

# How do you spend trillions of dollars? What President Biden's infrastructure bills will mean to Bay Area communities

A deadly rail crossing. A highway that could be underwater in the next 20 years. Reservoirs that could run dry as soon as next year. Child care classrooms that sit empty even as parents wait agonizingly for a spot for their kids. The bipartisan infrastructure bill Biden recently signed and another piece of House-passed legislation could send huge amounts of money to address critical Bay Area needs. Here are some ways those large sums might translate for local communities.

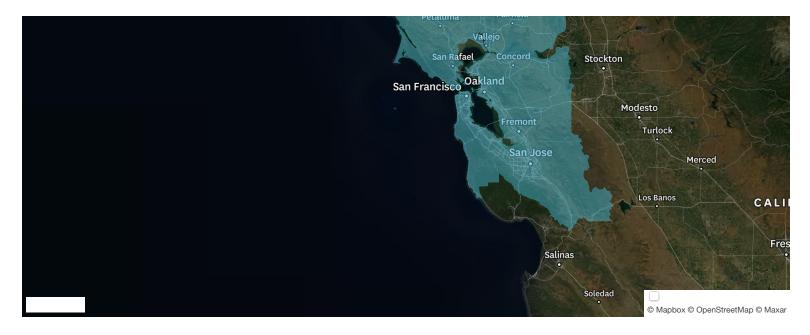


Fifth & Mission How Would You Spend a Trillion Dollars? That's the question Bay Area communities are answering as money is distributed from the bipartisan infrastructure bill a...



BY TAL KOPAN | DEC. 10, 2021 | UPDATED: DEC. 10, 2021 9:01 PM





The expansive bills will probably offer lifelines to several longsought construction projects in the Bay Area, as well as support residents' needs as diverse as housing, broadband connectivity, child care and elder care.

It will take years for the full impact of the bills, which stretch over five years, to be felt. And that's if the second bill becomes law at all — something Democrats remain bullish about but that depends on Senate passage. Some of the funds will be distributed through formulas that go directly to state and local governments, but other buckets will be doled out through yet-to-be-created grant programs distributed by federal, state and local agencies.

The Chronicle has identified several shovel-ready projects, unmet needs and efforts that are very likely to get a big boost from the bills. We've highlighted one effort for each of the nine Bay Area counties, all emblematic of improvements that could be financed across the region.



NOAH BERGER / SPECIAL TO THE CHRONICLE SAN FRANCISCO COUNTY

#### Golden Gate Bridge seismic retrofit

No piece of infrastructure in all of California is more iconic than the Golden Gate Bridge. But the architectural marvel needs some work.

The entity that oversees the bridge, the Golden Gate Bridge, Highway and Transportation District, has completed several construction and maintenance projects to help it withstand major earthquakes and other potential structural threats, but not the main span of the bridge. That remains vulnerable to "the mother of all earthquakes," said Denis Mulligan, the district's general manager. The most recent estimated cost of those necessary upgrades is more than \$650 million, Mulligan said, and that's expected to grow significantly when the skyrocketing price of steel is factored into an updated estimate.

The bridge does not get federal or state funds automatically because it is its own isolated district, so the bipartisan infrastructure bill is a rare lifeline.

In addition to increasing federal funds to California for roads and bridges, the bill includes \$12.5 billion for a Bridge Investment Program for economically significant bridges and almost \$16 billion for major projects with substantial economic benefits to communities — both of which the Golden Gate Bridge will be looking to make applications for.

"The Golden Gate Bridge is over 80 years old and, kind of like that old 1967 Mustang, needs a lot of work but you have to keep it because it's just priceless," Mulligan said. "This (bill) is just huge, it's exciting and it's great to see American invest in infrastructure again in a big way. ... The bridge is a symbol of our community, and it needs an investment, and it's great that Congress put in place the opportunity to do this."



BRONTË WITTPENN / THE CHRONICLE ALAMEDA COUNTY

### Housing

From the encampments that dot neighborhoods to the astronomical costs of even modest homes, the housing crisis is one of the Bay Area's <u>most urgent problems</u>. Oakland alone had more than 4,000 homeless people in the city's last count, in 2019. That was a 47% spike from 2017, the biggest such increase in the region.

The House-passed Build Back Better bill would put \$150 billion toward housing, to create new homes, increase access to them and to refurbish or improve existing ones. But housing advocates in the Bay Area are particularly excited about a technical change the bill would make to financing programs. Currently, there is a category of tax-exempt bonds that are key to securing financing for affordable housing projects. But they require that 50% of the project is funded with the bonds. That has limited California's ability to spread the set amount of bonds around to all the projects that need it.

In September, Gov. Gavin Newsom wrote a letter to Congress identifying the issue as "the number one bottleneck to financing more affordable housing in California," according to a copy shared by the group MidPen, a nonprofit that develops and manages affordable housing. Newsom wrote that lowering the threshold would "create or preserve at least 170,000 additional affordable homes in California over the next 10 years."

The bill would halve that requirement to 25%, doubling the number of such bonds available.

One project likely to be financed if such a change is ultimately permitted is at 285 12th St. in Oakland's Chinatown, where the East Bay Asian Local Development Corporation hopes to turn a current parking lot into "deeply affordable" housing units for families, meaning options that can meet the needs of everyone from households that struggle to keep up with housing costs but are not eligible for assistance to those who are unhoused, said Capri Roth, director of real estate development for the community development nonprofit.

"In a place like Oakland, that has huge impact from the economic disparities happening across the Bay Area," Roth said. "The areas that we work in are areas where longtime residents are facing huge displacement pressures, homelessness has been increasing. ... You can't stem the tide fast enough."



BRONTË WITTPENN / THE CHRONICLE

#### MARIN COUNTY

#### Water

Amid a historic drought, water is never far from Bay Area residents' minds. Marin County is suffering from water shortages like its peers, but unlike other parts of the Bay Area has no backup ways to get water when it runs dry. Though the county gets 25% of its water from neighboring Sonoma, the drought is forcing cutbacks in that supply as well. Marin Water is pursuing an emergency project to build a pipeline over the Richmond-San Rafael Bridge to connect its water with East Bay Municipal Utility District, opening up more options for backup water supplies when reserves are low. Though October's significant rainfall at least bought the county time beyond the forecast of water depletion by summer 2022, the county is still hoping to finish the project by next fall in anticipation of further drought conditions.

The water district sees an emergency need, said Paul Sellier, Marin Water engineer and operations director.

"This is a project that would normally take five to 10 years to do, and we're trying to accomplish it in less than a year," Sellier said. Money from the bipartisan infrastructure bill could be a significant help to the project, which Sellier said is estimated to cost \$90 million, more than four times the water district's yearly capital budget of \$20 million. The bill has an entire section for Western water infrastructure, including \$1.15 billion for water storage and conveyance projects like the one Marin is undertaking. Bay Area water districts could use such money to expand reservoirs, as well. "It would be a massive help," said Sellier, adding that federal dollars could help defray or prevent rate increases for customers.

The bill also increases money to existing water funding sources run through federal agencies, and in some cases distributes directly to states and localities, providing billions for projects such as replacing lead pipes and improving wastewater systems.



PAUL KURODA / SPECIAL TO THE CHRONICLE SONOMA COUNTY

#### **SMART Rail**

For years, local officials have dreamed of extending the Sonoma Marin Area Rail Transit (SMART) system all the way out to Cloverdale, but have stalled well short. Construction began to extend service to Windsor, but has paused because of a lawsuit over the funding source. Even if that project is allowed to continue, the system will need millions more to build to its planned station in Healdsburg, a growing community in Wine Country that <u>has seen increasing tourism</u> and interest. The bipartisan infrastructure bill includes a huge investment in transit, money that could help SMART and other Bay Area transit agencies complete these long-sought capital improvements and expansions. Those funds are both increases to formula dollars the state gets automatically, projected by the White House to total almost \$9.5 billion for California over five years, and new and increased grants for a variety of capital improvements that transit would be eligible for.

Getting SMART trains the 5 miles from Windsor to Healdsburg would cost \$118 million, including a key bridge over the Russian River that needs to be overhauled to be able to carry the rail lines, said SMART Chief Financial Officer Heather McKillop. Continuing the remaining 16.8 miles to Cloverdale would cost an additional \$170 million.

The infrastructure bill represents an unprecedented opportunity to get those projects funded with federal money to supplement local dollars, McKillop said. One of the most novel aspects of the bill, she added, is the significant increase in funds for a variety of priorities all at once. SMART has been laying fiber lines during its expansion to help broadband access, for example, and the infrastructure bill also has significant funds for such efforts. McKillop also noted if the House-passed Build Back Better bill becomes law, the money for affordable housing would go hand in hand with transit, as the two are critically linked in the Bay Area. "This is a pretty historic bill in terms of funding dollar-wise and addressing some of the issues that so many in the Bay Area are so attuned to, like air quality, like housing, and transit plays a big role in all those things," McKillop said. "I think there's a big emphasis on linking all that in the federal bill, and in my 30-year career I haven't seen something like that."

In addition to SMART, other long-delayed Bay Area transit projects that could get major windfalls include increasing the capacity of the Transbay Tube, extending BART to Silicon Valley, and electrification and greening of transit fleets.

There is one catch: Much of the state's transportation funding from the federal government is currently held up in a dispute with the Labor Department, but California officials at every level are working to resolve the issue.



PAUL KURODA / SPECIAL TO THE CHRONICLE 2020

NAPA COUNTY

# Power grid hardening

No conversation about climate change and fires in the Bay Area is complete without addressing the power grid. Power lines managed by PG&E have sparked several recent conflagrations, and power shut-offs during risky weather have repeatedly burdened communities in Napa County, including the small tourist town of Calistoga in Wine Country. As a short-term fix, much, though not all, of Calistoga now has a backup diesel-based generator for outages, Mayor Chris Canning said. Since Calistoga was the first town to experience a public safety power shutoff three years ago, residents have suffered through dozens of days of no power and two firerelated evacuations, the first in the city's nearly 150-year history. When the power goes out, sometimes for days at a time, residents' food spoils, some can't pump water from underground wells, hourly workers lose pay and the city loses millions of dollars in tourism revenue.

For communities like these that face either disruptive shutoffs or the very real threat of damaging fires, the only long-term solution is to bury the lines underground or update and harden the grid. "We wouldn't need to harden or underground if this climate change thing would just stop, but that doesn't seem likely any time soon," Canning said wryly.

The bipartisan infrastructure bill includes \$5 billion over five years specifically for making power grids more resilient to extreme weather and to underground power lines, and PG&E says it intends to go after some of that funding.

"The bill's appropriation of \$5 billion through 2026 for extreme weather-related grid resilience improvements can be used to reduce customer costs for investments around undergrounding, grid hardening, microgrid implementation, fuel reduction and other critical wildfire mitigation measures," said spokesperson James Noonan.

Still, the utility company has a goal of undergrounding 10,000 miles of lines and estimates doing so will cost at least \$15 to \$20 billion, three to four times the amount in the bill.



CARLOS AVILA GONZALEZ / THE CHRONICLE

### SOLANO COUNTY

### Highway 37

While wildfires and drought tend to generate the most apocalyptic headlines, the Bay Area faces another existential climate change threat: sea level rise. That danger is as pressing as anywhere <u>along Highway</u> 37, a scenic route along the San Pablo Bay from Sonoma to Solano counties that faces dire flooding risks. According to <u>some analyses</u>, some of the route could be underwater for much of the year by 2100. One proposal to address the issue would elevate the roadway while restoring adjacent wetlands, but it would cost \$4 billion.

The bipartisan infrastructure bill could be a lifeline for the governments and agencies working on efforts to make Highway 37 more resilient to flooding and rising waters, with billions of dollars for climate resilience and transportation projects that might contribute funds. The bill also gives a new emphasis on "natural infrastructure" to federal funding programs, opening up groundbreaking new ways to fund projects like wetlands restoration that can help with climate resilience. "For the very first time, the federal government is recognizing both in policy and in funding the existence and importance of what we in the conservation world call natural infrastructure," said Eamon O'Byrne, executive director of the Sonoma Land Trust, which works on conservation in the region, including on Highway 37. "In the past, it's tended to be only about gray infrastructure — the things we build."

O'Byrne said there is "tremendous consensus" among the key players that any long-term solution for Highway 37 will include natural conservation strategies, including with the wetlands. The same concept applies to numerous parts of the Bay Area facing similar sea evel rise threats, including Highway 101and even runways at the region's major airports.

"We need to maintain what we call natural infrastructure, things like wetlands, forest health, wildlife corridors, in order to protect the health and safety of our communities," O'Byrne said.



COURTESY EAST BAY REGIONAL PARK DISTRICT

### **Fire resilience**

Wildfires are one of the greatest existential threats to the Bay Area. Throw in the effects of climate change and a crippling drought this year, and the threat is even worse.

The bipartisan infrastructure bill that was signed into law last month directs tens of billions of dollars toward climate resilience, with special attention to wildfires as one of the most pressing extreme weather events of concern. Among billions for the Department of Interior and U.S. Forest Service to do wildfire prevention on federal land, there is also a new \$500 million grant program for community wildfire defense and changes to existing emergency and disaster relief programs to make wildfire mitigation eligible for money. The need for such funds is great in the Bay Area. The East Bay Regional Park District, which manages parks that border homes and communities in Alameda and Contra Costa counties, has a model program to reduce hazardous fuels on their land, put in place after the tragic Oakland hills firestorm.

But on top of its existing work, crews noticed a particularly worrisome number of dead trees. In consultation with academics and state experts, they've identified a mass die-off of trees in the parks as a result of stress from drought, climate change and a proliferation of non-native species. Now they estimate they need to remove more than 1 million trees on their land, at a cost of \$20 million to \$30 million in one park alone. One area of the die-off, located between Mt. Diablo and communities in Oakland and Berkeley, is particularly concerning to Fire Chief Aileen Theile. A fire paired with Diablo winds could be catastrophic if the trees are not removed, Theile said. "I think that people are starting to understand that we cannot continue to unmanage our lands," Theile said. "You have to create your own defensible space, whether you're a homeowner or a park district."

She called the infrastructure bill's recognition of the importance of prevention "incredibly encouraging."

"The fact that we've got leaders in our nation now that are back to trusting science and the world of academia to give us the information that we need to really inform the choices that we're making is huge," Theile said. "This infrastructure bill is going to come from the federal government directly to a small little park district that's making a big difference – you can't get much better than that."



LEA SUZUKI / THE CHRONICLE

## Child care

Despite Silicon Valley's association with wealth, much of the region is working class and living in poverty. One of the ways those inequities manifest is in child care: While Cupertino and Sunnyvale, for example, have an abundance of child care options, downtown and eastern San Jose do not. In fact, 80% of families in those areas live in a child care desert, according to Center for American Progress data <u>analyzed by Child Care</u> Providers United, an advocacy group.

But despite the profound need and a long waitlist, SJB Child Development Centers, which operates 16 child care centers for kids up to age 12 in Santa Clara County, has empty classrooms going unused. The reason? A significant staffing shortage.

"There need to be teachers to care for these children. Without the teachers, there is no child care," said Kelly Mercurio, CEO of the centers. "Finding qualified and quality child care providers in the Bay Area has always been a struggle, just because of the cost of living and the salaries we're able to pay ... But now, it's much more difficult."

SJB Child Development Centers specifically cater to lowincome and at-risk families, using state and federal funding to offer heavily subsidized child care and a host of other wellness services to needy families. But Mercurio said it's hard for a nonprofit to offer salaries that keep teachers in the field, especially when they can make more money in jobs like fast food restaurants. The House-passed Build Back Better infrastructure bill would try to tackle the child care crisis in multiple ways, both by heavily subsidizing families' costs and by pumping money toward the industry to raise wages and improve the child care workforce. In addition, Head Start program facilities like SJB would get \$2.5 billion to help pay for staffing.

"It's going to be a game-changer, especially coming out of the pandemic," said Mary Ignatius, statewide organizer for the child care advocacy group Parent Voices. "It's the threelegged stool – affordability, accessibility and quality. You could give us 100,000 subsidies, but if that parent can't walk out the door and use that subsidy at a program because they can't take you, they're full, or they can't hire enough staff to open up another classroom, then you don't have a lot of options."



CARLOS AVILA GONZALEZ / THE CHRONICLE

# SAN MATEO COUNTY

# California's worst rail crossing

The intersection of Caltrain and Broadway in Burlingame has the ignominious distinction of being the street-level train crossing most in need of fixing in the state, based on a calculation that factors in number of accidents, disruptions to local traffic and other overall safety concerns. But that almost certainly won't happen without money from the bipartisan infrastructure bill. The busy crossing serves demand from trains, vehicles, pedestrians and cyclists, a hectic mix that has resulted in 11 car-train collisions in the past five years, a number of near misses and some fatal accidents. It has also caused considerable traffic backups: The crossing gate is currently down about an hour per day, and the city estimates that will rise to nearly three hours per day by 2040. The California Public Utilities Commission has rated it the No. 1 priority for rail crossings to be separated from roads in the state, by a significant margin.

Caltrain and the city of Burlingame have designed a project that would elevate the commuter rail tracks over the road, clearing a safe passage for both the trains and the vehicles and pedestrians below. But it needs \$150 million to \$200 million from the federal government to supplement money from the state and local levels, said Emily Beach, a Burlingame Council member and chairperson of the San Mateo County Transportation Authority. The bipartisan infrastructure bill makes several pots of money available for railway grade separation projects, including \$3 billion over five years for a Railroad Crossing Elimination Program, and \$10 billion over five years to create a National Infrastructure Project Assistance Program that will make such projects eligible for grants. The bill also increases funding for existing grant programs that could benefit the Burlingame project and other similar ones.

"This is just a wonderful opportunity for the country," Beach said, noting that increasing Caltrain service is a key goal for the Bay Area, but such grade-separation projects will be key. "We need more commuter trains, that's the key to our sustainable futures but we can't forget the local communities along the way and the safety impacts that it brings."



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#### CREDITS

REPORTING Tal Kopan • <u>tal.kopan@sfchronicle.com</u> • **@talkopan** 

> EDITING Sara Libby • <u>sara.libby@sfchronicle.com</u>

COPY EDITING Warren Pederson • <u>wpederson@sfchronicle.com</u>

DESIGN

Alex K. Fong • <u>alex.fong@sfchronicle.com</u> • <u>@alexkfong</u>

VISUALS EDITING

 $\texttt{Emily Jan} \cdot \underline{\texttt{emily.jan} \texttt{@sfchronicle.com}} \cdot \underline{\texttt{@emilybjan}}$ 

Philip Pacheco · philip.pacheco@sfchronicle.com · @philippacheco

DEVELOPMENT Paula Friedrich • <u>paula.friedrich@sfchronicle.com</u> • <u>@paulieb</u>

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