

May 19, 2021

The Honorable David S. Kim
Secretary
California State Transportation Agency
915 Capitol Mall, Suite 350B
Sacramento, CA 95814

Re: Comments on the Climate Action Plan for Transportation Infrastructure

Dear Secretary Kim,

On behalf of the 503,000 businesses in Los Angeles and the 1400 which are member companies, the Los Angeles Area Chamber of Commerce (Chamber) writes to express our thoughts on the Climate Action Plan for Transportation Infrastructure (CAPTI).

We applaud the leadership of the Governor, CalSTA, California Transportation Commission and the various state agencies that worked closely in their joint efforts to address the reduction of Green House Gas (GHG) with an equity lens. The Chamber has been a partner in supporting policies that address climate change because it's good for communities, business and the economy. The pandemic heightened the inequities that must be addressed in order to foster economic recovery and truly have a thriving region for all.

We also appreciate hosting a hearing jointly with the business community. Business member have expressed a lack engagement initially when the CalSTA made its initial outreach. The business community is a critical partner of the state in developing important long term planning strategies like the CAPTI to tackle climate change. Engagement from the business community is essential to provide the business perspective on the impacts to jobs and our economy. It is important to have balanced policy outcomes.

Clarity on Funding CAPTI

Our primary concern relates to how CAPTI will be funded and if there will be greater clarity on how infrastructure investments will be financed. In the plan, it is unclear if there is intention from the state to utilize existing SB 1 dollars that could lead to diversion of funds and projects being reprioritized if they do not meet the vehicles miles traveled (VMT) requirements and not in alignment with CAPTI. Our concern is that this could lead to the introduction of new criteria putting Southern California at a disadvantage, especially if priority is given to projects that go beyond the original intent of SB 1. The business community was a strong supporter for the passage of SB 1 and we want to ensure that the state meets its commitment to the voters.

Locally, we went through the process to identify the SCAG Regional Transportation Plan (RTP) and Sustainable Communities Strategies (SCS) process and the adoption of measures. It is unclear how this plan will impact local projects and if it will require these projects to be reprioritized. We

would like greater clarity if the state SB 1 projects in the pipeline will be funded and CAPTI's impact to local projects.

Secondly, we would like to urge the state to allow locals to have control over choosing projects over state priorities. Local agencies engage in extensive public outreach processes to identify their project priorities and sometimes are voted by local voters. We would like to compel the state to allow local control over project choices as these projects are locally supported and have undergone outreach processes. This local process is foundational in advancing projects and we would like to ensure it is protected and prioritized by the state.

Third, in regards to the Fix it First policy, we would like to ensure that it does not rule out new projects that will add capacity, like rail projects. In the region, new transit systems are planned to achieve a more comprehensive transportation network, especially in those communities that lack service. Building new projects for this purpose we believe is in alignment with the goals of state and CAPTI. Our local transportation agencies have numerous planned projects and we would like to ensure the Fix it First policy does not undervalue these projects.

Fourth, we also want urge you to consider the economic impacts this plan will have on goods movement given its complex supply chain and the CAPTI's priority for projects that reduce VMT. The Goods movement industry is driving our local and national economy. There are 912,000 jobs in the five-county region that depend on the San Pedro Port complex for employment. We request greater understanding of the short and long-term impacts to the goods movement industry and its related sectors.

Fifth, the plan also discusses the establishment of working groups. We would like to ensure that the local transportation agencies and the business community are part of the working groups to promote collaboration on the implementation of the plan. To underscore, we believe it is critical to include the engagement of the business community and the various industry sectors in these working groups as they can provide great insight on the operations and the implementation of the CAPTI plan and its proposed strategies.

Finally, we appreciate the opportunity to provide our thoughts on behalf of the LA Chamber and the 1400 member companies. The report is consistent with the state policies to begin to reduce GHG and VMT with an equity lens and the business community must be a partner if we are going to truly be successful in our mutual goals to reduce GHG and VMT impacts in our region and California. If you have any questions, please contact Patricia Bruno, Chief of Policy at pbruno@lachmaber.com.

Sincerely,



Maria S. Salinas
President & CEO