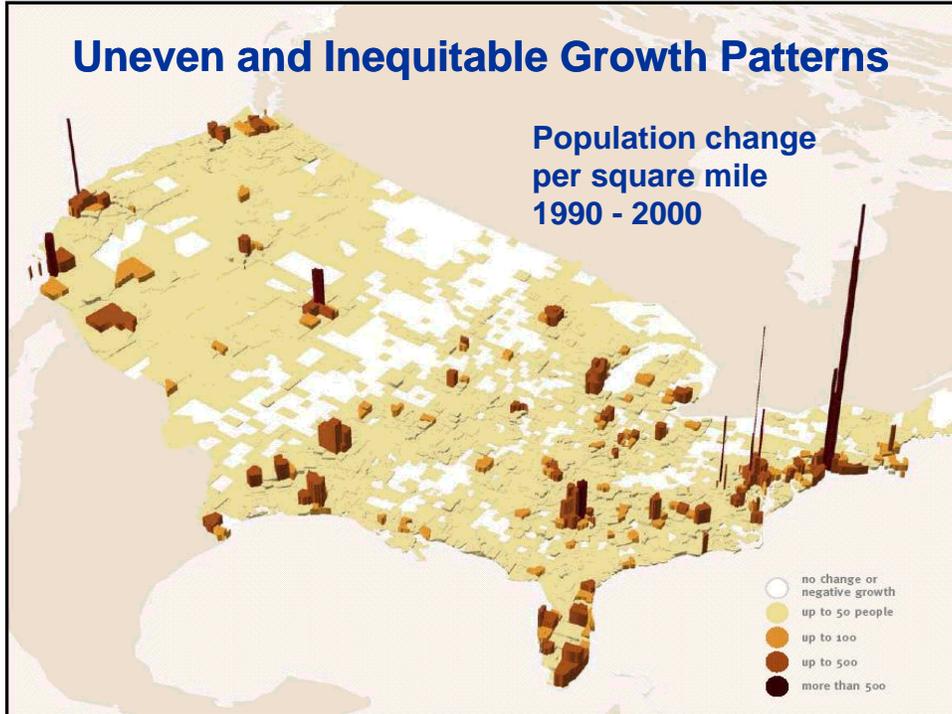
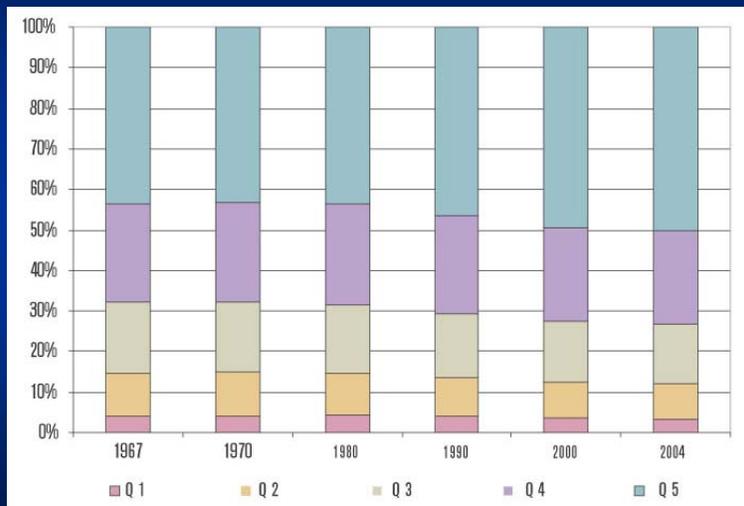


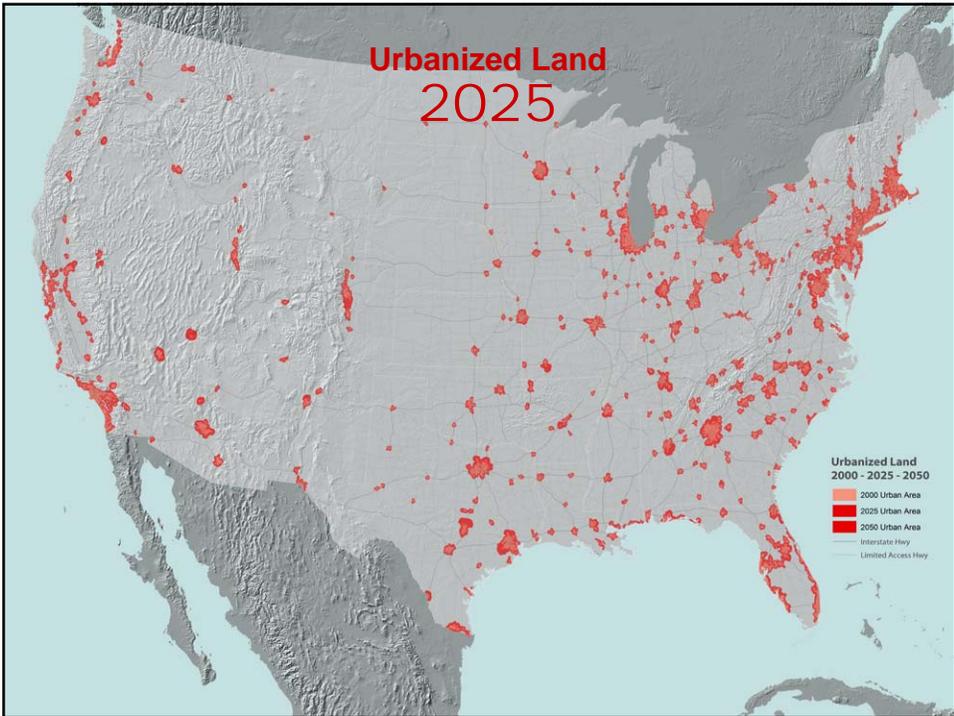
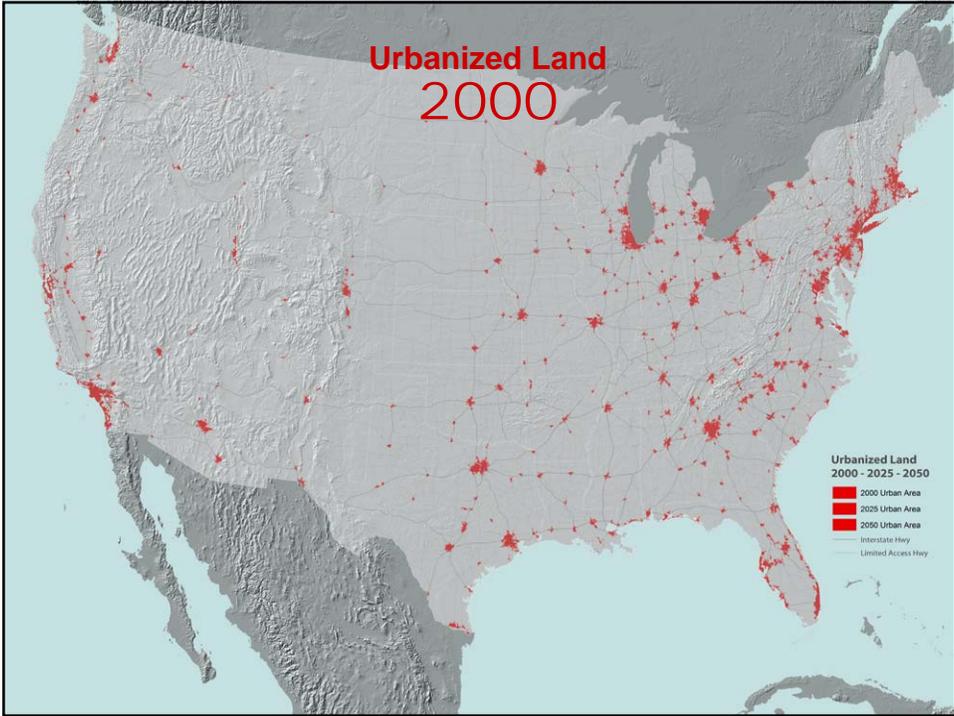
Uneven and Inequitable Growth Patterns

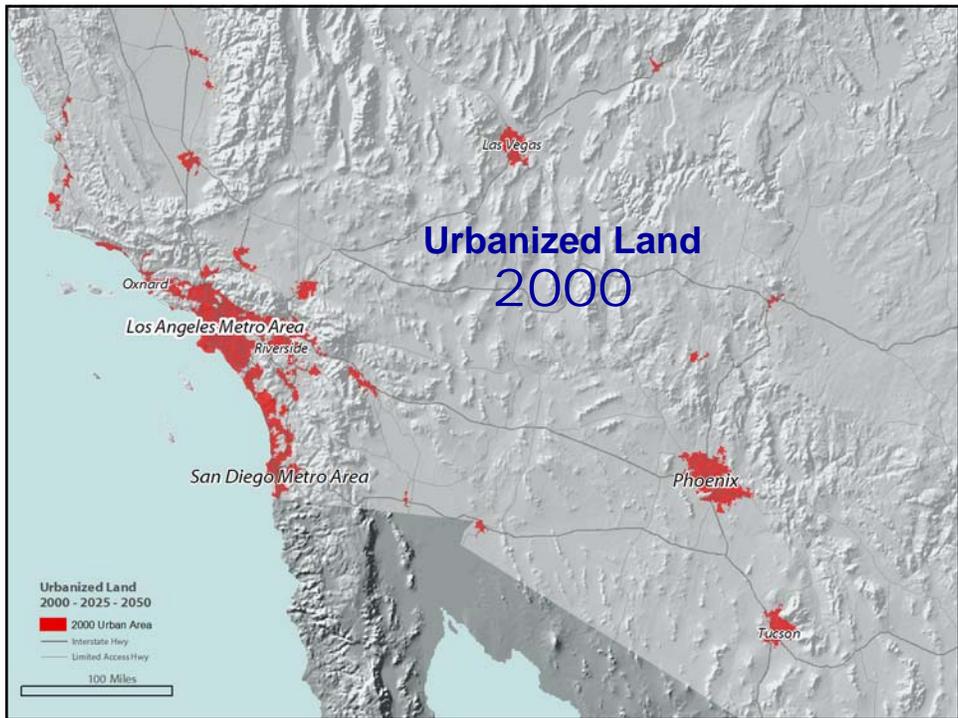
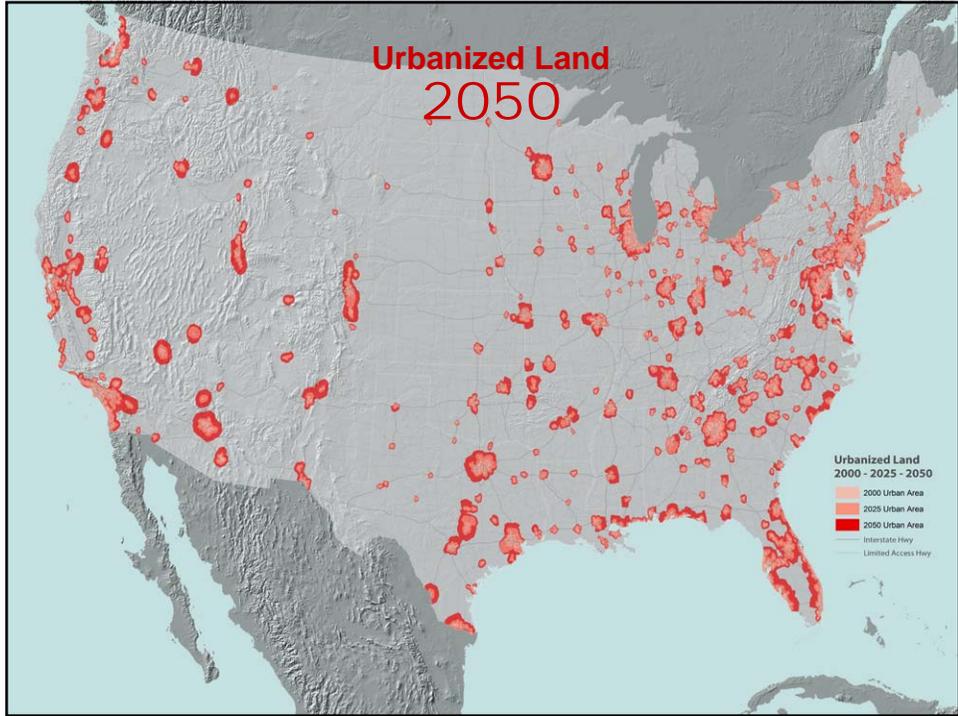


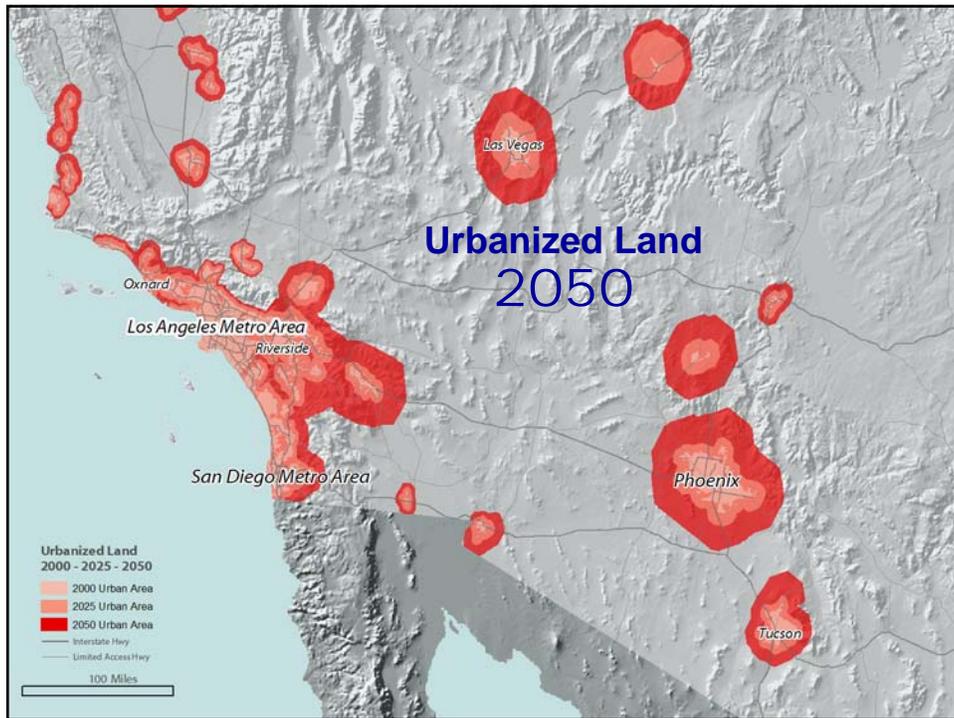
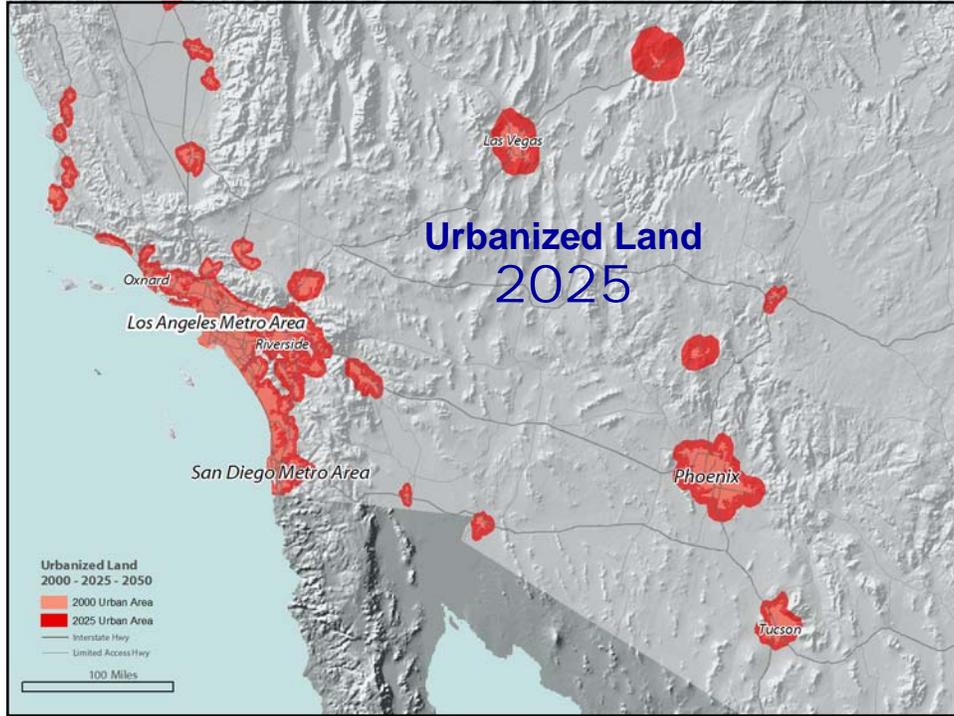
U.S. Household: Share of Aggregate Income by Income Quintile



Source: SCAG

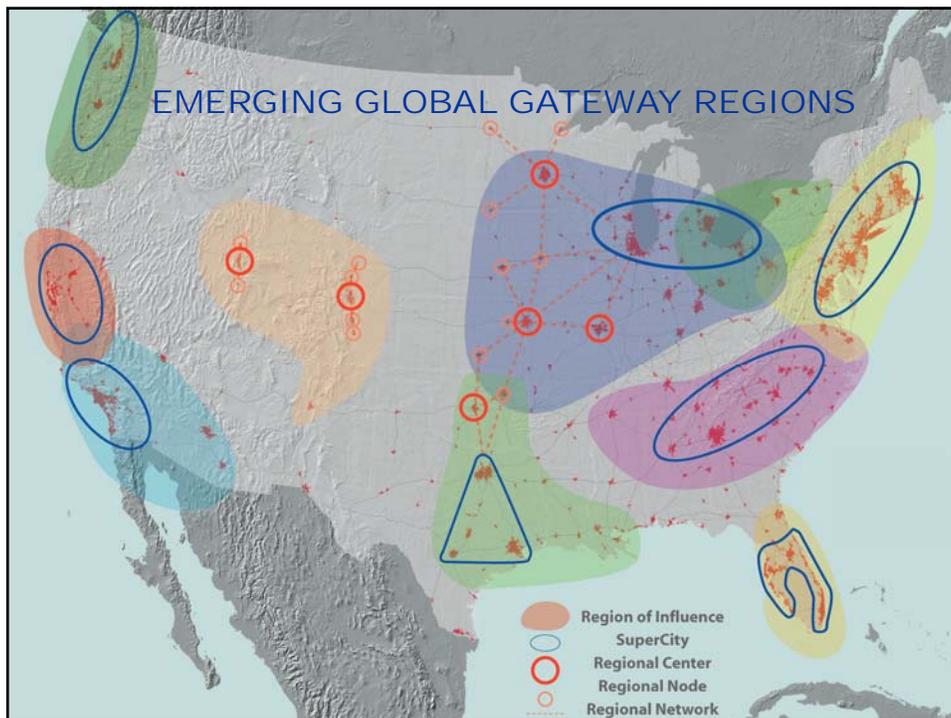






Translation

- U.S. population expected to grow by 430 million by 2050, a 40% increase over current levels
- This would require that we develop four times as much land as we have in the past 200 years



Global Gateway Regions

- Global Gateway Regions are extended networks of metropolitan centers linked by interstate highway and rail corridors.
- Between now and 2050, more than 2/3 of the nation's population growth, and as much as 2/3 of its economic growth, and 70% of the nation's investment will occur in emerging Global Gateway Regions.

Global Gateway Regions

- In Europe and Asia, Global Gateway Regions are the new competitive units in the global economy.
- Major public and private investments are being made in high-speed rail, broadband communications and other infrastructure to strengthen transportation and economic synergies.

Third Century Goals

GLOBAL COMPETITIVENESS

Investment in Infrastructure and Logistics
Investment in Human Capital

NATIONAL COHESION

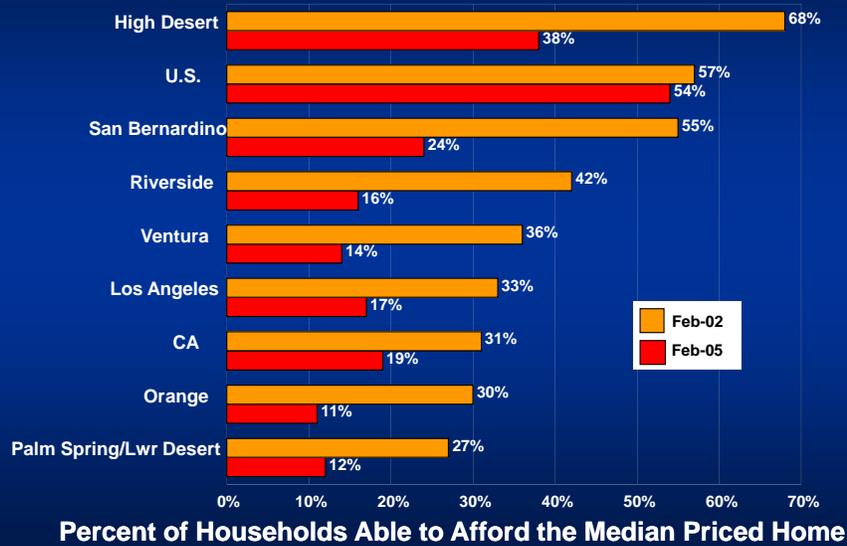
Policy-driven Funding Strategies
New Governance Model
Reconnecting Declining Regions

Home Prices Have Risen Sharply Across the State and Region



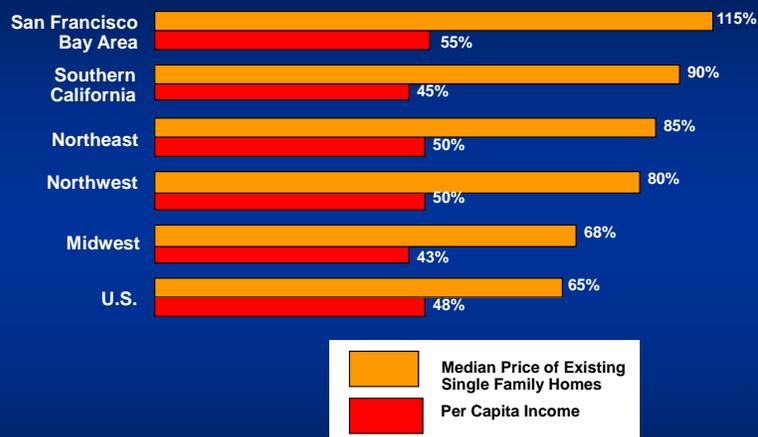
Source: National and California Assn. of Realtors, February, 2002 and 2005

Home Affordability Has Slipped Sharply, Especially in Comparison to the U.S.



Source: California Assn. of Realtors, February, 2002 and 2005

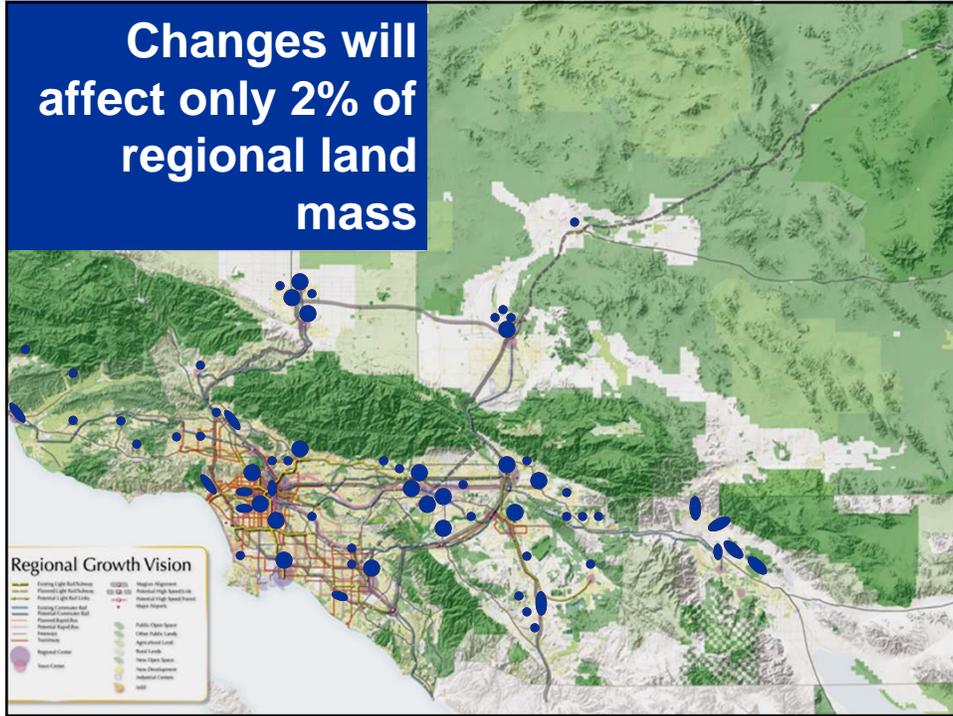
Median Home Price and Per Capita Income by Macropolitan Region



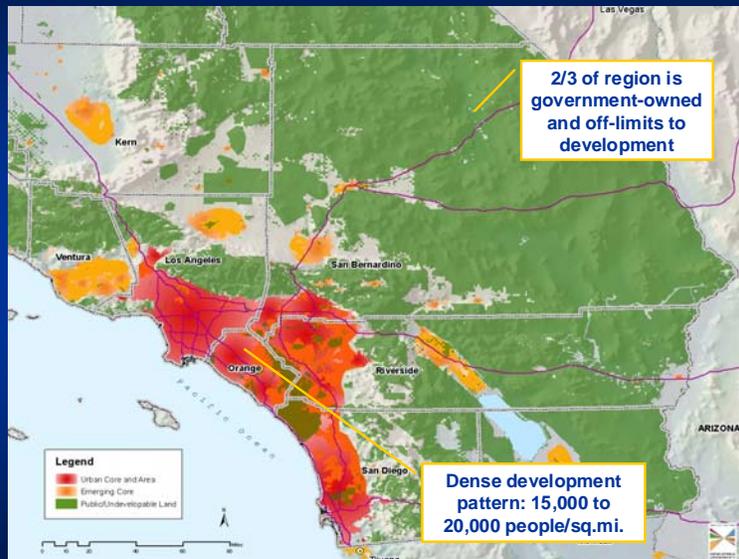
Percent change during 1993-2003 based on current dollars

Source: Estimates based on Statistical Abstract of the United States and U.S. Bureau of Economic Analysis

Changes will affect only 2% of regional land mass



Southern California Constraints



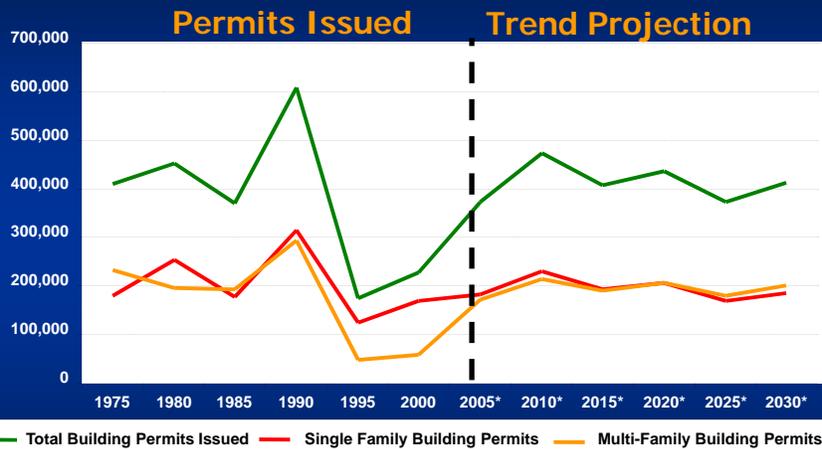
Compass 2% Strategy - Benefits

Housing

Production Increase	400,000 Units
Reduction in Cost	20-35% per unit

Energy (Reductions In)	Per Day in 2030	Share of RTP Benefits
Vehicle Miles Traveled	7,000,000 miles	54%
Vehicle Hours Traveled	340,000 hours	20%
Hours of Delay	180,000 hours	12%
Fuel Consumption	858,240 gallons	53%
Organic Gas Emissions	2 tons	70%
Increase in Transit Ridership	200,000 boardings	30%

Single Family and Multi-Family Housing Trends in Southern California



Sources: Construction Industry Research Board & SCAG RTP Trend Projection

What Will Make the Strategy Work?

- 1 Regional Vision Consensus
- 2 Coordinated Local Action
- 3 20-Year Land Supply for Planning
- 4 The Right Mix of Housing Product

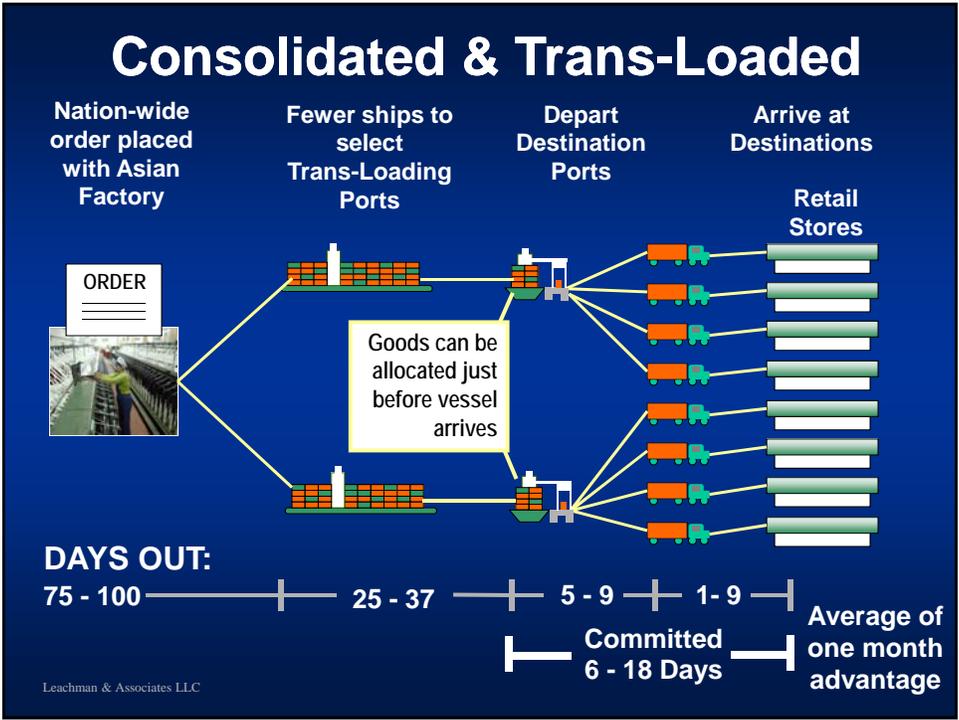
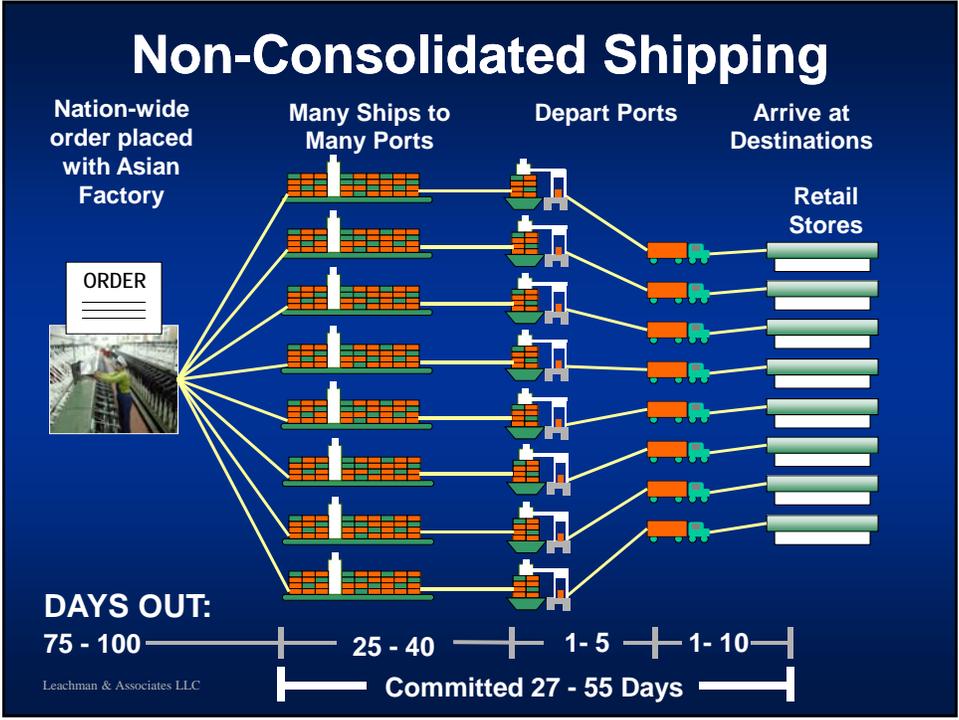
What Will Help Us Get There?



Just In Time Inventory Trend



**Consolidation &
Trans-Loading Produce
Both Cost and Time
Savings, Making
“Just-In-Time”
Strategies Achievable**



The Benefit to Shippers

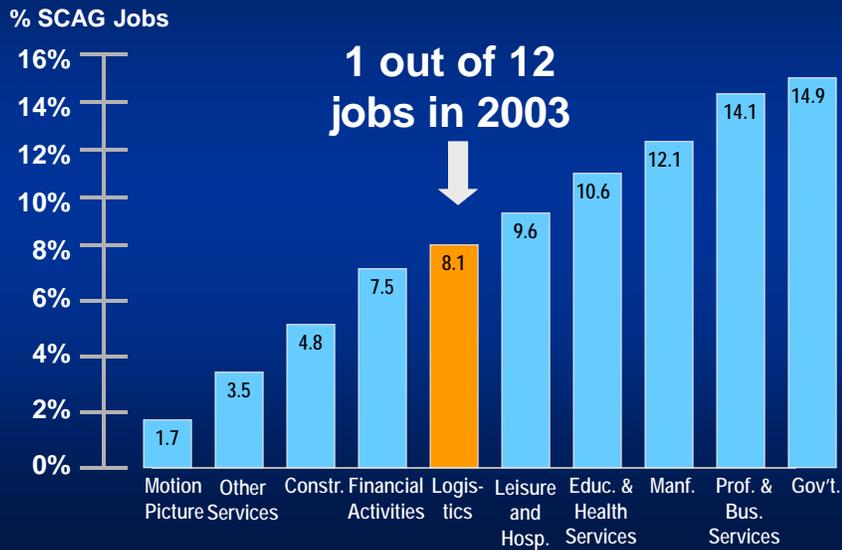
The trans-loading of weekly shipments from Asia affords large, nation-wide retailers an 18-20% reduction in their total pipeline plus safety stock inventory compared to direct shipping from Asia.

Assuming a 6% average error in nationwide one-week-ahead sales forecasts

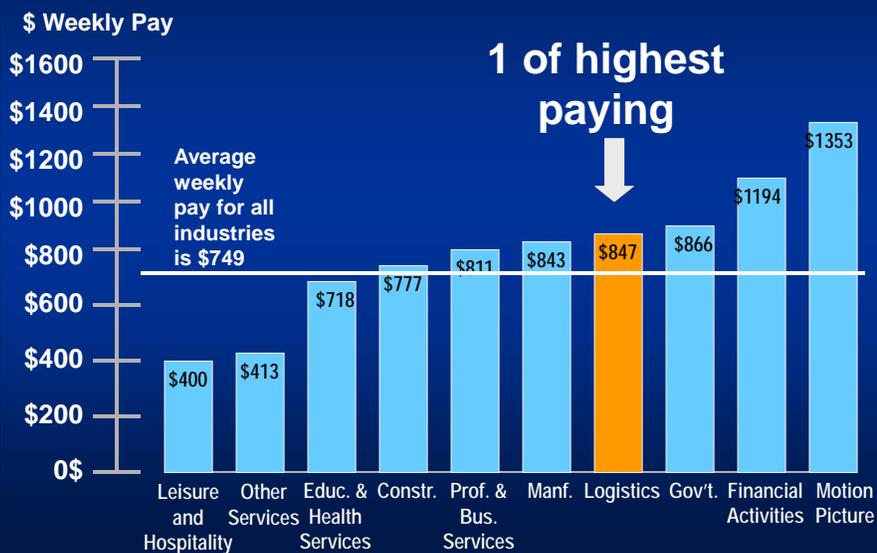
The Benefit to Global Gateways

The sustenance and growth of the Logistics Industry, an industry noteworthy for the good pay and upward mobility opportunities available to a growing blue collar labor force

Logistics Share of So-Cal Jobs



Compared to other Sectors



Governance And Financing Strategies

- 1 Support the Creation of Partnerships Between Metropolitan Areas**
- 2 Seek Federal Support to Provide Coordination and Incentives**
- 3 Create Public-Private Partnerships to Execute Strategic Investments in Infrastructure**

Mega Region Strategy Results

- 1 Growth of Logistics Industry Builds Middle Class**
- 2 Increase in Housing Stock**
- 3 Better Quality of Life for All**
- 4 Made Possible by New Finance Structures That Encourage Change**

