



Senate District 10

State and Local Transportation Revenues Remain Inadequate; Transportation Programs Continue to Face Uncertainty; Negative Consequences for the Economy, Jobs, Environment, and Overall Quality of Life in the Golden State

After two-years without a solution, the Legislature and Administration must act early in 2017.

California's transportation system is in crisis. The funding necessary to stop the decline of California's transportation network and bring it into a state of good repair, including state highways, local streets and roads, transit, and active transportation infrastructure, is well documented. When adjusted for inflation, the state highway system has a backlog of maintenance projects of over \$72 billion over the next decade and the local street and road system needs approximately \$91 billion over the same timeframe for maintenance and rehabilitation. There is barely enough funding to ensure our transportation infrastructure is safe and efficient, let alone make the necessary improvements to increase transit and other mobility options, reduce transportation impacts on climate change, and bolster our economy.

In 2016, the California Transportation Commission (CTC) was forced to cut \$750 million in multi-modal transportation projects and delay indefinitely another \$750 million worth of projects due to the significant drop in gas prices, which is the primary revenue stream to maintain our existing freeways, streets and roads, and other multi-modal transportation infrastructure.

While a number of important new and renewed local sales tax measures were passed in November 2016, California needs a strong state funding package to maximize local investments and draw down federal funds. California cannot do it with local or federal investments alone. Without an immediate legislative funding and reform solution, state and local transportation infrastructure will continue to deteriorate only making the problem more costly and difficult to solve in the future.

Projects That Have Been Cut or Delayed Indefinitely in SD 10:

The 2016 CTC cuts meant the loss of \$26.2 million in funding for planned transportation projects in SD 10. Specific projects in the district that have been delayed or killed:

- Segment 2A of double track rail from Oakland to San Jose
- Sound wall on I-680 from Capitol to Mueller in San Jose
- East-West Connector on Highway 84 in Fremont
- Phase 2 of the I-680 Freeway Performance Initiative in Alameda and Contra Costa Counties

Good-paying Jobs and Millions of Economic Output at Risk in SD 10:

The elimination or delay of these projects will result in the loss of 2,109 good-paying jobs and \$437.3 million of economic output in the region in SD 10, including:

- 2,109 jobs and \$437.3 million of economic output lost in the Bay Area

Additional Funding Cuts to Cities and Counties in SD 10:

Cities and counties are also experiencing major declines in gas tax revenues. The price-based gas tax revenues have declined by the following amounts over the past three years in cities and counties in SD 10:

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|---------------------------------------------|---------------------------------|
| • Alameda County: \$8.3 million | • Newark: \$364,947 |
| • Santa Clara County: \$10.1 million | • San Leandro: \$718,514 |
| • Fremont: \$1.8 million | • Union City: \$621,933 |
| • Hayward: \$1.2 million | • Milpitas: \$585,233 |

- **San Jose:** \$8.4 million

- **Santa Clara:** \$996,364

These significant revenue reductions highlight the critical need to stabilize the gas tax, return existing transportation dollars back to transportation projects, raise additional new revenue for transportation, and enact sensible reforms to maximize every dollar invested. The longer we wait to fix it, the more expensive the problem becomes. California motorists are already paying the price of our poor road conditions, to the tune of \$762 per person annually in additional car maintenance and repair costs.

After two-plus years of tireless efforts on behalf of the Fix Our Roads Coalition to secure passage of a robust and comprehensive transportation funding and reform package, the 2016 regular session and special session on transportation came to a close without final resolution. The Governor, Speaker of the Assembly and Senate President pro Tempore penned a letter committing to taking transportation funding/reform back up early in the 2017 legislative session. We call on our leaders and every member of the State Legislature to fulfill this promise and take immediate action on our critical transportation needs.

Once and for all, it's time to fix our roads.