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September 27, 2016

Mary Nichols, Chair

California Air Resources Board

1001 I Street

Sacramento, CA 95814

Re: Comments on the Public Workshop on the Transportation Sector to Inform the 2030 Target Scoping Plan Update

Dear Chair Nichols:

On behalf of the League of California Cities (League), we would like to thank the Air Resources Board (ARB) for the opportunity to comment on the Public Workshop on the Transportation Sector to Inform the 2030 Target Scoping Plan Update. We also thank ARB for acknowledging that close coordination and partnerships at the local level are needed to reach the State’s long term climate and environmental goals.

**General Comments**

California’s 482 cities are proud of what they have accomplished to help reduce greenhouse gas (GHG) emissions. Cities across the State have found cost efficient, innovative solutions that accommodate the unique characteristics of their communities. Many have completed GHG inventories, created climate change action plans, and implemented programs that are significantly reducing GHG emissions. These cities are leaders, setting an example for the state, nation, and the world.

Cities and other local agencies are implementing innovative approaches to address climate change through energy efficiency and conservation, water and wastewater systems, green building, waste reduction and recycling, climate-friendly purchasing, renewable energy and low-carbon fuels, efficient transportation, land use and community design, open space protection and offsetting carbon emissions. Cities are also actively participating in rigorous voluntary programs designed to achieve measureable reductions in GHG emissions and energy use, such as the Beacon program administered by Institute of Local Government through the Statewide Energy Efficiency Collaborative, on behalf of the California Public Utilities Commission.

However, as innovative and successful as these and other local efforts have been, local agencies throughout California lack adequate staff and financial resources to plan, implement, and continue effective programs to reduce GHG emissions. We urge the ARB to also recognize that with the elimination of local redevelopment agencies in 2011, local agencies lost the most powerful and effective tool to repair and upgrade infrastructure to accommodate additional growth, promote infill and transit-oriented development, and over $1 billion per year in affordable housing funds. Since then, despite a significant rebound in state revenues, no major source of revenue has been identified to fill this vacuum. Moreover, most revenue options available to local agencies to fund infrastructure and affordable housing face two-thirds voter approval requirements. Thus, it is imperative that the State prioritize spending to fund efforts by local, regional, and non-profit organizations to design and implement effective GHG emission reduction programs and best practices in ways that reflect the particular challenges, circumstances, and opportunities in each local community.

The Workshop presentation and accompanying documents provide some insight into what may appear in the Draft 2030 Scoping Plan, and also raise concerns. While, in concept, the broad goals and objectives outlined in the materials may be desirable, as is often the case, the devil is in the details. The documents currently lack the needed specificity to properly evaluate their policy implications, making it difficult to analyze possible outcomes. It is also unclear if ARB will use the workshop documents and the 2030 Target Scoping Plan Update to initiate a future rulemaking process. The League looks forward to reviewing the draft 2030 Target Scoping Plan Update when it is released later this fall. In the meantime, this letter offers some of our initial thoughts and concerns.

**Vibrant Communities and Landscapes – A Vision for California in 2050**

Forward

The Vibrant Communities and Landscapes document (Land Use White Paper) appropriately emphasizes the needed partnership between state, local, and regional governments to realize the shared vision of creating vibrant and resilient communities. Collaboration between governmental agencies and key constituencies is necessary for success. It is also important to respect the democratic input of local residents that help shape local general plans and create vibrant communities that are reflected in local land use decisions. The California State Constitution provides local governments clear authority to regulate land use, an essential function of cities. We strongly believe that the state should work collaboratively with local governments on incentives to encourage, not mandate, those land use and transportation decisions that accomplish state and local objectives, including reducing GHGs.

Vision

The “Vision” portion of the document contains five elements. Two of these elements raise a number of questions.

* *New development and infrastructure are built primarily in locations with existing infrastructure, services, and amenities (i.e., previously-developed locations), rather than greenfield locations.*

While it is often desirable to pursue infill development, such discussions do not fully reflect local realities. Local agencies face severe restrictions on their ability to fund local infrastructure in existing infill locations, and virtually no resources remain to fund affordable housing. Absent a robust public investment to remedy the presence of urban blight, brownfields, inadequate transit, higher crime rates, unemployment, and poor quality schools, private-sector interest in reinvesting in these areas can be diminished. Thus, the state should not mandate such development. Rather, the state should take the time to understand the challenges faced by communities, and offer incentives and resources to assist those communities that prioritize infill development.

* *The value of ecosystem services conferred by natural systems are accounted for and included in State, local, and regional planning and investment decisions, resulting in protection of these services and California’s globally significant biodiversity.*

It is unclear what definition of “ecosystem services” is being used in this bullet. This term needs to be defined and explained before it can be properly evaluated.

Actions

A key element of SB 375 is to encourage collaboration and shared planning to reduce GHGs. We are pleased to see that the ultimate responsibility for decisions that minimize GHG emissions remains with local and regional governments:

*“State, local, and regional governments need to work together to achieve this shared vision and to encourage land use and transportation decisions that minimize GHG emissions. While recognizing its focus on urban development and transportation, the State will build on framework and governance structure established by Senate Bill (SB) 375 to achieve deeper GHG emission reductions, and will integrate the protection, conservation, and management of natural and working lands.”*

The “Actions” section suggests seven actions. Many of these recommendations raise more questions than answers. Additional clarification is needed. Below are some observations.

* ***Develop performance metrics for environmental, health, and equity outcomes associated with stronger land use policies****: Working with local and regional governments, the State will develop systems to measure the environmental, health, and equity impacts of land use, infrastructure, and development policies and programs and will allow all levels of governments to maximize benefits, avoid harm, and measure and track results. Furthermore, the State will continue to direct resources, infrastructure, services, jobs, training, and technical assistance to communities facing historical disadvantage to improve resource availability, access to services, and quality of life.*

While we understand the State’s interest in developing systems to measure the environmental, health, and equity impacts of land use, infrastructure, and development policies, we remain committed to a community’s locally-adopted general plan as the guiding document for these policies. We are concerned that the use of the word “allow” in this context implies intent by the state to mandate or control. Further, it is essential that the State take into account natural market factors that affect development and that excessive effort to dictate or control specific outcomes may restrict rather than steer economic activity. We agree that additional resources should be also directed to communities in greatest need. Progress on this front was made this year with the enactment of several bills that provide greater access to cap and trade auction proceeds in disadvantaged and low-income communities.

* ***Establish land conservation targets****: The State will develop quantitative and achievable goals to protect and limit the conversion of the State’s most productive farmland, rangeland, and forests, as well as the natural and working lands most critical to preserving California’s biodiversity and the ability for Californians to adapt to climate impacts, alongside complementary policies to focus new development in currently developed areas, reduce conflicts among adjacent land uses, and minimize risks to existing land uses and public health and safety.*

It is unclear how the State will establish land conservation targets and how those targets might interface with the applicable SCS, an eight-year land supply for housing elements, the Williamson Act, the role of local agency formation commissions and other laws. Existing law – including CEQA – already does much to protect and limit the conversion of the State’s most productive farmland, rangeland, and forests. Therefore, we are interested in what additional protection will be proposed, including more specificity about the meaning of “natural and working lands.”

Focusing new development in currently developed areas requires funding for both infrastructure rehabilitation and upgrades, and affordable housing. Efforts to further constrict available land supplies needs to be reconciled with other state goals including ensuring that sufficient lands are available to meet the state’s needs for a range of housing choices to match the needs of its growing population, which currently stands at 39 million. The State must recognize that land use decisions balance competing needs and tradeoffs occur. Bypassing or mandating local land use decision-making will not be as effective as collaborating with local governments on how to achieve mutual goals. The League strongly objects to any effort to diminish or restrict local land use authority.

* ***Support transportation policies such as priced express lanes, reduced parking requirements for development, and transit commuter incentives that promote infill development and reduce vehicle miles traveled****: The State will implement road user and parking pricing policies, and coordinate these policies with programs to avoid adverse impacts on low-income drivers and with infrastructure investments as described above. Further, the State will invest in technology to improve transportation system efficiency that provide choices that enable people and goods to reach destinations quickly and cleanly.*

It is unclear what “parking pricing policies” the state desires to implement. The state offers parking for its employees and visitors at various state buildings. Is the state planning to experiment with such policies at its own facilities?

The League believes that local parking requirements and pricing are a local government issue and should be addressed at the local level in a manner that supports local needs. The State should not mandate specific parking requirements or interfere with parking pricing policies.

Any discussion in this policy area should also reflect the reality that transit in many areas of the state is inadequate and must be upgraded to offer residents, safe and reliable alternatives.

We also note that many of these actions will remain difficult to achieve without a comprehensive transportation funding package to address the state and local unmet funding needs for repair and maintenance of existing infrastructure.

**Reduce Vehicle Miles of Travel (VMT) – for Discussion**

Infill Development and Land Conservation

* *Promotion of cross subsidizing multi-station financing districts along transit corridors to leverage revenues from development in strong-market station areas in order to seed needed infrastructure and development in weaker-market station areas.*

It is unclear what this bullet means. If the goal is to subsidize weaker market jurisdictions’ transit infrastructure with revenue generated in a stronger markets, we question the constitutionality of such action, as well as the policy merits of potentially penalizing jurisdictions that have already taken action to help achieve the State’s goals while rewarding jurisdictions that may not have made the same efforts.

Performance Measures and Targets, Active Transportation, and Green Construction Practices

* *Explore development and adoption of additional performance measures and targets to inform the selection of transportation capital projects.*
* *Explore ways to implement active transportation system improvements that increase safety, attractiveness, reliability, and convenience of active transportation.*
* *Explore ways to increase use of lower-carbon construction materials for transportation infrastructure projects. Explore ways to increase sustainable landscaping practices for transportation infrastructure projects that contribute to the enhancement of a multi-modal transportation system.*

While the State looks towards developing and adopting additional performance measures and targets for the selection of transportation capital projects, we would benefit from knowing what measures and targets the state is considering. With a backlog over $50 billion for the state’s transportation system and an additional $78 billion unmet funding need for local streets and roads, we would caution against adding additional requirements or restrictions to a severely underfunded system in critical need. Additional performance measures and targets usually increase the costs for capital projects and could lead to delays in delivering projects for the public’s benefit.

We would encourage the State to exercise the same caution in applying additional requirements to construction practices and other transportation programs, such as active transportation, and to give local governments the flexibility they need to meet those demands in ways that best fit their communities.

Road Pricing

* *Study options for implementing Cordon Pricing in high-congestion areas where viable transportation alternatives are available.*

We believe it is premature to explore other road pricing policies while the State tests the viability of a substitute for the gas tax through the Road User Charge Pilot program. Funding for State and local transportation infrastructure has always been user based; therefore we would encourage the State to carefully consider the merits of efforts to offset the costs for low-income and disadvantaged communities. California’s motorists are already burdened with the hidden costs of vehicle repair because of the poor condition of our roads, potentially offsetting any benefits subsidies for any particular group may provide.

Parking Pricing

* *Explore ways to encourage demand-based parking pricing strategies where transportation alternatives are present.*

The League maintains the parking pricing strategies are a core local government function. Most cities do not charge for parking at all and for cities that do, they have different parking pricing structures and policies to best meet all the infrastructure and public service needs of their communities.

We would like to thank ARB for hosting the Public Workshops to Inform the 2030 Target Scoping Plan Update. It has been helpful to get some early insight into what may be included in the Draft Scoping Plan Update. The League looks forward to reviewing the draft document later this Fall and providing additional detailed comments.

If you have any questions or comments, please feel free to contact Jason Rhine or Rony Berdugo at (916) 658-8200.

Sincerely

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Jason Rhine Rony Berdugo

Legislative Representative Legislative Representative