

- BizFed's Member Alliance**
 AIA Los Angeles
 Alhambra Chamber
 American Beverage Association
 Antelope Valley Board of Trade
 Apartment Association, California Southern Cities
 Apartment Association of Greater Los Angeles
 Arcadia Association of Realtors
 Arcadia Chamber
 Asian American Business Women Association
 Asian American Economic Development Enterprise
 Asian Business Association
 Association of Independent Commercial Producers Azusa Chamber
 Bell Gardens Chamber
 Beverly Hills Chamber
 Beverly Hills / Greater LA Association of Realtors
 Burbank Association of Realtors
 Burbank Chamber
 Building Industry Association, LA / Ventura Counties
 Building Owners & Managers Association, Greater LA
 CalAsian Chamber
 California Apartment Association, Los Angeles
 California Business Roundtable
 California Cannabis Industry Association
 California Construction Industry and Materials Association
 California Contract Cities Association
 California Consumer Finance Association
 California Fashion Association
 California Grocers Association
 California Hotel & Lodging Association
 California Independent Bankers
 California Independent Petroleum Association
 California Life Sciences Association
 California Metals Coalition
 California Restaurant Association
 California Small Business Alliance
 California Trucking Association
 CALInnovates
 Carson Dominguez Employers Alliance
 Central City Association
 Century City Chamber
 Citrus Valley Association of Realtors
 Coalition for a Prosperous America
 Community Associations Institute, Los Angeles
 Construction Industry Association Water Quality Coalitions
 Consumer Healthcare Products Association
 Council on Trade and Investment for Filipino Americans
 Culver City Chamber
 Downey Association of Realtors
 Downtown Long Beach Associates
 El Monte/South El Monte Chamber
 Employers Group
 Engineering Contractor's Association
 Entrepreneurs Organization - Los Angeles
 F.A.S.T. - Fixing Angelinos Stuck in Traffic
 Filipino American SEC
 FilmLA
 Foreign Trade Association
 FuturePorts
 FWD.us
 Gateway to LA
 Glendale Association of Realtors
 Glendale Chamber
 Glendora Chamber
 Greater Los Angeles Auto Show
 Greater Lakewood Chamber
 Greater Los Angeles African American Chamber
 Greater Los Angeles New Car Dealers Association
 Harbor Association of Industry and Commerce
 Harbor City / Harbor Gateway Chamber
 Harbor Trucking Association
 Hollywood Chamber
 Hospital Association of Southern California
 Hotel Association of Los Angeles
 Industry Manufacturers Association
 International Warehouse Logistics Association
 Inglewood Airport Area Chamber
 Irwindale Chamber
 Japan Business Association of Southern California
 La Canada Flintridge Chamber
 LAX Coastal Area Chamber
 Leadership for Urban Renewal Network
 League of California Cities
 Long Beach Area Chamber
 Los Angeles Area Chamber
 Los Angeles Black MBA Association
 Los Angeles Cleantech Incubator
 Los Angeles County Bicycle Coalition
 Los Angeles County Consumer Affairs
 Los Angeles County Waste Management Association
 Los Angeles Junior Chamber
 Los Angeles Latino Chamber
 Los Angeles Metropolitan Hispanic Chamber
 Malibu Chamber
 Los Angeles Parking Association
 Los Angeles Urban League
 Los Angeles World Affairs Council
 Pacific Palisades Chamber
 Pasadena Chamber
 Pomona Chamber
 Maple Business Council
 Motion Picture Association of America
 MoveLA
 Most Worshipful Hiram Tyre Grand Lodge
 NADOP Southern California Chapter
 National Alliance for Jobs and Innovation
 National Association of Women Business Owners, LA
 Pacific Merchant Shippers Association
 Pasadena-Foothills Association of Realtors
 Recording Industry Association of America
 Redondo Beach Chamber
 Regional Black - San Fernando Valley Chamber
 Regional Hispanic Chamber
 Regional San Gabriel Valley Chamber
 Rosemead Chamber
 Rotary Club of Los Angeles
 San Gabriel Chamber
 San Gabriel Valley Civic Alliance
 San Gabriel Valley Economic Partnership
 Santa Clara Valley Economic Development Corp.
 San Pedro Peninsula Chamber
 Santa Monica Chamber
 Santa Monica Junior Chamber
 Small Business Action Committee
 Society of Hispanic Professional Engineers - Los Angeles
 South Asian Business Alliance Network
 South Bay Association of Chambers
 South Bay Association of Realtors
 Southern California Golf Association
 Southern California Grantmakers
 Southern California Minority Supplier Development Council Inc.
 Southern California Water Committee
 Southland Regional Association of Realtors
 South Park Stakeholders Group
 Toluca Lake Chamber
 Torrance Area Chamber
 Town Hall Los Angeles
 Tri-Counties Association of Realtors
 United Chambers San Fernando Valley
 Universal City North Hollywood Chamber
 United States-Mexico Chamber
 U.S. Green Building Council-LA
 Valley Economic Alliance
 Valley Economic Development Center
 Valley Industry & Commerce Association
 Valley International Trade Association
 Vernon Chamber
 Vietnamese American Chamber
 Water Replenishment District
 We Care for Humanity
 West Hollywood Chamber
 West Los Angeles Chamber
 West San Gabriel Valley Association
 Western Manufactured Housing Association
 Westside Council of Chambers
 Western States Petroleum Association
 West Valley/Warner Center Chamber
 Westwood Village Improvement Association
 Wilmington Chamber
 Young Professionals in Energy - LA Chapter
 Youth Business Alliance
 Warner Center Association

July 6, 2016

The Honorable Malcolm Dougherty
 Director, California Department of Transportation
 1120 N Street
 Sacramento, CA 95814

Re: California Sustainable Freight Action Plan

Dear Director Dougherty,

On behalf of the Los Angeles County Businesses Federation (BizFed) - a grassroots alliance of more than 150 top business groups representing 275,000 employers with 3 million employees throughout Los Angeles County - we are writing in response to the draft California Sustainable Freight Action Plan (CSFAP or Draft Plan) released on May 3, 2016 for public comment.

Prior to its release date, BizFed and its members were involved in agency discussions regarding the development of the CSFAP. Please accept this letter as our formal comments on the Draft Plan.

I. BizFed's General Comments to Proposed Targets in the Draft Plan

Category	Target	BizFed Response
Freight Efficiency	By 2030, improve efficiency by 25% over a 2014 baseline, as measured by GDP/GHG [CO2e]	<ol style="list-style-type: none"> Efficiencies are system wide (system-by-system) and this GDP/GHG metric does not account for this. The 25% efficiency target is arbitrary and it is not clear where this figure comes from. A plan is needed for how the efficiency target will be achieved.
Transition to Zero-Emission Technologies	<p>A. Deploy 100,000+ freight vehicles and equipment capable of zero-emission operation by 2030</p> <p>B. Maximize near-zero emission freight vehicles and equipment powered by renewable energy</p>	<ol style="list-style-type: none"> The 100,000+ figure is arbitrary and unsupported in the Draft Plan. The Draft Plan is ambiguous as to what percentage of this figure must, or is envisioned to, come from vehicles versus equipment.

Increase Competitiveness of CA Freight System	There is no methodology provided in the draft Plan. It includes a general goal to “Foster future economic growth within the freight and goods movement industry by promoting flexibility, efficiency, investment, and best business practices through State policies and programs that create a positive environment for growing freight volumes, while working with industry to lessen immediate potential negative economic impacts.”	There is no discussion of a competitiveness methodology anywhere in the document and the uncertainty negatively impacts the goods movement industry. Without guidance as to what is competitive, industry cannot adequately prepare to compete pursuant to the Plan, make investments in competitive technology, or adjust its operations to maximize competitiveness.
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II. Follow Up Comments to BizFed’s April 14, 2016 Letter

BizFed submitted a comment letter before the release of the draft Plan, supporting the Freight Competitiveness Group’s recommendations for the actions underlined and bolded below. We reviewed the April 14 comment letter for whether the Draft Plan responded to and/or incorporated BizFed’s comments. Below is a summary of our analysis, along with other comments.

A. The Plan should strike all reference to and affirmatively reject a facility emissions cap.

BizFed appreciates that the Draft Plan removes references to the “facility emissions cap” approach. However, the Final Plan must affirmatively reject this approach as it directly contradicts to the freight efficiency and competitiveness goals set forth in Governor Brown’s Executive Order B-32-15 and the aims of the Sustainable Freight Action Plan itself. Moreover, the Draft Plan, in effect, retains the facility emissions cap approach by including “Freight Hub Data Collection” program under Action 4, which will be used for “source/sector specific rulemakings, incentives, enforceable agreements, freight facility performance targets, or other approaches.” This program and any variation in another form must be entirely omitted from the Final Plan to avoid imposing a *de facto* facility emissions cap program. The term “freight hub” should be excluded for similar reasons, and there can be no effort to regulate emissions on such a basis.

B. The State must partner with industry to provide funding, financing, or incentives for investments in ZE/NZE equipment and infrastructure which simultaneously reduce GHGs and criteria pollutants and result in higher capacity operations, higher operational efficiencies, and improved competitiveness of the freight system.

BizFed appreciates that the Draft Plan recognizes incentives, funding, and financing are needed to help the freight industry transition to Near Zero Emissions and Zero Emissions (NZE/ZE) technology. For example, BizFed and its members intend to participate in the proposed pilot project entitled “Advanced Technology for Truck Corridors (Southern California).” However, BizFed is concerned about the feasibility of NZE/ZE technologies and also that there is a lack of actual funding that can be provided

for the transition to NZE/ZE technology. We request that the Final Plan express the need to assess the feasibility for deployment of these technologies on a mass scale, including detailed cost analyses.

C. Improve CEQA so that CA infrastructure projects can be completed timely and freight system can remain competitive, without compromising environmental quality.

The Final Plan must go farther in regards to CEQA. Action 9 “Regulatory and Land Use Processes” is simply described as “Develop[ing] a process involving the Office of Planning and Research, along with federal, regional and local partners, and industry and environmental stakeholders, to identify regulatory or permitting process improvements to expedite the delivery of projects identified as meeting the objectives of this plan.” There are no specific programs or ideas set forth in the Draft Plan to implement this action item.

Action 3 will “Focus on freight infrastructure planning and investments on providing modern freight corridors. Future freight planning and programming documents should identify high-priority projects with multiple benefits for future funding, and establish performance criteria.” Action 3 is more substantive than Action 9 by including programs for implementation, but these programs remain insufficient because they do not, for example, address streamlining CEQA for freight-related projects or Vehicle Miles Traveled as the wrong metric for traffic impact analysis in the freight context. A competitiveness analysis should be included in the CEQA review for freight projects, which will incorporate the Governor’s vision that the freight sector increases its competitiveness.

D. Identify public sources of long-term, dedicated freight infrastructure funding.

BizFed appreciates that the Plan leads with several Action Items focused on funding sources, including Actions 1-2, California and Federal Funding. The Federal Funding Action Item aims to allocate funding from the Fixing America’s Surface Transportation (FAST) Act for high-priority state and regional improvements to California freight. The California Funding Action Item recognizes the need to work with the Legislature to enact a freight transport system funding package to enable new investment for transportation assets and advanced vehicles and equipment.

BizFed requests that the Final Plan go further by specifically spelling out the existing sources of funds and forecasting the amounts needed through the Plan’s end-date of 2030 for infrastructure improvements and also the funds needed to facilitate the transition to NZE/ZE technology. The Final Plan should include a more detailed discussion, including timelines through 2030, of how the State will seek ongoing legislative appropriations – not just one freight transport system funding package – for these purposes. New sources of funding are required to transform the freight sector according to the Plan. Finally, because goods movement in the South Coast Air Basin will be most impacted by Plan’s call for improved infrastructure and a significant shift to NZE/ZE technology among other things, BizFed requests that the Final Plan recognize that targeted and increased funding specifically for Southern California is critical.

E. Formally direct GO-Biz and industry to continue to work together after the Plan is submitted to the Governor to ensure “No Harm” and to monitor progress toward increasing competitiveness.

BizFed looks forward to working with GO-Biz as a stakeholder and to help assess needs, coordinate, implement procedures, and develop tools that develop data and information to support the freight transportation system’s competitiveness. But BizFed is concerned that the proposed action entitled “Competitiveness Data Development” under Action 6

comes too late in the process and that a specific metric for competitiveness is needed in the Final Plan to guide future competitiveness discussions and activities. Further, GO-Biz needs additional staff to fully execute the vision set forth in the Governor's Executive Order.

Thank you for allowing us the opportunity to provide substantive feedback on the CSFAP. We appreciate your consideration of our viewpoints on this matter.



Gilbert F. Ivey
BizFed Chair
Former CAO,
Metropolitan Water District



David Fleming
BizFed Founding Chair



Tracy Hernandez
BizFed Founding CEO
Impower, Inc.

cc:

Ms. Cynthia Marvin Division
Chief California Air Resources Board Transportation and Toxic Division
P.O. Box 2815
Sacramento, CA 95812

Mr. Daniel Sperling
Board Member California Air Resources Board
P.O. Box 2815
Sacramento, CA 95812

Mr. Giles Giovinazzi
Federal Liaison California Department of Transportation
1120 N Street MS 49
Sacramento, CA 95814

Mr. Miguel A. Jaller
Assistant Professor Department of Civil and Environmental Engineering
2001 Ghausi Hall, Room 3143
University of California Davis, CA 95616