

# A Bold Plan for Sustainable California Communities: A Report on the Implementation of Senate Bill 375

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Move LA's mission is to build a broad constituency that will advocate for the development of a robust public transportation system in L.A. County and for prosperous and healthy neighborhoods around stations where people of all ages and incomes can live, work, and thrive.

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California State Association of Counties  
Housing California  
Sacramento Area Council of Governments

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# EXECUTIVE SUMMARY

Over the past year, Southern California, Sacramento, and San Diego have become the first three regions in America to adopt transportation plans specifically designed to reduce their greenhouse gas emissions. These regions are doing their part to implement California's landmark Sustainable Communities and Climate Protection Law (Senate Bill 375), passed in 2008. This report tells the story of how Southern California and Sacramento have tackled implementation of this new law, and provides a brief update on the San Diego plan, which other reports have discussed in greater detail.<sup>1</sup> In each region, the process of creating a long range transportation and land use plan to reduce greenhouse gas emissions to achieve a state assigned target brought unique challenges and successes. As intended by SB 375, each region created a tailored mix of land use decisions, transportation investments, and policies to achieve its target. These Sustainable Community Strategies (SCSs) lay the foundation for smarter, more efficient growth and healthier communities, each of them offering lessons for other regions to follow.

## SOUTHERN CALIFORNIA

The Southern California Association of Governments (SCAG) is the largest metropolitan planning organization in the country, representing more than 18 million people, close to 6 percent of the nation's population. In the midst of a recession, facing severe state funding cuts to transportation and redevelopment, as well as a depressed housing market, many members of SCAG initially greeted SB 375 with

skepticism. Through the efforts of SB 375's proponents and the leadership of staff and board members, SCAG came to recognize that good regional planning could benefit not only the environment and public health, but also the economy, lowering costs for households and local governments. This consensus gave way to the unanimous adoption of a \$524 billion plan in April 2012, which has been hailed in the *Los Angeles Times* as "a model of sustainability."<sup>2</sup>

### Key Features of the Southern California Association of Governments' Sustainable Communities Strategy



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- Invests \$246 billion, nearly half the plan's funding, in public transportation
- Funds 12 major transit expansion projects in Los Angeles in the next 10 years under Mayor Villaraigosa's 30-10 plan
- Increases funding for walking and bicycling more than threefold, from \$1.8 billion to \$6.7 billion
- Is projected to reduce traffic congestion 24 percent per capita despite the addition of four million residents
- Creates 4.2 million jobs in the region, and places 87 percent of all jobs within a half mile of transit service

## SACRAMENTO

In many ways, Sacramento's original blueprint—adopted in 2004—was the inspiration for passage of SB 375.<sup>3</sup> It comes as no surprise then that Sacramento's SCS under SB 375 is the best of its kind to date, setting the bar high for the rest of California. The Sacramento Area Council of Governments (SACOG) focuses development in Transit Priority Areas (TPAs), aiming to significantly increase use of transit, biking, and walking. For the first time in the region's history, and despite a 39 percent population increase, the plan manages to reduce traffic congestion.

### Key Features of the Sacramento Area Council of Governments' Sustainable Communities Strategy



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- A 6 percent decline in congested vehicle travel per capita despite adding 870,000 new residents by 2035 (compared to a planned 22 percent increase in the 2008 metropolitan transportation plan (MTP), and 58 percent increase in the 2002 MTP)
- A projected increase of 32.8 percent in trips by public transit, biking, or walking
- Expands bike lanes by 77 percent
- Accommodates 39 percent population growth while only expanding the urban footprint by 7 percent
- Nearly doubles transit service, cutting congestion

## SAN DIEGO

The San Diego Association of Governments (SANDAG) faced unique challenges. It was to create the nation's very first SCS even though it was well into the process of updating its Regional Transportation Plan (RTP) once it received its state assigned greenhouse gas targets. While SANDAG chose to spend some of its few uncommitted resources on active transportation, many feel it failed to revisit some long held—and possibly dated—spending priorities, and that the plan is still too focused on highway expansions in its early years. The agency also failed to conduct the truly integrated, iterative land use and transportation planning that SB 375 envisioned. The biggest concern is that the emissions reductions are temporary, peaking in 2035, and then backsliding in 2050. Despite these challenges, SANDAG took some important steps forward with this plan, and the commitments it made upon adopting the plan set it up for a stronger SCS the next time around, in three years.

### Key Features of the San Diego Association of Governments' Sustainable Communities Strategy



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- Meets 2020 and 2035 greenhouse gas emissions reduction targets
- Dedicates more funding for transit than any previous regional transportation plan (RTP); increases bicycle and pedestrian funding threefold over the last RTP
- Eighty-four percent of new residential growth will be in multi-family housing, more than 80 percent of which will be in Transit Priority Areas

## FOSTERING STRONGER COMMUNITIES IN CALIFORNIA

Nearly four years into California's grand experiment in regional planning, it seems communities will be stronger, healthier, and more resilient as a result of SB 375. All of the SCSs, both adopted and pending—the Bay Area's will be adopted in April 2013—have shifted their planning practices in similar ways:

- Less land will be developed to accommodate each new resident
- More public transportation options will be available
- More people will be given the option to live near transit
- Commutes will get shorter
- Bicycling and walking will be easier and safer
- More communities will experience a mix of uses, making life easier and more convenient

These changes will not happen overnight, nor will they happen on their own. But the regional agencies charged with implementing SB 375 have made one thing clear: urban growth and development in California will adapt to the times. Transportation systems built to serve growth will be more balanced, and less polluting. A pivot in the direction of sustainable communities is the clear choice.

In the coming months and years, the state needs to focus on a three-fold policy platform to ensure it achieves the potential of this law:<sup>4</sup>

- 1) Reform redevelopment to provide a focus on SB 375 implementation
- 2) Provide resources for transit and active transportation, planning, and affordable housing
- 3) Develop a policy package designed to eliminate barriers to infill development through parking reform and other measures



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<sup>1</sup> Elliot Rose, Autumn Bernstein and Stuart Cohen, "San Diego and SB 375: Lessons from California's First Sustainability Communities Strategy," Climate Plan and TransForm, December 1, 2011, [www.climateplan.org/wp-content/uploads/2011/12/SD-Report-FINAL-12-14-11-lowres.pdf](http://www.climateplan.org/wp-content/uploads/2011/12/SD-Report-FINAL-12-14-11-lowres.pdf).

<sup>2</sup> Rick Cole, "Southern California hailed as model of sustainability," *Los Angeles Times*, April 17, 2012, <http://articles.latimes.com/2012/apr/17/opinion/la-oe-cole-sustainable-social-vision-20120417>.

<sup>3</sup> Sacramento Area Council of Governments, "Sacramento Region Blueprint," <http://sacregionblueprint.org/>.

<sup>4</sup> For a more comprehensive list of policy recommendations, please review Chapter 4.

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# CHAPTER 1. SENATE BILL 375: FIGHTING CLIMATE CHANGE THROUGH SMARTER TRANSPORTATION AND LAND USE PLANNING

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When California Senate President Pro Tempore and Senate Bill 375 (SB 375) author Darrell Steinberg addressed the inaugural gathering of the California Infill Builders Association in November 2010, he reminisced about the “good old days” of the original SB 375 negotiations. In light of the recent devastating cuts the state legislature was facing for education and other social programs, he recalled the optimism and sense of possibility that characterized the crafting of SB 375—the nation’s first law to link transportation and land use planning with climate change.<sup>1</sup> He fondly recalled the “coalition of the impossible”—builders, environmentalists, affordable housing advocates, cities, and counties—a seemingly miraculous collaboration to assure this bill’s passage. And he lauded the infill builders’ presence as a powerful new voice lobbying in Sacramento for better growth, and thanked them for their commitment to implementing this groundbreaking new law.<sup>2</sup> Now, nearly two years later, three of California’s four major urban regions—representing two-thirds of the state’s population—have done their part to implement SB 375 by adopting Sustainable Communities Strategies (SCSs), which contain a set of transportation investments and land use strategies designed to meet state-assigned greenhouse gas reduction targets. In each region, remarkable things have been achieved, and there is more to be done.

## SENATE BILL 375: THE SUSTAINABLE COMMUNITIES AND CLIMATE PROTECTION ACT OF 2008

Passed in 2008, SB 375 marked the first law in the country with the explicit goal of designing better cities to fight climate change. The underlying idea of SB 375 is that how and where we develop land and the transportation systems we create to get around have direct impacts on how we travel. In short, the more we drive, the more the public spends on the increasing costs of roads and other infrastructure, and the more pollution and greenhouse gas emissions we cause. SB 375’s aim is to guide our regions toward more sustainable patterns of growth and investment, decreasing the amount of time we spend in traffic and the resulting cost of driving, and cutting air pollution and greenhouse gas emissions.<sup>3</sup>

Of course, no region can *require* that individuals drive less. What a region can do is plan to make driving less necessary through approaches that have been shown by research and

experience to reduce driving rates and distances.<sup>4</sup> Under SB 375, each of the 18 regions must complete a transportation and land use plan called an SCS that will achieve a target assigned by the California Air Resources Board (CARB) for 2020 and 2035. Each SCS is prepared in conjunction with a Regional Transportation Plan (RTP), which determines how transportation funds will be spent in the region, and with a Regional Housing Needs Allocation (RHNA), whereby the State assigns housing goals for every region at every level of affordability. The regions then distribute these housing goals to their local jurisdictions. Under SB 375, these local housing allocations must be consistent with the SCS, and local housing elements and zoning must be updated under a new schedule to accommodate the RHNA numbers. Finally, CARB must certify that each region’s SCS is adequate to meet its greenhouse gas emissions reduction targets.

Once a region’s SCS is approved, it sets a clear framework for moving forward. It guides local governments on how to shape their general plans and zoning, includes a list of

## AB 32, the Global Warming Solutions Act

SB 375 is just one part of California's overall effort to reduce greenhouse gases through AB 32, the Global Warming Solutions Act of 2006. Since transportation accounts for 40 percent of California's total greenhouse gas emissions, California has adopted a three-pronged approach to improve this sector's performance: a) reduce the total amount Californians have to drive through SB 375, b) increase the fuel economy of California's vehicles, and c) cut the carbon-intensity of the state's fuels through the Low Carbon Fuel Standard (LCFS).

The California Air Resources Board (CARB) is responsible for implementing AB 32, and, under SB 375, assigns greenhouse gas reduction targets to each of California's 18 federally-designated metropolitan planning regions. Each region is responsible for achieving a reduction in car and light truck travel that will reduce emissions to meet CARB's targets for 2020 and 2035.

transportation projects to reduce the need for vehicle travel, and provides incentives for developers to build projects that are more sustainable in the long run and will help each region meet its targets. All SCSs must include:

- Maps representing the general land uses within the region, indicating residential and commercial areas, densities, and building intensities
- Analysis of the impacts on farmland and open space
- A plan that accounts for the housing needs of the region's entire population, at all income levels

While each SCS will be unique, many of them will share common themes, such as calling for deeper investments in public transportation, biking and walking, to provide real, competitive alternatives to driving. They will encourage more walkable development patterns while minimizing the use of land, water, and gasoline. And most will include strategies to conserve land by directing future development into already urbanized areas.

The purpose of this report is to provide a detailed analysis of the latest SCSs to be adopted under SB 375, first providing a summary and brief update on that for San Diego, the first region in America to complete a land use and transportation plan with the explicit purpose of reducing greenhouse gas emissions. Next, the report tells the story of the Southern California Association of Governments, an 84-member body of elected officials from across the political spectrum representing half of California's population, that came together to unanimously approve an SCS that has the potential to be truly transformational. Finally, it discusses the Sacramento region SCS, which is based on its nationally renowned regional planning Blueprint.

## AB 32 and SB 375: Benefits Beyond Greenhouse Gas Emissions

While AB 32 and SB 375 focus on greenhouse gas emissions, the Air Resources Board's implementation of these laws has focused on strategies that maximize the "co-benefits" of emissions reductions. That is, while agencies evaluate strategies to reduce greenhouse gas emissions, they should also consider the other benefits these strategies offer: Do they improve social equity and reduce local air pollution? Can they create economic opportunity, improve public health, or preserve sensitive habitat and ecosystems?

SCSs provide a wide array of co-benefits, and these co-benefits will undoubtedly be SB 375's most noticeable legacy. By reducing vehicle miles traveled, SCSs will reduce local air pollution and cut auto collisions and collision-related injuries, improving public health and saving money. By concentrating growth in developed areas, SCSs conserve open space, preserve agricultural lands, and protect sensitive habitat. Walkable and bikable communities encourage physical activity, combating obesity and improving health. Diversifying transportation investments provides access to education, services, jobs or recreation without the need, or cost, of owning a car. And, of course, SB 375 has an explicit commitment to affordable housing.



## San Diego: First out of the Gate

The San Diego Association of Governments (SANDAG) was the first California region to implement SB 375 and prepare an SCS.<sup>a</sup> The process was an education for planners and advocates across the state, and provided many important lessons for the regions that followed. Under considerable fiscal and political constraints, SANDAG approved an SCS that is strong in some important ways and clearly disappointing in others.

The region was already in the middle of updating its Regional Transportation Plan (RTP)—a process that typically takes two to three years—when it received its greenhouse gas reduction targets from CARB. As a result, certain key decisions—such as the forecasted land use pattern for the region—had already been finalized before SANDAG received its targets, thereby limiting its ability to conduct truly integrated land use and transportation planning scenarios. Within these constraints, SANDAG’s plan takes some important new steps:

- Achieves its 2020 and 2035 greenhouse gas emissions reduction targets, and dedicates more funding for transit than any of its previous RTPs.

- Increases bicycle and pedestrian funding three-fold over the last RTP, and cancels two proposed lanes of Interstate 5 widening. The resulting \$800 million will be dedicated towards transit, active transportation, and smart growth programs.
- Plans for 84 percent of new residential growth to be accommodated in multi-family housing, more than 80 percent of which will be in Transit Priority Areas.

Despite these accomplishments, SANDAG’s SCS contained one major flaw: its emissions reductions are temporary. After achieving its 2020 and 2035 greenhouse gas targets—reducing emissions by 13 percent per capita by 2035—the plan reverts back to 9 percent by 2050. AB 32 and SB 375 clearly call for *permanent* emissions reductions. Many felt that SANDAG failed to conduct the kind of integrated, iterative land use and transportation planning that SB 375 envisioned.<sup>b</sup> In addition, the plan included an abundance of highway spending up front and postponed the bulk of transit spending until the later years of the plan.

Several parties, including the California Attorney General and the Sierra Club, joined a suit brought by a local group, the



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Cleveland National Forest Foundation, charging that there was inadequate environmental review under the California Environmental Quality Act (CEQA). (It is important to clarify that the plaintiffs did not argue that SANDAG had failed to meet its obligations under SB 375. Similar to the last few RTP cycles, the challenge was made on the grounds of the California Environmental Quality Act (CEQA). (It is worth noting that this local group had sued SANDAG over the last two RTPs.)<sup>c</sup>

In response to these concerns, the SANDAG Board has committed itself to a number of initiatives that will lay the groundwork for better implementation of the current SCS and set the stage for much improved sustainable community development going forward. SANDAG will:

- Analyze scenarios that address their temporary emission targets. SANDAG acknowledged this as a key problem with the SCS and committed to addressing it next time around.<sup>d</sup>
- Develop a transit-oriented development (TOD) policy that will set guidelines for effective and efficient TOD to ensure that funds supporting transit and development near transit will result in the biggest possible gains for mobility and the environment, and save residents money.
- Develop an “active transportation” early action program to ensure that funds committed for bicycle and pedestrian programs are spent in the early years of the plan.

- Establish a complete streets policy, to meet the needs of all road users—pedestrians, bikers, transit users, and drivers. Complete streets are safer, fairer, and provide the underlying backbone for walkable, mixed use communities.<sup>e</sup>

SANDAG based much of its SCS analysis on its Regional Comprehensive Plan (RCP), a nonbinding “blueprint” for regional growth and development that shares many of SB 375’s smart growth goals. SANDAG has committed to evaluating alternative land use scenarios in its next RCP that can, in turn, be used in the development of the next SCS. This will be a major improvement over patching together local jurisdictions’ individual general plans. These are important measures, and SANDAG won an \$885,000 grant from California’s Strategic Growth Council in May 2012 to carry them out.

The treatment of the SANDAG plan is briefer than the other SCSs in this report because of a pre-existing report analyzing SANDAG’s SCS:

<http://www.climateplan.org/wp-content/uploads/2011/12/SD-Report-FINAL-12-14-11-lowres1.pdf>

- a <http://www.sandag.org/index.asp?projectid=360&fuseaction=projects.detail>
- b While the region examined three different transportation investment scenarios, the land use was considered fixed across all three, an assumption that is as unlikely as it is untrue to the intent of SB 375.
- c While SANDAG is regularly sued on its RTPs, the Attorney General’s action against SANDAG after the passage of the SCS caught other regions’ attention. While the lawsuit challenges the extent of the environmental review of the plan (as opposed to the plan’s contents or the plan’s compliance with SB 375), it nevertheless shows that high-level leaders are paying attention to SCS development and that they are willing to mount a legal challenge in the wake of an SCS’s passage if it does not comply with existing law.
- d To the frustration of many, SANDAG however did not go so far as to commit to adopting a future plan that would reverse the backsliding, merely committed to “attempt to address” the backsliding next time around.
- e The SANDAG board committed to these actions on the day of RTP/SCS adoption, October 28, 2011. As of this writing, there is no further information available about the outcomes of the lawsuit.

<sup>1</sup> To read more about SB 375, please see *Communities Tackle Global Warming: A Guide to California’s SB 375*, <http://www.nrdc.org/globalwarming/sb375/>

<sup>2</sup> California Infill Builders Association Inaugural meeting, November 19, 2010, Sacramento.

<sup>3</sup> Driving represents 15 percent of all household expenditures in the United States, <http://www.bls.gov/cex/2010/Standard/region.pdf>

<sup>4</sup> Research shows that infrastructure expansion is associated with increases in actual driving, so planning outcomes are an important predictor of real savings.

# CHAPTER 2. THE EVOLUTION OF SUPPORT FOR SUSTAINABLE COMMUNITIES IN SOUTHERN CALIFORNIA

## A MODEL OF SUSTAINABILITY

On April 4, 2012, in the dimly-lit grand ballroom of the Los Angeles Westin Bonaventure Hotel, the Southern California Association of Governments (SCAG)—the largest metropolitan planning organization in the country—unanimously adopted its first Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS) to implement SB 375. That an 84-member Board—which represents a full range of places and political preferences, from isolated desert and mountain towns to urban centers with densities approaching those of Chicago and New York—could agree to anything at all is itself a feat. That SCAG’s Regional Council could unanimously agree to adopt a \$524 billion plan that was heralded in the *Los Angeles Times* as a “model of sustainability” is extraordinary.<sup>1</sup> This chapter tells the story of what SCAG managed to accomplish, and how it did so.

Endorsed by environmentalists, public health advocates, businesses, and developers alike, the Council’s approved plan would achieve the following, if implemented:<sup>2</sup>

- A 24 percent reduction in congestion per capita despite adding 4 million residents
- Public transportation spending totaling \$246 billion—nearly half the plan’s total revenue
- The construction of 12 key transit expansion projects in Los Angeles County during the next 10 years under Los Angeles Mayor Villaraigosa’s 30/10 plan
- Creation of 60 percent more housing than is currently available near transit
- Creation of 4.2 million jobs in the region, with 87 percent of all jobs (not only new jobs) located within a half mile of transit by 2035
- A 350 percent increase in funding for biking and walking—from \$1.8 billion to \$6.7 billion
- Reduction of pollution-caused respiratory problems by 24 percent, resulting in \$1.5 billion annual health care savings
- Savings of more than 400 square miles of open space—equal to more than one-third of Yosemite—from development by shifting to a more compact development pattern in the region
- Annual household savings of \$3,000 due to lower auto, fuel, water, and energy costs

## OFF TO A ROCKY START

While SCAG’s achievements are impressive, the planning process suffered from an inauspicious start.

When SB 375 discussions began with setting the regional greenhouse gas targets in September 2010, many elected officials were unhappy with state government because the California Legislature had re-appropriated transit and redevelopment funding—that would have otherwise gone to cities—to plug holes in the state budget. Cities were unhappy that the state was simultaneously asking the region to undertake a major planning task—the SCS—while eliminating funding that could be used for SCS planning and implementation. As a result, SB 375 was initially greeted with skepticism by leaders and planners in Southern California.<sup>4</sup>

This overall discontent around SB 375 led to what appeared to be a major setback at a Regional Council meeting on September 2, 2010: while SCAG staff had recommended that its SB 375 targets be set at 8 percent in 2020 and 13 percent in 2035—in line with the targets set by the other large metropolitan planning organizations (MPOs)—the Southern California Building Industry Association (BIA) had lobbied Regional Council members and SCAG staff with their concerns about SB 375’s impact on an already depressed housing market. As a result, several council members argued that SCAG should push back against the state’s environmental laws until transit and redevelopment funding was restored, and the targets should be reduced.

Already frustrated with the state over recent funding cuts, the Board, which had appeared ready to endorse the targets, made a surprising about-face, voting that the targets should be reduced to 6 percent in 2020 and 8 percent in 2035, which would essentially mean business as usual. To supporters of SB 375, this was a devastating blow. It signaled that the region with more than half the state’s population and transportation-related greenhouse gas emissions would ignore the promise of this new law, rendering its successful implementation unlikely.

Fortunately, after some consultation with SCAG staff, the Air Resources Board adopted the higher targets, choosing to base their decision on the months of technical analysis conducted by staff rather than a last minute recommendation made as a result of a political process. Part of the Regional Council’s willingness to accept the higher targets came from a letter of complaint that was sent from SCAG to the Air Resources Board that chastised the behavior of the governor and legislature and demanded that their concerns about transit and redevelopment funding be addressed, in exchange for SCAG’s decision to honor the higher targets.

## A DIFFERENT FOCUS FOR PLANNING

***“This is the first time in my professional career that we’ve had a real conversation about regional planning.”***

— Ron Loveridge, mayor of Riverside, California Air Resources Board Member, SCAG Council Member

Some regional council members recognized that there were reasons beyond greenhouse gas emissions to adopt an effective SCS because of more than a decade of smart growth discussions during the Compass Blueprint regional planning process that began in 2000. These reasons included a significant savings in transportation, improved air quality and public health, and infrastructure costs. Over the long winter that followed the target-setting process, SCAG consulted with renowned experts to further research and quantify these potential co-benefits.

Planner and New Urbanist Peter Calthorpe, who led the original Compass Blueprint effort from 2002 to 2005, returned to talk to the Regional Council about how smart growth would lower greenhouse gas emissions while achieving other important benefits, such as reducing costs for both households and local governments, consuming less land, reducing fuel, water, and energy consumption, and improving public health. The presentation was very well-received, and Calthorpe Associates became part of the team working with SCAG on public outreach.

At each of the agency’s 18 SCS public outreach meetings, the co-benefits of better land use and transportation investments became the focus of discussions (see Appendix A). SCAG’s efforts to make the RTP—a highly technical and non-transparent planning process—more easily understandable to the public played an important role in its success, and the staff should be commended.

## Southern California Association of Governments Assumes new Leadership Role

SCAG has less authority over transportation funding decisions than any of the other metropolitan planning organizations in California, and the agency’s power and influence lies largely in its ability to provide the technical analysis that leads to informed decision-making, in building consensus around these decisions, and in incentivizing activities through grant programs. For example, the Compass Blueprint Demonstration Project program funds planning efforts that help achieve the goals of the regional blueprint vision, and its importance in terms of broadening support for smart growth strategies and promoting an understanding of their applicability in cities large and small has been immeasurable.

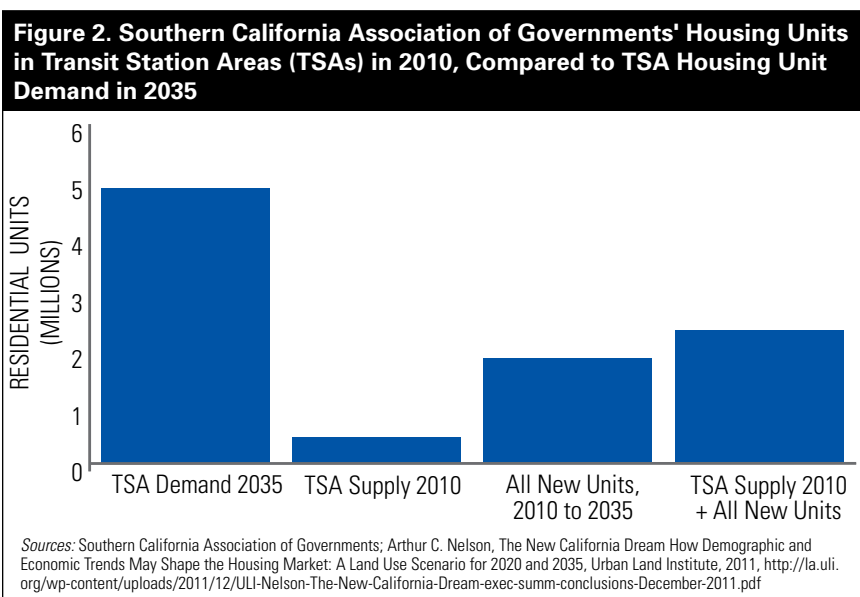
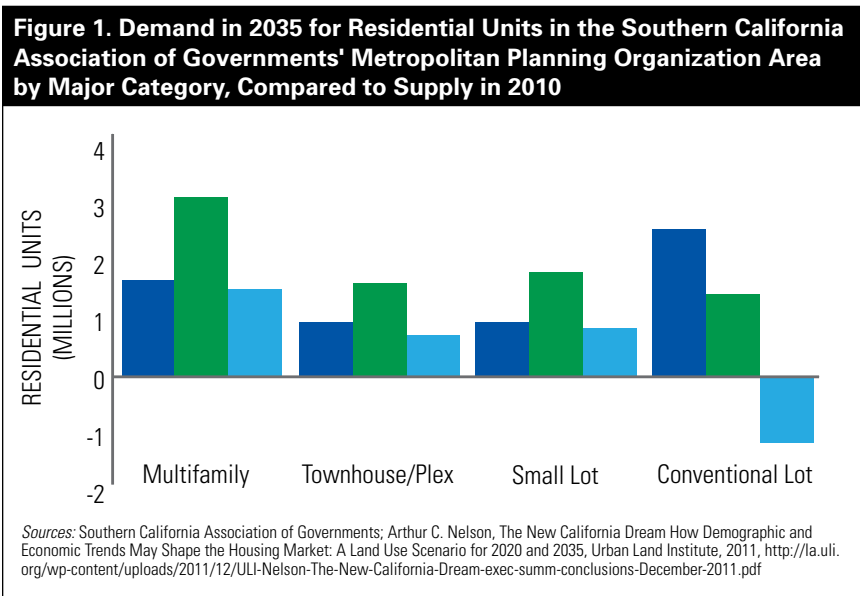
But while SCAG is responsible for compiling and submitting both a federally mandated 20-year-RTP and the federal Clean Air Act’s mandated State Implementation Plan, it is the county transportation commissions (CTCs)—in Los Angeles, Orange, San Bernardino, Riverside, Imperial and Ventura counties—that have the primary decision-making power. In the past SCAG has merely compiled the six CTC project lists to create the RTP. As a result, SCAG has been perceived as a weak agency compared to the state’s other big MPOs, and generally has drawn little attention from the public or the media. The SB 375-mandated SCS, however changed this dynamic, resulting in an unexpected outcome. The public engagement process required by SB 375 created an unprecedented opportunity to talk about the region’s future. Because of the organizing activity around the SCS, hundreds of people turned out for SCAG’s Regional Council and public outreach meetings to express their interest and concerns, ranging from enhancing transit investments to improving public health to building safe bike lanes and pedestrian projects to preserving affordability and avoiding the displacement of low-income residents. Moving ahead, it seems likely that SCAG will assume a greater leadership and coordinating role for the entire region.

<sup>a</sup> Five of these member CTCs are well-endowed “self-help” counties with their own transportation sales tax measures: LA County has three half-cent transportation sales taxes—two of which fund only public transportation, while the most recent Measure R sales tax devotes about 20 percent of funding for highways. Riverside, San Bernardino, Orange and Imperial counties also have transportation sales taxes; only Ventura County has none. Because the language of the sales tax ballot measures lists the projects to be funded in order to help win the approval of voters, many of the dollars available to the counties to fund transportation projects are considered “committed.”

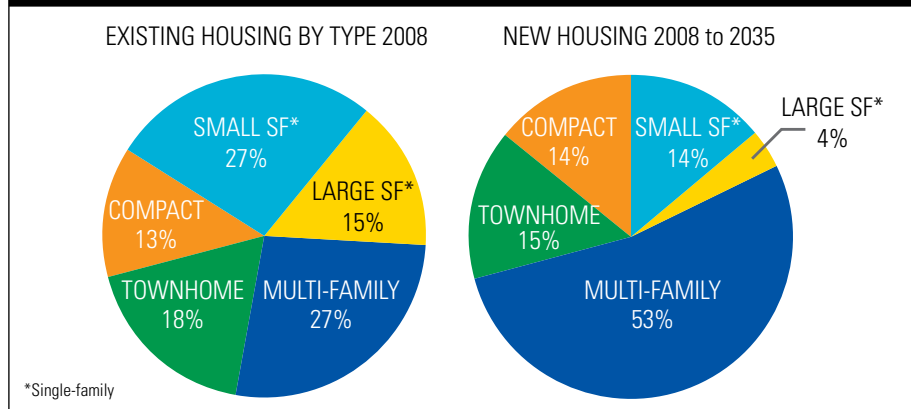
SCAG thought it was important to address the criticism that the state's environmental regulations were affecting California's economic recovery. It brought in national real estate expert Arthur C. Nelson, director of the Metropolitan Research Center at the University of Utah. Nelson presented the results of a recent market analysis he was completing, for the Urban Land Institute, revealing that the demand for conventional large-lot single-family housing had dried up in Southern California, and that there was already an oversupply of approximately 1 million units compared to likely 2035 demand. In contrast, Nelson said that the market for compact, walkable development near transit had escalated to the point that even if all new development was located near

transit over the next 25 years, the region would still fall short of meeting its demand (see figures 1 and 2).

Nelson is among a number of prominent national experts who argue that the economy cannot recover until the housing market is supplied with the kind of housing that home-buyers and renters want. SCAG staff believed that this was a helpful discussion and incorporated Nelson's findings into their presentations on the RTP/SCS, making a persuasive case that changes in the housing market portended the need for different decisions about regional planning and investments. SCAG Executive Director Hasan Ikhtrata began noting when he talked about the RTP/SCS that "the urban form of the past is not the urban form of the future."



**Figure 3. The Next 23 Years of Projected Growth Diverge from the Existing Housing Stock**



As a result of this discussion, the housing mix contained in the final SCS is a significant departure from current land use patterns, with a much greater emphasis on multi-family, attached, and small-lot single-family housing. In the plan, only 4 percent of the region's projected increase of 4 million residents will be accommodated in new large-lot single-family housing, suggesting the SCAG plan is responsive to market realities (see figure 3). It was SB 375 that created the opportunity for this robust and well-informed discussion, which helped build consensus for a strong plan that will help revive the housing market at the same time that it yields the co-benefits discussed previously.

SCAG staff, meantime, was negotiating with cities to shift growth and development away from the fringes of urban and suburban communities and nearer to transit. Currently, there are more than 300,000 jobs located in downtown Los Angeles, but approximately only 25,000 housing units. After successful discussions with SCAG, the City of Los Angeles agreed to add another 50,000 residents to downtown, nearly tripling the downtown supply of residential units in an area with a rich transit network, as well as walking and biking options. The additional units will help correct the jobs-housing imbalance, with 15,000 additional households (occupied housing units) added for 2020, and 50,000 for 2035.

This is precisely the type of planning SB 375 envisioned: regions and local governments working together to make land use decisions that give people the choice to drive less.

Ultimately, SCAG's SCS will locate 52 percent of new housing, and 53 percent of new jobs, within a half mile of "high-quality transit," defined here as rail or bus service with headways of 15 minutes or less during peak periods. When existing housing and jobs are added to the equation, 82 percent of all homes and 87 percent of all jobs will be located within a half mile of transit by 2035.<sup>5</sup>

One of the most noteworthy innovations of SCAG's RTP/SCS is that the projected land use pattern is not simply a compilation of existing local general plans. Instead, SCAG's plan is transparent about the fact that its land use assumptions go beyond what is contained in local general plans—which are frequently dated and sometimes do not even reach the 2035 target year. SCAG's SCS instead builds on observed real estate trends over the past 20 years, which emphasize housing in walkable, infill areas near transit.<sup>6</sup> While SB 375 expressly acknowledges the land use authority of local governments, in crafting a place to reduce emissions, SCAG found that a different housing mix was more advantageous and responsive to market conditions, and set forth an optimal land use pattern to guide the region's development.

### JUST WHAT THE DOCTOR ORDERED

To further underscore the value of walkable communities near transit, nationally renowned health expert Dr. Richard Jackson addressed SCAG's policy committees with a powerful pitch about the link between public health and the built environment, a topic that galvanized support for investments in "active environments," where residents and workers have more transportation options, such as walking and biking.

Public health advocates made a compelling case for active living at Regional Council meetings, with so many testifying at hearings that public comments had to be reduced from three minutes per person to one minute to leave time for discussion by Regional Council members. As a testament to the importance of public health to the planning process, at the final hearing, the most public comment time was reserved for California Endowment President Robert Ross, who praised SCAG's plan for contributing to healthier communities.

### ***Los Angeles Times:*** **Poll says most voters in L.A. region favor more public transit** NOVEMBER 3, 2011



*“If Southern California voters were in charge of our transportation plans, the region would look very different... Voters understand what so many studies have told us: Widening roads will not solve traffic congestion,” Eaken said. “Instead, designing communities that increase our mobility and freedom—helping us to get out of our cars—is what will ultimately solve the problem.”<sup>b</sup>*

*“Voters prioritize expanding public transportation as the most effective means of reducing traffic congestion and air pollution,” said Denny Zane, executive director of Move LA.<sup>c</sup>*

To place the RTP/SCS in the context of regional attitudes about growth and transportation, the Natural Resources Defense Council, Move LA, and the American Lung Association conducted a poll of Southern California voters in October 2011.<sup>a</sup> The poll found strong support for greater investment in public transportation and for walkable mixed-use development. Some of the high points include:

- Voters surveyed prioritized expanding public transit over roads and highways by a more than 2-to-1 margin.
- Voters would choose to live in walkable mixed-use communities (64 percent) over conventional auto-oriented residential neighborhoods (34 percent), and in communities with smaller houses on smaller lots, and with commutes of 20 minutes or less (65 percent) rather than communities with larger houses on larger lots and with longer commutes (31 percent).
- When asked about the most effective ways to reduce traffic congestion, the #1 response was to invest in public transportation; the #2 response was to design better communities; and the #3 response was to invest in making walking and biking safer. Last on the list was to build and widen roads.
- When survey respondents were asked to imagine being in charge of their region’s hypothetical \$100 transportation budget, they chose to allocate 14 percent of funding to bicycle and pedestrian infrastructure. This compares to the 0.5 percent allocated for this purpose in SCAG’s last regional transportation plan (2008).

The survey results helped underscore the comments made by many members of the public: residents of Southern California are tired of long commutes, and very interested in communities where it is safe and convenient to walk and bike and take public transportation.

a Fairbank, Maslin, Maullin, Metz & Associates, Key Findings from Recent Southern California Survey on Transportation and Land Use Planning, October 31, 2011; [http://docs.nrdc.org/smartGrowth/files/sma\\_12091301b.pdf](http://docs.nrdc.org/smartGrowth/files/sma_12091301b.pdf).

b “Poll says most voters in L.A. region favor more public transit,” *Los Angeles Times*, November 3, 2011, <http://latimesblogs.latimes.com/lanow/2011/11/poll-says-most-voters-in-la-region-favor-more-public-transit.html>.

c Ibid.

To further convince SCAG of the need to rethink the policy and investment choices made in the past, Move LA, the Natural Resources Defense Council, and the American Lung Association conducted a survey in the fall of 2011. (see “Southern Californians Want More Housing and Transportation Choices”). At the December meeting following the release of the survey—the meeting at which the draft RTP/SCS was released—the topic of active transportation dominated the discussion, with several Regional Council members advocating the cause. Former SCAG President Larry McCallon, mayor of Highland in San Bernardino County, told the council, “Our community is investing in active

transportation and safe routes to school because it makes sense. You’ve got to get out there and protect your children.” One SCAG staff member remarked, “We’ve never had a real conversation about bicycles as a form of transportation in the SCAG region. SB 375 has mainstreamed the issue.”

The outpouring of support for bike and pedestrian investments resulted in a near quadrupling of funding for active transportation, from \$1.8 billion in the 2008 plan to \$6.7 billion in the final plan.

As the RTP/SCS planning process began drawing to a close in early 2012 it became clear that over nearly two years,

SCAG staff and Regional Council members had come to agree with this wide range of advocates: Southern California's single-minded focus on building single-use, single-family neighborhoods connected by highways had reached a point of diminishing returns. People in Southern California wanted more housing and transportation choices.

## PROVIDING REAL TRANSPORTATION ALTERNATIVES

The plan provides options for both housing and transportation: nearly half the transportation funding—\$246 billion—is for public transportation. Approximately 20 percent of this amount will be used to upgrade Metrolink lines to high-speed capacity and begin construction of California's high-speed rail line. Fixed-rail projects include:

- Twelve Measure R-funded rail and bus rapid transit projects in Los Angeles County
- San Bernardino County's first light rail line
- An extension of commuter rail to southern Riverside County
- An upgrade of the Metrolink commuter rail system to improve speed and performance
- Bus rapid transit projects in San Bernardino and Orange counties

The centerpiece of the RTP/SCS is the significant expansion of the rail system funded by Measure R—one of three Los Angeles County half-cent sales taxes for transit. Measure R will double the size of Los Angeles County's rail system, from 121 miles of rail and 103 stations to 236 miles and about 200 stations, creating a center of gravity at downtown Los Angeles' Union Station unlike anything since the days of the impressive Red Car trolley system (see Metro 30/10 Initiative map). Also, an extension of the sales tax measure will be on the 2012 ballot, enabling an acceleration of the construction program to start construction on 7 rail lines in the next 5 years and complete them within the decade.<sup>8</sup> This expansion of the rail system, together with SCAG staff-negotiated agreements during the SB 375 planning process to increase density and development in transit-rich places such as downtown Los Angeles, will play a significant role in helping achieve the adopted greenhouse gas reduction targets, whether or not construction is accelerated.

The business-labor-environmental coalition that drove the successful Measure R campaign was led by Move LA and its executive director Denny Zane, a former mayor and city councilmember in Santa Monica. Move LA, NRDC, and the American Lung Association, in partnership with a statewide



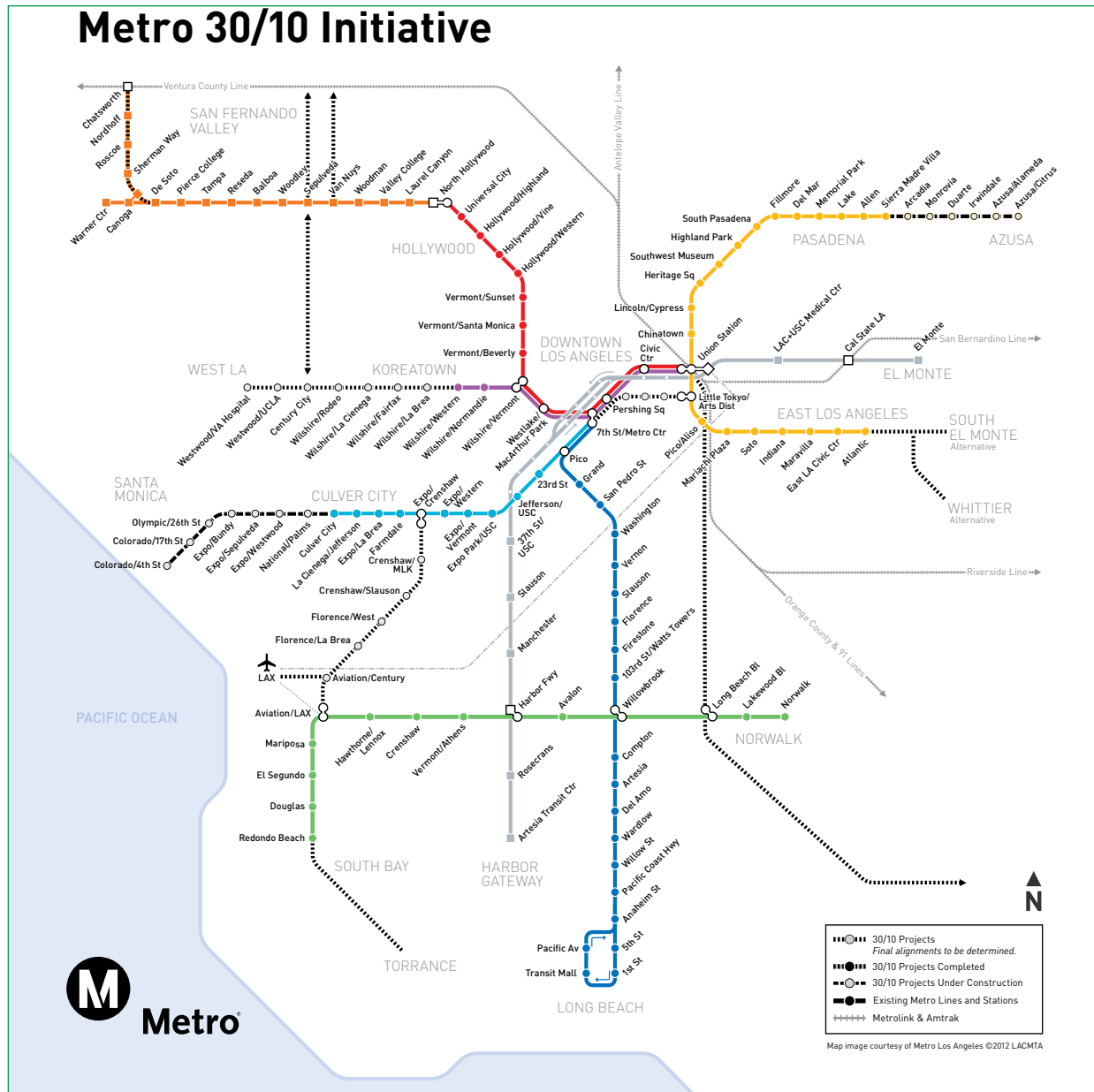
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coalition called ClimatePlan, led the coalition of nonprofit organizations that worked on the RTP/SCS. This coalition, which included public health, affordable housing and bike and pedestrian advocates, as well as environmentalists and infill developers, convinced SCAG leadership to include an ambitious expansion of transit in the strategic plan, an addendum to the fiscally constrained official RTP, from which future RTPs draw their projects.

Also under consideration as a result of these discussions is a "regional Measure R sales tax" to fund a build-out of the strategic plan, which includes a commuter rail line from Indio and Palm Springs to downtown Los Angeles, expanded investment in clean goods movement, an extension of Los Angeles County's Gold Line into the Inland Empire, continued investment in upgrading Metrolink and Bus Rapid Transit (BRT) lines that connect Metrolink stations to downtowns and neighborhoods and help make first-mile/last-mile connections for transit riders, and rail connections to both the Ontario and San Bernardino airports—which are both significant potential job centers.

Lastly, the Regional Council adopted a transit expansion motion, which directed SCAG staff to look for new sources of revenue to accelerate investment in active transportation, Metrolink, and clean goods movement, and to develop and track more and better health and equity performance measures so that it is easier to understand the health and





equity outcomes of RTP/SCS planning and implementation decisions. The motion was sponsored by Move LA, NRDC, the American Lung Association of Southern California, the Los Angeles County Bicycle Coalition, and the Southern California Safe Routes to School Partnership, and was an important victory because it set the stage for future conversations about additional revenue needed to complete a robust regional transit system.

## ROOM FOR IMPROVEMENT

The plan is not, of course, perfect. Preliminary estimates of a \$75 billion funding gap in the \$524 billion plan increased to \$120 billion shortfall upon closer examination, but agency staff chose to investigate funding options for closing the gap rather than vetoing transportation projects.<sup>9</sup> Some of the funding measures proposed were controversial and included congestion pricing, tolling, and a potential vehicle miles traveled (VMT) fee. Some critics charged that the plan relied too heavily on these speculative revenue sources.

Regional Council members were aware of conversations occurring around the United States about the declining purchasing power of the gas tax as cars become more fuel-efficient or electric. When members of the Council were critical of the idea that the plan would rely on a 5 cent VMT fee that would be imposed by Congress in 2024 to compensate for lost gas tax revenue, Ontario City Councilmember and RTP Subcommittee Chair Alan Wapner informed them that, “The true societal cost of driving is probably closer to \$10 a mile.” With this reminder, and facing a strong desire to identify sufficient funding to maintain the system, the board approved the plan with the VMT fee.

The SCAG plan would be more sound if, in light of the budget deficit, the agency had vetted the RTP project list to determine whether certain projects would increase or decrease greenhouse gas emissions, and whether the plan’s focus on walkable neighborhoods near transit would render certain capacity expansion projects—particularly those predicated on continued sprawl—unnecessary.<sup>10</sup> SCAG can still work with the county transportation commissions through the four year Transportation Improvement Plan (TIP) process to re-order their project lists to prioritize projects that would keep the highway system in a state of good repair and projects that reduce the need to drive.

SCAG has the power to veto projects in the six County Transportation Commission (CTC) project lists but it has rarely exercised this authority. SCAG’s power and influence lies largely in its ability to provide the technical analysis that leads toward informed decision-making and in building the consensus required to make these decisions—as it did with the 2012 RTP/SCS. In view of the power of the CTCs and the difficulty that marked the beginning of the RTP/SCS planning process, vetoing projects would have been risky at the very least.

It should be mentioned that SCAG added very good language in its Federal Transportation Improvement Plan (FTIP) guidelines, directing its member CTCs to accelerate projects for programming in the first four years that reduce the need to drive, and help to create transit oriented development.<sup>11</sup> While our preliminary review of the draft TIP suggests that Southern California has a long way to go to realize the vision in the SCS, this guidance from SCAG is a step in the right direction. It is going to take leadership from SCAG and its member CTCs to deliver on the promise of the SCS. For example, the \$6.7 billion in active transportation funding hailed as a victory by public health advocates currently relies on some of the less certain funding sources identified in the plan’s outer years. In the coming months and years, SCAG and its CTCs need to re-prioritize their spending programs to advance the truly sustainable transportation projects

contained in the plan.

The SCAG plan has also been criticized for not doing enough to analyze, monitor, and improve equity and environmental justice outcomes. This makes the unanimous adoption of the motion to adopt more and better equity and health performance measures a particularly important win.

Flaws notwithstanding, SCAG’s SCS received significant attention in the media. Ventura City Manager Rick Cole, one of Southern California’s leading thinkers on sustainability and smart growth, told the *Los Angeles Times* that the plan “points the way to a better future.”<sup>12</sup> *Atlantic Cities* entitled their story “Is SoCal America’s next Environmental Success Story?”<sup>13</sup> And California Senate President Darrell Steinberg, who authored SB 375, wrote in the *Wall Street Journal* that SCAG’s plan was “a bold plan for sustainable California communities.”<sup>14</sup> Whether or not it was the intention of SCAG’s planners, it is clear that cities and regions across the country are beginning to wonder, “If Los Angeles can do it, what about us?”

## IN CONCLUSION

The new SB 375-mandated requirement to reduce greenhouse gas emissions through transportation and land use strategies laid out in an RTP/SCS came into play at a challenging time for public agencies—with the recession, widespread city budget deficits, city employee layoffs and, as mentioned above, the state budget crisis and state appropriation of transit and redevelopment monies. Moreover, reducing greenhouse gas emissions is a highly technical exercise, and given the press of other problems, the additional task of planning the SCS initially engendered resentment from the cities.

However, in the end, the RTP/SCS became a vehicle for a comprehensive transportation and land use vision that was in sum a significant departure from convention—thanks in great part to Los Angeles County’s Measure and the emphasis on multifamily and attached, small-lot single-family housing. Moreover, SCAG leadership successfully negotiated shifts in future growth and development away from the fringes of cities and into downtowns or neighborhoods near frequent transit. This not only helps meet the region’s greenhouse gas reduction targets, but saves money for residents on transportation expenses and local governments on infrastructure spending.

The fact that subregions could opt out of the regional SCS planning process to produce their own SCS provided an easy way out for the strongest critics of SB 375 and caused them to be less critical of the process as it moved forward. This changed the dynamics of the Regional Council, and more

progressive members spoke up, perhaps emboldened by the compelling public comments and testimony by experts.

The SCAG leadership, especially Executive Director Hasan Ikhata, played a key role in bringing everyone to consensus by seriously considering all sides of every issue and accommodating all concerns to some degree, while still keeping true to the vision of the new plan. The SCAG staff were firmly committed to an inclusive public process on the RTP/SCS and worked tirelessly to meet with all 197 member cities to broker a consensus. This plan would not have been possible without the incredible dedication of Hasan Ikhata, whom ARB Chair Mary Nichols argued should receive the “hero of the year” award. Pam O’Connor, a longtime progressive thinker, Santa Monica City Councilmember, and Los Angeles Metro Board member, proved a very effective Regional Council president who helped steer meetings toward positive conclusions.

Current and past SCAG Presidents Glen Becerra and Larry McCallon also deserve credit for building support for the final plan, helping to ensure the plan received a unanimous vote of approval. And of course Riverside Mayor, Air Board member and SCAG elder statesman Ron Loveridge deserves recognition for diffusing controversy and appealing to agreed-upon principles and mutual interests. It was a process appreciated by many, confirmed by Mayor Loveridge’s comment, “This is the first time in my professional career that we’ve had a real conversation about regional planning.”<sup>15</sup>



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<sup>1</sup> Rick Cole, “Southern California hailed as model of sustainability,” *Los Angeles Times*, April 17, 2012, <http://articles.latimes.com/2012/apr/17/opinion/la-oe-cole-sustainable-social-vision-20120417>.

<sup>2</sup> Southern California Association of Governments, *Regional Transportation Plan/Sustainable Communities Strategy*, April 2012.

<sup>3</sup> 30/10 Initiative, Los Angeles County Metropolitan Transportation Authority (Metro), 2011, <http://www.metro.net/projects/30-10/>.

<sup>4</sup> In addition, the business community and building industry had lobbied the Regional Council against California’s environmental statutes including AB 32 and SB 375. This hostility helped fuel decisions by Orange County and the Gateway Cities, a subregion that includes Long Beach and other cities near the ports of Long Beach and Los Angeles, to opt out of the regional planning process — which the law allows if subregions are willing to conduct their own SCS planning processes.

<sup>5</sup> When reviewing these achievements—particularly the concept of channeling growth near transit-- it is important to acknowledge the importance of previous planning efforts, especially the Compass Blueprint visioning and scenario planning process. Begun in 2000, Compass Blueprint’s final vision resulted in a “2 Percent Strategy” to implement a growth vision along significant transportation corridors comprising just two percent of the region’s land. By 2000, smart growth strategies like those that would be recommended in the Compass Blueprint plan were already being employed by some cities in the region. SCAG instituted a Compass Blueprint Demonstration Project funding program to help cities plan projects necessary to achieve the goals of the Compass Blueprint plan.

<sup>6</sup> Southern California Association of Governments, *Regional Transportation Plan/Sustainable Communities Strategy*, April 2012, p. 124.

<sup>7</sup> “Martha Welborne on Balancing Planning Responsibilities, Goals, and Constraints at Metro,” *The Planning Report*, March 21 2012, <http://www.planningreport.com/2012/03/21/martha-welborne-balancing-planning-responsibilities-goals-and-constraints-metro>.

<sup>8</sup> Jason Song, “L.A. County supervisors OK tax extension for fall ballot,” *Los Angeles Times*, August 8 2012, <http://articles.latimes.com/2012/aug/08/local/la-me-measure-r-20120808>.

<sup>9</sup> Hasan Ikhata, “Draft 2012 RTP/SCS Critical Issues,” (presentation, OCTA Board of Directors, Orange, CA, October 7, 2011).

<sup>10</sup> For more information about this kind of project analysis, see Chapter 4, policy recommendation 6.

<sup>11</sup> Southern California Association of Governments, *Federal Transportation Improvement Program Draft 2013 Guidelines*, July 2012.

<sup>12</sup> Rick Cole, “Southern California hailed as model of sustainability,” *Los Angeles Times*, April 17, 2012, <http://articles.latimes.com/2012/apr/17/opinion/la-oe-cole-sustainable-social-vision-20120417>.

<sup>13</sup> Kaid Benfield, “Is SoCal America’s Next Environmental Success Story?,” *The Atlantic Cities*, April 12 2012, <http://www.theatlanticcities.com/politics/2012/04/social-americas-next-environmental-success-story/1743/>.

<sup>14</sup> Darrell Steinberg, “A Bold Plan for Sustainable California Communities,” *The Wall Street Journal*, May 1 2012, <http://online.wsj.com/article/SB10001424052702304811304577367992120682890.html>.

<sup>15</sup> “Regional Planning,” Move LA, <http://jcurrydesign.com/movela/our-work/regional-planning/>.

# CHAPTER 3. THE SACRAMENTO REGION—THE PLACE WHERE IT ALL STARTED

On the morning Sacramento was to adopt its final SCS, Tom Stallard, council member from Woodland, reflected on the region’s accomplishments, “This is second only to the adoption of the Blueprint in its historic significance. The Blueprint birthed SB 375, and SB 375 birthed the Sustainable Communities Strategy.”

In many ways, Sacramento’s original Blueprint—adopted in 2004—was the inspiration for the passage of SB 375. In 2002, the Sacramento region faced a projected population increase of more than 50 percent by 2025, and increasingly worse air pollution based on proposed growth patterns. To address these challenges, the Board of the Sacramento Area Council of Governments (SACOG)—the transportation planning agency for the six-county region—initiated the Sacramento Region Blueprint Project, an extensive study of the linkages between transportation, land use, and air quality. Thousands of community members participated in jointly envisioning their region’s future.

In 2004, the SACOG Board of Directors adopted the Preferred Blueprint Scenario, a vision for growth that promoted compact, mixed-use development, and more transit choices as an alternative to low-density development. As is depicted

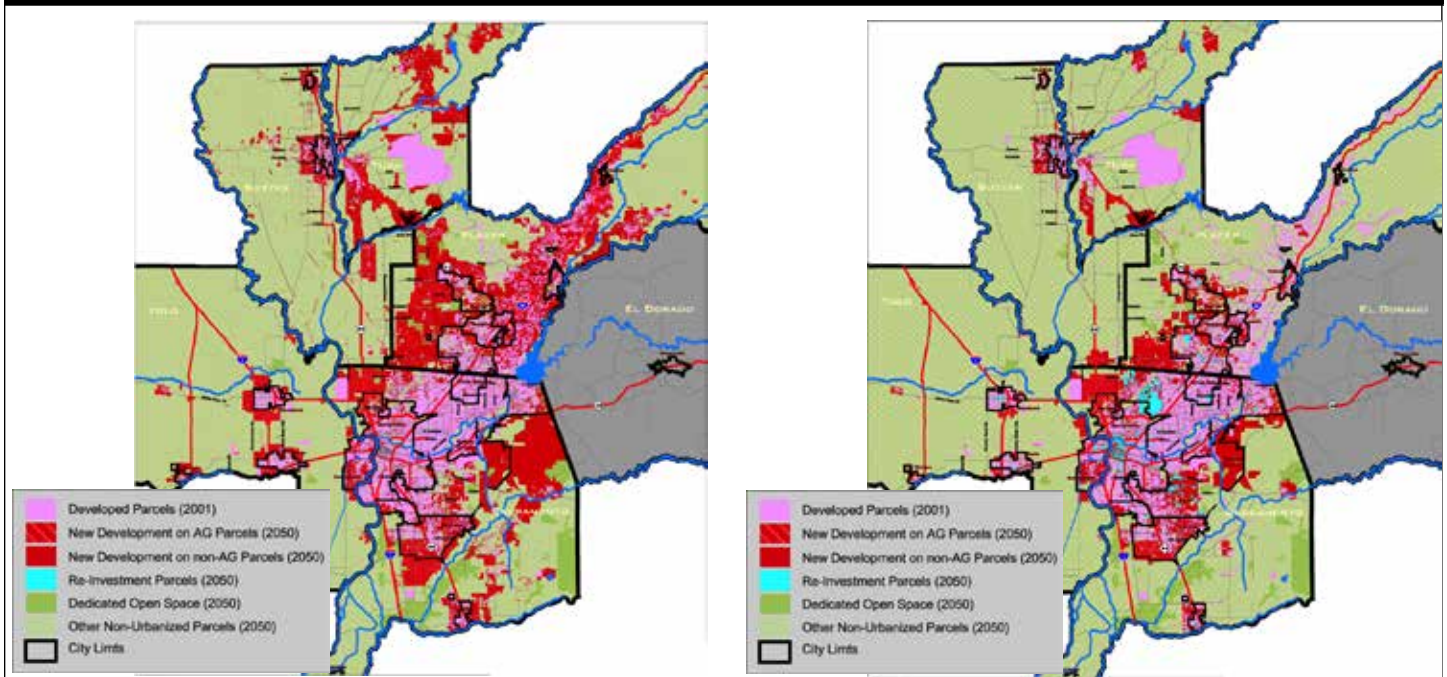
in the base case versus blueprint maps in figure 4, SACOG’s Blueprint Scenario significantly reduced Sacramento’s urbanized foot print—saving 360 miles of open space from development—cut traffic congestion, and improved air quality. The SACOG experience was instrumental to the passage of SB 375, and has inspired dozens of policy makers with the potential for the law’s success.

Given this history, it is no surprise that SACOG’s SCS is exemplary, setting the bar high for other regions.

***“This is the plan you have wanted for a long time.”***

—Pete Hathaway, former deputy director, California Transportation Commission

Figure 4. SACOG’s Business-as-Usual and Preferred Blueprint Scenarios



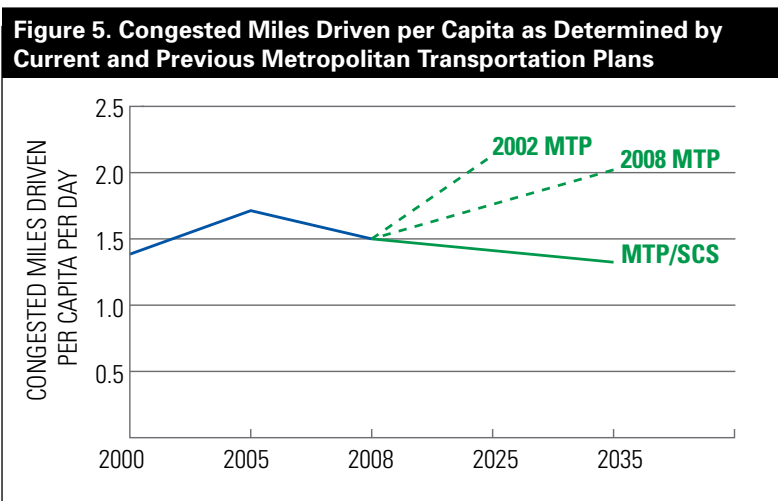
## THE SACOG SCS: HOW IT PERFORMS

One of the most important achievements of SB 375 is that it introduced a performance-based approach to an existing RTP process, assigning a greenhouse gas reduction target to each region. Many of the regions have elected to adopt additional performance measures to guide their planning and decision-making. SACOG evaluates the performance of its plan based on a number of indicators:

- **Decline in congested VMT per capita.** For the first time in the region's history, it is projected that the long-range transportation plan will result in a 6.9 percent decline in congested vehicle travel for each resident. This is the first plan in the region's history to actually reduce congestion, and it accomplishes that reduction while adding 870,000 new residents by 2035. (This compares to a planned 22 percent *increase* in congestion in the 2008 Metropolitan Transportation Plan (MTP), and a 58 percent increase in congestion in the 2002 MTP, see figure 5).<sup>1</sup>
- **Increased travel by transit, bicycle, and walking.** The SCS is forecast to increase trips by public transit, biking, or walking by 32.8 percent. This compares to an 8.1 percent increase for the 2008 MTP.
- **Reduces *per capita* passenger VMT by 8.8 percent.** By incorporating city plans that allow for new residents to reduce the need to drive, SACOG manages to substantially reduce its average driving per resident when compared to 2008 levels. For example, by locating new housing near transit, and bringing new transit to existing housing, the plan achieves the equivalent of serving all new housing and jobs with high quality transit. The plan will spend 8 percent of total revenues on bicycle and pedestrian infrastructure, resulting in an expansion of bike lanes by 77 percent. Notably, this percentage is

significantly higher than any of the other large regions, most of which only spend, on average, 1 to 2 percent for active transportation.

- **A per capita and absolute reduction in greenhouse gas emissions below 2005 levels.** Not only does the SCS meet SB 375 per capita reduction targets for greenhouse gas emissions, it also demonstrates an overall decrease in greenhouse gas emissions from transportation and all other sources.
- **Flips commuting trends into the Central Business District.** Currently, 60 percent of commuters drive single occupant vehicles (SOVs) into downtown Sacramento, while 20 percent take transit. By 2035, this plan aims to reverse that ratio, with 60 percent taking transit, and only 20 percent driving SOVs.<sup>2</sup>
- **Accommodates strong population growth with little urban footprint expansion.** The Sacramento region's population will grow by 39 percent by 2035, but its urbanized footprint will expand by only 7 percent.
- **Transit service nearly doubles, cutting congestion.** Modeling shows that a 1 percent shift in travel, from driving to transit, results in a 5 percent reduction in heavy congestion—making investing in transit a lasting strategy for congestion relief.
- **Increased housing growth near job centers.** Sacramento's existing transit infrastructure does not compare to that of Southern California or the Bay Area, and while the region's SCS plan nearly doubles transit service, much of the innovation in this plan focuses on locating housing growth near job centers. As a result, the ratio of housing provided compared to jobs available improves in 14 out of 15 regional employment centers.



SACOG has been working for more than three years to ensure the success of this plan, and many of its innovative strategies can serve as models for other regions. This chapter reviews its key elements.

## A FOCUS ON TRANSIT PRIORITY AREAS

SB 375 contains a statutory bias supporting development near transit stations, bestowing an easier environmental review process on residential and mixed-use residential development projects in Transit Priority Areas (TPAs). These designated areas are defined as being located within one-half mile of a major transit station or a high quality transit corridor. In SACOG's SCS, transit use in the TPAs is three-times higher than in other parts of the region. Residents of the region who both live and work within one-half mile of transit drive on average 20 to 30 percent fewer miles than residents outside of TPAs. Since the aim of the law and plan is to provide residents with cost-saving choices that enable them to reduce driving and encourage other transportation modes, a focus on locating additional housing and jobs in TPAs is appropriate.

SACOG's SCS provides more opportunities for new residents to live near transit by encouraging growth in TPAs. In 2008, only 14 percent of housing units and 27 percent of jobs in the region were located within TPAs. In its SCS, SACOG plans for 38 percent of new homes and 39 percent of new jobs in these TPAs. For a region where only 2.8 percent of commuters use public transit, this is an important step.

Some might argue that locating only 38 percent of new housing near transit—when the latest market studies indicate *all* new growth should locate near transit—is not enough. Figure 6 outlines how Sacramento's SCS expands

access to transit. SACOG's investment in *new* transit service not only brings high quality service to new homes and employers, but also serves an additional 152,216 *existing* dwelling units and 240,013 *existing* employees that do not currently have transit service.

The bottom line is that by locating new housing near transit, and bringing new transit to existing residents, SACOG achieves the equivalent of locating *all new development* near transit. This is a substantial part of the way SACOG reaches its greenhouse gas target. They project that travel by transit, bicycle, and walking increases by 32.8 percent. As a comparison, the 2008 MTP projected an only 8.1 percent increase in ridership, even though that plan was based upon the very popular and widely-hailed regional Blueprint, which was itself a substantial improvement over business as usual.

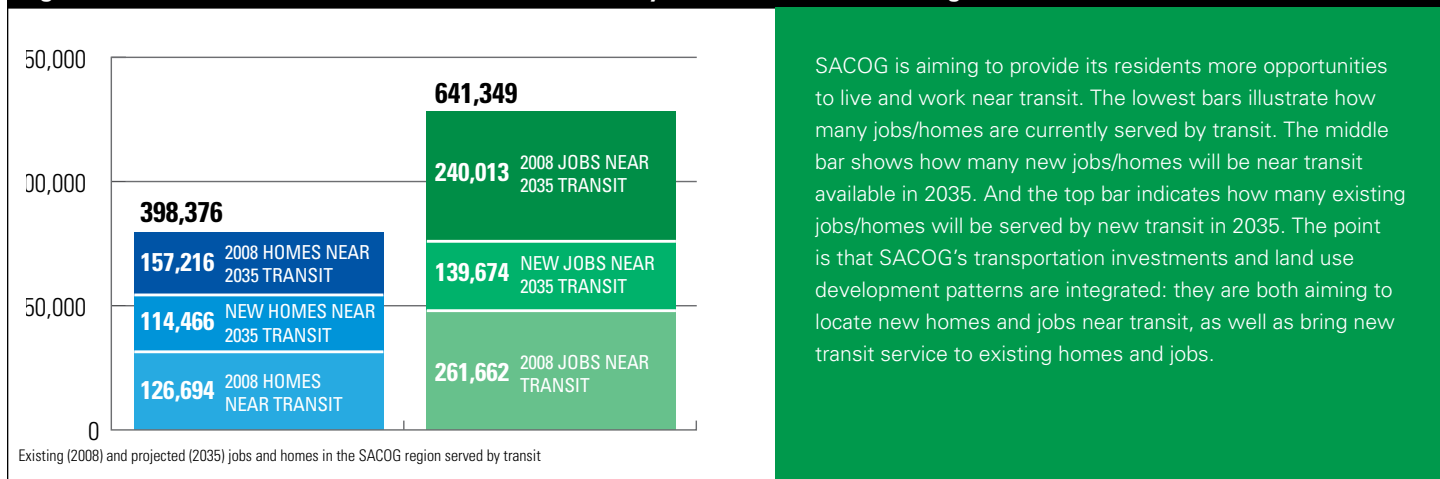
## AN EVOLVING MIX OF HOUSING CHOICES

The SACOG region has no natural geographic barriers to development or expansion, so it is no great surprise that growth has largely taken the form of large-lot, single-family housing. Before the Blueprint was adopted in 2004, the mix of housing in the region broke down as follows:

- Sixty-eight percent large-lot/single family housing (lot sizes are one-eighth of an acre or larger)
- Three percent small lot/single-family (lot sizes are less than one-eighth of an acre)
- Twenty-nine percent multi-family/attached single family

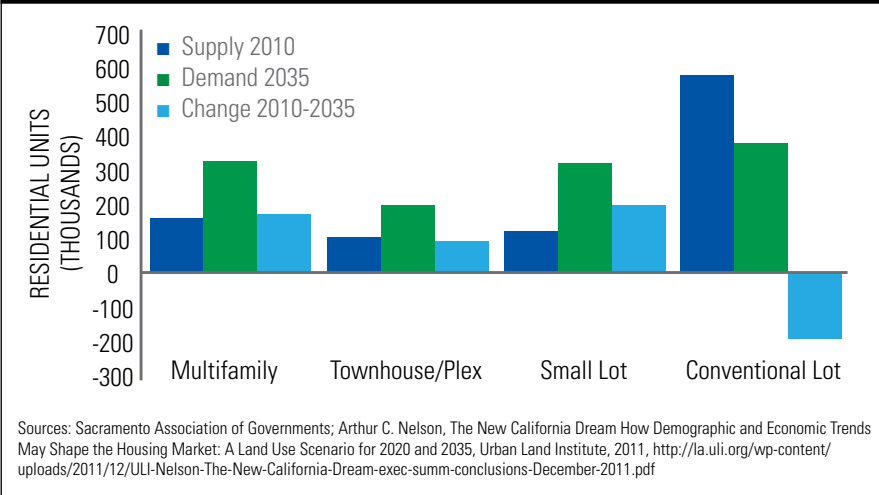
SACOG considered the same Urban Land Institute (ULI) demographic projections that informed Southern California's planning process. In Sacramento, a similar story emerged (see figure 7).

**Figure 6. Current and Future Jobs and Homes Served by Transit in the SACOG Region**



SACOG is aiming to provide its residents more opportunities to live and work near transit. The lowest bars illustrate how many jobs/homes are currently served by transit. The middle bar shows how many new jobs/homes will be near transit available in 2035. And the top bar indicates how many existing jobs/homes will be served by new transit in 2035. The point is that SACOG's transportation investments and land use development patterns are integrated: they are both aiming to locate new homes and jobs near transit, as well as bring new transit service to existing homes and jobs.

**Figure 7. Demand for Residential Units in the Sacramento Association of Governments' Metropolitan Planning Organization Area by Major Category in 2035, Compared to Supply in 2010**



The ULI report, *The New California Dream*, found that the region is already oversupplied with large-lot, single-family homes.<sup>3</sup> While the final adopted RTP/SCS does not go as far as the ULI report suggests it should, the housing mix is essentially a reversal of historic trends. The SCS expects:

- Seventy-one percent of new housing to be attached and small-lot, single-family housing
- Twenty-nine percent large-lot, single-family housing and rural residential

The fact that so many more residents will have the option to live in small-lot and attached homes means that the region will develop much less land with every new household. Whereas 333 acres of land were developed to accommodate each 1,000 residents in the recent past, the SCS requires **only 42 acres per 1,000 residents**. The urban footprint expands by only 7 percent to accommodate 39 percent more people.

### A FOCUS ON JOB CENTERS

While planning for growth near job centers to reduce commute distances is a sound strategy, regional governments like SACOG cannot control the location of future development; SB 375 expressly preserves local government's authority over land use decisions. What a regional agency can do is use its transportation investments to catalyze the types of development and modes of mobility it believes will help achieve the region's goals. With limited funding available, SACOG has done sound job in this respect. One of the most innovative strategies in the SACOG plan is a focus

**TABLE 1. JOB HOUSING BALANCE IN FOUR-MILE RADIUS OF MAJOR EMPLOYMENT CENTERS**

COUNTY	EMPLOYMENT CENTER	JOB-HOUSING BALANCE	
		2008	2035
El Dorado	Latrobe Business Park	0.98	1.14
Placer	Roseville-Douglas Corridor	0.98	1.12
Placer	Sunset Industrial Area	0.98	1.17
Sacramento	Downtown Sacramento	2.25	2.00
Sacramento	East Sac/UC Davis Medical Center	1.92	1.72
Sacramento	Power Inn/Florin-Perkins	1.34	1.18
Sacramento	Rancho Cordova	1.52	1.44
Sacramento	Folsom	1.38	1.41
Sacramento	Elk Grove/Laguna Springs	0.61	0.75
Sacramento	Expo-Arden-Point West Area	1.80	1.68
Sacramento	Northgate/North Market Area	1.14	1.22
Sutter	Yuba City/Hwy 20	1.08	1.10
Yolo	UC Davis	1.31	1.30
Yolo	West Sacramento/Harbor/Industrial Area	2.16	1.87
Yolo	NE Woodland Industrial Area	1.47	1.44
Yuba	Downtown Marysville	1.09	1.11

All of the SACOG region's major employment centers are projected to move towards the ideal 1.2 jobs-to-household ratio between 2008 and 2035. Jobs to household ratio is a common metric employed by planners to determine whether the region is providing an appropriate balance of employment and housing opportunities. Past plans have only examined job-housing balance at a regional scale. For the first time with this plan, SACOG examined this indicator within the 4-mile radius of its 15 major employment centers, aiming to reduce commuting distances and improve convenience.

on clustering growth in sub-regional job centers. SACOG identifies 15 employment centers in the region. The plan manages to improve the balance of jobs and housing in 14 of the 15 job centers. Today, one-third of workers live and work in the same area, so their commute trips average less than five miles. The SCS would improve that potential scenario by accommodating the majority of new growth near regional job centers: as a share of all growth in the region, 78 percent is accommodated within four miles of one of these 15 regional job centers. As a result, the average commute trip length would be reduced by 9 percent, from 20.5 miles in 2008 to 18.7 miles in 2035.

Going forward, SACOG has been working with affordable housing advocates to analyze not just jobs-housing balance—which strives to balance the total number of jobs with the total number of housing units—but jobs-housing fit, which emphasizes matching housing costs with likely wages in the job market. With its U.S. Department of Housing and Urban Development (HUD) Sustainable Communities Regional Planning grant, SACOG is developing data to create and test a jobs-housing fit methodology, a long time request of the affordable housing community. Ideally, SACOG’s methodology can be adopted by other regions struggling to provide convenient, affordable housing for all residents.

## SACOG’S INNOVATIVE APPROACH TO ENVIRONMENTAL REVIEW

A fundamental premise of SB 375’s environmental review provisions is that certain environmental impacts can and should be analyzed at the regional scale. That way, when a proposed project is consistent with that regional review, the project sponsor is spared the time and expense of redoing environmental review. This practice, referred to as tiering, allows a project to benefit from environmental review completed for previous planning documents—typically at a larger scale. Clearly, then, it is essential that the regional environmental review document be comprehensive and of very high quality.

More than any other region to date, SACOG took pains to ensure that the Environmental Impact Report (EIR) for its RTP/SCS was sufficient to make tiering available to those projects that wished to take advantage of it.<sup>4</sup> For Transit Priority Areas (TPAs) in particular, SACOG included definitions of what types of projects would qualify, and tried to ensure the SCS’s EIR was analyzing projects in such a way that would promote worthwhile projects while also protecting the environment. SACOG structured its EIR to follow the specific structure of its SCS, which classifies

growth into community types: 1) centers and corridors; 2) established communities; 3) developing communities; and 4) rural residential communities. In addition, the EIR uses the transit priority area as an overlay. It then takes careful steps to ensure that the tiering provisions of SB 375 are available for each community type and all TPAs.

Since SB 375’s CEQA provisions and SACOG’s efforts to conform their EIR to them are completely new, SACOG applied for and secured a HUD grant to develop this tool more fully. SACOG has selected five transit priority projects throughout the region with which to partner to create case study SCEA documents. The idea is to work through the environmental review process with local government partners to ensure others can access this new streamlining, all with an eye towards tipping the development scale in favor of growth near transit.<sup>5</sup>

SACOG’s EIR contains a number of mitigation measures that are based on performance instead of specific, rigid measures. For example, rather than requiring a specific Transportation Demand Management (TDM) measure to reduce congested VMT, the plan lists a suite of TDM strategies from which a local agency could select the most appropriate mix given a project’s location. The goal was to give locals flexibility depending on the situation.

The importance of SACOG’s work cannot be overstated. SB 375 has created a completely new tool under CEQA to incentivize growth near transit, and it is appropriate that the bill give an easier environmental review process to projects near transit as this type of development has been proven repeatedly to reduce the need to drive and the associated greenhouse gas emissions. But unless the region’s plan and EIR are sufficiently detailed, developers will not be able to benefit from these new provisions, and the incentive will be lost. SACOG’s pioneering work here is critical to ensure that SB 375’s new CEQA provisions deliver their intended incentives, and that growth occurs in the right locations.

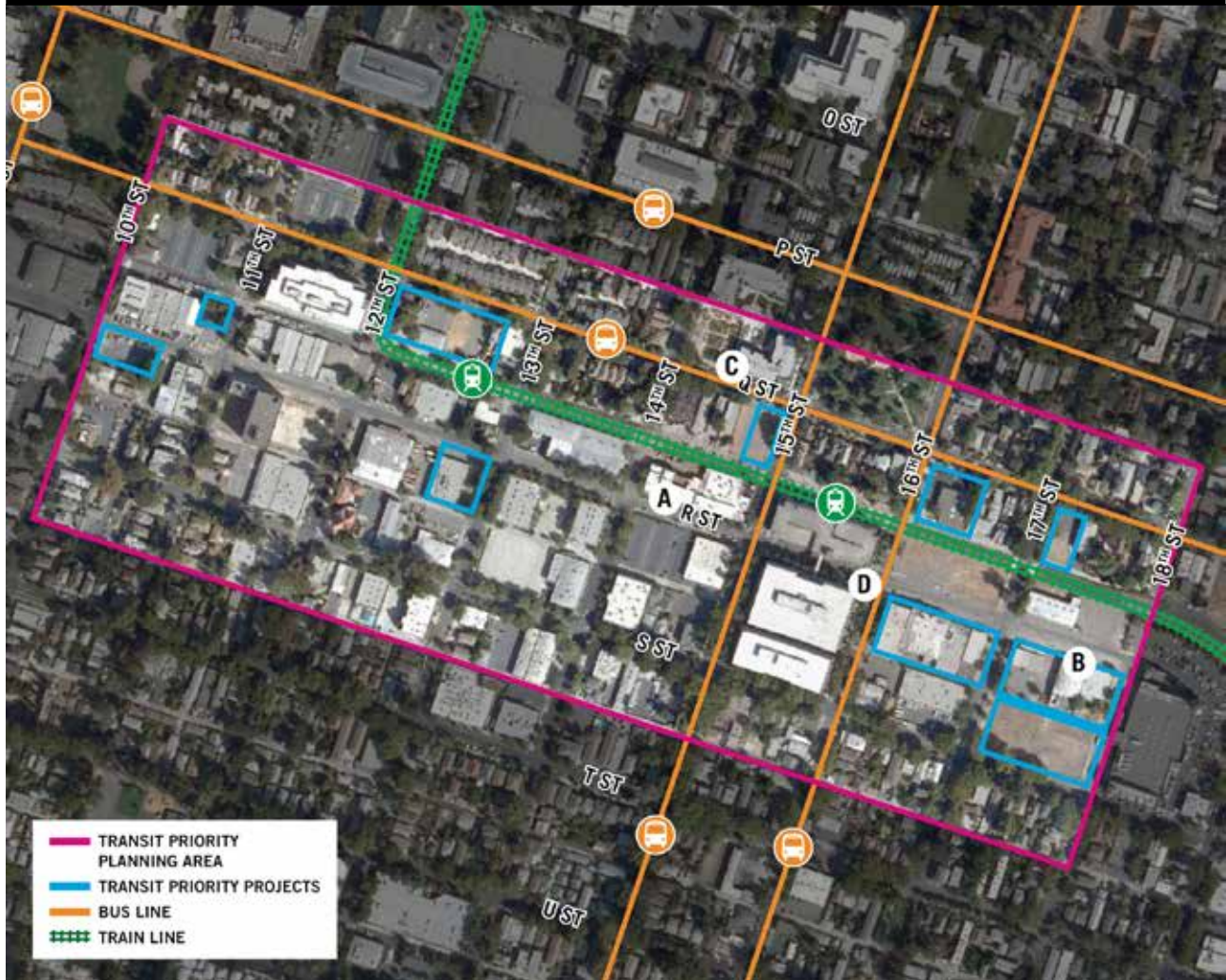
## FISCAL CONSTRAINT

In contrast to some other regions, the budget in SACOG’s plan is 13 percent smaller than its predecessor. This exercise in fiscal self-restraint is commendable, particularly as other regions assume substantial amounts of new revenue rather than do the harder work of re-assessing the need for certain projects. SACOG operates within its means with this plan, itself a model for future SCSs. Ultimately, the question the SACOG region asked was: “How can we do more with less?”

SACOG spreads the cuts wisely, with a 20 percent decrease in capital projects versus a 9 percent decrease in operations



**Figure 8. SACOG Focused Growth in Transit Priority Areas to Meet Their Emissions Reduction Targets**



This image depicts a Transit Priority Area (TPA) from the Sacramento Area Council of Governments (SACOG) plan, and highlights the potential for individual transit projects. SACOG worked carefully to ensure that the environmental review provisions of SB 375 were available for developers who proposed projects consistent with their Sustainable Communities Strategy.

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and maintenance, consistent with a “fix-it-first” investment strategy. Road capacity investments decline by 30 percent, reflecting this plan’s focus on operational improvements to improve system productivity over capacity improvements. Added freeway lane miles account for only 3 percent of the total new road way capacity, likely the smallest proportion of funding committed to freeways by any region in the history of RTPs.<sup>6</sup> Instead, the 97 percent of road projects that focus on surface streets emphasize access to infill areas, congestion relief, and access by transit, bicycle, and pedestrian modes.

The single largest budget item in SACOG’s \$35 billion plan is road maintenance and rehabilitation, at \$11.5 billion. Transit is second at \$11.3 billion, and road capital and operations are third at \$7.4 billion. One of the most impressive things about this plan is that bicycle and pedestrian infrastructure receive \$2.8 billion, or nearly 37 percent as much as the plan spends on roads, and 8 percent of total plan revenues. No other plan in California, and possibly no other plan in the United States, save perhaps the Portland metro, can make such a claim.

**TABLE 2. SACRAMENTO AREA COUNCIL OF GOVERNMENTS' TRANSPORTATION BUDGET, 2011 TO 2035**

PROGRAM CATEGORY		TOTAL BUDGET 2011 TO 2035 (IN BILLIONS)		TOTAL CHANGE	CHANGE PER CAPITA
		MTP/ SCS	2008 MTP		
<b>1</b>	<b>Maintenance and Rehabilitation (Current Year \$)*</b>	<b>\$11.5</b>	<b>\$12.0</b>	-4%	4%
	<i>Year of Expenditure \$</i>	\$16.4	\$20.2		
	Maintain Caltrans Highways and Freeways				
	Maintain Local Streets and Roads				
	Safety Investments as Part of Rehabilitation Projects				
<b>2</b>	<b>Road Capital and Operations Projects (Current Year \$)*</b>	<b>\$7.4</b>	<b>\$9.3</b>	-20%	-14%
	<i>Year of Expenditure \$</i>	\$10.5	\$15.7		
	New and Widened Roads, River Crossings, Interchanges (\$5.9 billion, 30 percent lower than 2008 MTP total)				
	Safety Projects				
	Technology and Operational Improvements				
<b>3</b>	<b>Transit (Current Year \$)*</b>	<b>\$11.3</b>	<b>\$13.6</b>	-17%	-10%
	<i>Year of Expenditure \$</i>	\$15.9	\$22.9		
	Bus and Rail Operations and Maintenance (70 percent of total expenditures)				
	Strategic Bus and Rail Infrastructure Expansion				
	ADA Paratransit Services				
<b>4</b>	<b>Bike/Pedestrian (Current Year \$)*</b>	<b>\$2.8</b>	<b>\$2.9</b>	-1%	5%
	<i>Year of Expenditure \$</i>	\$4.0	\$4.9		
	Bicycle Facilities				
	Pedestrian Improvements				
	ADA Retrofits				
<b>5</b>	<b>Programs, Planning, Enhancements (Current Year \$)*</b>	<b>\$2.2</b>	<b>\$2.4</b>	-8%	0%
	<i>Year of Expenditure \$</i>	\$3.1	\$4.0		
	Project Analysis and Development				
	Community Design Program				
	Air Quality Programs				
	TDM and Traveler Information				
	Landscaping and Transportation Enhancements				
<b>Grand Totals (Current Year \$*)</b>		<b>\$35.2</b>	<b>40.2</b>	-13%	-5%
	<i>Year of Expenditure \$</i>	\$49.8	\$67.7		

SACOG effectively spreads a 13 percent cut in funding: road projects receive a 20 percent cut, while bicycle and pedestrian investments receive only a 1 percent reduction overall, and an increase of 5 percent increase per capita.

## TRUE INTEGRATED TRANSPORTATION AND LAND USE SCENARIO PLANNING

One way SACOG could afford to reduce the scope of its road and highway portfolio was by iterating integrated land use and transportation scenarios—reflecting the planning model SB 375 envisioned—to show that transit, walking, and biking could bear an increased share of the region's transportation demand, bringing into question the need for various road projects contained in the 2008 plan.

The SCS increases transit coverage region-wide, but places particular emphasis on corridors with land uses that support productive transit service. By focusing on areas that have the highest number of likely riders, the SCS increases the number of transit trips by more than 250 percent even though the number of service hours is only doubled. To make dollars available for this ambitious transit expansion, the SCS shifts more than \$2 billion from road to transit purposes.

To achieve similarly strong performance from the road system with reduced revenues, right-sizing or value-engineering of roadway investments emerged as an important strategy. The plan achieves a reduction in congestion for the first time in the region's history, but does so with 13 percent fewer resources than the last plan.

Several proposed road widenings from the 2008 plan are scaled back from six lanes to four. Many other road projects planned for construction in the 2008 plan are included only for project analysis in the 2012 SCS.<sup>7</sup> A specific example is the Placer Parkway widening west of Watt Avenue—slated as a four lane road between state routes 65 and 70. SACOG's modeling showed that its preferred growth scenario would obviate the need for this investment, so the project was scaled back significantly, and its phasing was revisited so that a projected widening would not occur until the later years of the plan.

## ALWAYS ROOM FOR IMPROVEMENT

For all its accomplishments, there are areas in which SACOG could improve its performance for the next plan:

- **Schedule road construction to occur later in the plan to avoid triggering growth outside existing urban areas.** SACOG adopted this approach with the Placer Parkway project. Any capacity increases at the urban edge

should be phased to occur during the plan's later years to ensure they are not growth-inducing. An example is the proposed widening of Highway 99 north of the Sacramento airport towards Sutter and Yuba Counties. As this area is primarily used for farming, a capacity expansion would be growth inducing, as opposed to accommodating demand for travel.

- **Ensure sufficient densities and strong ridership potential prior to initiation of costly capital transit projects.** The fact that such an exceptional plan has been embraced in a region with mixed political views is a powerful indicator of the potential for similar efforts elsewhere, not simply within California, but across the country.
- **Improve parking policies to support walkable communities and transit use.** The SCS notes that parking policies may be a barrier to realization of SACOG's desired land use pattern. It also recommends conducting studies on the potential to modify current parking regulations, as well as explore parking pricing opportunities to support other modes of travel.<sup>8</sup> These recommendations can help address what is surely one of the most powerful drivers of the decision to drive in the SACOG region—abundant and free parking—and SACOG should prioritize these research efforts, and move towards implementation of their findings. Modifying current parking regulations can help to ensure that developers are able to deliver the walkable, transit-oriented housing the market is demanding. Well designed parking pricing policies can help pay for business improvement districts and shuttles, boost returns for local merchants and support increased transit use.
- **Prioritize transit investments in high-density arterial corridors.** High-density arterial corridors with no or limited transit service present strategic investment opportunities and should be prioritized to receive funding. SACOG should flag any sufficiently dense arterial corridors that currently lack this transit service and work with local jurisdictions and transit operators to accelerate service there. In arterial corridors where transit service does not currently exist, service introduction should be commenced once there is a sufficient density of homes or jobs along these arterial corridors.

## CONCLUSION

***“[T]his is a huge deal. In every dimension this is a groundbreaking plan . . . I’m proud of all of the groups who may have said that it’s not 110 percent of what they want on every issue, but it’s such a leap forward that they’re going to stand with it and help the region take this to the next level.”***

—Christopher Cabaldon, mayor of West Sacramento and SACOG Board member

Sacramento's plan sets a very high standard for regional planning. To Mayor Cabaldon's point, the plan takes significant steps forward in nearly every one of the major tenets of smart growth:

- Increases housing near transit
- Saves significant farmland from development by shifting to a more compact land use pattern
- Eliminates wasteful sprawl-inducing highway capacity projects
- Doubles transit service
- Significantly increases bike/pedestrian funding
- Protects public health
- Focuses on locating housing near job centers

SACOG has demonstrated that smart planning provides a multitude of benefits to the community, and is an issue that can transcend party lines. The fact that such an exceptional plan has been embraced in a region with mixed political views is a powerful indicator of the potential for similar efforts elsewhere, not simply within California, but across the country.



<sup>1</sup> SACOG 2035 MTP, Chapter 5B, Trends & Performance: Vehicle Miles Travelled (VMT) & Roadway Congestion (<http://www.sacog.org/2035/files/Final-Draft-MTP/5B-VMT%20Final.pdf>)

<sup>2</sup> SACOG Staff Testimony March 22, 2012

<sup>3</sup> <http://www.uli.org/ResearchAndPublications/-/media/ResearchAndPublications/Report/ULI%20Voices%20Nelson%20The%20New%20California%20Dream.ashx>

<sup>4</sup> Since SACOG has been engaged in blueprint planning since 2004, it's natural that their plan is more advanced and focused on implementation than some of the other regions. In the SCAG region, the critical work for this SCS was to get the vision for the future right. Each region is different and all are making progress.

<sup>5</sup> There has been considerable debate in the planning community regarding the value of the environmental review provisions of SB 375. Some claim they are not meaningful enough to effectively incentivize growth near transit—as the law clearly intended. Others believe that the streamlined process for review of projects located near transit could bestow very meaningful time and cost savings through the development process. SACOG clearly believes these provisions could help developers build near transit more easily, and has done everything in its power to create an SCS that allows developers to take advantage of the provisions of SB 375. Add some additional detail on views on CEQA provisions?

<sup>6</sup> Pete Hathaway, former Deputy Director at SACOG, personal communication 3/12

<sup>7</sup> See p 4-10 for a list of projects narrowed from 6 lanes to 4 and a separate list of projects which had been slated for construction in 2008, now included only for analysis in the SCS

<sup>8</sup> Strategies 3.7 and 16.1 in Chapter 6 – Policies and Supportive Strategies.

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## CHAPTER 4. POLICY RECOMMENDATIONS

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**S**outhern California and Sacramento have created plans that meet the greenhouse gas reduction goals of SB 375, while delivering important co-benefits, such as saving residents and local governments money, and encouraging the creation of communities that can improve public health. SB 375 and SCSs are changing the entire way Californians look at land use and transportation. By reforming our settlement patterns to address the challenge of global warming, SB 375 is opening up new options and forcing a reconsideration of our legacy of car-centric development.

Yet, as SCAG's previous president, Larry McCallon, said at the CARB hearing reviewing SCAG's plan, "This plan means nothing if it's not implemented. I and my agency [the San Bernardino Association of Governments—one of the six counties comprising the SCAG region] are committed to implementing it."

As good as they are, these regional SCSs will not implement themselves. Regions and localities need new tools and resources to transform these new visions for future growth in California into reality.

The following recommendations will help ensure effective implementation and the success of regional SCSs:

### 1. EMBRACE REDEVELOPMENT REFORM

As discussed earlier in Chapter 2, many who promote infill and better urban development saw the dissolution of California's redevelopment agencies in 2011 as a major setback. Redevelopment provided tools to local jurisdictions that made urban locations more attractive for investment, financed affordable housing, eased investments to upgrade infrastructure, and permitted the consolidation of underutilized property to spur projects. In spite of the benefits, redevelopment agencies did redirect important revenues away from California's schools, and individual redevelopment agencies sometimes engaged in practices that sullied the reputation of redevelopment. In addition, the legal strategy that cities used to fend off the dissolution, and the Supreme Court decision against them, ultimately prohibited the state from reconsidering the dissolution.

Yet as SCSs continue to be certified, the need for innovations in urban development will only grow. Now is the time to revamp redevelopment in a way that encourages SB 375-friendly planning, eliminates abuses, and keeps schools

funded. The best current prospect for this kind of reform is another idea from Senator Steinberg: SB 1156. He aims to eliminate the need for a blight finding and instead refocus redevelopment on creating walkable communities and encouraging growth near transit. Local governments need local economic development tools and it is fitting that Senator Steinberg should focus his efforts on updating and modernizing redevelopment to meet the needs of the 21<sup>st</sup> Century.

### 2. IDENTIFY PERMANENT SOURCES FOR AFFORDABLE HOUSING FUNDING

The elimination of redevelopment removed the state's single largest source of financial assistance for affordable housing development. While California's voters have been generous in their approval of periodic bonds for affordable housing, experts agree that the state needs to establish a permanent and reliable source of affordable housing funding. SB 375's emphasis on inclusive development brings this need into even sharper focus.

During the 2012 session, legislative leaders in Sacramento considered legislation to enact a small fee on home sales that would go into a trust fund for affordable housing. Though this bill failed to move this year, it had the support of a broad coalition including the California Realtors Association, the California Building Industry Association, and numerous environmental and affordable housing groups. Similar efforts are likely to re-emerge next session. Any reformed redevelopment program must continue redevelopment's long-established fiscal commitment to affordable housing development.

### 3. SECURE NEW REVENUES FOR PLANNING, TRANSIT, AND INFRASTRUCTURE INVESTMENT

SB 375 calls on regions and localities to modernize their land use patterns and infrastructure investments. This is essential work and local agencies are the best positioned and most knowledgeable to make it happen on the ground. Sacramento leaders must realize that successful SCSs will only come from concerted and informed planning at regional, county, and state levels. The need to fund staff planners in regions, counties and cities is vital.

SCSs will create new demand for infrastructure, as intensifying development in traditional urban areas will likely require the upgrading of aging systems. For example, walkable neighborhoods require quality sidewalks, safe road crossings and bike lanes, and sufficient park and green spaces. According to the California Transit Association, California already has a \$22 billion unmet public transportation operations funding shortfall through 2020.<sup>1</sup> While SB 375 will create communities where transit is more economically efficient, initial investment is absolutely necessary to ensure that it's also safe, reliable, and competitive.

Fortunately, proceeds from the sale of greenhouse gas emissions permits under AB 32's cap and trade system are a new and appropriate source of revenues for these important investments, especially given that the resulting greenhouse gas emissions reductions are essential to meeting SB 375 and AB 32 goals. Investment plans from the CARB or the legislature must include funding for SB 375 implementation consistent with requirements for the expenditure of regulatory fees.

### 4. INCREASE TRANSIT FUNDING

Beyond proceeds from the sale of permits under a cap and trade system, additional revenues for the expansion, operations, and maintenance of our transit systems are sorely needed. Self-help counties that fund transportation through their sales taxes should commit ever greater portions of those proceeds to transit and ensure that those projects are consistent with adopted SCSs. Sacramento lawmakers should permit regions to ask their residents to fund regional transportation needs, like Los Angeles did with Measure R. SANDAG saw itself trapped within the projects laid out in its Transnet regional measure. The state and counties should explore how regions can legally and responsibly change priorities within existing transportation-based sales tax

programs to reconsider projects that may not contribute to SCS sustainability goals.

### 5. IMPLEMENT PARKING REFORM

Parking is just one of many common obstacles to realizing more sustainable development. Our traditional car-centric approach to zoning and land use has led to the development of parking requirements for residential developments that are simply out of step not only with the market but also with what science is teaching us about how and why people choose to drive.

Unnecessarily high off-street parking requirements drive up the costs of residential development, increase housing prices, and force builders to commit land to parking when they could use it for residential or commercial use. Social science research tells us that dense projects near transit need fewer parking spaces, as residents of the projects drive less and own cars at lower rates. Nevertheless, most of our cities are governed by now-outmoded parking requirements created for the suburbs.

State leaders can help encourage infill and lower the cost of housing by prohibiting unnecessarily high off-street parking requirements in areas that are well-served by transit. This would not mean that builders could not provide parking if they thought it was necessary to sell their units, only that a city would not *require* more parking than makes sense for a transit-oriented location.

In 2011, the California Infill Builders Association sponsored, and Assembly member Nancy Skinner authored, AB 710, which would have limited parking near transit stations. The bill received unanimous bipartisan votes in every committee and on the Assembly floor. The bill fell short by one vote of passing off the Senate floor. Assembly member Skinner reintroduced the bill, now AB 904, in the 2012 session. Though facing resistance, this bill would significantly enhance opportunities for transit-oriented development around the state.

### 6. ENCOURAGE PERFORMANCE-BASED TRANSPORTATION INVESTMENTS

The Metropolitan Transportation Commission (MTC), which is developing the Bay Area's SCS, has recently adopted a new performance-based approach to evaluating transportation investments. MTC's "project performance assessment" analyzes whether major transportation projects

are helping or hurting the Bay Area's ability to meet its social and environmental goals. The performance assessment rates projects not only on their ability to move traffic—the traditional approach to transportation investment—but also includes environmental criteria (Will a project *encourage* more driving and more pollution?) and social equity criteria (Will low income communities benefit, or be negatively affected, by a project?).

Transportation projects are extremely expensive and have all sorts of impacts over and above moving vehicles. To really put the *sustainable* in Sustainable Communities Strategy, all regions should develop comprehensive evaluation methods like MTC's.

MTC's process could also serve as a model for state efforts. The California Strategic Growth Council (SGC) was written into law in 2008 by SB 732 (Steinberg). The SGC has a statutory mandate to "Identify and review activities and funding programs of member state agencies that may be coordinated to meet the objectives of the Council."<sup>2</sup> To date, the SGC has made little progress towards this ambitious and essential goal. The great majority of the state's infrastructure investment comes through the Business, Transportation, and Housing agency (BTH), primarily for transportation. BTH should take the lead to apply MTC's pioneering process to evaluate and potentially reconsider the state's tens of billions of dollars of transportation investments.

## 7. ADOPT TARGETED REGIONAL GRANT PROGRAMS

In 2009, the MTC launched a new program called Priority Development Areas (PDAs). The opportunity emerged as part of the FOCUS growth program—a regional dialogue about how the Bay Area should accommodate millions of new residents over the next 25 years. After many rounds of public comment and expert consultation, the Bay Area published its guidelines for determining what qualifies a site as a PDA. The full list is available on their website, but the essential concept is that the Bay Area will focus growth in areas that are already developed, served by transit, water, and sewer, and are in close proximity to jobs and amenities. At the time the PDA program was developed, MTC had no specific funding to provide to these areas. They did make a promise, however, that if Bay Area cities agreed to accept additional growth by volunteering to be a PDA, they would be first in line for new infrastructure funding in the future.

Many, many cities answered the call. In fact, the Bay Area planning agencies now predict that they will be able to accommodate more than half of the region's growth required

by 2035 in the 5 percent of Bay Area land contained within these PDAs.<sup>3</sup> And now, with the development of their draft SCS, the MTC/ABAG have made good on their promise to the cities to fund infrastructure investment with the One Bay Area grant program. This program provides housing, transportation, and other infrastructure funding, and only PDAs are eligible to apply. At the time of this writing, MTC/ABAG had just voted to allocate over \$300 million of discretionary funding to this program.

Other regions, as well as state grant programs, should consider prioritizing funding to cities with developed infrastructure and amenities to grow, thus giving a shot in the arm to the infill agenda.

## 8. DEVELOP "SB 375-READY" ENVIRONMENTAL DOCUMENTS

As referenced in Chapter 3, Sacramento went far beyond the call of duty in crafting the environmental document for its RTP/SCS. It is clear upon reviewing Sacramento's EIR that the intent was not merely to adhere to the requirements of the CEQA, but to create a document that truly makes it possible for local governments and developers to take advantage of the streamlining provisions of SB 375. By matching the structure of the EIR to the structure of the SCS, they ensure that the tiering provisions are available to the types of projects SB 375 sets out to encourage.

By working in partnership with local cities and developers to actually draft template Sustainable Communities Environmental Assessments, Sacramento is ensuring that this new CEQA document is available to those transit projects that can mitigate their environmental impacts. SACOG's EIR helps bring the promise of SB 375 several significant steps closer to reality, and is a model others should follow drafting their EIRs.

The Bay Area, specifically, which will spend the next year preparing its SCS and EIR, could benefit its developers and local jurisdictions substantially by making sure the EIR is a valid and useful document.

## 9. EMPLOY SCS AS VEHICLE TO ADVANCE SOCIAL EQUITY

A consistent theme running through AB 32 and SB 375 is a commitment to furthering social equity. SB 375 and SCS development provide unprecedented opportunities to consider regional challenges and right historic regional inequities.



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SCSs must prioritize equity. By syncing up regional land use and transportation planning with the Regional Housing Needs Allocation (RHNA), SB 375 calls on regions to think of housing and transportation costs together, and gives them a tool to balance jobs and housing. SB 375 puts more teeth into the RHNA process by requiring local jurisdictions to create housing elements and zoning consistent with the allocation.

Transportation equity is equally important. SCSs should consider not only rail service, but bus service (by far the most common type of transit) in their transportation planning. MPOs need to do a better job of creating and maintaining bus routes that serve the actual needs of low-income residents and link them to opportunity. Regions should prioritize restoring service cuts and keeping existing systems in good repair before expanding their systems' reach.

Preventing displacement is also an important equity issue, ensuring that rising land values and economic opportunity

in TOD areas are channeled into effective community revitalization. There are a number of policies, like corridor wide value capture fees, supporting tenants' rights, and helping preserve existing affordable housing, that can support efforts to address and prevent displacement.

The intersection of public health and the built environment is also a key consideration. Low-income communities, and communities of color, are more likely to be located near both stationary and mobile sources of air pollution, and sometimes both. The cumulative health impacts of these sources, amplified in many cases by social determinants of health such as race and income, put many people at risk. SCSs and their EIRs must address this issue, both by providing sufficient buffers and mitigations between polluting uses and sensitive populations, and by promoting urban design, complete streets, and open spaces to encourage physical activity and active transportation.



## 10. INCREASE FOCUS ON PUBLIC HEALTH

The American Lung Association of California's analysis of the SCAG SCS shows that there are significant public health benefits for all Californians from better land use and transportation planning. The methodology they developed is easily transferrable to other regions. Moving forward, all SCSs and related environmental documents should examine and share likely public health outcomes. We believe this will help build popular support for better regional planning, as a clean air/less pollution message resonates very well with everyday Californians, who may otherwise be unfamiliar with planning and infrastructure.

Public health analysis should at least include the two areas covered in the lead-up to the approval of the SCAG SCS: the health benefits of more active transportation (biking and walking), and those from cleaner air (less asthma, fewer hospital visits and missed work days, fewer premature deaths). An additional area regions should add are the health benefits of reductions in vehicle collisions (both between vehicles and between vehicles and pedestrians/bikers). Coalitions throughout California, including ClimatePlan, Human Impact Partners and others, have developed helpful public health indicators that regions should strongly consider including in future SCSs.

Regions could also conduct a Health Impact Assessment (HIA) in conjunction with the development of their scenario alternatives. By performing health analysis at the front end, health-related information can become part of the decision-making process, alongside environmental and economic analysis, when SCS policies are being evaluated. The Alameda County Department of Public Health, for example, is performing an HIA in the context of the Bay Area's SCS, with a focus on transit-dependent populations in Alameda County. HIAs aim to provide focused analysis that can inform decision-making.

## 11. USE REGIONAL ADVANCE MITIGATION PLANNING FOR CONSERVATION

Regional advance mitigation planning (RAMP) incorporates environmental considerations early in infrastructure development to leverage mitigation dollars for larger and more effective conservation actions. Under a RAMP, infrastructure agencies work with resource agencies to consider the environmental impacts of several planned projects at once, bundling their mitigation needs to protect habitat at a larger, more ecologically effective scale, and linking those mitigation actions with conservation priorities as identified in a 'regional greenprint.'

RAMPs address a common problem: due to the way transportation and other infrastructure projects are funded and implemented, infrastructure agencies often engage in project-by-project mitigation, which often overlooks regional and ecosystem scale impacts to species and critical habitat, thereby missing opportunities for efficient, reliable and effective environmental mitigation. Mitigation also usually occurs at the end of the project timeline, when property values have increased due to speculation, and habitat acquisition opportunities have been lost to encroaching development and speculation.

RAMP is a win-win for conservation and infrastructure agencies: it expedites project delivery and yields larger conservation outcomes. Under RAMP, mitigation for infrastructure projects can be proactive, cheaper, more systematic and on larger, more ecological, scales.

Currently RAMPs exist in San Diego and Orange Counties, authorized as environmental mitigation programs through their respective transportation sales tax measures, with great success. Caltrans, Department of Water Resources, Department of Fish and Game, the U.S. Fish and Wildlife Service, U.S. Army Corps of Engineers, UC Davis, The Nature Conservancy, and other state and federal agencies are working to develop a statewide RAMP program. Regions should utilize RAMPs to maximize open space conservation in the SCSs.

<sup>1</sup> Yonel Grant and Josh Shaw, "Unmet Transit Funding Needs in California: FY2011-2020." (lecture, Ninth National Conference of Transportation Asset Management, San Diego, CA, April 17, 2012).

<sup>2</sup> California Public Resources Code 75125 (c): Improve air and water quality; Protect natural resources and agriculture lands Increase the availability of affordable housing; Promote public health; Improve transportation; Encourage greater infill and compact development; Revitalize community and urban centers; Assist state and local entities in the planning of sustainable communities and meeting AB 32 goals.

<sup>3</sup> "Priority Development Areas," FOCUS: A Development and Conservation Strategy for the San Francisco Bay Area, <http://www.bayareavisioin.org/initiatives/prioritydevelopmentareas.html>.

## CHAPTER 5. CONCLUSION

**R**egional agencies representing nearly two-thirds of California’s population have now adopted SCSs under SB 375, which lay the foundation for better growth and development for the next several decades. A review of these plans—particularly the latest to emerge in Sacramento and Southern California—reveal significant improvements over the last plans to be adopted in each region.

Nearly three and a half years into California’s grand experiment in regional planning, it seems communities will be stronger, healthier, and more resilient as a result of this law. All of the adopted SCSs, as well as the Bay Area’s—up for adoption April 2013—have shifted their planning practices in similar ways:

- Less land will be developed to accommodate each new resident
- More public transportation options will be available
- More people will be given the option to live near transit
- Commutes will get shorter
- Bicycling and walking will be easier and safer
- More communities will experience a mix of uses, making life easier and more convenient

These changes will not happen overnight, nor will they happen on their own. But the regional agencies charged with implementing SB 375 have made one thing clear: urban growth and development in California will adapt to the times. Transportation systems built to serve growth will be more balanced, and less polluting. A pivot in the direction of sustainable communities is the clear choice.

Now the State of California must deliver the tools and resources to make these visions a reality. As Steve Heminger, Executive Director of the Bay Area’s Metropolitan Transportation Commission told CARB, “We need a new kind of partnership with your agency, and with the state.” In the coming months and years, the state needs to focus on a three-fold policy platform to ensure it achieves the potential of this law: 1) reform redevelopment to provide a focus on

SB 375 implementation; 2) provide resources for transit and active transportation, planning, and affordable housing; and 3) develop a policy package designed to eliminate barriers to infill development through parking reform and other measures.

The optimism and sense of possibility Senator Steinberg described to the infill builders has characterized the regions’ work. Now it is up to the state to take bold action to continue to support implementation of this landmark law.

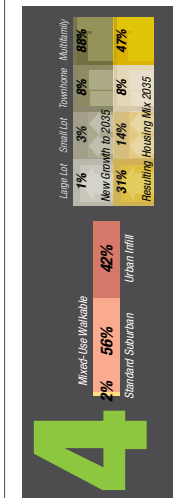
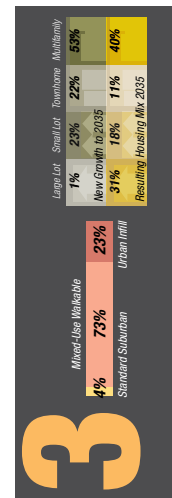
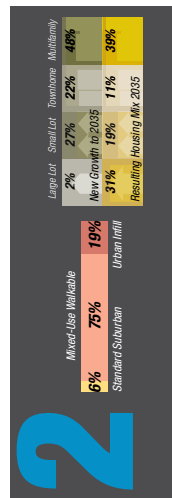
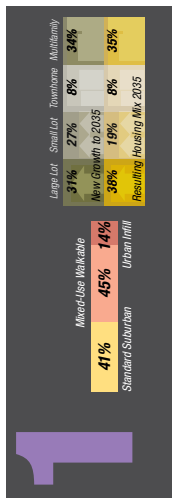


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## Peter Calthorpe's Vision California: 2035 Scenario Outcomes

### 2035 SCENARIO OUTCOMES\*

\* Scenario outputs are meant for comparative purposes only. Model outputs at this stage in the RTP/SIS process are preliminary and subject to refinement as the scenario development and modeling process progresses.



LAND CONSUMPTION	LOCAL INFRASTRUCTURE COSTS	VEHICLES MILES TRAVELED (VMT)	FUEL CONSUMPTION	HOUSEHOLD COSTS	GREENHOUSE GAS (GHG) EMISSIONS	BUILDING ENERGY USE	WATER CONSUMPTION	PUBLIC HEALTH
Greenfield (Open Space) Land Consumption [square miles]	Cumulative Capital Costs and General Maintenance Expenditures Includes local roads, waste water and sanitary sewer, water supply, and parks and recreation [2009 dollars]	VMT (Auto Passenger Vehicle Travel) [miles]	Automobile Fuel Use [gallons]	Annual Fuel, Auto Operating, Energy, and Water Costs per Household (HH) [2009 dollars]	GHG Emissions from Auto Passenger Transportation and Building Energy Use [Million Metric tons CO <sub>2</sub> e]	Annual Commercial and Residential Energy Use [Btu]	Annual Water Use, Total and per Household (HH) [gallons]	Annual Savings in Health Costs due to Reductions in Transportation-Related Pollutant Emissions [2009 dollars]
251 sq mi	Capital Operations/Maintenance \$35 bil	20,920 mi per HH	5.5 bil gal	Fuel/Automobile Energy/Water \$15,100 per HH	Transportation Building 96 MMT	Commercial Residential 835 tril Btu	3.0 mil ac ft	\$635 mil Savings from status quo
127 sq mi	\$31 bil	18,630 mi per HH	4.9 bil gal	\$13,600 per HH	88 MMT	775 tril Btu	2.9 mil ac ft	\$915 mil Savings from status quo
84 sq mi	\$29 bil	18,250 mi per HH	4.8 bil gal	\$13,350 per HH	86 MMT	760 tril Btu	2.9 mil ac ft	\$960 mil Savings from status quo
46 sq mi	\$25 bil	17,990 mi per HH	4.7 bil gal	\$13,150 per HH	85 MMT	745 tril Btu	2.8 mil ac ft	\$990 mil Savings from status quo

Peter Calthorpe's "Vision California" handout, which was distributed at the Southern California Association of Governments' meetings with its member governments and with the public, depicted four scenarios with increasing percentages of walkable mixed-use infill development and investments in modes other than the automobile—making it easy for everyone to immediately understand that SB 375 had many "co-benefits."