The Northern California Megaregion

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Megaregion Project Partners

























San Joaquin Joint Powers Authority



Relative Population Growth Since 2000 Concentrated outside of Bay Area

Twelve of the 16 fastest growing cities in the megaregion are located in the Sacramento area and the Northern San Joaquin Valley:

- Elk Grove
- Yuba City
- Rocklin
- Manteca
- Roseville
- Tracy



More Commuters Making Megaregional Trips



Disparity in Home Prices Drives Migration



Rail Lines Have Limited Options to Serve More Riders

- Altamont Corridor Express (ACE)
- Amtrak Capitol Corridor
- Amtrak San Joaquins





Expanding Economic Prosperity in the Megaregion

- 1. Make substantial investments in career technical education
- 2. Re-envision economic development
- 3. Institute geographically-targeted tax credits
- 4. Create structures for collaboration amongst universities and industry



Note: Included population includes those 25 years old and older

Data Source: U.S. Census Bureau, 2014 five-year American Community Survey, and 2000 Decennial Census Analysis: Bay Area Council Economic Institute

Investing in Megaregional Transportation Infrastructure

- 1. Improve and expand service on megaregional rail lines
- 2. Prioritize connectivity in State Rail Plan
- 3. Coordinate advocacy for dedicated sources of infrastructure finance
- 4. Support investments that limit the environmental impacts of goods movement

2018 California State Rail Plan Connecting California



What is the California State Rail Plan?

- -Statewide Rail Network "Vision"
 - Passenger & Freight Rail Investments

-Rail Investment Program

- Short-term (2022), Mid-Term (2027) & Vision (2040)
- -Program Effects Analysis
- -Passenger Rail System Integration

Freight Elements of the State Rail Plan



Trends: California's Top Ten Trading Partners by Rail



Inbound and Outbound Tons by Trade Partner

Trends: California's Top Ten Trading Partners by Rail



Trends: Declining Coal Demand

- Highest volume commodity shipped by rail
- Uneven Geographic impact
- -Outlook:
 - Near-term modestly positive
 - Long-term continued declines







Trends: Energy Sector Demand

- Crude oil market sensitive to global prices,
 - Plummeted since Q4 2014
- Rail capacity has driven down rates for other commodities
- *Prognostications about energy prices are usually wrong!*





Trends: Challenges to California Competitiveness

Panama Canal expansion

- Makes East Coast Ports stronger competitors
 - 2002 Southern California ports: 39% of US container imports;
 - 2013 Decrease to 32% of US container imports

Manufacturing Shifts

- Higher Chinese wage rates
 - Some shift to Near East Asia
- Strong reshoring and nearshoring trends



Trends: Intermodal and International Growth

- » Intermodal traffic to double by 2040
- » Address Principle Trade Corridor Capacity:
 - » Efficient use of capacity
 - » Dedicated Freight Capacity
 - » Separate Passenger & Freight



Projected Intermodal Growth

Trends: Implications for California

- » Reduced pressure on capacity in near-term:
 - » Opportunity to explore new markets/revenue sources for rail
- Projected **intermodal growth** and need to target/preserve capacity
- Partnerships are important to preserve market share for California ports



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Freight System Opportunities

Trade Corridor Improvements Economic Development and Short Lines

Grade Crossing Improvements

Terminal and Yard Capacity

Short Haul Services

Trade Corridor Improvements

Map Key (Rail Subdivision)

- 5. UPRR Martinez (Oakland to Martinez)
- 6. Southern Oakland Route (Oakland to Niles Junction)
- 7. BNSF Mainline Stockton to Bakersfield (San Joaquin Corridor)
- 8. UP Roseville to Reno over Donner Pass



Trade Corridor Improvements

Map Key (Rail Subdivision)

- **1. BNSF San Bernardino** (LA-San Bernardino via Fullerton & Riverside)
- 2. BNSF Cajon (Barstow to Keenbrook)
- **3. UPRR Sunset Route** (Yuma Subdivision)
- 4. UPRR Alhambra and Los Angeles



	Current Terminal Capacity (Lifts)	Projected Future Capacity Needs (Lifts)	Projected Increase in Capacity Needs (Lifts)
Bay Area	750,000	1,150,000	400,000
Central Valley	570,000	1,030,000	460,000
So. California	6,599,775	12,258,403	5,658,628
TOTAL	7,919,775	14,438,403	6,518,628



Short Haul Shuttles

- Short Haul Competitiveness

• Rising truck drayage costs

- Port of Long Beach

- Alleviate port and highway congestion
- Improve the velocity of cargo
- Advance inland logistics center dev.

– Port of Oakland

• San Joaquin Valley Connections





Grade Crossing Improvements

- Grade Crossings & Separations

• Expand existing Caltrans programs

– Address Community Impacts

- Rail Traffic Growth
- Shift to Dedicated Lines
- Short Line Upgrades
- Rural Grade Crossings





Funding Opportunities: Sources and Programs

- » Local Transportation Fund
- » Local Sales Tax
- » Potential RM 3
- » State Transit Assistance
- » Intercity Rail Program Funding
- » State Transportation Improvement Program
- » California Greenhouse Gas Reduction Fund
 - » Transit and Intercity Rail Capital Program
- » HSR Funding
- » Additional funding and program enhancements guided by SB 1
 - » State Transit Assistance
 - » State Rail Assistance
 - » Transit and Intercity Rail Capital Program
 - » Congested Corridor Program
 - » Trade Corridor Enhancement Account
- » Federal Discretionary Programs
 - » TIGER
 - » FASTLANE/INFRA
 - » FTA's Capital Investment Grants
 - » FRA's FAST Act Grants
- » Federal Formula Programs

2018 California State Rail Plan Schedule

Release of Public Review Draft	October 11, 2017
Public Comment Period	60 days: October 11 – December 11, 2017
Revision of Draft	Winter 2017/2018
Document review; approval process (CTC, CalSTA, FRA); and submittal to Legislature	Spring 2018

How to Submit a Comment

Your input is important to us. Please submit your comments:

Online Form: californiastaterailplan.com/comments.html

Mail: CA Department of Transportation - Division of Rail and Mass Transportation, Rail Planning Branch 1120 N Street, MS 74 Sacramento, CA 95814







Alameda County Rail Strategy



December 11, 2017

Significant Planning Completed









California Freight Rail Growth Markets

California freight rail volumes are projected to more than double between 2013 and 2040.



to 112 million tons in 2040

140% Growth to Southwest and Southeast to 76 million tons in 2040 Port of Oakland Top Commodities (2014)

Top 5 Exports	Top 5 Imports
Wood pulp	Furniture
Fruits and nuts	Packaging
Meats and fish	Glass products
Beverages, spirits, and vinegar	Non-Electrical Machinery
Grains and seeds	Electrical Machinery

Bay Area Freight Rail Network



- Circuitous routes for freight due to lack of connections
- Redundant parallel track has value and provides opportunity
- Much shared track could be reduced with targeted improvements



National Freight Rail Network



- Rail in Alameda County is a small
 part of national freight rail networks
- Railroads make routing decisions based on business, operational and customer needs along with existing operating agreements



Brownsville



Overview of Growth Scenarios

Scenario	2035 Growth Scenarios and Key Assumptions		
ID#	Freight Trains	Passenger Trains	
1	ModerateHistorical 2% growthMaintain 23% rail share at Port	NoneSame service as 2016	
2	 Higher Port growth consistent with Oakland Army Base EIR 40% rail share at Port 	 Moderate Add 4 daily Capitol Corridor Oakland - San Jose roundtrips for a total of 11 (22 daily trains) Add 2 daily ACE roundtrips for a total of 6 (12 daily trains) 	
3	 Higher Port growth consistent with Oakland Army Base EIR 40% rail share at Port 	 High Based on Capitol Corridor Vision Plan Phase 1, add 8 daily Oakland – San Jose roundtrips for a total of 15 (30 daily trains) Based on ACEforward programmatic EIR, add 6 round trips for a total of 10 (20 daily trains). 	



Rail Capacity Analysis Results



- Scenario 2 (2035)
 - High freight growth
 - Moderate passenger growth



Key Issues – Capacity and Flow Constraints, Lack of Connectivity









Regional Collaboration

- MTC 10-year Investment Strategy
 - Emissions Reduction
 - Freight Roadway
 - Rail Strategy
- Estimates potential revenues and identifies priority investments over a 10-year horizon
- Seeks to leverage significant local and regional funding to deliver improvements



Partnership Approach

- Partnership Agreement to establish framework for collaboration
- Identify specific agreements needed to advance projects
- Seek funding to deliver
- Provide local matching funds for emission reduction projects

Thank you!



