



September 8, 2009

Mike McKeever and members  
Regional Targets Advisory Committee  
California Air Resources Board  
1001 I Street  
Sacramento, CA 95812

**Re: Housing California Comments on second draft RTAC report**

Dear Chairman McKeever and Regional Targets Advisory Committee members:

We appreciate this opportunity to offer our suggestions for your consideration as you craft final recommendations to the Air Resources Board. We understand that another draft will be made available for public review tomorrow, and we look forward to offering further comments at that time.

Housing California is the statewide advocacy and education arm of the nonprofit home development and homeless service provider communities. We negotiated the housing-related provisions of SB 375 on behalf of those communities. With our regional and local partners, we intend to remain fully engaged at the state, regional, and local levels throughout SB 375's implementation.

Our comments are attached in redline format. If you have any questions, you can reach me at 916-447-0503 or [jsnyder@housingca.org](mailto:jsnyder@housingca.org).

Thank you for considering our comments. We look forward to continuing to work with you, state agencies, and regional and local governments to fairly and effectively implement SB 375.

Sincerely,

Julie M. Snyder  
Policy Director

# Housing California comments on the 2<sup>nd</sup> Working Draft RTAC Report

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### Target Setting Process

#### 4. State Agency Interaction

The Committee recommends that ARB continue to work closely with other state agencies that have a key role in land use and transportation planning to ensure a certain degree of consistency for local and regional agencies to know how best to proceed.

Currently, the California Transportation Commission (CTC) is working with ARB, [the Department of Housing and Community Development \(HCD\)](#), and the Department of Transportation (Caltrans) to update the RTP guidelines. This update is meant to ensure that RTP guidelines appropriately address changes to RTP documents, such as the inclusion of a sustainable communities strategy, and that current MPO modeling practices begin planning for necessary improvements to properly evaluate the impact certain policies will have on greenhouse gas emissions for a region. In addition to participating in these efforts, Caltrans maintains the statewide transportation model, which includes interregional travel. ~~The Department of Housing and Community Development (HCD)~~ is responsible for ensuring the housing elements of ~~sustainable communities strategies~~ [General Plans](#) meet state requirements through the Regional Housing Needs Assessment (RHNA) process. As the planning and CEQA experts in the state, the Governor's Office of Planning and Research's (OPR's) involvement is important to implementation statewide.

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### Target Setting Methods

#### 2. Use of Modeling

##### *Travel model assessment and documentation*

SB 375 requires that MPO's "...shall disseminate the methodology, results, and key assumptions of whichever travel demand models it uses in a way that would be useable and understandable to the public." Cal. Govt. Code § 14522.2(a). This portion of the Committee's recommendation is intended to address this section of the bill, as well as identify areas of needed improvements to travel demand models. The travel model

assessment should cover the travel demand model factors and policies identified in the “MPO Self-Assessment of Current Model Capacity and Data Collection Programs” presented to the Committee in May 2009 (Appendix C), as well as any additional factors necessary to measure the region’s job-housing fit.

**Comment [MSOffice1]:** The self-assessment did not discuss measuring wage levels or the ability to compare them to rents and mortgages. Given the committee’s strong interest in seeing regions achieve a jobs-housing fit, these will be necessary factors to include in the travel model assessment.

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*Model improvement program*

Based on the assessment described above, each MPO should develop a multi-year program of improvements needed to address any modeling needs. Improvements should describe the basic change which would be made to the MPO travel demand model, identify what data would be required to support the improvement, provide and order-of-magnitude cost estimates, and identify any phasing issues or dependencies on other projects in the program.

Phasing of the improvements should address the following timeframes: 1) what improvements might be implemented in time to affect an MPO-proposed greenhouse gas reduction target; 2) what improvements are possible to implement before the first SCS/APS development by the MPO; and 3) what improvements are possible to implement before the second SCS/APS development.

The MPO model improvement program need not identify improvements to allow for all key factors and policies to be fully and reasonably represented in their travel demand model. An MPO might not require a particular modeling capability, based on the range of policies the policy-makers are willing or able to consider.

**Comment [MSOffice2]:** This appears to give MPOs latitude to ignore social equity and other factors if they lack the political will to address them.

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**III. RTAC Recommendations and Comments on Implementation**

**Housing and Social Equity**

**1. A Guiding Principal for Ambitious Targets**

A guiding principal of RTAC is to maximize social equity (see Part 2), and this principle is incorporated in the recommendations of this Report (Parts 3 and 4). Social equity policies and practices that have the potential to reduce VMT (such as provision of affordable housing appropriate to local wage levels) must be elevated on the list of Best Management Practices that MPOs consider in developing their SCS. Accomplishing this will require CARB to designate social equity as an area of future

research that CARB will conduct or direct be undertaken in the efforts to identify empirical evidence and then enhance modeling and monitoring. It will also require MPOs to engage low income communities in the SCS development process.

The affordability of housing and transportation and access to employment play a critical role in determining where Californians live, how much they travel and, therefore, directly affect the level of achievable GhG reduction. Land use based GhG reduction strategies, however, could have beneficial or adverse effects on social equity concerns such as housing affordability (increased land prices), transportation access and affordability, displacement, gentrification, and a changing match between jobs, required skill levels and housing cost (“jobs-housing fit”<sup>1</sup>). Inequitable land use practices and inadequate public transit access as well as economic and racial segregation can result in exclusion, limitations on employment opportunities, sprawl and excess VMT. Implementation of SB 375, accordingly, should, at a minimum avoid facilitating or exacerbating any adverse consequences, work in concert with state Housing Element Law to achieve the state housing goals, and look for ways in which social equity strategies could improve GhG reduction.

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### **Local Government Barriers**

The Scoping Plan uses the term “essential partner” when describing the important role that local government will play in achieving reductions in greenhouse gas emissions. SB 375 poses a new set of challenges for local government and the findings correctly state that “local governments need a sustainable source of funding to be able to accommodate patterns of growth consistent with the state’s climate, air quality, and energy conservation goals.” The challenge will be to reconcile these goals with the responsibility of local governments to create safe, healthy, economically diverse, and fiscally sound communities.

Again, the Committee has not discussed these local government barriers in detail, so the list below identifies issues, but does not represent consensus recommendations.

#### **1. The Growth Issue**

Cities and counties are required by the state to plan and zone enough residential land to accommodate ~~provide housing for a gr~~ a growing population and they must continue to grow their local economies in order to pay for infrastructure and services and provide local jobs while they work to reduce carbon emissions. The Committee believes strongly that SB 375 is not a “no growth” bill and should not be implemented in a

**Comment [MSOffice3]:** The private sector– nonprofits and for-profits – build homes, not local governments.

<sup>1</sup> The extent to which the homes in the community are affordable to the people who currently work there or will fill anticipated jobs.

manner that turns it into one. Local agencies will need tools, such as education, retraining, and loans and credits to make a smooth transition. Without such resources, it will be difficult to ask local elected officials to make decisions that may reduce emissions while, in some instances, placing economic burdens in their communities.

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### **State Actions to Support Implementation**

The Committee recommends the State consider the following actions to support the implementation of SB 375.

#### **3. Affordable Housing Funding**

- Provide a permanent funding source for ~~affordable housing~~ apartments and for-sale houses affordable to moderate and lower income Californians. This type of state investment will be essential to achieving the jobs-housing fit necessary to reduce GHG emissions....

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### **Federal Transportation Funding and Supporting Policies**

#### **1. Climate Funding for Transportation Planning**

The transportation sector is the second largest (28%) and fastest-growing contributor to greenhouse gas emissions in the U.S., in large part due to steadily rising trends in the number of miles that cars and light trucks travel each year. Despite some recent stagnation attributable to the economy, driving—or vehicle miles traveled rates—has grown by three times the rate of population growth over the past 15 years and is expected to grow by 50% by 2030, largely because the majority of our communities have been designed in ways that give people no other option but to drive everywhere. Since transportation is such a significant contributor of greenhouse gases, policies to improve the efficiency of the transportation system must be a central component of the solution.

The Committee recommends that:

- Some portion of funds generated from the auction of carbon emissions allowances from any future cap and trade system be set aside to fund regional transportation and land use planning that reduces greenhouse gas emissions.

- A portion of this funding should be set aside to improve research, data collection, and tools to measure and evaluate the greenhouse gas impacts of transportation projects and plans. Regions' ability to measure and monitor results is also key to facilitate a move toward performance-based accountability within the program.
- A significant proportion of the funding should be allocated competitively, based on performance, to regions that adopt, and demonstrate progress towards attainment of greenhouse gas emission reduction targets. Because California is leading the charge with implementation of SB 375, MPOs that adopt SCSs will be well positioned to compete for new federal climate funding that is tied to greenhouse gas reduction targets.

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**Public Education and Outreach**

**3. Education/Outreach Plan**

Using the targeted messages, the next step is to draft the education/outreach plan; which addresses how to reach a diverse cross-section of communities and interest groups and what communication methods to use.

*Tools/Components*

There are many different communication tools available to implement a successful education and outreach campaign. Below is a menu of suggested outreach tools. Of course each region should identify which components will be most effective in their region:

- Collateral Materials- Create brochures, factsheets, briefing papers, newsletters to explain SB 375 principles and develop a plan to strategically distribute them
- “Visioning” tools that allow the public and policymakers to clearly see the impacts of various planning scenarios and make informed choices
- Online tools- SB 375 web or micro site, blog, web 2.0 tools, social networking sites, Youtube videos, e-blasts
- Public Meetings- workshops, hearings, summits, town halls, council meeting presentations
- Briefings with Electeds/Community Groups
- Media Relations- Earned media: press releases, editorials, letters-to-the-editor, features on local news and radio programs. Paid media: newspaper/radio/TV ads, billboards,
- Speaker’s Bureau- Identify electeds, opinion leaders and experts to attend meetings and deliver presentations
- K-12 Curriculum- Special materials designed to communicate broad principles in age appropriate formats (For example with younger elementary school age children, create fun games and coloring books)

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- College/University Research- Utilize relationships with the academic community to analyze the science and policies involved with climate change and the SCS process
- Awards and Recognitions for ambitious new programs to achieve SCS goals

*Target Audience/Stakeholders*

Some examples of stakeholders and organizations that should be included in public outreach:

STATE

- Office of the Governor
- Air Resource Board
- California Council of Governments
- Resource Agencies
- Caltrans
- Department of Housing and Community Development
- California Health Department
- California League of Cities
- California State Association of Counties
- Local Agency Formation Commission (LAFCO)
- Other advocacy organizations that have indicated interest

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REGIONAL

- Metropolitan Planning Organizations
- Air & Water Districts
- County Transportation Commissions
- Transit Agencies
- Utilities
- Public Health Advocates
- Private providers of transportation
- Transit Operators
- Non-profit Organizations
- Bicycling Advocates
- Affordable Housing Advocates
- Transportation/Transit advocates
- Universities/Colleges
- Council of Governments
- Conservation Districts
- Social equity and environmental justice advocates

LOCAL/COMMUNITY

- Subregions
- Cities/Counties

- Neighborhood and Community groups
- Homeowner Associations
- Environmental Advocates
- Building Associations
- Chambers of Commerce
- School Districts
- Interested Parties (e.g. ethnic and minority groups, special interest non-profit agencies, educational institutions, service clubs, private sector)

**PRIVATE & PROFESSIONAL ASSOCIATIONS**

- Urban Land Institute
- Clean Air Coalition
- Lung Association
- Environmental Defense Fund
- Business Councils
- Real Estate Professionals Organization
- American Planning Association

**Comment [MSOffice4]:** Listing these appears to elevate them above other associations. Suggest deleting altogether.

**Flexibility in Designing Strategy**

Consistent with SB 375 and the Scoping Plan, the Committee recognizes that flexibility in designing strategies will be an important tool for reducing greenhouse gas emissions from passenger vehicles and light-duty trucks. As noted on page 48 of the Scoping Plan, “SB 375 maintains regions’ flexibility in the development of sustainable communities strategies...The need for integrated strategies is supported by the current transportation and land use modeling literature.” It is a strong recommendation from the Committee that the Board and ARB staff provide the MPOs with the flexibility to incorporate relevant local and regional measures which allow the MPO’s to meet the ambitious and achievable targets appropriate to the region’s unique characteristics.

The "bottom up" approach to regional planning (as exemplified by the SACOG Blueprint process) has proven to be the model that provides the flexibility that will be important for successful implementation of SB 375. Inherent in this approach is that each of the regions are able to develop strategies that fit the profile of the region in terms of demographics, economic development, market preferences, infrastructure, growth and the built environment. Central to the "bottom up" approach, as well, is the retention of local land-use decision making. It will be critical for the local governments to “buy-in” to the strategies developed to meet the greenhouse gas reduction targets and the collaborative nature of the Blueprint process involves the cities, counties and community to a great extent.

An additional reason for providing flexibility in designing strategies is due to the timeframes involved in changing land use patterns and allowing for the type of development local governments will encourage in order to recognize the greenhouse gas reductions from urban infill, transit-oriented, and other master-planned community



type developments. The first milestone in the timeline will be the setting of the regional targets, followed by the MPOs preparation of the SCS. Each region will be required to perform a detailed and complete EIR for their RTP, which incorporates the SCS.

Upon certification of the EIR, most local governments will need to amend their general plan and do the necessary zoning and re-zoning to accommodate the land-use changes in the SCS and also provide a subsequent EIR covering their updated general plan (some cities may have general plans and zoning consistent with the land uses spelled out in the SCS and may not have to go through this step). The general plan update and zoning changes will allow for a consistent project to be proposed and to begin the project entitlement process. Once the project is approved, it can begin seeking financing for the development costs and then pre-selling the required number of units in order to allow for construction to begin and the project built. Due to this timeframe (see below), which can take from 9-12 years in total, regions will need the flexibility to employ other greenhouse gas reduction measures in order to meet the 2020 targets.

**Comment [MSOffice5]:** This sentence is inaccurate. SB 375 does not require cities and counties to match their zoning to the SCS.

**Comment [MSOffice6]:** As drafted this sentence refers only to for-sale development, leaving out apartments. It should be modified to be inclusive. The easiest approach is to delete this phrase.

The Committee recognizes the unique nature of each of the different regions and that a one-size fits all approach to implementing regional strategies to achieve greenhouse gas reduction targets is not appropriate. By providing flexibility, CARB recognizes the different characteristics, capabilities and resources of the state's regions and allows those regions to meet the most ambitious and achievable targets with strategies that are appropriate for the region.

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### **Co-benefits of Sustainable Communities Strategies**

#### **6. Recommendations on Addressing Co-Benefits in the SCS and in the Target Setting Process**

- Make the advancement of co-benefits a key goal in ARB's process for setting regional targets. The target setting process should provide a vision for what can be accomplished in terms of healthier, more active and equitable communities, and demonstrate pathways to achieve these goals.
- MPOs should quantify, to the extent possible, the range of co-benefits associated with the achievement of their greenhouse gas reduction targets, as a means of increasing public understanding and support.
- Promote the development and use of planning models that can accurately estimate the potential global warming and co-benefits of various land use scenarios in the development of the targets and the SCS.

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## Performance Monitoring

To ensure that SB 375 implementation results in the level of land use and transportation changes needed to achieve our state's emission reduction goals, the Committee recommends that a standard set of performance indicators as part of a monitoring system to track the performance of the MPO's greenhouse gas reduction strategy over time. This information would help the State to track, over the long-term, the land use and transportation changes resulting from SB 375 implementation and their effectiveness in reducing greenhouse gas emissions and helping the State meet its overall greenhouse gas reduction goals. Information on performance indicators would also inform ARB during its evaluation of the MPO scenarios, its determination of whether a given MPO's SCS/APS plan is likely to meet its target, and its periodic update of the regional targets. MPOs could also use the indicators as a public outreach tool to communicate their progress over time. The Committee recommends that ARB, in consultation with the MPOs in a public process, identify a list of performance indicators for these purposes.

This set of performance indicators should represent the most effective, available means for measuring the impacts of land use, transportation, pricing, transportation demand management/transportation system management, and other MPO plan policies. A variety of indicators are needed to measure different impacts. The committee has discussed tracking of both vehicle miles travelled (VMT) and fuel usage data as two important means for verifying greenhouse gas emission reductions from changes in vehicle use. Below are some other examples of policies and associated performance indicators that could be considered:

### Land Use

- Wage and housing affordability data to determine the jobs-housing fit