

Chapter 1-9: Current Funding Scenario (draft)

There currently is not a “permanent” freight funding program in California that is working in a coordinated fashion to create an integrated, connected, multi-modal freight system that is designed to attain a broad set of goals and objectives. Instead, there are many discrete freight funding sources that are accessed to pursue individual projects, a set of projects for a particular corridor such as the Alameda Corridor and the Alameda Corridor East railroad grade separation programs, or for a set of projects at a port complex such as the Ports of Los Angeles and Long Beach. A substantial, dedicated, long-term freight transportation funding source is necessary to transition California’s freight industry to a less polluting, more efficient, safer, internationally competitive cornerstone of the State’s economy.

While the federal government utilizes the TIGER Program to provide a relatively small amount of funding for freight projects on a nationally competitive basis, the TIGER Program is not a predictable, reliable funding source that freight plans can rely upon and utilize for long term fiscal planning and project development scheduling. Typically, TIGER is just one of several funding sources for an individual project and rarely provides more than 25% of project cost. Its national scope and fairly low funding amount results in only a small number of freight projects being funded in any one state during a funding cycle. The frequency of funding cycles, the amount of available funding, and the specific project selection criteria are variable from cycle to cycle. Nonetheless, the TIGER Program has proven to be a vital funding component for many freight projects around the country, including in California, and applications far exceed available funding.

California currently has the State Bond funded Trade Corridor Improvement Fund (TCIF) that was authorized by voters Under Proposition 1B in 2006. This program,

which is managed by the California Transportation Commission, provides \$2 billion in bond proceeds to a set of approximately 70 freight projects concentrated along high priority corridors that were identified in the 2007 Goods Movement Action Plan. Only the project construction phase is funded by TCIF at a maximum of 50% of construction costs. Prior to fund allocation, projects must have cleared all project development phases such as environmental, design, and right-of-way. The \$2 billion in bond funding attracted approximately \$4.5 billion in additional federal (including TIGER funds), state, regional, local, and private funds to have a total program value of over \$6.5 billion. The TCIF is implementing mainline rail, grade separation, seaport, highway, and intermodal projects. The Program is approaching the end of funding availability with almost all projects completed or in the construction phase. Cost savings from the projects are being used to fund new projects, so there is still a small amount of unused funding capacity in the Program. There is no follow-on State freight funding program.

In addition to TIGER and TCIF funds, the California Air Resources Board (CARB), the California Energy Commission (CEC), regional air districts, and other public agencies provide competitively based funding for freight projects, particularly projects that address air quality, green house gas emissions, alternative energy, new engine technologies, and more efficient freight operations. These funding sources have proven to be essential in achieving dramatic emissions reductions associated with the freight industry serving California's seaports, railyards, and drayage trucking fleet since 2006. Emissions reductions in the vicinity of California's largest seaports have exceed 70% for many criteria pollutants since 2006 and are still dropping.

Some regional transportation sales tax programs include limited eligibility for freight projects, but this is an exception rather than the norm. Seaports,

airports, and railroads generate project funding through fees they charge their customers. Projects funded from these sources are restricted to maintaining, operating, or expanding the sponsor’s facilities or for off-site mitigation for projects on the sponsor’s facilities.

The table below lists all of the freight projects currently included in the TCIF Program. This wide variety of projects, located in various regions of the State (Please see maps on Pages 9 and 10.), and having a collective value of more than \$6.5 billion are either recently completed, currently under construction, or in the final stages of project development. The single common funding type shared by all of the listed projects is the TCIF Proposition 1B Bond funding. Absent such a dedicated freight funding source, it is doubtful that the extensive set of projects would be proceeding. For detailed project descriptions, funding, and project status, please see [the xyz website at www -.](#)

TCIF PROJECT NUMBER	PROJECT TYPE	NOMINATED BY	PROJECT DESCRIPTION	TOTAL PROJECT COST (x1,000)
2	Rail	Caltrans / BNSF	Richmond Rail Connector	\$22,650
3	Port	Port of Oakland	Outer Harbor Intermodal Terminals (OHIT)	\$499,241
4	Highway	Metropolitan Transportation Commission	I-880 Reconstruction, 29th & 23rd Avenues, Oakland	\$97,912
5	Highway	Metropolitan Transportation Commission	I-580 Eastbound Truck Climbing Lane	\$49,485
6	Rail	Caltrans / BNSF	Tehachapi Trade Corridor Rail Improvement	\$26,040
9	Rail	City of Sacramento	Sacramento Intermodal Track Relocation	\$81,292
10	Highway	San Joaquin Council of Governments	State Route 4 West Crosstown Freeway Extension Stage 1	\$193,040
11	Port	Port of Stockton / Contra Costa County	San Francisco Bay to Stockton Ship Channel Deepening Project	\$15,000
12	Highway	Metropolitan Transportation Commission	I-80 Eastbound Cordelia Truck Scales Relocation	\$88,392

15	Grade Sep	Alameda Corridor East Construction Authority	San Gabriel Valley Grade Separation Program	\$732,190
17	Grade Sep	City of Santa Fe Springs	ACE: Gateway-Valley View Grade Separation Project	\$65,077
18	Rail	Southern California Regional Rail Authority	New Siding on the Antelope Valley Line For Freight Trains	\$14,700
19	Highway	Port of Los Angeles	I-110 Fwy Access Ramp Improvement SR 47/I-110 NB Connector Widening	\$42,268
20	Highway	Port of Los Angeles	I-110 Freeway & C Street Interchange Improvements	\$39,385
21	Grade Sep	City of Commerce	Washington Boulevard Widening & Reconstruction	\$32,000
22	Grade Sep	Port of Los Angeles	South Wilmington Grade Separation	\$76,823
23	Port	Port of Long Beach	Gerald Desmond Bridge Replacement	\$960,203
24	Port	Port of Long Beach	Ports Rail System - Tier 1 (Pier F Support Yard)	\$30,176
25	Port	Port of Long Beach	Ports Rail System - Tier 1 (Track Realignment at Ocean Boulevard)	\$44,756
32	Port	Port of Los Angeles	Ports Rail System - Tier 1 (West Basin Road Rail Access Improvements)	\$137,656
34	Highway	Orange County Transportation Authority	State Route 91 Connect Aux. Lanes through Interchange on Westbound State Route 91 between State Routes 57 and I-5	\$62,977
35	Grade Sep	Orange County Transportation Authority	State College Boulevard Grade Separation	\$74,644
36	Grade Sep	Orange County Transportation Authority	Placentia Avenue Undercrossing	\$72,843
37	Grade Sep	Orange County Transportation Authority	Orangethorpe Avenue Grade Separation	\$108,595
38	Grade Sep	Orange County Transportation Authority	Kraemer Boulevard Undercrossing	\$68,799
40	Grade Sep	Orange County Transportation Authority	Lakeview Avenue Overcrossing	\$99,763
41	Grade Sep	Orange County Transportation Authority	Tustin Avenue / Rose Drive Overcrossing	\$88,175
42	Grade Sep	City of Riverside	Columbia Avenue Grade Separation	\$33,003
43	Grade Sep	City of Corona	Auto Center Drive Grade Separation	\$32,675
44	Grade Sep	City of Riverside	Magnolia Avenue Grade Separation - UPRR	\$50,248
45	Grade Sep	City of Riverside	Iowa Avenue Grade Separation	\$32,000
46	Grade Sep	City of Banning	Sunset Avenue Grade Separation	\$34,764

47	Grade Sep	City of Riverside	Streeter Avenue Grade Separation	\$36,000
48	Grade Sep	Riverside County	Avenue 56 Grade Separation	\$31,658
50	Grade Sep	Riverside County	Grade Separation at Clay Street Railroad Grade Crossing	\$30,806
51	Grade Sep	City of Riverside	Riverside Avenue Grade Separation	\$33,820
53	Grade Sep	Riverside County	Grade Separation at Magnolia Avenue Railroad Grade Crossing - BNSF	\$51,632
54	Highway	City of Riverside	March Inland Cargo Port Airport - I-215 Van Buren Boulevard - Ground Access Improvements	\$66,776
56	Highway	San Bernardino Associated Governments	Route 10 Cherry Avenue Interchange Reconstruction	\$77,806
58	Highway	San Bernardino Associated Governments	Route 10 Riverside Ave Interchange Reconstruction	\$29,741
59	Grade Sep	San Bernardino Associated Governments	ACE Glen Helen Parkway Grade Separation	\$25,885
61	Grade Sep	San Bernardino Associated Governments	ACE South Milliken Avenue Grade Separation	\$82,016
63	Grade Sep	San Bernardino Associated Governments	Palm Avenue Grade Separation	\$26,398
64	Grade Sep	San Bernardino Associated Governments	Lenwood Road Grade Separation	\$31,733
66	Highway	City of Oxnard	Route 101 Rice Avenue Interchange Reconstruction	\$73,597
67	Highway	San Diego Association of Governments	State Route 905	\$82,953
68	Port	San Diego Association of Governments	SR 11/Otay Mesa East Port of Entry	\$719,700
69	Highway	Port of San Diego	Bay Marina Drive at I-5 At-Grade Improvements	\$3,172
70	Grade Sep	Port of San Diego	10th Avenue/Harbor Drive At-Grade Improvements	\$5,353
72	Highway	Port of San Diego	Civic Center Drive at Harbor Drive and I-5 At-Grade Improvements	\$2,193
74	Rail	San Diego Association of Governments	Southline Rail Improvements - Yard Expansion	\$40,460
75	Rail	San Diego Association of Governments	Southline Rail Improvements -Mainline Improvements	\$51,183
76	Rail	San Diego Association of Governments	LOSSAN N Rail Corridor at Sorrento	\$39,000

77	Highway	Imperial Valley Association of Governments	Brawley Bypass State Route 78/111	\$70,305
81	Highway	Northern California Trade Corridors Coalition	Sperry Road Extension	\$56,582
82	Grade Sep	Northern California Trade Corridors Coalition	Marina Bay Parkway Grade Separation	\$42,180
83	Rail	Caltrans / BNSF / UP	Colton Crossing Project	\$151,917
84	Grade Sep	San Bernardino Associated Governments	Laurel Street/BNSF Grade Separation	\$59,855
85	Grade Sep	Riverside County	Avenue 52 Grade Separation	\$29,866
86	Port	Port of Los Angeles	Alameda Corridor West Terminus Intermodal Railyard -West Basin Railyard Extension	\$72,987
87	Port	Port of Los Angeles	Cargo Transportation Improvement Emission Reduction Program	\$169,695
88	Grade Sep	Alameda Corridor East Construction Authority	Baldwin Avenue Grade Separation	\$77,391
89	Highway	Northern California Trade Corridors Coalition	Solano I-80/680/12 Connector	\$100,400
90	Port	Ventura County Transportation Commission / Alameda Corridor Transportation Authority	Hueneme Road Widening	\$2,924
91	Highway	Ventura County Transportation Commission	Route 101 Improvements	\$49,297
92	Port	Port of Sacramento	West Sacramento Rail Plan-Pioneer Bluff Bridge	\$22,525
93	Rail	San Diego Association of Governments	Sorrento Valley Double Track	\$37,700
94	Highway	Metropolitan Transportation Commission	US-101 Freeway Performance Initiative	\$25,924
95	Grade Sep	Alameda Corridor East Construction Authority	ACE Puente Avenue Grade Separation	\$48,000
96	Grade Sep	Alameda Corridor East Construction Authority	ACE Fairway Drive Grade Separation	\$56,000
97	Highway	Metropolitan Transportation Commission	SR 70 / Feather River Boulevard Interchange	\$19,350
Grand Total				\$6,641,552

Additional information regarding the fund types and sources is provided for each TCIF Project in the table below. In some cases, a single fund source, in addition to TCIF, funds a single project. In other cases, the same fund source is used for many projects and many individual projects use multiple fund sources in addition to TCIF funding – as is demonstrated by the same TCIF Project Number appearing multiple times on the list. Essentially, it is necessary to develop a custom funding package for each project.

Fund Source	Fund Type	Project Type	TCIF Project Number
Local	AMTRAK	Rail	9
Federal	ARRA - American Recovery and Reinvestment Act	Rail, Highway	9, 91
Private	BNSF - Burlington Northern Santa Fe Railroad	Rail, Grade Sep	2, 6, 42, 45, 53, 59, 63, 64, 83, 84
Local	Bridge Tolls	Highway	12, 89
State	PTA - Public Transportation Account	Rail	6, 83
Local	Capital Corridor Funds	Rail	9
Federal	CMAQ - Congestion Management Air Quality	Rail, Grade Sep, Highway	9, 17, 35, 37, 40, 45, 46, 50, 53, 63, 85, 92, 94
Federal	DEMO - ISTEALU	Highway	66
Federal	DEMO - Pre ISTEALU	Highway	58
Federal	DEMO - SAFETELU	Grade Sep, Highway, Port	15, 51, 63, 66, 68, 69, 77, 85, 88, 90
Federal	Demo - TEA21	Grade Sep, Highway	4, 17, 35, 38, 40, 46, 51, 66, 67, 74, 88
Private	Developer	Port, Rail	3, 9
Federal	Federal Bridge Discretionary Program	Highway	23
Federal	Federal Railroad Administration ARA 9002	Rail	9
Federal	FTA 5307	Grade Sep, Rail	21, 93
Federal	HBRR - Highway Bridge Replacement and Rehabilitation	Highway	23
Federal	High Speed Intercity Passenger Rail Program - FRA	Rail	9
Federal	HPP - Federal High Priority Project funds	Rail, Grade Sep, Highway	9, 17, 21, 23, 64, 70
Local	Local - Development Funds	Rail, Grade Sep, Highway	9, 42, 43, 44, 53, 54, 58, 59, 61, 63, 82
Local	Local - Community Reinvestment Bonds - City of Sac	Rail	9
Local	Local - Other	Grade Sep, Port, Highway,	32, 35, 36, 42, 43, 44, 45, 46, 51, 54, 58, 66, 67, 68, 81, 85, 88, 90, 91, 92
Local	Local - Regional Transportation Impact Fees	Highway	10
Local	Local - TDA Grant (RCTC)	Grade Sep	47, 53

Local	Local - Water Funds - City of Sac	Rail	9
Local	LTF - Local Transportation Funds	Port, Grade Sep, Highway, Rail	24, 25, 43, 45, 46, 48, 50, 53, 56, 58, 64, 70, 74, 75, 76, 82, 84, 97
Local	Measure 2 - MTC	Highway	4, 12
Local	Measure 2 - OCTA	Highway, Grade Sep	34, 35, 38, 41
Local	Measure A - RCTC	Highway	54
Local	Measure A - Sacramento County	Rail	9
Local	Measure I - SANBAG	Highway, Grade Sep	56, 58, 59, 61, 63
Local	Measure K - SJCOG	Highway, Grade Sep	10, 81
Local	Measure M - OCTA	Grade Sep	36, 37, 40
Local	Measure R - LA Metro	Grade Sep	15
Local	Measure J - CCCT	Grade Sep	82
Federal	NCPD - National Corridor Planning and Development Program	Grade Sep	15, 81
State	Other PIB	Rail, Highway, Grade Sep	9, 23, 53, 61, 64
Federal	PNRS - Projects of National and Regional Significance (Section 1301)	Rail, Highway, Grade Sep	9, 23, 43, 45, 50, 63
Local	Port - General Revenue Funds	Port, Grade Sep, Rail	19, 20, 22, 32, 86
Local	Port - Infrastructure Cargo Fee	Port, Grade Sep, Rail	19, 20, 22, 32
Local	Port - Other	Port, Highway	3, 11, 23, 72
Local	Prop C Sales Tax - LACMTA	Rail, Port, Grade Sep, Highway	18, 19, 20, 21, 22, 23
State	PUC - Public Utilities Commission Section 190 Grade Separation Program	Grade Sep	15, 17, 42, 43, 44, 45, 47, 51, 53
Federal	RSTP - Regional Surface Transportation Program	Highway, Grade Sep	23, 40, 41, 45, 46, 47, 51, 64, 90, 91, 97
Local	SCRRA - Southern California Regional Rail Authority	Rail	18
State	SHOPP - State Highway Operations and Protection Program	Highway	4, 12, 23, 94
State	STIP - State Transportation Improvement Program	Highway	4, 56, 58, 66, 76, 77, 89, 91
State	TCRP - Traffic Congestion Relief Program	Highway, Grade Sep	12, 17, 36, 84
Federal	TIGER - Transportation Investment Generating Economic Recovery	Port, Rail	3, 24, 25, 83
Private	UP - Union Pacific Railroad	Grade Sep, Rail, Port	44, 47, 61, 83, 84, 92
Federal	US Army Corps of Engineers	Port	11
Federal	CBIP - Coordinated Border Infrastructure Program	Highway, Rail	68, 74

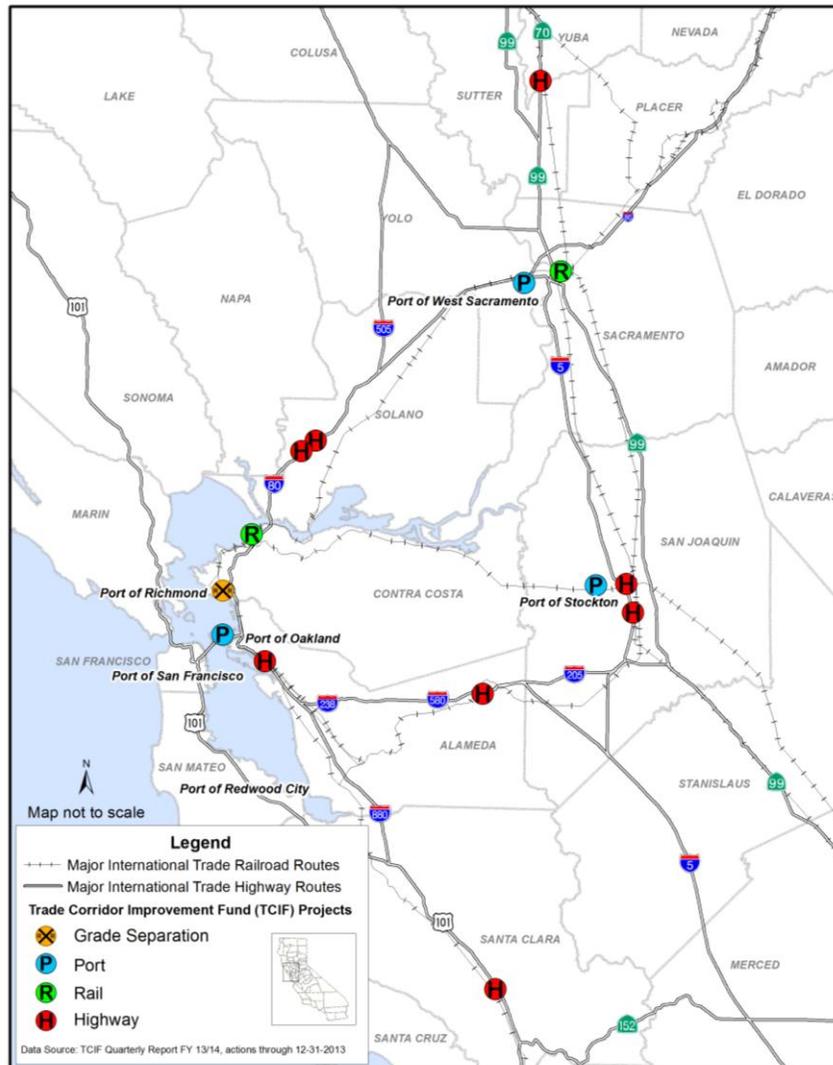
Federal	FTA 5309	Rail	74
Federal	Federal Transportation & Community System Preservation Pilot Program	Highway	91

As shown on the following two maps, the TCIF projects, though located in different regions of the State, are focused on high priority freight corridors. Rather than the TCIF Program funding a widely distributed array of projects, the limited resources are being applied to the State's most important freight corridors.



**Transportation Corridor Investment Fund (TCIF)
Southern California Projects**

- **Seaports:** 7 projects – \$1.418 billion
- **Railroads:** 7 projects – \$361 million
- **Grade Separations:** 29 projects – \$2.223 billion
- **Highways:** 14 projects – \$1.326 billion



Transportation Corridor Investment Fund (TCIF)
Northern California Projects

- Seaports:** 3 projects - \$537
- Railroads:** 2 projects - \$103 million
- Grade Separations:** 1 project - \$42 million
- Highways:** 8 projects – \$631 million

Considering the several freight funding sources discussed above and the impressive results they’ve achieved, one could conclude that freight is well funded in California. But that would be an erroneous conclusion when considering that TIGER funds are not a predictable source and California rarely

has more than a **half-dozen projects** funded during a funding round; the TCIF Program is winding down with no follow-on State program in the wings; and the narrow focus of CARB, CTC, and regional air district funds to achieve specific program objectives.

Fortunately, the State's four largest MPOs (SCAG, MTC, SANDAG, and SACOG) and a coalition of all eight San Joaquin Valley MPOs have prepared or are preparing regional freight plans that articulate freight goals and objectives for their respective regions and list freight projects. Many of the projects identified in the plans either specifically address community and environmental impacts, particularly related to diesel and other air pollutant reductions, or mitigate impacts identified through the environmental review process. Please see the Regional Fact Sheets in the Appendix for links to each of the MPOs' freight plans.

As efforts move forward to create a permanent, dedicated freight funding source, there is a clear need for project sponsors to retain the ability to also seek multiple funding sources and maintain the eligibility of freight project sponsors to apply to the many funding sources that are currently open to them as listed in the tables above.