

May 19, 2021

California State Transportation Agency
Attn: Secretary David Kim
915 Capitol Mall, Suite 350B
Sacramento, Ca 95814

Dear Secretary Kim:

On behalf of the Los Angeles County Business Federation (BizFed), a grassroots alliance of more than 210 diverse business groups representing 450,000 employers with over four million employees in Los Angeles County, we appreciate the opportunity to formally comment on the Climate Action Plan for Transportation Infrastructure (CAPTI) draft put forward by the California State Transportation Agency (CalSTA) and the California Transportation Commission (CTC).

To be clear, BizFed shares the common goal of addressing and mitigating greenhouse gas emissions in California. We also note the importance that any approach should be balanced and include ongoing input from all stakeholders in affected industries. While we appreciate the intention and objectives in CAPTI relating to climate change, we are concerned that this plan misses the mark on valuable insight, involvement, and lacks clarity on how many of the provisions in CAPTI will be implemented.

We believe it would be beneficial for CalSTA and its partners to provide additional information and data that supports the CAPTI assumptions, and to develop quantifiable metrics on how to evaluate progress prior to acting on the final plan. In addition to these high-profile takeaways, please see our specific feedback below on the proposed CAPTI draft:

Areas of Concern:

Protection and preservation of SB-1 dollars in correlation with the “fix-it first” approach. We understand that the plan indicates additional funding sources that must be identified, however, language throughout the plan raises concern that interpretation of this plan could lead to diversion or re-prioritization of SB 1 funds for uses that were not of the original intent. As CalSTA is aware, SB 1 represents the product of years of detailed negotiations, weighing of various policy trade-offs, setting goals, and making extremely specific

programmatic and funding decisions to achieve transportation-related goals. BizFed was key towards ensuring its legislative passage along with the upholding of the electorate measure by defeating Proposition 6 in 2018. Any altering or re-purposing of SB 1 funds other than its original intent would be considered disingenuous and unfaithful to what the legislature introduced in 2017. We are equally concerned that the potential language that implies introduction of a new criteria could put Southern California at a disadvantage when competing for SB 1 funds.

“Missing middle” of connecting climate change goals with housing goals. California remains in a housing crisis and is far behind where we need to be in terms of building supply. BizFed understands that there are no quick fixes to this problem, which has been decades in the making. However, every opportunity and attempt must be made to curtail the housing crisis. It is no secret that workers who cannot afford to live near job rich centers are those commuting the longest distance and typically represents disadvantaged and disenfranchised communities. In CAPTI, there is minimal mention of California’s housing crisis or any need to bridge climate goals with housing goals. California can no longer ignore another inconvenient truth that its aggressive climate goals, with no balance, are undermining housing production. Without a re-analyzation of policies like Vehicle Miles Traveled (VMT), the state must be prepared to redirect hundreds of billions of dollars of immediate investment in infrastructure to support interregional commuting at a scale. For example, and as currently proposed, VMT and its aggressive financial burden will further add to the housing crisis and continue to create housing unaffordability. We are also concerned that the state’s current approach to VMT under CEQA will require fees of tens and even hundreds of thousands of dollars for new housing units, even for infill housing built in existing suburban neighborhoods, which will further exacerbate the state’s housing supply and affordability crisis. We do not believe this VMT approach will allow our region to comply with the housing production, affordability, and geographic distribution mandates of the Regional Housing Needs Assessment and Affirmatively Furthering Fair Housing laws. Therefore, we implore CalSTA to identify policies to connect transportation and land-use goals in a balanced and equitable way.

Seaports and goods movement funding. Approximately 40 percent of our nation’s goods and services run through the Port of Long Beach and the Port of Los Angeles. Seaports are the critical hub of exports leaving and entering the United States. Nothing could be more

important to our trading and economic balance than to ensure that our seaports are prepared to handle cargo and create jobs. A significant number of jobs in the Southern California region is attributed to this industry. The San Pedro Bay port complex consisting of the Ports of Long Beach and Los Angeles rank ninth in the world and account for 74 percent of the West Coast's market share. While we understand that the US Department of Transportation is largely responsible for port and goods movement funding, California has played a significant role in establishing incentive opportunities such as the creation of Seaport Infrastructure Financing Districts in 2015. As a result, we believe it is important for CAPTI to recognize the importance of the sector to our state's economy and the 1/3 of state jobs directly or indirectly related. As you are aware, the goods movement must constantly re-assess and adapt to operations based on the current changing economic demands of Californians. For these reasons and many more, we are concerned that CAPTI makes no reference to this everchanging industry.

Potential impacts to livable wage jobs and economy growth.

We are concerned that CAPTI has either not measured or not mentioned the impact on whether the proposed policies in CAPTI will hinder, accelerate or negatively impact job growth. If an evaluation was conducted, the results were not detailed in the proposed draft. We urge CalSTA to engage in an economic and technical analysis of this plan in collaboration with private sector drivers of California's economy. We believe such a study will better analyze and identify the economic, workforce, and industry impacts of the strategies outlined in this plan and how they will be funded, especially considering the way COVID has changed economic activity.

Improvements to existing congestive corridors. BizFed supports policies and ordinances that seek to reduce congestion while responsibly maintaining freeway and highway corridors. This includes emerging technology that offers alternative modes of transportation seeking to reduce the stress on our transportation infrastructure, and supporting state-of-the-art, clean multi-modal travel on our freeways. According to economists, as population increases, there will be a demand for capacity as it relates to roadways, highways, and overall infrastructure. Not every county and region are the same, therefore, a 'one size fits all' approach as outlined in CAPTI is not economically feasible. Instead, there should be careful analysis of what growth numbers will look like for years to come. We also would implore staff to consider all stakeholders in providing input and insight on what works in certain areas. This would ensure a balanced and equitable

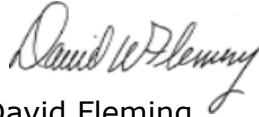
approach. It is also important to note that as the transition into heavy duty EVs occur, these same vehicles carry less cargo and require more trucks to move the same amount of goods, further adding capacity to our already strained infrastructure system. In order to plan-for-the-future, we must provide attention to our existing roadways.

BizFed would like to reiterate and reinforce our commitment to combating climate change and its goals. However, we believe implementing a plan that provides economic equity among all communities will better serve California and its people. We would like to thank CalSTA, the CTC and its partnering agencies for taking the time to consider our request and suggestions, and for collaborating with BizFed on a CAPTI Workshop on April 27, 2021. If you have any questions, please don't hesitate to contact me at (818) 429-0862.

Sincerely,



Donna Dupperon
BizFed Chair
Torrance Area Chamber



David Fleming
BizFed Founding Chair



Tracy Hernandez
BizFed Founding CEO
IMPOWER, Inc.

CC: California Transportation Commission

BizFed Association Members

7-Eleven Franchise Owners Association of Southern California
Action Apartment Association
Alhambra Chamber of Commerce
American Beverage Association
American Institute of Architects - Los Angeles
Angeles Emerald
Apartment Association of Greater Los Angeles
Apartment Association, CA Southern Cities, Inc.
Arcadia Association of Realtors
AREAA North Los Angeles SFV SCV
Armenian Trade and Labor Association
Associated Builders & Contractors, Inc. Southern California Chapter
Association of Club Executives
Association of Independent Commercial Producers
Azusa Chamber of Commerce
Bell Gardens Chamber of Commerce
Beverly Hills Bar Association
Beverly Hills Chamber of Commerce
Black Business Association
BN14SUCCESS
Bowling Centers of Southern California
Boyle Heights Chamber of Commerce
Building Industry Association - Baldyview
Building Industry Association - LA/Ventura Counties
Building Industry Association - Southern California
Building Owners & Managers Association of Greater Los Angeles
Burbank Association of REALTORS
Burbank Chamber of Commerce
Business and Industry Council for Emergency Planning and Preparedness
Business Resource Group
CA Natural Resources Producers Assoc
CalAsian Chamber
California Apartment Association- Los Angeles
California Asphalt Pavement Association
California Bankers Association
California Business Properties Association
California Business Roundtable
California Cannabis Industry Association
California Cleaners Association
California Construction Industry and Materials Association
California Contract Cities Association
California Fashion Association
California Gaming Association
California Grocers Association
California Hispanic Chamber
California Hotel & Lodging Association
California Independent Oil Marketers Association (CIOMA)
California Independent Petroleum Association
California Life Sciences Association
California Manufacturers & Technology Association
California Metals Coalition
California Restaurant Association
California Retailers Association
California Small Business Alliance
California Self Storage Association
California Society of CPAs - Los Angeles Chapter
California Trucking Association
Californians for Balanced Energy Solutions
Carson Chamber of Commerce
Carson Dominguez Employers Alliance
CDC Small Business Finance
Central City Association
Century City Chamber of Commerce
Cerritos Regional Chamber of Commerce
Chatsworth/Porter Ranch Chamber of Commerce
Citrus Valley Association of Realtors
Coalition for Renewable Natural Gas
Coalition for Small Rental Property Owners
Commercial Industrial Council/Chamber of Commerce
Construction Industry Air Quality Coalition
Construction Industry Coalition on Water Quality
Council on Trade and Investment for Filipino Americans
Covina Chamber
Crescenta Valley Chamber of Commerce
Culver City Chamber of Commerce
Downey Association of REALTORS
Downey Chamber of Commerce
Downtown Center Business Improvement District
Downtown Long Beach Alliance
El Monte/South El Monte Chamber
El Segundo Chamber of Commerce
Employers Group
Encino Chamber of Commerce
Engineering Contractor's Association
EXP
F.A.S.T.- Fixing Angelenos Stuck in Traffic
FilmLA
Friends of Hollywood Central Park
FuturePorts
Gardena Valley Chamber
Gateway to LA
Glendale Association of Realtors
Glendale Chamber
Glendora Chamber
Greater Antelope Valley AOR
Greater Bakersfield Chamber of Commerce
Greater Lakewood Chamber of Commerce
Greater Los Angeles African American Chamber
Greater Los Angeles Association of REALTORS
Greater Los Angeles New Car Dealers Association
Greater San Fernando Valley Regional Chamber
Harbor Association of Industry and Commerce
Harbor Trucking Association
Historic Core BID of Downtown Los Angeles
Hollywood Chamber
Hong Kong Trade Development Council
Hospital Association of Southern California
Hotel Association of Los Angeles
Huntington Park Area Chamber of Commerce
Independent Cities Association
Industrial Environmental Association
Industry Business Council
Inland Empire Economic Partnership
International Cannabis Business Women Association
Irwindale Chamber of Commerce
La Cañada Flintridge Chamber
LA Fashion District BID
LA South Chamber of Commerce
Lancaster Chamber of Commerce
Larchmont Boulevard Association
Latin Business Association
Latino Food Industry Association
Latino Restaurant Association
LAX Coastal Area Chamber
League of California Cities
Long Beach Area Chamber
Long Beach Economic Partnership
Los Angeles Area Chamber
Los Angeles County Board of Real Estate
Los Angeles County Waste Management Association
Los Angeles Gateway Chamber of Commerce
Los Angeles Gay & Lesbian Chamber of Commerce
Los Angeles Latino Chamber
Los Angeles Parking Association
Malibu Chamber of Commerce
Marketplace Industry Association
Motion Picture Association of America, Inc.
MoveLA
Multicultural Business Alliance
NAIOP Southern California Chapter
National Association of Tobacco Outlets
National Association of Women Business Owners - CA
National Association of Women Business Owners - LA
National Hispanic Medical Association
National Hookah Community Association
National Latina Business Women's Association
Orange County Business Council
Pacific Merchant Shipping Association
Pacific Palisades Chamber
Panorama City Chamber of Commerce
Paramount Chamber of Commerce
Pasadena Chamber
Pasadena Foothills Association of Realtors
PhRMA
Planned Parenthood Affiliates of California
Pomona Chamber
Propel LA
Rancho Southeast Association of Realtors
ReadyNation California
Recording Industry Association of America
Regional Black Chamber-San Fernando Valley
Regional Hispanic Chamber of Commerce
Regional San Gabriel Valley Chamber
Rosemead Chamber
San Dimas Chamber of Commerce
San Gabriel Chamber of Commerce
San Gabriel Valley Economic Partnership
San Pedro Peninsula Chamber
Santa Clarita Valley Chamber
Santa Clarita Valley Economic Development Corp.
Santa Monica Chamber of Commerce
Sherman Oaks Chamber
South Bay Association of Chambers
South Bay Association of Realtors
South Gate Chamber of Commerce
Southern California Contractors Association
Southern California Golf Association
Southern California Grantmakers
Southern California Leadership Council
Southern California Minority Suppliers Development Council Inc.
Southern California Water Coalition
Southland Regional Association of Realtors
Sunland/Tujunga Chamber
Torrance Area Chamber
Town Hall Los Angeles
Tri-Counties Association of Realtors
United Cannabis Business Association
United Chambers - San Fernando Valley & Region
United States-Mexico Chamber
Unmanned Autonomous Vehicle Systems Association
US Green Building Council
US Resiliency Council
Valley Economic Alliance, The
Valley Industry & Commerce Association
Vermont Slauson Economic Development Corporation
Vernon Chamber
Veterans in Business Network
Vietnamese American Chamber
Warner Center Association
West Hollywood Chamber
West Los Angeles Chamber
West San Gabriel Valley Association of Realtors
West Valley/Warner Center Chamber
Western Electrical Contractors Association
Western Manufactured Housing Association
Western States Petroleum Association
Westside Council of Chambers
Whittier Chamber of Commerce
Wilmington Chamber
World Trade Center