



Quarterly Economic Report, April 2008

By - SANBAG Executive Director Deborah Robinson Barmack

SANBAG addresses transportation needs while the State budget outlook remains uncertain

As California's State budget looms ahead in an air of uncertainty, San Bernardino Associated Governments (SANBAG) will continue moving forward with plans for future transportation upgrades as projects receive the necessary funding. As the Transportation Commission for San Bernardino County, SANBAG plans, funds, and oversees construction of transportation projects through a combination of federal, state and local sources.

Even with the budget in question, however, there is cause to celebrate as SANBAG learned in March that San Bernardino County was recommended to receive \$239 million in Prop 1B Transportation Corridor Improvement Funds (TCIF) and \$448 million through the State Transportation Improvement Program (STIP). TCIF is a voter-approved bond designated to improve freight corridors from the ports of Long Beach and Los Angeles that pass through Southern California counties. These two funding sources, along with Measure 1 funds (the ½ cent local transportation sales tax source) and federal appropriations funding, could help stabilize the region's economy by offering a steady influx of funds.

TRANSPORTATION NEWS BRIEFS:

SANBAG Participates in Conversations with the Governor about Private Investment in Infrastructure

On March 11, SANBAG participated with twenty-five representatives from throughout the State in a meeting with Governor Schwarzenegger to discuss opportunities for private investment in California's

infrastructure. Private and public representatives presented examples of how private investment could facilitate construction of needed infrastructure. SANBAG urged the Governor to support broader legislative authority for transportation commissions to enter into agreements for private investment in highways, citing facilities such as the High Desert Corridor Joint Powers Authority project and potential applications on I-15 through the Cajon Pass.

Hearings conducted for State Transportation Improvement Program (STIP)

SANBAG board members and staff testified before the California Transportation Commission in March regarding the SANBAG 2008 STIP submittal. Testimony was given in support of the 2008 submittal to help fund San Bernardino County projects totaling \$448 million over a five-year STIP period, which is subsequently reviewed and resubmitted every two years.

Federal Approval of SBX-Bus Rapid Transit Approved for Small Starts Program

The SBX Bus Rapid Transit Project, identified by the SANBAG Board as a priority project for Federal funding, has received approval for Federal Small Starts Program funding. The Federal Transit Administration has approved the project, allowing Omnitrans to initiate preliminary engineering for the E Street Corridor connecting San Bernardino to Loma Linda. The project will cost approximately \$164 million to develop and construct, including 10 miles of exclusive lanes, station, and transit way, along with the purchase of vehicles.

California Transportation Commission (CTC) recommends allocation of Proposition 1B Trade Corridor Improvement Funds

SANBAG was pleased to receive word in March that \$1.65 billion in transportation funds were recommended for Southern California trade corridor projects, which includes \$239 million for San Bernardino transportation projects alone. SANBAG submitted their request as part of a unified regional group called the Southern California Consensus Group. Considering the entire region is impacted by the increased freight traffic, it was logical to submit the request to improve the corridor as a whole. The Commission respected the work done by the Southern California Consensus Group and honored the recommendations of the prioritization placed on projects.

In accordance with agreements between the consensus group partners, each County in the corridor experienced a small reduction in their allocation proportionate to each County's request. SANBAG requested \$248 million in projects and received CTC recommendations totaling \$239 million.

The CTC recommended SANBAG's top three priority projects: Devore I-15/I-215 Interchange; I-10 Corridor Logistics Access (three Interchanges on Interstate I0); and seven Grade Separations (train/road crossings separated by an overpass or underpass).

Two projects of significance to the north Desert portion of San Bernardino County were recommended for funding. One is the Lenwood Grade Separation near Barstow, which will address impacts to the local community and improve the flow of truck and automobile traffic in Lenwood. The second is the Devore Interchange, where 21,000 trucks and approximately 140,000 vehicles a day experience delay as the I-15 and I-215 merge. Thousands of Victor Valley residents experience significant delays in their daily commute as they travel through the Cajon Pass.

SANBAG was disappointed that the High Desert Corridor, Phase IA, was not recommended for funding. Southern California and the State, however, are committed to seeking additional Federal funding for goods movement projects in Southern California which is commensurate with the national benefit received from the Southern California goods movement industry.

While the freight movement poses serious transportation challenges for Southern California and San Bernardino County, the economy in our region should continue to receive financial benefits from freight movement and distribution of goods.

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