Background
The local street and road system holds California’s entire transportation network together. From the moment we open our front door and drive to work, bike to school, or walk to the bus stop, we depend on safe, reliable local streets and roads. Police, fire and emergency medical services all need safe reliable roads to react quickly to calls – delay can be a matter of life and death. Further, California’s economy relies upon an efficient, multi-modal transportation network to safely move people and goods.

Problem
For decades, transportation funding needs have far outpaced available revenues. This is not only a California problem – it’s a national crisis. At the federal level, gasoline taxes have not kept pace with inflation and rising construction costs. Nor has the system for charging road users been updated to account for increasing fuel efficiency and electric vehicles.

Until recently, the same was true for the state’s gasoline taxes. The base 18-cent tax, last adjusted in 1994, is now only worth 9-cents when adjusted for inflation and fuel efficiency. Aging infrastructure, rising construction costs, and new regulatory requirements have all contributed to a significant funding shortfall. Other factors, such as heavier vehicles, increasing traffic and the need to accommodate transit, bicyclists and pedestrians, have put increased demands on transportation infrastructure.

Since 2008, the biennial California Statewide Local Streets and Roads Needs Assessment Report (Report) has warned that without an influx of new revenue, the system would continue to deteriorate and delay would cost taxpayers nearly twice as much to repair this vital investment in the near future.

Solution
In April 2017, the California State Legislature and Governor Jerry Brown heeded the call and reached agreement on a bipartisan, long-term, robust and multi-modal transportation funding solution to help close the funding gap and repair and improve the state’s transportation system. SB 1 – the Road Repair and Accountability Act of 2017 – will generate over $5 billion annually for state highways, local streets and roads, bridges, transit systems, active transportation, and key freight and trade corridors. Cities and counties will receive $1.5 billion in direct subventions on an annual basis. This means $15 billion in new revenue for local agencies to repair and replace aging bridges, address safety issues, and repair and maintain streets and roads over the next 10 years.

The Future is Unknown
Proposition 6, which would repeal SB 1 funding, will be on the ballot in November 2018. If passed, it would eliminate over $5 billion annually in existing transportation funding and jeopardize over 6,500 road and bridge projects already underway all across the state. As shown in the 2018 report, there are detrimental consequences to halting SB 1 investments.

Importance of Local Transportation Infrastructure
Local streets and roads make up over 85% of the roadway network in California. There are 12,105 local bridges, making up 48% of all the bridges in California. Conservatively, this network is valued at over $220 billion. Nearly all public transportation modes, such as bus and rail are local. Meanwhile, California is consistently on the cutting edge of transportation—from reducing pollution to leading technological advances like autonomous vehicles, the reliability and basic upkeep of this existing network will be essential in meeting future needs.
Purpose

The 2018 Report is a comprehensive statewide assessment of the local street and road network. The purpose of the report is to inform the public and policymakers at all levels of government about the infrastructure investments needed to provide California with a seamless, safe, and efficient multi-modal transportation system.

It includes an analysis of several funding scenarios. This year, SB1 revenues and cost savings from sustainable paving technologies have been added to the analysis.

Findings

The most significant finding of the 2018 Report is that new revenue from SB 1 will allow cities and counties to arrest the historical deterioration of the local transportation network. This revenue also enables cities and counties to make life-saving safety improvements; expand pedestrian, bicycle and transit access and opportunities; and reduce the funding shortfall. Specifically, cities and counties will:

- Reduce the funding backlog by $18.4 billion in the coming decade,
- Stabilize the average condition of pavements (measured on the Pavement Condition Index which is a scale of zero (failed) to 100 (excellent)) at a PCI of 64, and
- Improve a significant percentage of the network from at-risk to good condition.

Alternatively, without this infusion of new revenue, the local system will once again be in crisis. Road conditions will deteriorate and the funding shortfall will grow. Specifically, if cities and counties lose $1.5 billion in existing annual revenue over the next 10 years the:

- Funding shortfall will grow by $12.2 billion for pavement needs on the local street/road system alone,
- PCI will drop from the current PCI of 65 (at-risk) to 57, which is nearly in the poor category, and
- Percentage of local roads in failed condition will grow to nearly 29 percent.

The lack of transportation funding will also hamper the ability of cities and counties to provide active transportation options, meet transit needs, and meet greenhouse gas emissions reductions and other environmental goals.

Recommendations

The state must maintain all existing sources of revenue, with a significant portion focused on the preservation of the existing road network. Once the system is in a state of good repair, the need for maintenance will be reduced. Everyone who benefits from local streets and roads – personal and commercial vehicles, transit, bicyclists, and pedestrians - should bear the cost of restoring and preserving them.

Who should I contact for more information?

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To download the report, go to: www.SaveCaliforniaStreets.org