



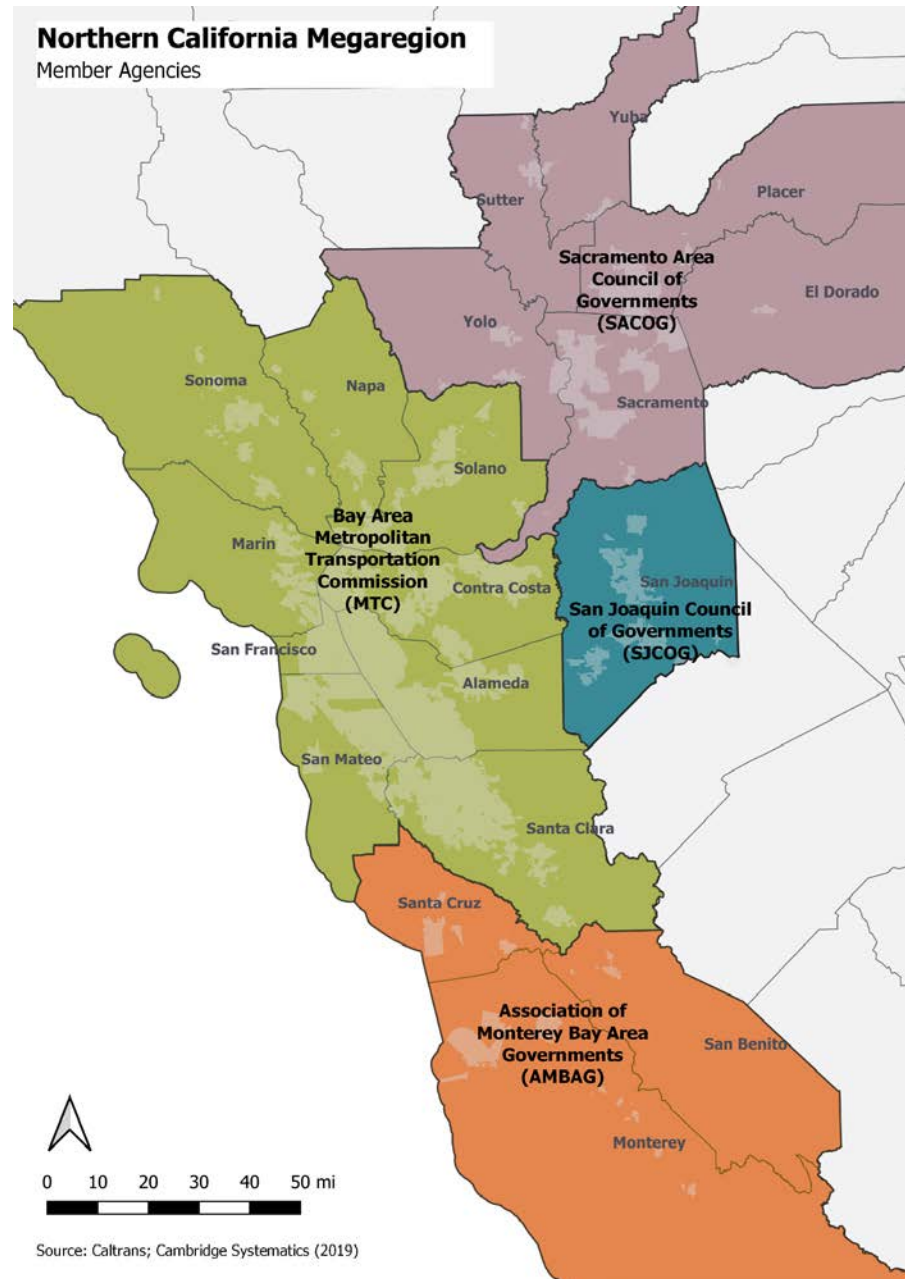
METROPOLITAN  
TRANSPORTATION  
COMMISSION

# Northern California Megaregion Goods Movement Study

Final Project Presentation

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# Study Goals

- » Provide Megaregion agencies and stakeholders with the information they need to understand and address their priorities for goods movement sectors.
- » Determine the most critical issues that affect multiple regions, or the Megaregion as a whole.
- » Provide public stakeholders with necessary information to guide key infrastructure investments, policies and regulations in light of distinct and unique regional priorities.

# Study Narrative

## Project Oversight and Stakeholder Engagement (Task 1 & 2)

- » Staff from four MPOs/COGs
- » Trade Advocacy Groups
- » Economic development corporations
- » Caltrans
- » Port staff & local jurisdictions
- » Private Industry

## Industry Clusters (Task 3)

- » Employment
- » Output
- » Supply chains

## Infrastructure (Task 3)

- » Ports & shipping channels
- » Highways
- » Railways
- » Intermodal facilities

## Land Use Analysis (Task 4.3)

- » Labor Market
- » Industry Demand

Challenges & Opportunities

## Supply Chain Bottlenecks (Task 4.1 & 4.2)

- » Ports
- » Highways
- » Railways
- » Intermodal facilities

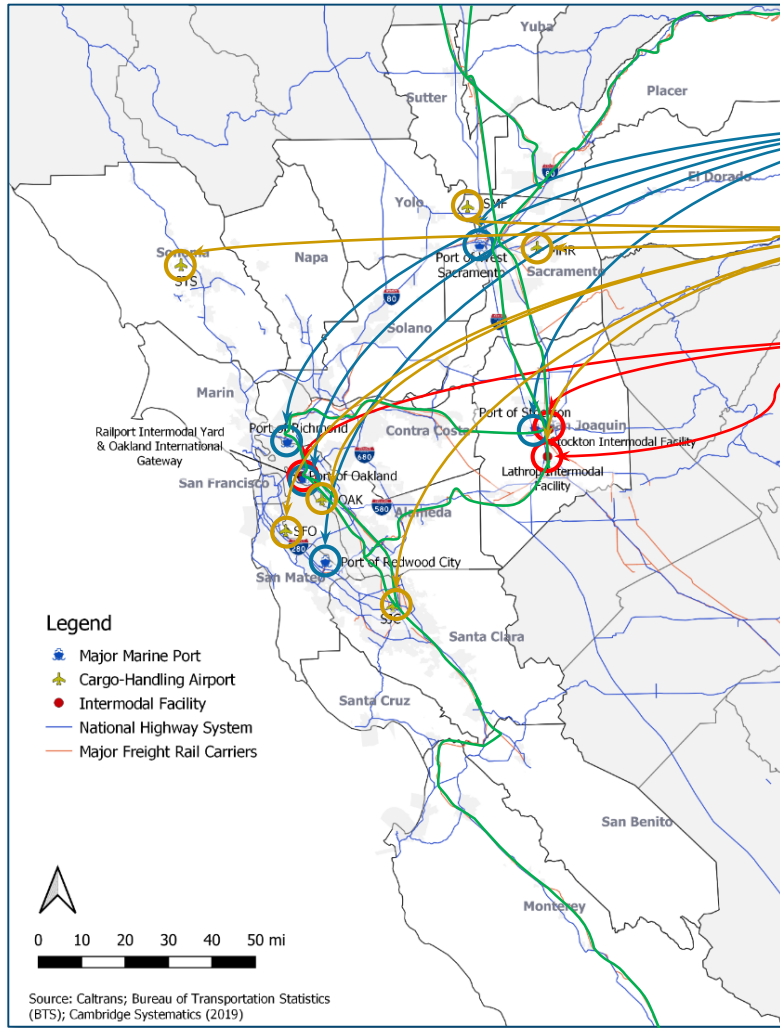
## Workforce Analysis (Task 5)

- » Labor Market Readiness
- » Industry Demand

## Investment Strategies (Task 6)

- » Megaregional Coordination
- » Funding Competitiveness
- » Climate Adaptation & Resilience
- » Tradable Goods
- » Labor Mobility
- » Value-added Agriculture

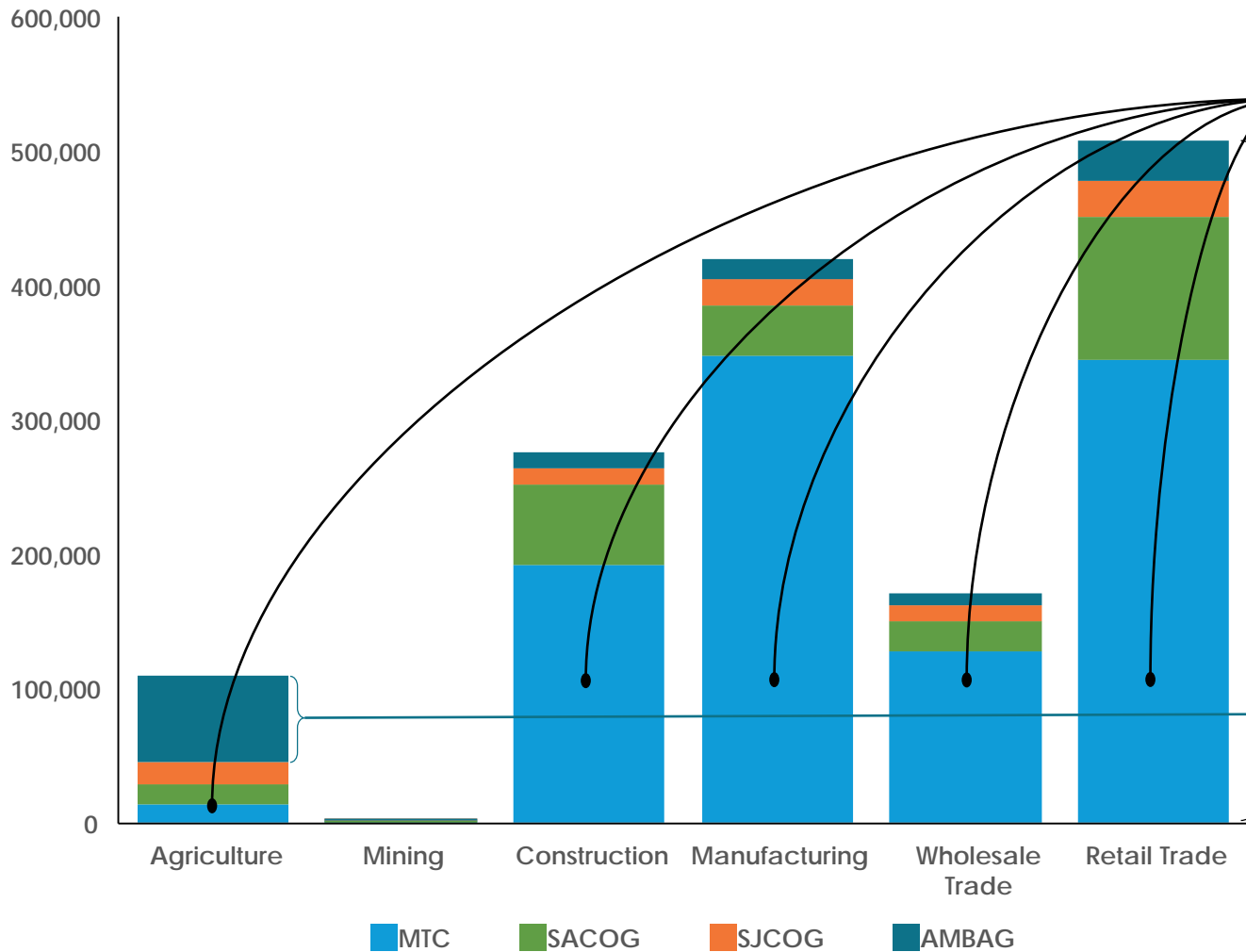
# Freight Transportation Network and Assets



- Five marine cargo-handling ports
- Six cargo-handling airports
- Four significant intermodal facilities
- BNSF Railway and Union Pacific Railroad Class I rail service
- Interstate & Non-interstate Highway network

# Current Employment for Goods Movement Sectors

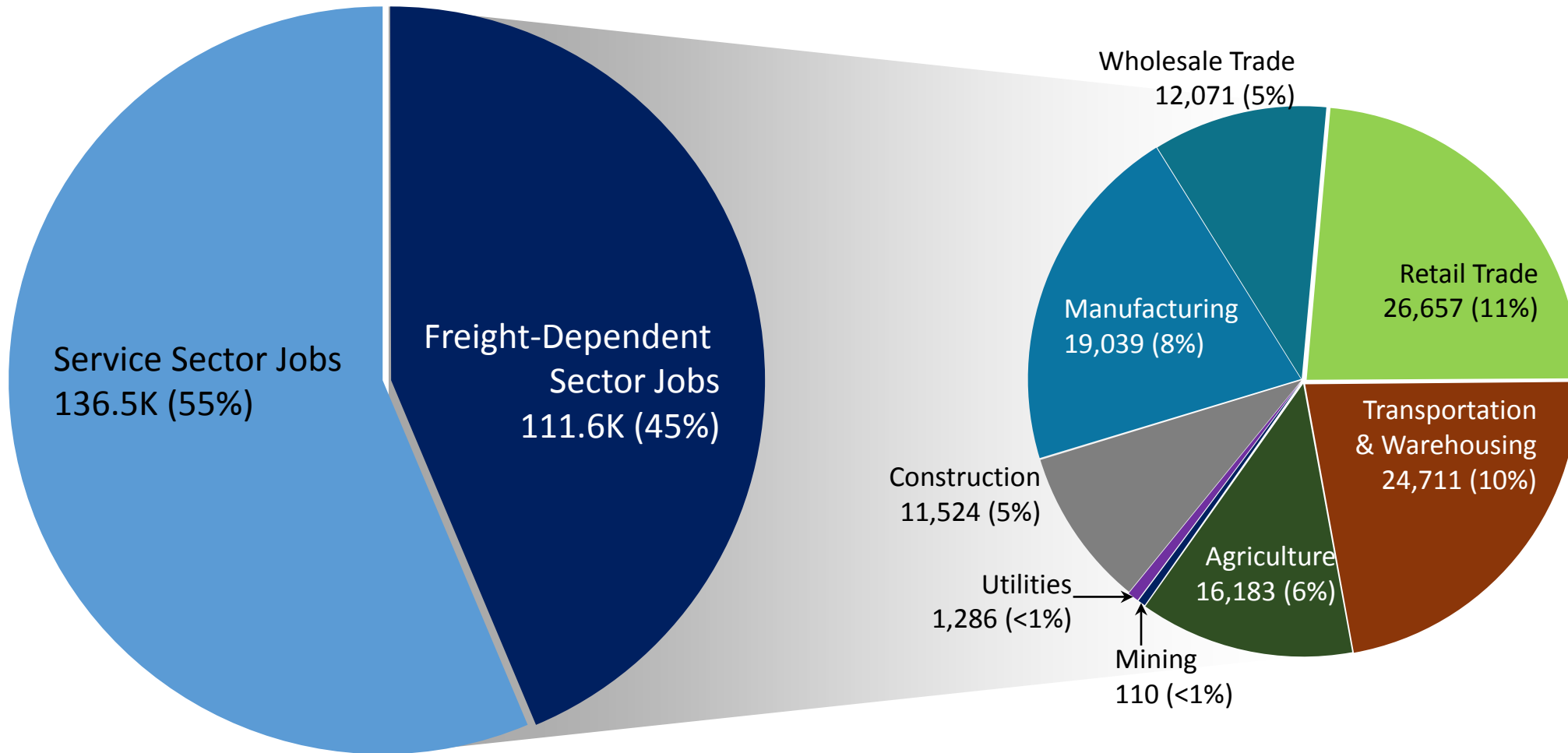
## Freight-Dependent Sector Employment in Megaregion, 2017



- » MTC region holds
  - 70% of industrial real estate
  - Employed 69 percent of freight-dependent workers
  - Moved the highest tonnage and value of goods
- » The retail sector employs 34% of all freight-dependent workers, or over half a million people.
- » The AMBAG region accounts for 58% of all agriculture jobs in the Megaregion.

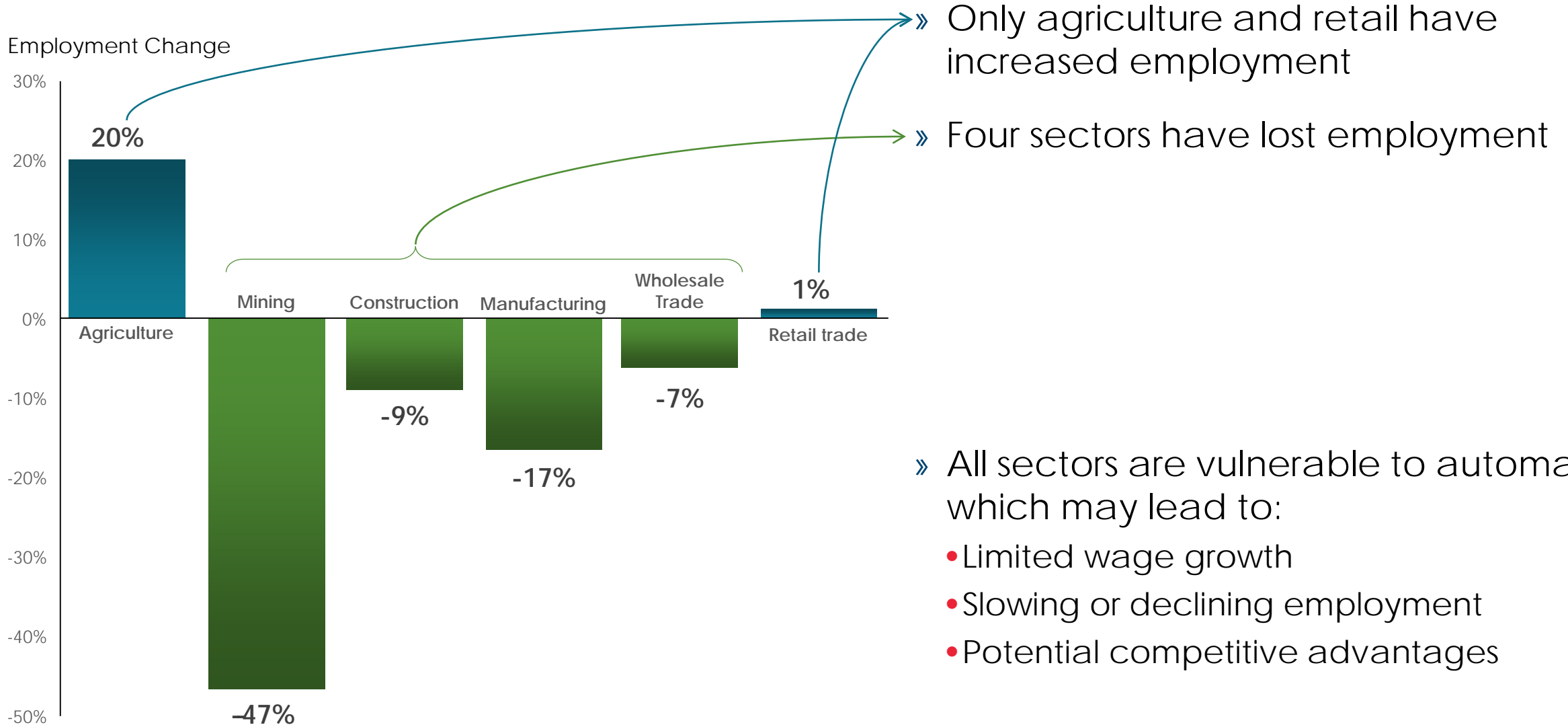
# Current Employment for Goods Movement Sectors

## Freight-Dependent Sector Employment in San Joaquin County, 2017



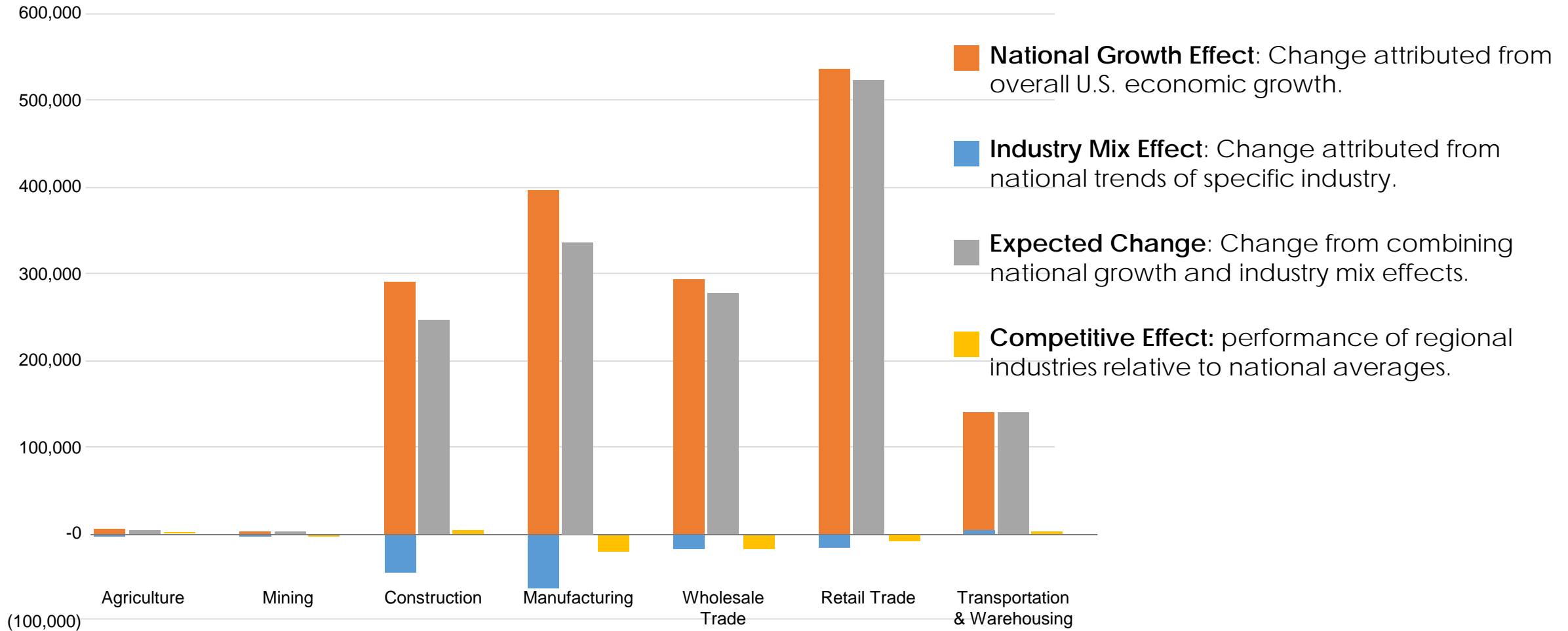
# Past Employment Trends for Goods Movement Sectors

## Growth of Goods Movement Sectors (2008-2016)



# Past Competitiveness of Goods Movement Sectors

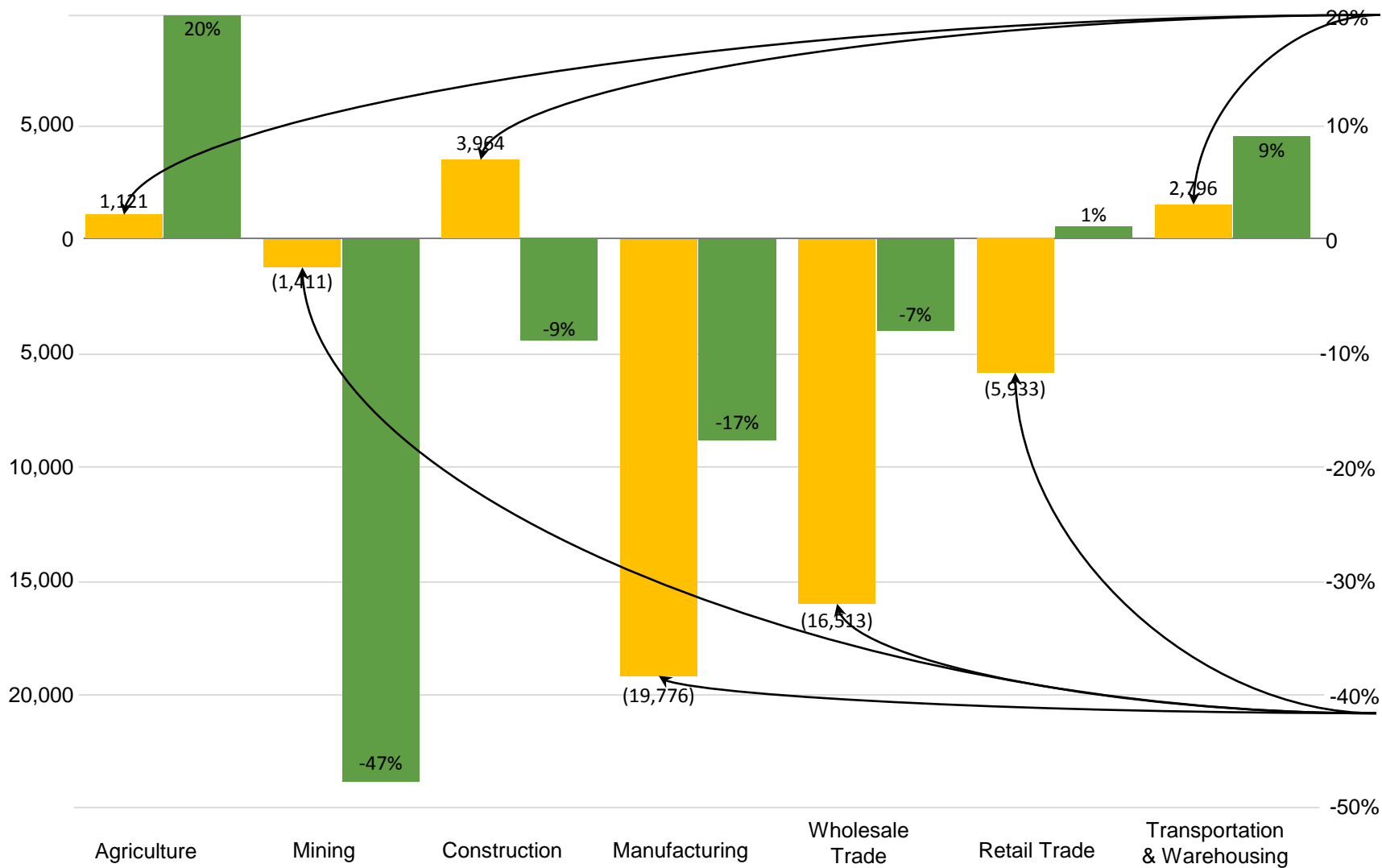
## Change in Employment from 2008 to 2016 in the Megaregion





# Past Competitiveness of Goods Movement Sectors

## Competitive Effect from 2008 to 2016 in the Megaregion

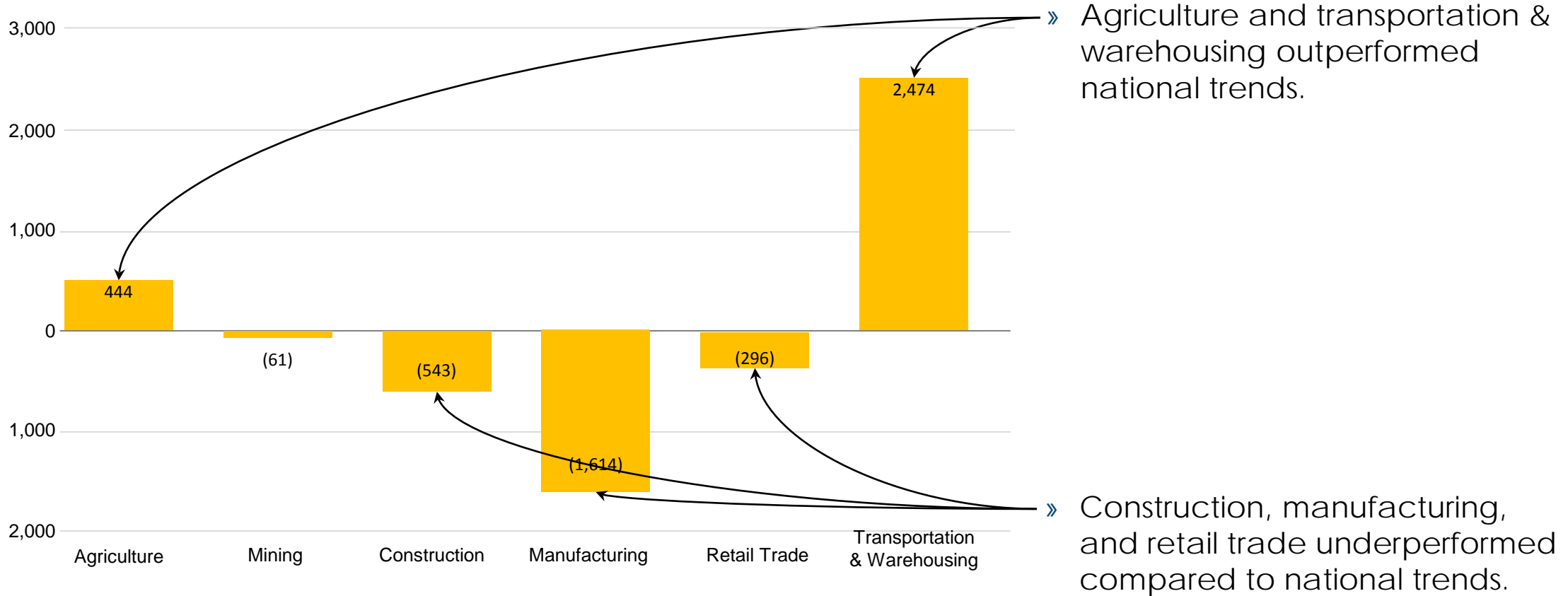


» The Megaregion's agriculture, construction, and transportation & warehousing outperformed national trends.

» Mining, manufacturing, wholesale trade, and retail trade underperformed compared to national trends.

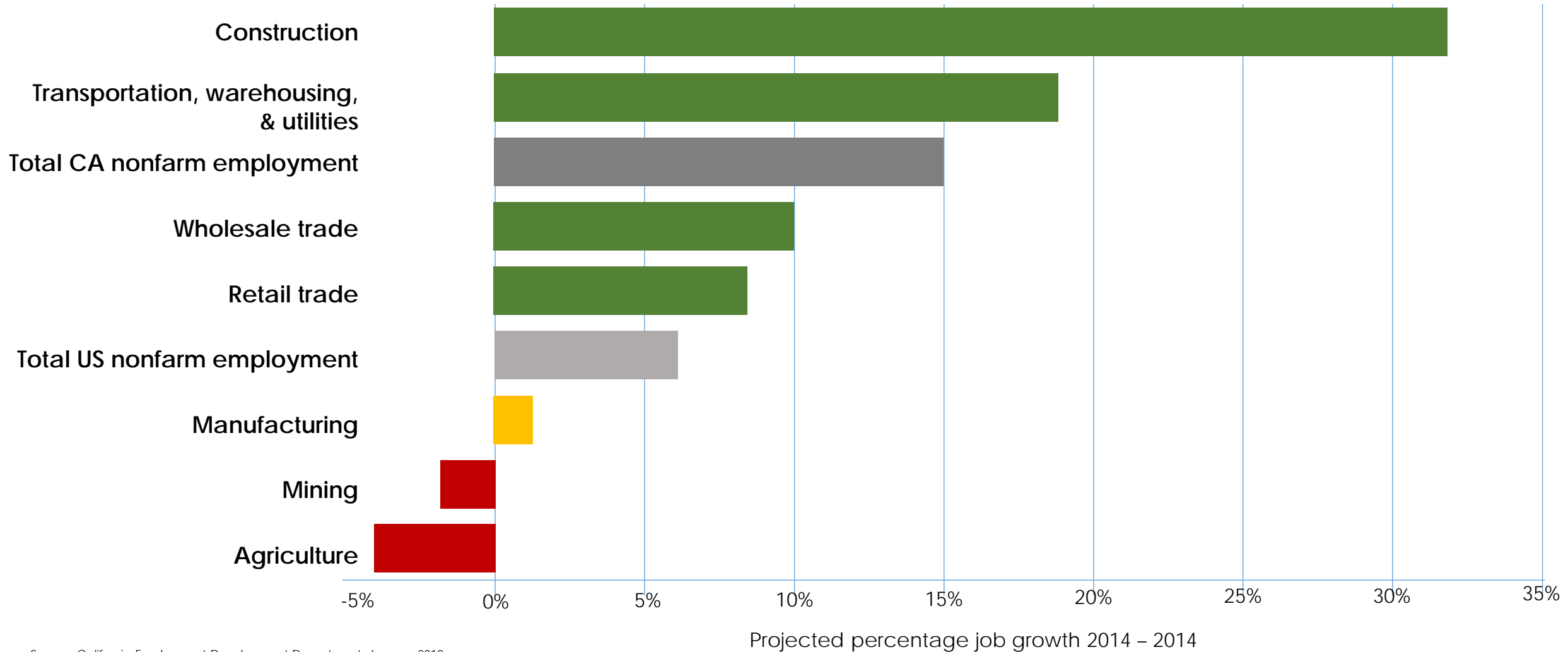
# Past Competitiveness of Goods Movement Sectors

## Competitive Effect from 2008 to 2016 in the San Joaquin County



# Projected Employment Growth for Goods Movement

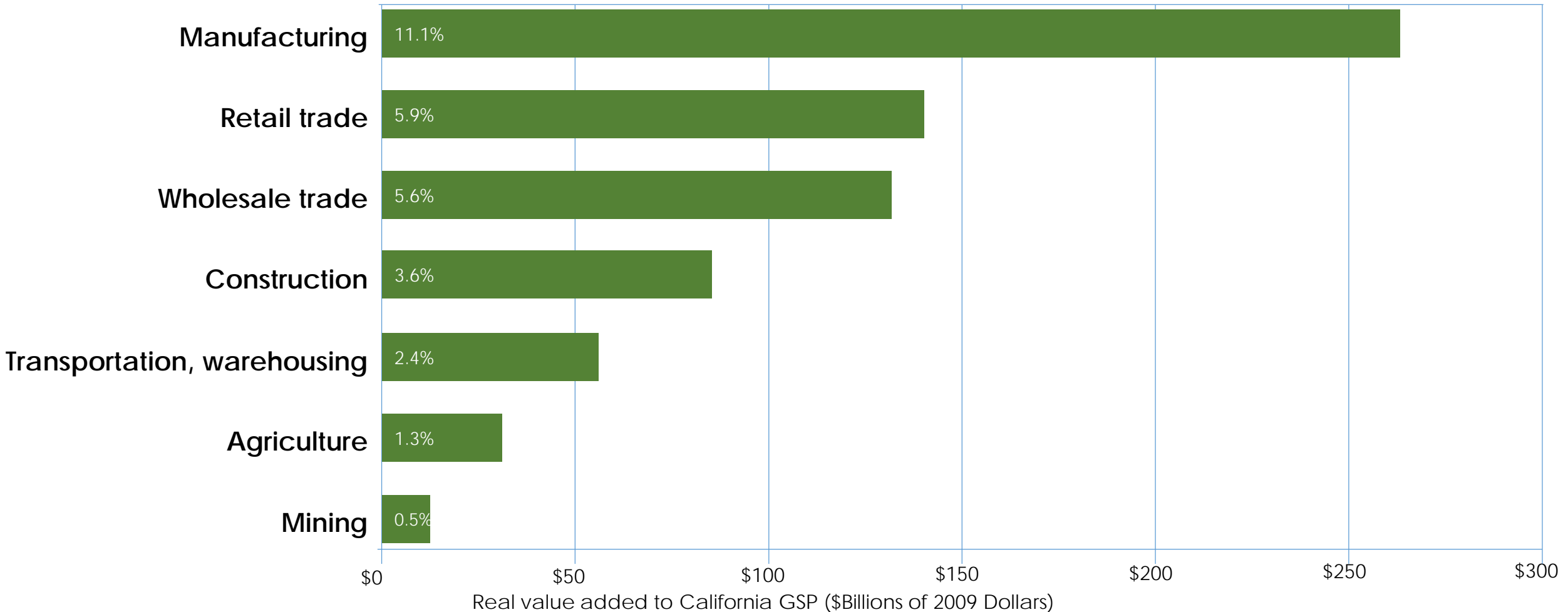
## Megaregion Freight Dependent Industries Projected Job Growth (2014 to 2024)



Source: California Employment Development Department, January 2018

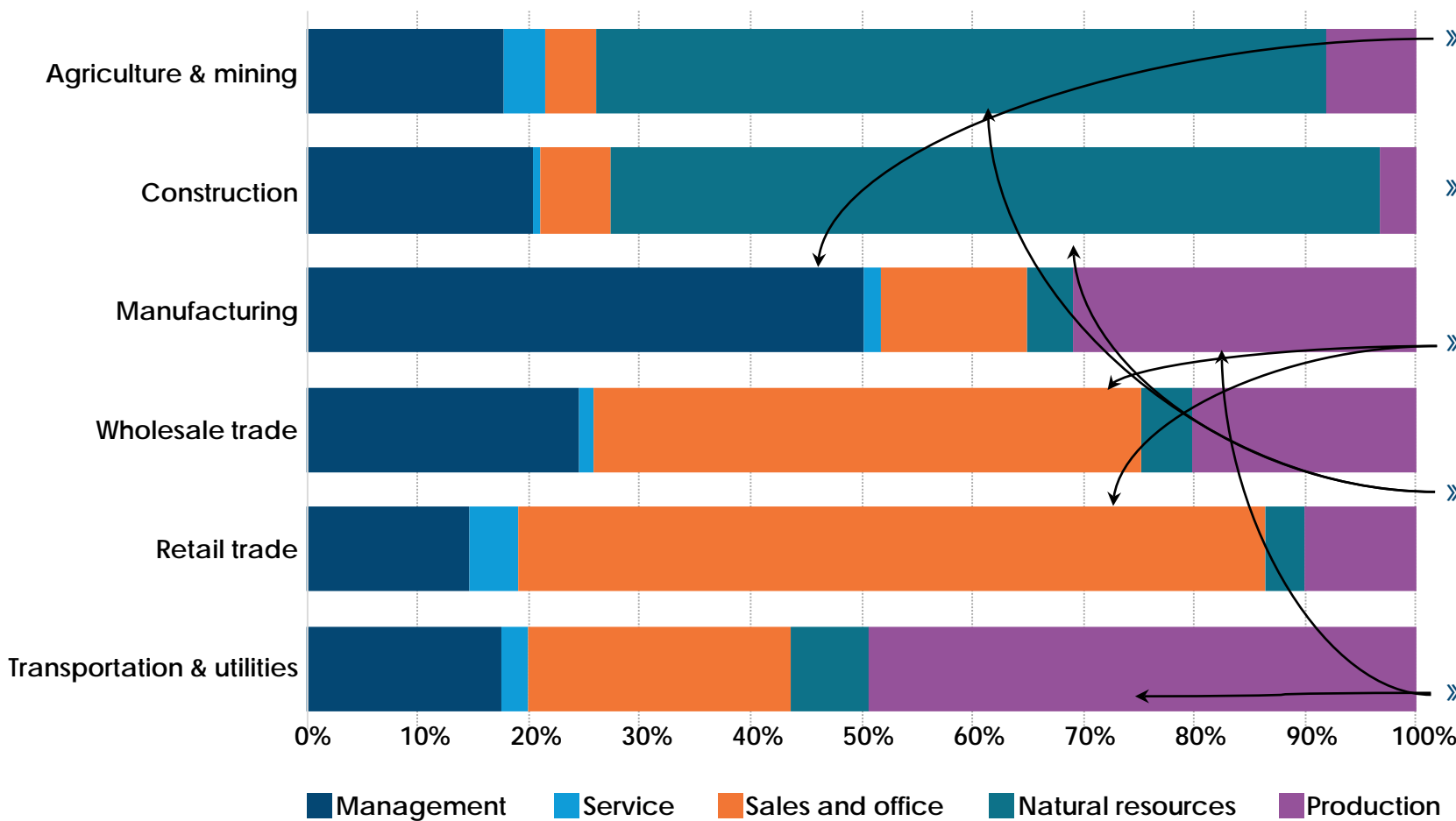
# Freight Dependent Industries Value Added to State GSP

## In 2017, Billions of 2009 Dollars and Percent of California GSP



# Current Goods Movement Workforce Profiles

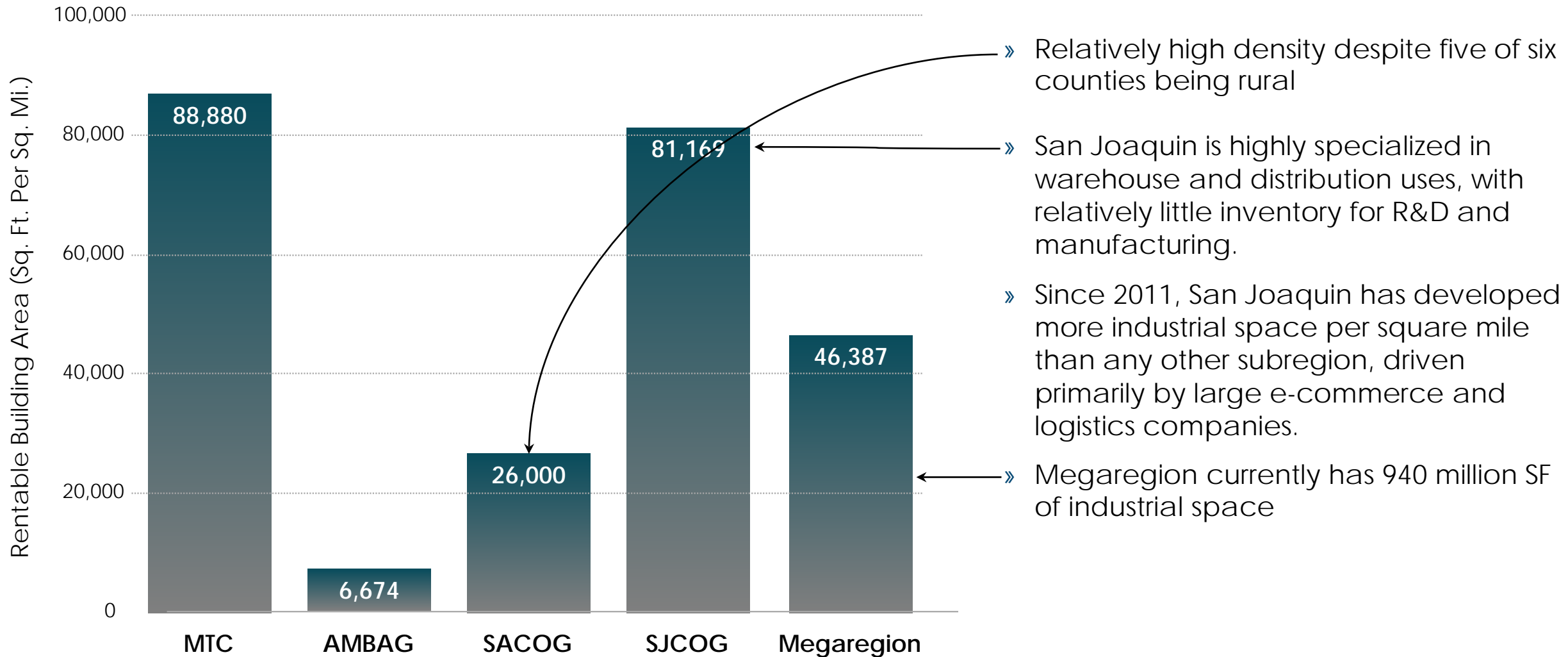
## Megaregion Employment by Occupation by Industry (2017)



- » Management employment is highest in the manufacturing at half of all employees.
- » Service occupations make up very modest shares of all goods movement industry employment.
- » Sales and office occupations are the majority of retail trade and wholesale trade employment.
- » Natural resources, construction, & maintenance occupations are the majority of employment in agriculture & mining and construction.
- » Production occupations are more prevalent in transportation & utilities and manufacturing.

# Current Industrial Land Use Density

## Total Industrial Inventory in the Megaregion per Square Mile, 2018



# Megaregion Goods Movement Investment Strategies

## Three Criteria for Supporting Strong Narratives

### » **Megaregional Coordination:**

- Designate interregional corridors and supply chains;
- Include supportive policies & regulations; and
- Identify unintended consequences and conflicts in adjacent regions.

### » **Funding Competitiveness:**

- Collaborate on FHWA and State discretionary funding grants for goods movement (e.g., BUILD, INFRA and TCEP);
- Leverage matching funds from county sales tax and private sector partnerships; and
- Bundle investments to improve project performance and demonstrate compelling narratives that demonstrate improved equity and climate resilience.

### » **Climate Resilience:**

- Build broader public support where local advocate oppose goods movement investments.
- Expand the scope of goods movement beyond economic development combining projects of different types and across regional boundaries to reduce carbon emissions.

# Megaregion Goods Movement Investment Strategies

## Bundle #1: Sustain and Grow Tradable Industry Output

- » Expands economic output of the Megaregion's economy by supporting freight-intensive "tradeable" industry sector.
- » While local consumption is vital to the Megaregion's economic health and quality of life, it does not generate income from outside the region.
- » Tradable sector activities bring new money into the Megaregion, where it is spent in the local economy, supporting more jobs and higher incomes than goods both produced and consumed locally.

### *Projects that support tradable goods production and shipment include:*

- *Improving the Megaregion's rail connectivity to the rest of the nation;*
- *Reliability and capacity;*
- *Increasing port capacity;*
- *Easing intermodal bottlenecks; and*
- *Supply chain congestion between regions including first-to-last mile connectivity between producers, distributors, and ports.*



# Megaregion Goods Movement Investment Strategies

## Bundle #2: Workforce Accessibility and Economic Mobility

- » Goal to provide the less educated and skilled workers with livable wage jobs in freight-intensive industries.
- » Investments to help the industry sustain and grow, and ensure their access to qualified and available workers.
- » This bundle requires two components:
  - Infrastructure investments that will retain and attract businesses that provide these jobs; and
  - Policies, programs, and regulations needed to help workers live closer to these jobs, acquire and sustain the necessary skills, and access social services which support their full-time availability .

# Megaregion Goods Movement Investment Strategies

## Bundle #3: Value-Added Food Production and Distribution

- » Goal to ensure our food supply remains healthy and diverse, more resilient to disruptions, more accessible and affordable to all households, and capable of providing living wage employment to low-income households.
- » Sector captures many industry activities, beginning with crop production, processing and manufacturing, distribution, retail sale and consumption (i.e., drinking and dining), and export to domestic and international markets.

# Next Steps

- » **Organizing Stakeholders.** Sustain Megaregion Goods Movement Task Force to persuade regional and local policymakers to provide matching funds for targeted investments, and lead well-coordinated applications for state and federal discretionary funding.
- » **Matching Funds and Establishing Public Private Partnerships.** Leverage project funding included in each region's Regional Transportation Plan (RTP) and CFMP, and include some additional projects from private industry and advocacy organizations.
- » **Preparing Grant Applications.** Bundling multiple projects in federal discretionary funding applications (e.g., INFRA, TCEP and BUILD) demonstrates a collective strategy that benefits a larger region and the nation as a whole.