion, along with federal and private funding support, to address our goods movement crisis in Southern California.

- **Essential Project Funding and Delivery Mechanisms for SCLC**
  - Need for rapid and direct allocation of funds without major new review processes
  - Review of CEQA to eliminate multiple reviews and identify appropriate categorical exemptions
  - Design/Build Authority to accelerate projects and reduce costs
  - Public-Private Partnership financing mechanisms such as Private Investment Authorities
  - Creation of Special Purpose Authorities to finance, design, build and operate where appropriate (e.g., Alameda Corridor Transportation Authority)
  - Project specific "lock box" mechanisms to ensure project specific funding and attraction of private capital

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- **Key Criteria of Goods Movement Project Selection for SCLC**
  - Projects should be part of a goods movement system of national, statewide or regional significance
  - Public funding should be primarily for public benefit (e.g., congestion, public health and safety)
  - Projects should be from a performance based, vetted list of regional projects (e.g., the Governor's Draft Goods Movement Action Plan contains a statewide list of projects vetted by public and private organizations like SCLC, SCAG, Bay Area Council, etc.)
  - Degree of private sector and/or federal participation and leverage
  - Degree of readiness to build/operate
  - Environmental clearances obtained

- **Key Reasons SCLC Supports Public Benefit Goods Movement Infrastructure**
  - No action is not an option for public projects due to near-term doubling of trade growth and impacts
  - Public health and safety improvements are critical
    i. air quality impacts (e.g., diesel emissions)
    ii. highway congestion/safety (e.g., highway/rail grade separations)
  - Near-term public benefit project improvements are vetted and ready to build
  - More than one million new middle class jobs can be created and offer opportunities for job seekers without college degrees
  - $17 billion in new state tax revenues over 25 years to repay the state's total goods movement investment and use the remaining 65% of new collected taxes to fund public schools, services and other infrastructure generated by these permanent jobs
  - Matching federal and private sector support can be leveraged with this state investment

SCLC
Consensus Effort

SCLC is engaged in a consensus initiative to build regional, state and ultimately a national consensus movement to support public-private solutions for goods movement (trade) infrastructure. Attached is a Straw Man Consensus document which, as a work in progress, provides further analytics and policy recommendations to support these objectives.