



November 7, 2007

Mr. James Ghielmetti, Chairman
California Transportation Commission
1120 N Street
Sacramento, CA 95814

Mr. Dale E. Bonner, Secretary
Business, Transportation & Housing Agency
State of California
980 9th Street, Suite 2450
Sacramento, CA 95814

Chair Ghielmetti and Secretary Bonner:

As you move toward decisions on the guidelines and eligibility criteria for the Trade Corridors Improvement Fund, the Oakland Metropolitan Chamber of Commerce wants to voice our support for certain principles that should be factored into the framework for this program. As you know, goods movement in California is booming. If our state does not respond to the need to accommodate anticipated trade growth, the economic activity associated with such growth will go elsewhere and California will have missed a golden opportunity.

In Northern California, the Metropolitan Transportation Commission (MTC), San Joaquin Council of Governments (SJCOG), Sacramento Area Council of Governments (SACOG), and Stanislaus Council of Governments (StanCOG), the Port of Oakland and a number of business organizations have worked together to develop a Northern California Trade Corridors strategy. We strongly support this interregional effort that acknowledges what our members have long been telling us: economic ties stretch well beyond traditional transportation agency borders. This corridor-based planning that identifies key synergies of how a program of projects works together to improve goods movement should be encouraged.

In working collaboratively across regional boundaries, the agencies have identified the two primary trade corridors serving Northern California and the entire state, in addition to linking our West Coast to national and international markets. They have developed consensus around a comprehensive program of rail and highway projects along the corridors designed to meet current and future requirements to move both people and goods throughout the state and the nation quickly, reliably and safely, with less highway congestion and pollution.

Fundamentally, the State needs to balance investments in a way that addresses the diverse range of freight needs. Clearly, the \$2 billion TCIF program is insufficient to address the multitude of goods movement needs across the state. California's trade demand has various facets, and each region plays a unique role in the state's goods movement network. We believe that each region's role in the state's goods movement system—both current and future—should be considered in order to encourage investments that highlight and strengthen each region's contribution to the state's overall trade system. Criteria adopted by the California Transportation Commission should be structured to encourage investments that highlight and strengthen each region's role

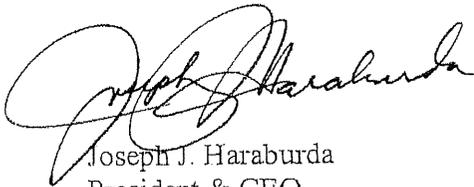
within the goods movement system. This is the Trade Corridors portion of the Infrastructure Bond, and the emphasis should be on the benefits provided to key trade corridors, such as increased throughput, velocity and reliability, as identified the Proposition 1B Bond Act.

In Northern California, the Port of Oakland serves as a major anchor of goods movement activity, supporting the regional population, Northern California businesses and the critical agricultural community. The Port of Oakland is the fourth largest container port in the country, handling almost 2.4 million TEU in 2006. Unique among California ports, container volume at Oakland is split almost evenly between import and export movements. Oakland is the primary California gateway for Central Valley agricultural exports and for both import and export goods coming into distribution centers and warehouses located in the northern San Joaquin Valley. Maritime activity at the Port generates over 28,500 jobs, \$3.7 billion annually for the regional economy, and over \$200 million in local and state tax revenue. Steady annual growth for the Port in the 4%-5% range is projected over the next several years. However, to meet these projections, the Port of Oakland must improve its rail access.

There are key bottlenecks serving Northern California that, if improved, can open up significant capacity and result in major system-wide benefits rather than simply shifting bottlenecks around the state. Targeted, strategic investments in rail and highway infrastructure providing access to the Port of Oakland, and networking with other ports serving Northern California trade corridors can provide a balanced, multi-modal approach to goods movement.

We are very proud to have been part of the coalition that worked tirelessly to secure passage of that pivotal piece of legislation. Let's make sure that the TCIF investments truly serve the interests of the entire state.

Sincerely,

A handwritten signature in black ink, appearing to read "Joseph J. Haraburda". The signature is fluid and cursive, with a large initial "J" and "H".

Joseph J. Haraburda
President & CEO