



June 3, 2024

Assemblymember Laura Friedman
State Capitol
Sacramento, CA 95814

Re: [AB 6 \(Friedman\) Transportation planning: regional transportation plans: Solutions for Congested Corridors program: reduction of GHG emissions \(Oppose\)](#)

Dear Assemblymember Friedman:

For the reasons outlined below, the California Association of Councils of Government (CALCOG) is opposed to AB 6.

CALCOG's Full Participation in Stakeholder Process Yielded No Results

CALCOG was at first optimistic when you invited a broad group of stakeholders to collaborate to achieve a consensus solution in AB 6. We attended every meeting, even when attendance from other groups waned. We have always appreciated your leadership in this area of the law and note that despite some differences, we have successfully worked with you on other issues to improve implementation of Sustainable Communities Strategies.

Unfortunately, consensus under the AB 6 stakeholder process was never achieved. We refrained from “working” our oppose position during the Assembly floor vote when the process facilitators assured us that the final bill would represent consensus. But that promise was not kept. The meetings stopped. When AB 6 was amended last week, it included provisions that were not discussed in the process. No substantive idea that we brought forward in the stakeholder process was included.

Like you, we take the implementation of Sustainable Communities Strategies (SCSs) very seriously. We share your belief that changes are necessary to preserve SB 375's long-term effectiveness. We remain committed to working with all stakeholders for solutions. But the language in AB 6 has never reflected this kind of collaboration. Time has run out. The difficult work of forging consensus on SB 375 implementation should be restarted soon—so a consensus can be achieved before the end of the next legislative session.

2045 Target Setting Must Account for EVs & Additional State Actions

The current language in AB 6 merely extends a target setting process that is increasingly obsolete. The GHG targets derive from a 2005 base year and the methodology represents the best thinking in 2010 (the year the Regional Targets Advisory Committee met). But a lot has changed since then. Consider the following points:¹

- ***The Value of a GHG Per Capita Reduction Target is Waning.*** California’s transition to EVs is making the GHG per capita metric less relevant. At some point prior to 2045, there will not be enough internal combustion engine cars (ICE autos) to achieve the needed reductions across all vehicles. Instead of considering how to address EVs, AB 6 compounds the problem by extending the existing process for another ten years.
- ***Proposed 2045 Target Will Disproportionately Affect Low-Income Households.*** CARB estimates 70 percent of cars will be EVs by 2045. In that year, most ICE autos will be older than 10 years (given the 2035 deadline for their sale). As a result, we predict that lower-income households will be over-represented in this group of vehicle owners. The extension of the GHG per capita metric to 2045 creates a natural focus emphasis on strategies that limit the use of these cars (as compared to EVs) because that is where the most GHG reduction would occur. Such a result is obviously unfair and inequitable. But AB 6 includes no consideration of this factor.
- ***No Plan for Addition State Actions.*** CARB has acknowledged that MPO actions, on their own, are not enough to achieve the targets; that additional state actions are necessary. The current targets require MPOs to reduce GHG emissions by 19%, which was 6% *less* than the 25% in the Scoping Plan. This 6% gap was to be addressed by “additional state actions.” But no law accounts for how the state is achieving these additional reductions. Although policies like SB 743 and the *Climate Action Plan for Transportation Infrastructure* represent state action that should reduce emissions, we do not know whether they are enough to bridge the 6% gap (probably not). AB 6 would be more effective if it provided a framework for monitoring the state-responsibility emission reductions which remain unaddressed 14 years after the first targets were agreed upon.
- ***Most of ARB’s Identified Actions Require State Action.*** In *Tracking Progress*, the second SB 150 Report, CARB lists 56 actions that could be employed to achieve SB 375 outcomes (see page 40). Of these, 52 (!) require state action. (See Attachment). This same “state action” emphasis is included in the 2022 Scoping Plan Update (see

¹ The Scoping Plan divides transportation emissions into three sections: technology, fuels, and VMT. MPOs do not get “credit” for advances in technology (fuel efficiency, electrification) or fuels (low carbon fuels). Instead, MPOs are credited for reductions from mobility, mode shift, and land use changes. Although there are limited instances where MPOs count advances in EV use, they are very limited under ARB’s SB 375 Guidelines.

Appendix E). AB 6 merely focuses on the margin of SCS implementation while ignoring swaths of potential state action in this area.

- ***Electric Vehicle Owners May Actually Drive More.*** The cost of driving is the most significant variable affecting how much people drive. One challenge in trying to limit VMT is that it is significantly cheaper to drive an EV than an ICE auto. Thus, an EV driver does not have a cost incentive to drive less. As the number of EVs increase, there are more drivers with low operating costs taking longer trips, which is at odds with ARB's focus is to get VMT to decrease. AB 6 does not account the outcomes of other policies (like emphasizing EV ownership) that actually increase (unintentionally) VMT.
- ***Largest Funding Source is Diminishing.*** As the LAO noted in *Assessing California's Climate Policies—Implications for State Transportation Funding and Programs*, state climate policy is driving a significant reduction in gas tax revenues. For MPOs, this affects the available funding for transportation infrastructure. The SCS is fiscally constrained, meaning that the MPO must have a reasonable expectation of revenues for all the transportation projects and strategies included in the RTP/SCS. As funding declines, the ability for MPOs to invest in transformational projects also declines. Replacement of those funds requires state action. Although the 2022 Scoping Plan calls for a "fuel agnostic" revenue source, there has been no serious action toward adopting an alternative. Until that time, MPOs will have less and less money to program in a way that can achieve the any transformational mode shifts or reduced VMT. AB 6 merely assumes that MPOs will be able to achieve goals without a fiscal analysis.

If the Legislature is going to establish a new target year, it should be designed to address the current constraints. Failure to do so gets in the way of California achieving its targets. Extending the current target setting without adapting to new circumstances merely creates another planning exercise. But it won't result in substantial GHG reductions. CALCOG would welcome a more holistic conversation that includes the issues raised above.

Amendment to SCS Review Process is Contrary to SB 375's Intent

AB 6 would dramatically upset the collaboration between MPOs and ARB. This was the most carefully negotiated language of SB 375. With just a few words, AB 6 demolishes the delicate balance it created. For reasons described below, we have opposed this language since it was introduced at the beginning of the AB 6 collaborative process. Yet it remains.

AB 6 gives CARB the right to veto the RTP/SCS. The problem is that the RTP is a federally required plan that also plays an important role in the state's air conformity. CARB *staff* (not the Board) is charged with reviewing a plan through the single lens of GHG reduction. They do not have the expertise in federal conformity review, housing policy, and other factors that are required to be addressed in a RTP/SCS. The process does not involve the California Transportation Commission, which publishes the RTP Guidelines.

Additionally, authorizing CARB staff to pass unilateral judgment about the “likelihood” of specific strategies is troubling. SCS strategies already meet the “current planning assumption” standard in federal law, which requires them to be “reasonable” or realistic under the Clean Air Act conformity. So what happens if CARB rejects as unlikely a strategy deemed reasonable under federal law? AB 6 is silent on this issue.

Second, the state has its own set of unlikely assumptions. Consider the “*doubling of local transit capacity and service frequencies by 2030.*” (Scoping Plan, Appendix E, p 12). We support the idea, but think this outcome is unlikely. Who reviews the likelihood of ARB’s strategies? Is it right to require MPO strategies to be “likely” when the state is not held to the same standard? And what if an MPO incorporates an “unlikely” CARB strategy? Can CARB reject it without undermining the Scoping Plan? This is not well thought through.

Amendment Review is not the Best Use of Limited State Resources

We also oppose the language that would require MPOs to submit RTP amendments for approval. This is busywork. Although there are exceptions, most RTP amendments involve minor timing changes that need to be addressed for conformity. We note that CARB will be presented the opportunity to review this amendment when it reviews the entire updated RTP, which will be presented one to three years from the time of the amendment.

We question the need to review even a major change during (for example) the second or third year of a four-year RTP cycle. Perhaps there are instances where the staffing and cost of such review are warranted. But that case has not been made. We would have appreciated the chance to discuss during the stakeholder process, but we do not recall it being raised.

Conclusion

Thank you for considering our basis for opposition.² We remain open to conversations to improve this area of the law. Please contact me if you have any questions or want to discuss these issues further [bhiggins@calcog.org | (916) 717-8324].

Sincerely,



Bill Higgins
Executive Director

² We also oppose other provisions not addressed here, such as the consideration of wildlife resources to “maximum extent” (without clarity of how that may work with other state goals, such as conformity and housing) and the requirement to maintain the reduction through the 20-year (or more) life of the plan (without consideration the reason, which could be related to state action or inaction).

HIGHLIGHTED
State, Regional, and Local Strategies

in the

DRAFT 2022 PROGRESS REPORT

CALIFORNIA'S SUSTAINABLE COMMUNITIES AND CLIMATE PROTECTION ACT

JUNE 2022



Marked up by:
California Association of Councils of Governments

This is a reprint of recommended actions in ARB's most recent SB 150 Report entitled *Tracking Progress*. This copy is annotated. The responsible level of government—state, regional, or local—is highlighted with a different color as demonstrated below. The colored numbers provide a running count of actions for each level of government

State Government

Regional Government

Local Government

*Housing, Transportation System Management, Transportation Planning and Funding, and New Mobility and Electric Vehicles.*⁸⁴

Each MPO region is unique, and challenges to SCS implementation vary throughout the state. Not all strategy areas apply to every MPO region, and the potential actions identified are offered as potential first steps for addressing the challenges.

LAND USE AND HOUSING

Development patterns in many parts of California currently make it easier to drive than to get around via public transit and active transportation. Nearly all SCSs include land use strategies such as supporting job and housing growth in identified priority development areas, which could make non-auto travel more convenient. However, implementation of this vision for future growth has been difficult. What follows are key actions to facilitate implementation of land use and housing strategies.

INCENTIVIZE ALIGNMENT OF LOCAL LAND USE WITH REGIONAL PLANS

Challenge: Despite many regions identifying priority areas in the SCSs for new development that can bring jobs, daily needs, and housing closer together, many local agencies have not successfully advanced infill and climate-smart development as needed. Instead of planning for new homes, shops, and workplaces within priority growth areas, too often growth is still being planned for land outside existing communities or built there first, especially in rural areas. All levels of government need to support and incentivize projects that allow for shorter trips, in both urban and rural areas, by bringing jobs and daily needs closer to homes.

Potential Actions:

- 1 • The Legislature could give State and regional agencies a greater role in supporting congruent local land use actions to foster their alignment with SCS implementation.
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1 • State and regional agencies could expand data sharing, such as providing open access to parcel data and priority development area shapefiles. This could support local planning that aligns with SCSs, SCS development and progress tracking, and state project prioritization. For example, SCAG developed the Housing Element Parcel (HELPR) tool, which identifies potential housing sites that could advance SCS implementation.

⁸⁴ The draft 2022 Scoping Plan includes Appendix E: Sustainable and Equitable Communities which is a framework for State action on VMT to support achievement of carbon neutrality that includes both State actions needed to support SCS implementation, as well as additional needed VMT reduction actions. The 2022 Progress Report focuses on identifying actions needed by all levels of government to support SCS implementation.

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2 • **State** and **regional** agencies could support widespread adoption of the Prohousing Designation Program⁸⁵ and further incorporate polices that support housing growth and VMT reduction in tandem. By using the Prohousing Designation Program, State and regional agencies can direct discretionary investments to jurisdictions that are making strong efforts to develop housing in ways that reduce VMT.
- 4 • The **Legislature** and **State** agencies could explore potential actions to expand the use of transfer of development rights, which is a growth management technique that allows property owners (such as farmers and ranchers) to disconnect the right to develop their property from the property itself and sell or transfer it for use on a different parcel of land in the community, thereby preserving the original parcel from development. This supports both natural and working land conservation and infill growth.
- 5 • The **Legislature** could expand tools and funding available to State, **regional** and local agencies to preserve natural and working lands and help to shape growth patterns. Tools and funding could focus on supporting regional "greenprint" planning efforts, as well as the conservation of key lands the plans identify as at risk of being lost to urbanization.
- 1 • **Local agencies** could establish urban growth boundaries (UGBs) to focus new development in existing communities. State and regional agencies could provide incentives, technical capacity, and other support for implementation of UGBs aligned with SCSs to facilitate infill development and affordable housing. For example, every city in Sonoma County has a UGB.
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3 • **State** or **regional** agencies could develop a resource for local agencies that further defines and illustrates how infill can be context-sensitive in different parts of California, including in rural areas and small towns, and offers policy templates for local adoption. An example to build on is the AMBAG's infill development resource page for local governments in its region, which is part of the region's toolkit to support local SCS implementation.⁸⁶
- 7 • **State agencies** could prioritize support for complete streets and other infrastructure improvements to attract development in locations targeted in SCSs for growth. For example, the Sacramento Area Council of Governments (SACOG) Rural Main Streets program provides strategic investments to create vibrant commercial corridors⁸⁷ and Green Means Go targets funding to

⁸⁵ For more information about the Prohousing Designation Program see *Prohousing Designation Program*. California Department of Housing and Community Development. Accessed May 2, 2022. <https://www.hcd.ca.gov/community-development/prohousing/index.shtml>

⁸⁶ For more information about AMBAG's SCS Implementation Project see *Sustainable Communities Strategy Implementation Project*. Association of Monterey Bay Area Governments. Accessed May 2, 2022. <https://www.ambag.org/plans/sustainable-communities-strategy-implementation-project>.

⁸⁷ For more information about SACOG's investments in regional commercial corridors and main streets see *Commercial Corridors and Main Streets: Civic Lab Year Two*. Sacramento Area Council of

promote infill development within planned center, corridor, or established communities identified in its SCS.⁸⁸

ACCELERATE INFILL HOUSING PRODUCTION

Challenge: Across the State, housing production is falling far short of demand and the growth assumed by regional SCSs. The high upfront costs for building infill and affordable housing continue to discourage these development types. The costs of land, labor and materials, local development requirements and fees, lack of existing infrastructure and subsidies to build affordable units, and costs to navigating the political and legal context are significant. Long approval timelines put financial pressure on developers to shift projects toward upper-income buyers to recoup upfront costs or discourage development efforts altogether.

Potential Actions:

- 8 • **The Legislature** could expand tax increment financing options and other financing tools for infill-supportive infrastructure.
- 9 • **State agencies** and the **Legislature** could expand funding for infill-supportive infrastructure (e.g., investing and upgrading infrastructure for sewers, water systems, transit, roads, or public facilities) to help alleviate the financial barriers posed by needed upgrades to support more intense land uses in existing neighborhoods. For example, this can be further expanded from existing funding programs like REAP 2.0 or the Infill Infrastructure Grant Program.
- 10 • **State agencies** could partner to support expansion of prefabricated construction for affordable housing projects, in collaboration with industry partners, to reduce construction costs and accelerate housing production timelines.
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4 • **State** and **regional** agencies could provide funding and guidance for local agencies to update and streamline their permit processes for affordable housing projects and projects in identified priority development areas.⁸⁹ For

Governments. Accessed May 2, 2022. <https://www.sacog.org/post/commercial-corridors-and-main-streets>.

⁸⁸ For more information about SACOG's Green Means Go program, see *Sacramento Region Greenhouse Gas Reduction Pilot Program Green Means Go*. Sacramento Area Council of Governments. Accessed May 11, 2022. <https://www.sacog.org/greenmeansgo>.

⁸⁹ Many SCSs include priority development areas, or places within the region where new homes, jobs and community amenities are targeted, typically near existing or planned transit. Many regions identify these areas in their SCSs, but they many go by different names such as priority growth areas, infill development areas, or place/community types like established communities or center/corridor communities, etc.

example, the City of Los Angeles has established expedited processing services for planning entitlement applications.⁹⁰

- 2 • **Local agencies** could develop guides and preapproved designs for ADUs and duplexes to make it easier and faster to build these units.
- 12 • **Regional** agencies could use their convening and regional leadership role to help local agencies initiate partnerships with non-profit and business partners to advance infill development projects that support climate and equity goals. For example, TCAG helped local agencies connect with community partners to support affordable housing projects and active transportation investments.
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5 • **State** and **regional** agencies could continue exploring actions to expand adaptive reuse of commercial buildings for housing. For example, MTC/ABAG's latest SCS includes a strategy to encourage adaptive reuse of aging malls and office parks into neighborhoods through targeted financial and technical assistance programs for planning and housing development. The City of San Francisco is currently reviewing plans to adapt the Stonestown Mall for housing development.⁹¹

EXPAND TOOLS AND RESOURCES TO INCREASE AND PROTECT AFFORDABLE HOUSING

Challenge: California is not building enough homes to meet the needs of its growing population, especially to serve lower-income households, which is contributing to further housing cost burdens and inequities across the state. In addition to addressing the building cost challenges discussed above, additional work is needed to support RHNA implementation at the local level. While recent housing legislation has provided more guidance for implementation of RHNA assumptions, stakeholders report that some cities are planning or selecting sites for low-income housing that are unlikely to be redeveloped within the RHNA housing cycle. Furthermore, many local policies to support the construction and preservation of housing, especially for lower-income households, are still not strong enough to overcome opposition to land use development. Finally, additional actions are needed to protect the existing stock of low-income housing in communities where it is at risk of converting to market rates as market-based rents continue to rise, which can result in displacement of low-income residents.

⁹⁰ For more information about the City of Los Angeles' expedited processing services see *Expedited Processing*. City of Los Angeles. Accessed May 2, 2022. <https://planning.lacity.org/development-services/expedited-processing>

⁹¹ City of San Francisco, Planning Department. Stonestown. Retrieved on May 12, 2022, from: [Stonestown | SF Planning](#)

Potential Actions:

- 13 • **The Legislature** could empower regions to develop housing finance authorities. For example, AB 1487⁹² created the Bay Area Housing Finance Authority which works to protect current residents from displacement, preserve existing affordable housing, and produce new housing. (See the section above on the “Latest SCS Strategies” for more information.)
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3 • **State agencies** could support **local housing element** implementation by providing further technical assistance to support housing law interpretation and adding requirements in funding programs around using AFFH tools to identify where the SCS does and does not support future growth.
- 15 • **The Legislature and State agencies** could design policies that help protect new affordable housing and low-VMT projects from litigation by providing further protections around housing production and infill development.
 - State agencies could identify opportunities in existing and future funding programs to support where new housing is going in relation to RHNA sites and AFFH, as well as prevent displacement impacts. To support this, regional agencies could provide priority development area data to the State for tracking to allow analysis of how much housing development is occurring in each region’s priority development areas using permit data from the Annual Progress Report compiled by HCD.⁹³
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4 • **State agencies** could expand interagency work on anti-displacement policies via working group efforts to develop and strengthen policies that are consistent across agencies. The working group could incentivize **regional** and **local** agencies to create displacement avoidance plans and implement anti-displacement policies (e.g., rental and foreclosure assistance programs, tenant right to counsel, compensation for no-fault eviction for redevelopment, “just cause” evictions, condominium conversion restrictions, inclusionary zoning, and impact/linkage fees to support affordable housing) to be competitive for discretionary funding. For example, the Transformative Climate Communities program requires development of displacement avoidance plans.

TRANSPORTATION SYSTEM MANAGEMENT

Californians continue to drive alone as their primary mode of travel. Transit ridership is declining, and active transportation rates remain low. Managing the transportation assets that California has such that transit and active transportation modes become more convenient and affordable to use for everyday trips than a car will require additional tools and innovation.

⁹² AB 1487 (Chiu, Chapter 541, Statutes of 2015).

⁹³ For more information on the APR Dashboard Housing Element Open Data Project see *Annual Progress Reports – Data Dashboard and Downloads*. California Department of Housing and Community Development. Accessed May 2, 2022. <https://www.hcd.ca.gov/apr-data-dashboard-and-downloads>.

One of these additional tools will be transportation pricing.⁹⁴ The four largest MPOs have identified various transportation pricing tools in their SCSs as essential to meet the GHG emission reduction targets. However, further action is needed by the Legislature to authorize most transportation pricing strategies for implementation by 2030, as reflected in the SCS plans.

Another area of focus is in looking for opportunities to optimize and elevate the competitiveness of transit, biking, and walking through investments by all levels of government. Investments to improve the user experience – the convenience, reliability, and cost-competitiveness of alternative modes – are critical to shifting people's travel choices.

AUTHORIZE TRANSPORTATION PRICING

Challenge: Authorizing transportation pricing strategies is needed to promote more efficient use of cars and to improve transit and active transportation options. Pricing strategies present an opportunity to fund the transportation system in a more equitable and fiscally sustainable way than current funding sources, promote more efficient functioning of existing infrastructure, and fund new transportation options, especially for those who do not own a vehicle or do not drive. The Legislature has directed State agencies to study a California mileage charge through SB 1077⁹⁵ and regional agencies have sponsored studies to assess region-specific design and impacts. Additional work is needed to ensure that application, design, and fund management of these strategies supports the State's climate and equity goals. In particular, pricing strategies need to take into account the potential choices available for vulnerable populations to ensure they are not unduly impacted by these strategies.

Potential Actions:

- 17 • **State agencies** could complete the second planned mileage-based fee pilot project by no later than 2025.
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7 • **The Legislature** could permit implementation of a suite of roadway pricing strategies in support of adopted SCSs. This could include: establishing fees for miles driven as an alternative to the gas tax and providing flexibility to reinvest revenues in sustainable transportation options such as transit, biking, and walking; authorizing **State** and **regional** agencies to implement regional congestion or managed lane conversion projects, with guardrails to protect against applications that may result in inducing travel; as well as authorizing regional and local agencies to implement cordon pricing around downtown centers and other key destinations.

⁹⁴ Pricing strategies take many forms and can include fees for miles driven, cordon fees for operating vehicles in designated areas, parking fees, fees on congestion impact of ride-hailing services, and dynamic fees on highway lanes and other strategic roads to manage congestion.

⁹⁵ SB 1077 (DeSaulnier, Chapter 835, Statutes of 2014).

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- **State agencies** could work in partnership with **regional** and **local** agencies to authorize different pricing mechanisms and provide guidance on pricing strategy implementation. This guidance could address: what pricing mechanisms are available; appropriate applications in urban, suburban, and rural contexts; options for how funds can be managed; how the revenue can be distributed to support transit and active transportation; and how to address equity concerns.

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- **State** and **regional** agencies could provide guidance and incentives to local jurisdictions to develop and manage parking with pricing strategies around high-density and transit-rich areas in urban regions.

OPTIMIZE THE TRANSIT EXPERIENCE

Challenge: The four largest MPO regions are increasing transit investment, but transit ridership has not been increasing, and a dramatic decline in transit use occurred across California due to the pandemic. Although projects in the pipeline may increase ridership once construction is completed, project timelines are lengthy. Additional actions by State, regional, and local agencies are needed to rethink, innovate, and increase funding to provide both capital improvements to the transportation system and operational and maintenance improvements to sustain new and existing services so that the user experience becomes convenient and cost-competitive to driving.

Potential Actions:

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- **State** and **regional** agencies could incentivize and support transit agencies to redesign their service networks to reflect changing land use patterns and innovate to better support the different service needs of both transit-dependent and choice riders, considering things like bus rapid transit, dedicated lanes, and transit signal priority. Transit agencies could continue to adapt services to optimize the transit experience for diversity of riders, considering differences in use by gender, race, and class. For example, Sacramento Regional Transit District updated services to improve frequency on fixed routes with highest ridership and offer new on-demand shuttle services to areas without service or previously served by inadequate or inefficient fixed-route service.⁹⁶

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- **The Legislature** could further support transit success by dedicating funding to transit projects that optimize the transit experience, improve connections between systems, and offer a convenient alternative to driving.

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- **State** and **regional** agencies could encourage transit agencies to adopt standardized transit fare structures and payment processes, and mobility

⁹⁶ For more information about Sacramento Regional Transit District's on-demand shuttle services see *SacRT SmaRT Ride – Shuttle Service that Comes to You*. Sacramento Regional Transit. Accessed May 3, 2022. <https://www.sacrt.com/apps/smart-ride/>

accounts that provide static and real-time data to support transit network updates responsive to community travel needs. For example, Caltrans has initiated the California Integrated Travel Project (Cal-ITP) aiming to make it easier to use public transportation by offering seamless trip planning and payment across modes and across services in California.⁹⁷

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- The Legislature could explore changes to the current Transportation Development Act requirements to support transit agency management decisions toward alignment with transit strategies in the SCSs.

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- The Legislature could incentivize regional and local agencies to design policies to make transit affordable for all who need to use it and to make it a cost-competitive and convenient option to driving for choice riders.
- Local agencies could require incorporation of design elements into development projects near transit stations and stops to help improve the transit user experience, such as: lighting, benches, shade structures, urban greening, signage, bicycle parking, and curb management.

TRANSPORTATION PLANNING AND INVESTMENTS

Many stakeholders reiterated several challenges with funding the transportation planning and projects that implement the SCS. Specifically, they cited the need for better alignment of Federal, State, and local transportation funding sources with State objectives around climate and equity in order to implement projects consistent with SCSs. There is also a need to provide dedicated, flexible, multi-year, capacity-building funding for programmatic and technical assistance efforts around pedestrian and bicyclist safety, public engagement, and behavior change.

ACCELERATE DELIVERY OF VMT-REDUCING PROJECTS

Challenge: Meeting the GHG emission reductions needed from SB 375 relies on funding VMT-reducing projects. This can be accelerated by a structural realignment of the State's framework for planning and funding transportation to further prioritize investments in passenger rail, transit, active transportation, and building more sustainable communities.⁹⁸ Billions in funding for VMT-increasing projects are still found within RTPs (e.g., new general-purpose lanes, new managed lanes, interchanges, and new arterials and connector roads) as many transportation projects in the pipeline reflect priorities from earlier years and do not consider California's

⁹⁷ For more information about the Caltrans Cal-ITP program see *California Integrated Travel Project (Cal-ITP)*. Caltrans. Accessed May 2, 2022. <https://dot.ca.gov/cal-itp/cal-itp-gtfs>.

⁹⁸ Governor Newsom's EO N-19-19 and the subsequent development of the CAPTI call for this change and provide a general framework to achieve it, respectively. See CalSTA, "[Climate Action Plan for Transportation Infrastructure](#)"

current goals and priorities for VMT reduction.⁹⁹ Re-envisioning projects can be an opportunity to meet core needs in ways that align with State climate goals and do not increase VMT.

Potential Actions:

- 26 • **State agencies** have committed to working with stakeholders to reimagine roadway projects that increase VMT in the current pipeline of State transportation investments in a manner that addresses underlying access and connectivity needs while ensuring alignment with the State's climate and equity goals. This initiative should be prioritized.
- 27 • **State agencies** could accelerate efforts to implement the recommendations in the CAPTI in relation to planning and funding future transportation investments to support the State's VMT reduction goals, meet community needs, and prioritize needs of overburdened communities.
- 28 • **The Legislature** could explore providing additional funding to support mode shift to transit and active transportation. Examples of existing programs that are highly competitive and oversubscribed include Caltrans' ATP and LCTOP, as well as CARB's STEP.
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7 • **Regional** and **local** agencies could prioritize transportation projects for funding based on how well they align with the State's VMT reduction goals and minimize the number of projects considered to be already committed and exempt from MPO efforts to prioritize projects for inclusion in the RTP based upon which projects best advance SCS implementation and regional goals.
- 29 • **The Legislature** could establish criteria related to emissions reductions and equity that transportation projects must meet in order to be funded by existing and new local transportation tax measures. To enhance transparency, the Legislature could also require agencies that administer these funds to estimate the GHG emission and VMT effects for each project and the financial impacts to low-income residents.
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8 • **State agencies** could support and incentivize **local** and **regional** agencies in implementing transportation quick build methods (i.e., utilizing portable materials to separate car lanes and cycletracks/pedestrian/transit ways and expediting lengthy approval processes) to expand bikeway, pedestrian, and bus rapid transit networks.¹⁰⁰

⁹⁹ Deakin, E.; Chow, C.; Son, D.; Handy, S.; Barbour, E.; Lee, A., et al. (2021). Evaluation of California State and Regional Transportation Plans and Their Prospects for Attaining State Goals. *UC Berkeley: Institute of Transportation Studies at UC Berkeley*. <http://dx.doi.org/10.7922/G2MP51KQ> Retrieved from <https://escholarship.org/uc/item/50j4b4r8>

¹⁰⁰ For more information on recent implementation of the quick build method in California see: https://www.calbike.org/our_initiatives/quick-build-bikeway-networks-for-safer-streets/

IMPROVE ACCESS TO FUNDING FOR HIGH MODE SHIFT PROJECTS

Challenge: Some discretionary transportation and climate grant programs could do more to prioritize projects with high mode-shift potential, which are necessary for successful SCS implementation. To implement these projects, regional and local agencies have taken on additional work to piecemeal different funding sources and pursue competitive and oversubscribed transportation and climate grant programs. Further support for funding programs that offer flexibility like CARB's STEP¹⁰¹ are needed. At the same time, stakeholders interviewed for this report indicated that competitive funding pursuits can be extremely challenging, especially for smaller jurisdictions with limited staffing resources.

Potential Actions:

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9 • **State agencies** could partner with **local** and **regional** agencies to reevaluate existing discretionary transportation and climate grant programs and update program guidelines to further prioritize projects with high mode-shift potential. Stakeholders identified the following priorities for discussion: elevating projects that meet multiple goals (citing CARB's clean transportation incentive programs as an example); optimizing flexible transit service to meet community needs in both urban and rural contexts; and closing gaps in the pedestrian and bicycle system.
- 32 • **State agencies** could streamline funding application processes and expand technical assistance offerings to regional and local agencies to make it easier to navigate State discretionary transportation and climate grant program opportunities.
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16 • **State** and **regional** agencies could partner on developing technical assistance, grant writing support, and program implementation resources to serve under-resourced local jurisdictions seeking to implement transportation projects that align with the SCS. For example, SANDAG disseminates information through established forums with local members to share information about new State funding programs, which makes it less resource-intensive for local agencies to navigate on their own.
- 34 • **The Legislature** could establish durable and flexible funding streams to support implementation of transit and active transportation capital improvements and operations.

¹⁰¹ For more information on CARB's STEP see *Sustainable Transportation Equity Project (STEP)*. CARB. Accessed May 2, 2022. <https://ww2.arb.ca.gov/lcti-step>.

MOBILITY, SAFETY, HEALTH AND EQUITY

Traffic-related fatalities and serious injuries are a critical and preventable public health and equity issue. In 2017, California had a total of 3,582 fatal and 193,564 injury crashes.¹⁰² This is an average of 1.1 deaths per fatal crash.¹⁰³ Collisions are happening in every region and are happening to those who drive, walk, and bike. Of particular concern are vulnerable groups such as children and seniors. In 2017, children under the age of 15 accounted for 10.9 percent of pedestrian victims and 9.7 percent of bicycle victims that were killed and injured.¹⁰⁴ These tragic figures illustrate the crucial need to safely accommodate all modes and reduce speed limits to reduce the likelihood or severity of collisions. The multi-modal investments in regions' RTPs can make this possible and avoid future tragedies. Traffic-related fatalities and serious injuries have significant impacts on the lives of families, friends, colleagues, and communities. They also have economic and environmental impacts. Traffic collisions impact congestion, lead to emergency management costs and personal financial costs, property damage, and additional GHG emissions from bottlenecks. Increasing safety for pedestrians and bicyclists can make transit and active transportation more desirable, encouraging mode shift and reducing GHG emissions and VMT. Safety features can include a variety of interventions such as establishing slower vehicle speeds through traffic calming measures like speed humps, bulb-outs, chicanes, tighter turning radii; providing physically separated facilities such as through bike paths, transit lanes, and guardrails; establishing safe sight distances making vehicles, pedestrians and cyclists more visible; providing signal controls or stop-signs in heavily used intersections; speed cameras where appropriate; and more. Providing a safe transportation network is essential to meet our economic, housing, environmental, equity, and public health goals.

¹⁰² California Highway Patrol. *2017 Annual Report California: 2017 Annual Report of Fatal and Injury Motor Vehicle Traffic Crashes*. Undated. Available at: <https://www.chp.ca.gov/InformationManagementDivisionSite/Documents/2017%20ANNUAL%20REPOR%20CALIFORNIA.pdf>

¹⁰³ Ibid.

¹⁰⁴ Ibid.

PRIORITIZE COMMUNITY NEEDS

Challenge: SCS planning and implementation efforts need more robust community engagement to identify, measure, and prioritize transportation policy and project solutions that produce equitable outcomes. Community members and NGOs are essential partners in local and regional transportation planning and funding processes. Furthermore, situations where robust engagement has occurred, but the investments were not realized, erodes trust between communities and all levels of government. Additionally, investments in road-building projects that cut through communities or cut them off from other parts of town have created harmful impacts. It is important to engage communities in a meaningful way to identify community needs and then to prioritize those needs through project completion.

Potential Actions:

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17 • **State** and **regional** agencies could encourage more community representation in decision-making processes by reevaluating participation requirements on advisory boards and committees to allow the public and non-governmental organization representatives to advise more directly on transportation policy and project decision-making.
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18 • **State** and **regional** agencies could evaluate which communities have received more limited amounts of funds and then partner with community groups to develop strategies for addressing this.
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19 • **State** and **regional** agencies could fund technical assistance to communities for pursuing funding for community-led plans and projects, especially for those identified through community-led transportation needs assessments. This could be accomplished through sustained funding to programs such as CARB's clean transportation incentive programs and the creation of new funding programs intended to fund community-led plans.
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20 • **State** agencies could develop mechanisms and funding programs to allow **local**, **regional**, and State agencies to compensate community partners and NGOs for time participating in planning and decision-making processes at the local, regional, and State levels.
- 39 • **State** agencies could further support development of community emission reduction plans under AB 617¹⁰⁵ to include land use and transportation strategies that support SCS implementation and help address the pollution burdens in identified communities.

¹⁰⁵ AB 617 (C. Garcia, Chapter 136, Statutes of 2017).

NEW MOBILITY AND ELECTRIC VEHICLES

Transit ridership declines demonstrate that public transit must evolve to better meet changing community needs. SCSs have started to include new mobility strategies that complement public transit, as well as investments in electric vehicle deployment.¹⁰⁶ While these innovations have great potential, clear standards and guidelines are essential to maximize and ensure broad access to their benefits, and importantly, to avoid risks that they could increase VMT. Especially in rural communities, where transportation options may be more limited, electric vehicles will also be an essential component of sustainable mobility.

SUPPORT NEW MOBILITY CONNECTIONS TO TRANSIT

Challenge: New mobility strategies offer the potential to complement public transit and improve access to regional opportunities, especially by serving first/last mile travel needs. However, the rapid pace of innovation for new mobility technology and autonomous vehicles without clear standards for operation and safety presents risks for early adoption of technologies in the public sector. Adoption of new mobility programs need dedicated funding beyond the pilot phase to serve as reliable transportation options.

Potential Actions:

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11 • State, regional, and local agencies could design, launch, and operate micromobility, rideshare, microtransit, and carsharing using statewide standardized data agreements, procurement through technology vendors, and partnerships with community-based organizations. For example, Caltrans' Cal-ITP has partnered with AMBAG, SBCAG, SACOG, and SCAG on a series of regional transit pilots to make it easier to use and pay for transit and collect high-quality mobility data to evaluate community benefits and inform design of further system enhancements (e.g., providing real time information to assist travelers in meeting their mobility needs).¹⁰⁷
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22 • State and regional agencies could further support clean travel solutions to better address community needs by reviewing and updating funding program guidelines to allow more flexibility for innovative and clean micromobility, rideshare, microtransit, ridehailing, and last-mile delivery services that are supportive of SCS strategies.

¹⁰⁶ New mobility services include shared-use mobility services, such as car-share, ride-hailing, and micromobility services; mobile phone-based services for trip planning, booking, and payment; and new travel technologies such as automated vehicles (AVs).

¹⁰⁷ For more information about the Caltrans Cal-ITP program see *A modern and consistent transportation experience throughout California*. Cal-ITP. Accessed May 2, 2022. <https://www.calitp.org>.

- 42 • **State** agencies could develop toolkits for regional and local agencies on how to design new mobility programs to maximize program benefits and establish consistent data collection and reporting agreements.
- 43 • **State agencies** could provide guidance regarding deployment of autonomous vehicles, such as safety and operation standards to protect the public, and to ensure they support climate and equity goals.

COORDINATE ELECTRIC VEHICLE INVESTMENTS AND INFRASTRUCTURE

Challenge: Nearly all SCSs include strategies for incentivizing electric vehicle (EV) infrastructure or vehicle purchases. However, implementation remains difficult since the strategies require new charging infrastructure, new technology for users to learn, and workforce skill development. It also requires ensuring that these reductions do not undercut SB 375's original intent to coordinate land use and transportation systems to reduce driving.

Potential Actions:

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12 • **State agencies** could encourage jointly planned and funded programs between **regional** and **local** agencies to achieve regional EV collaboration instead of having multiple EV programs in one region, each with their own funding needs.
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11 • **State agencies** in partnership with **regional** and **local** agencies could develop design standards for EV charging stations that help advance implementation of SCS strategies to increase EV infrastructure. Design standards can help expedite permitting approval timelines and implementation by making development less costly by addressing topics such as: siting and layout to accommodate all vehicle types; mapping and wayfinding signage to identify charging locations; and supportive infrastructure around charging stations (e.g., awnings, trash cans, etc.).
- 46 • **State agencies** could commit to working with utilities to increase resources dedicated to upgrading service in priority communities and to speed interconnections.
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11 • **State agencies** in partnership with **regional** and **local** agencies could further support and expand outreach of existing workforce development programs

¹⁰⁸ Adopted in December 2018, the Innovative Clean Transit Regulation requires all public transit agencies to gradually transition to a 100-percent zero-emission bus fleet and encourages them to provide innovative first- and last-mile connectivity and improved mobility for transit riders. This regulation also provides various exemptions and compliance options to provide safeguards and flexibility for transit agencies through this transition. For more information see: <https://ww2.arb.ca.gov/our-work/programs/innovative-clean-transit>

supportive of EV infrastructure and maintenance in partnership with high schools, colleges, and universities to teach trade skills.

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CALIFORNIA ENVIRONMENTAL QUALITY ACT & SB 743: PROJECT-LEVEL VMT

SB 375 includes CEQA provisions. These include streamlined review and analysis of residential or mixed-use projects consistent with the SCS; modified review and analysis through an expedited Sustainable Communities Environmental Assessment (SCEA) or for Transit Priority Projects (TPPs) that are consistent with the SCS; and a complete CEQA exemption for TPPs that are consistent with the SCS and meet a specific list of other requirements. CEQA benefits under SB 375 have had limited use, and new requirements to analyze VMT instead of LOS directed by SB 743 has been resource intensive for local and regional agencies to implement. During our interviews local and regional agencies called for support around CEQA streamlining and for support with SB 743 implementation. Further action is needed by State agencies and the Legislature to refine these tools in ways that support SCS implementation.

Improve CEQA Streamlining Benefits to Support Infill

Challenge: The existing CEQA benefits under SB 375 have very limited use as implementation costs outweigh this incentive. Most practitioners and stakeholders stated in discussions that SB 375 was not provided with strong implementation tools and many regions do not see the CEQA streamlining provisions in the law as a true incentive since it is complex to apply to specific projects. Although CEQA is not a primary barrier to infill housing relative to other challenges, further attention to any issues in its implementation can help iron out challenges.¹⁰⁹

Potential Actions:

- 48 • **State** or regional agencies could establish a new working group of experts to develop guidance for local agencies on how to incorporate land use-specific performance standards as part of municipal codes to streamline the CEQA review process. Developing code requirements instead of mitigation on a project-by-project basis streamlines project development and ensures development commitments are made upfront.
- 49 • **The Legislature** could improve CEQA streamlining opportunities for infill development by improving exemptions for projects that support GHG emission and VMT reductions. New CEQA streamlining could consider project location, density, affordability, floor area ratios, parking availability, mode shift, and other relevant factors.
- 50 • **State** and regional agencies could provide more resources, technical assistance, and guidance to locals on SB 375 CEQA provisions. For example, SACOG

¹⁰⁹ O'Neill, Moira and Biber, Eric and Gualco-Nelson, Giulia and Marantz, Nicholas and Marantz, Nicholas. (September 18, 2021). *Examining Entitlement in California to Inform Policy and Process: Advancing Social Equity in Housing Development Patterns*. Available at SSRN: <https://ssrn.com/abstract=3956250>

provides resources and worksheets to help CEQA lead agencies determine if SB 375 CEQA streamlining is applicable, appropriate, and how to approach it.¹¹⁰

Provide Support for SB 743 Implementation

Challenge: SB 743 transitioned environmental analysis away from LOS to VMT. However, it has been resource-intensive for local agencies to navigate and implement individually. VMT mitigation strategies are project-dependent and often designed independently of the region's SCS leaving the fundamental connection between regional and local transportation and land use strategies unaddressed.

Potential Actions:

- **State** and **regional** agencies could provide further guidance around how SB 743 thresholds and mitigation measures connect to and support SCS implementation, as well as develop more off-the-shelf resources (e.g., templates, guidance, and tools) for lead agencies to use in implementing and complying with SB 743. Currently, each lead agency is individually developing thresholds, which has been resource-intensive, especially for smaller and mid-size jurisdictions.
- **State** agencies could establish guidance for regional and local agencies on how to administer SB 743 mitigation banking or exchanges and how revenue should be spent to support SCS implementation such as for transit and active transportation projects.

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¹¹⁰ Sacramento Area Council of Governments. SB 375 CEQA Streamlining. [SB 375 CEQA Streamlining - Sacramento Area Council of Governments \(sacog.org\)](#) Accessed May 12, 2022.

CONCLUSION

SB 375 has been an important tool to coordinate regional land use and transportation planning; however, it is incomplete. SB 375 establishes requirements for regional planning, which is only one element of the institutional and policy framework that affects how communities are planned and built and how people move around. Several attempts have been made to amend the SB 375 law.¹¹¹ To date, none has passed. Although such bills have generally been thoughtful efforts to strengthen SB 375, further challenges may have remained even had they passed, because no matter how robust, regional plans alone cannot reduce emissions.

Fulfilling SB 375 requires a stronger focus on implementation. Authorizing and funding strategies in the most recently adopted SCSs and using SCS planning assumptions to shape future growth are important opportunities to produce the sustainable development patterns and transportation systems California needs to meet the State's new carbon neutrality goals and to advancing equity. Although we are seeing some progress, the current toolbox is insufficient to fully implement the strategies needed to get to our goals. By authorizing and creating the tools we need, we can expand progress in this area before time runs out.¹¹²

¹¹¹ SB 526, 2019-2020 Reg. Sess. (Cal. 2019) https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=201920200SB526; SB 1363, 2019-2020 Reg. Sess. (Cal. 2020) https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=201920200SB1363; AB 1147, 2021-2022 Reg. Sess. (Cal. 2021) https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB1147; SB 261, 2021-2022 Reg. Sess. (Cal. 2021) https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB261; SB 475, 2021-2022 Reg. Sess. (Cal. 2021) https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB475

¹¹² <https://www.ipcc.ch/report/ar6/wg2/>