



## San Joaquin Valley Regional Planning Agencies Policy Council

### Special Meeting

Friday, November 4, 2022

Time: 9:00 a.m.

#### ZOOM CONFERENCE

Meeting ID: 823 3136 5444

Passcode: 593845

<https://us02web.zoom.us/j/82331365444?pwd=OFV1NGpGdWgwd3pJM2g1c1Ywb1o3Zz09>

Phone only: (669) 900-9128

#### A. CALL TO ORDER

Chair Poythress

#### B. DISCUSSION/ACTION ITEMS


##### 1. California Inland Port


Tony Boren

*Approve a Resolution of Support for the California Inland Port, and its funding application to the State of California's Port and Freight Infrastructure Program.*


#### C. PUBLIC COMMENT

#### D. ADJOURN

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 <http://sjvcogs.org/>

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Supervisor Robert Poythress  
Madera County

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San Joaquin Valley  
Air Pollution  
Control District

San Joaquin  
Joint Powers  
Authority



DATE: November 4, 2022

TO: San Joaquin Valley Regional Planning Agencies Policy Council

SUBJECT: Resolution of Support for the California Inland Port, and its funding application to the State of California's Port and Freight Infrastructure Program

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The California State Transportation Agency (CalSTA) has recently issued a call for projects for funding under the Port and Freight Infrastructure Program (PFIP). The PFIP seeks to improve the capacity, safety, efficiency and resilience of goods movement to, from and through California's maritime ports, while also reducing greenhouse gas emissions, air pollution, public health impacts and negative economic impacts to communities adjacent to the corridors and facilities used for goods movement while promoting high-road port, freight and construction sector jobs.

The Program includes \$1.2 billion in one-time funding that CalSTA intends to award in a single cycle. Of this amount, 70 percent (\$840M) of the funding will go to the ports of Los Angeles and Long Beach. The remaining 30 percent (\$360M) will be made available for other high-priority projects supporting ports and goods movement infrastructure in the rest of the state, including inland ports.

The California Inland Port project (CAIP) is intending to apply for funding for planning and implementation activities and is requesting that the Regional Policy Council approve the attached resolution of support for the project concept and funding application to CalSTA.

A one page project abstract is also attached to this staff report. Tony Boren, Executive Director of the Fresno Council of Governments, will provide additional information and will be available to address any comments or questions at the November 4<sup>th</sup> meeting.

The San Joaquin Valley Regional Planning Agencies' Directors' Committee is recommending approval of this item.

**Requested Action:**

***Approve the Resolution of Support for the California Inland Port project, and its funding application to the State of California's Port and Freight Infrastructure Program.***

## **Resolution of Support California Inland Port Project**

- Whereas, the California Inland Port System is designed as a transformational next-generation logistics-clean energy-economic development project that will directly benefit the San Joaquin Valley and Sacramento regions; and
- Whereas, when complete, the California Inland Port System of projects will be a model for the nation and will be the most advanced and cleanest logistics and investment corridor in the world; and
- Whereas, buildout of the California Inland Port project has the potential to create 100,000 jobs and leverage \$30 billion in private investment along a 425-mile-long corridor extending through the entire San Joaquin Valley and Sacramento regions; and
- Whereas, the California Inland Port project will provide significant improvements to air quality, traffic congestion and motorist safety throughout the San Joaquin Valley, Sacramento, and Los Angeles regions; and
- Whereas, the California Inland Port project and its utilization of sustainable energy will reduce greenhouse gasses emitted in the San Joaquin Valley, Sacramento and Los Angeles regions and complements the State Route 99 Multimodal Corridor study which is currently underway; and
- Whereas, the California Inland Port project will create a 425 mile long clean energy infrastructure system throughout the San Joaquin Valley and Sacramento regions that will be a catalyst for the transition to a clean fleet of heavy trucks while providing the opportunity to serve as future hydrogen hubs for California's hydrogen highway; and
- Whereas, the California Inland Port project will significantly contribute to the State of California's social equity objectives which seek to improve incomes and the quality of life in all economically disadvantaged areas of the state including the San Joaquin Valley and Sacramento regions; and
- Whereas, the California Inland Port project provides a platform to address existing and future agricultural export challenges facing growers in the San Joaquin Valley and Sacramento regions; and
- Whereas, the USDOT has become a partner in the California Inland Port project and has designated it of national significance in its importance in addressing the national supply chain crisis and envisions replicating the concept in other areas of the US; and
- Whereas, the California Inland Port project is supported by a broad range of public entities, including eight counties and councils of governments within the San Joaquin Valley and Sacramento regions, three air quality districts-South Coast, San Joaquin and Sacramento and three seaports-Los Angeles, Long Beach and Stockton; and

- Whereas, the private market has overwhelmingly reacted with enthusiasm for the California Inland Port project, with shippers saying that improvements to supply chain reliability, lower costs, and the introduction of comprehensive logistics/investment hubs all being economically beneficial to their operations; and
- Whereas, private sector project partners include truck manufacturers, national agricultural and clean energy trade associations, hydrogen producers, and truck fleet operators; and
- Whereas the business strategy for the project is robust and is an extraordinary example of public and private forces working together, with public investment acting as seed funding and unlocking vast private risk capital; and
- Whereas the partners involved with leadership from the region's metropolitan planning organizations with the Fresno Council of Governments acting as project coordinator in the formative stages, have a deep commitment to carry out with high degree of community engagement; and
- Whereas, beyond the much-needed benefits to the environment, we believe that the California Inland Port project will be a primary catalyst in attracting significant investment to the San Joaquin Valley and Sacramento regions; this resulting in jobs and tax base from industry that is present in the region and from industry sectors that are not present in the region; and.
- Whereas, for all of these reasons, the San Joaquin Valley Regional Planning Agencies Policy Council believes that the California Inland Port project will improve public health, create positive economic and social change in our community and we urge in the strongest terms that the State of California approve investment in the project from its Port and Freight Infrastructure Program.

Meeting Date: November 4, 2022

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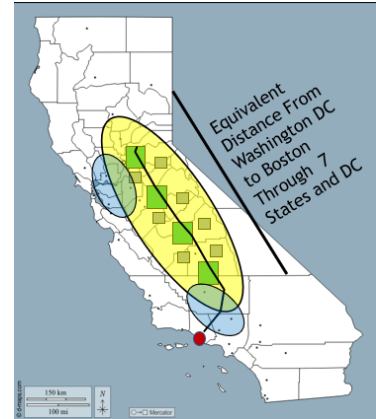
Robert Poythress, Chair  
San Joaquin Valley Regional Planning Agencies Policy Council

# CALIFORNIA INLAND PORT SYSTEM

Abstract – September 2022

For decades, the San Joaquin Valley has served as the principal goods movement corridor for North-South goods movement in California. Approximately 1.1 million ocean containers move through the San Joaquin Valley, about half that number representing imports (mostly consumer products from Asia), the other half exports (mostly agricultural products destined for Asia). Currently, virtually all these goods are moved via our highways with internal combustion engine powered trucks.

Catalyzed by conversations between the Port of Los Angeles, California Forward and Global Logistics Development Partners, this project was originally conceived in 2019 as a way to reduce congestion, improve air quality at the San Pedro port complex area and in the San Joaquin Valley. Initially, the idea was to transfer movement of these goods from IC trucks to rail. The project has since evolved into what will be the largest and most sophisticated logistics and investment corridor in the world -- a fully integrated goods movement and economic development paradigm comprised of "TradePorts" -- multi-modal logistics hubs (long haul movement via rail or hydrogen and final mile movement via electric trucks) surrounded by "green" manufacturing, clean energy, e-commerce and distribution operations. When fully built-out, the project is expected to include two to four major "TradePorts" and six to eight smaller "Satellite TradePorts". The project offers multiple public benefits:



1. A more Efficient National Supply Chain System;
2. Substantial Reductions in GHG and Air Criteria Pollutants in California;
3. Significantly Increased Economic Competitiveness and Opportunity in the San Joaquin Valley;
4. Reduced VMT, Road Congestion, and Maintenance Costs, as well as Increased Traffic Safety;
5. Improved Social Equity and Environmental impacts;
6. Improved availability of containers for Ag exports; and
7. Leverage of Public Sector Infrastructure Investment that Attracts Private Sector Investment

The initial feasibility study -- funded by the San Pedro Ports, the air districts in the San Joaquin Valley and South Coast, and San Joaquin Valley metropolitan planning organizations -- showed significant cost advantages for rail vs. trucks as well as big environmental benefits, including 93% reduction of GHG and 84% reduction of NOx. Initial estimates are that a \$200-million-dollar public sector infrastructure investment could generate \$30 billion in private sector investment in the San Joaquin Valley.

Current planning is being funded by Caltrans and US DOT, which has identified the project as one of only five *Regional Infrastructure Accelerator* projects in the nation. The Fresno Council of Governments is managing the project on behalf of the San Joaquin Valley metropolitan planning organizations as well as the Sacramento Area Council of Governments. The Executive Advisory Group includes representation from the COGs/MPOs, the Ports of L.A., Long Beach and Stockton, the South Coast, San Joaquin Valley and Sacramento Air Districts, as well as CalSTA, Caltrans, GoBiz, OPR and CDFA.

In response to a request from CalSTA to accelerate implementation of the project, a proposal for "Phase one" implementation will be submitted that would enable operations to begin in late 2024. These funds will be requested from the planned \$1.2B Ports and Goods Movement Fund. A process for selecting the TradePort sites is being launched in November, with plans to select sites in Q2, 2023.