



Transportation and Land Use Planning Under SB 375

SB 375 (Steinberg -- Chapter 728, Statutes of 2008) is one of the most talked about --- and perhaps least understood --- bills of the past legislative session recently signed into law by Gov. Schwarzenegger.

SB 375 will assign each region in the state that is represented by a metropolitan planning organization (MPO) a greenhouse gas reduction target associated with emissions from cars and light trucks. The process for determining those targets began in January 2009, when the California Air Resources Board (CARB) appointed 21 people to the Regional Targets Advisory Committee, which will advise CARB on how to set targets for each region.

However, this law is much more complex than just setting targets. It touches on planning for transportation, housing and the environment. To help city officials understand SB 375's provisions, the League has created a document that explains them in detail (online at www.cacities.org/sb375summary).

But there is a silver lining to this complexity. SB 375's most promising aspect is the way it encourages land use planners to think about transportation --- and transportation planners to think about land use. This article focuses on that aspect of SB 375 and its implications for the future of land use planning.

Sustainable Communities Strategy Is Similar to Existing Process

Most land use professionals are not transportation planners, so they have very little familiarity with the regional transportation plan (RTP) process. Many are surprised to learn that RTPs currently base transportation investments on the projection of a realistic land use scenario.

In large part, this scenario encompasses the content of local General Plans plus assumptions about likely economic and growth forecasts. For example, a General Plan within a region may designate certain areas for growth, but if an endangered species were subsequently discovered in the designated area, the regional agency would take that into account when forecasting a likely growth scenario.

Federal regulations require that the base case, or initial assessment, be realistic because it also provides a basis for the region's air conformity plan. An unrealistic projection of land uses would guarantee that the air conformity plan would not yield the desired result.

Accordingly, the Sustainable Communities Strategy in SB 375 is not unlike what regional planning agencies have been doing for some time, but it adds new requirements. For example, the Sustainable Communities Strategy must:

- Consider environmental resources in the area;
- Take into account whether or not the base case growth scenario will achieve the region's target for reducing greenhouse gas (GHG) emissions; and
- Determine if there is a feasible way to achieve the GHG target within the scenario.

However, these additional requirements must be implemented in a way that guarantees the base case is realistic so as to ensure conformity with air quality regulations. Accordingly, General Plans will remain an important baseline for developing the Sustainable Communities Strategy.

Clarifying the Distinctions Between Strategy Documents

SB 375 also requires an Alternative Planning Strategy document for regions where the Sustainable Communities Strategy will not achieve the GHG reduction target. Many people are confused about the roles of the Sustainable Communities Strategy and the Alternative Planning Strategy and how transportation investments will be affected by designations in both documents.

While the Sustainable Communities Strategy is part of the Regional Transportation Plan, the Alternative Planning Strategy is not. Thus, transportation investments must be consistent with the Sustainable Communities Strategy, which is a "realistic" assumption about growth. Consequently, to the extent that the Alternative Planning Strategy differs from the Sustainable Communities Strategy, it cannot *directly* affect transportation investments made during the four-year period of the Regional Transportation Plan.

So why have an Alternative Planning Strategy at all if it cannot directly affect transportation funding? The answer is that consistency with the Alternative Planning Strategy serves as the threshold for accessing the new streamlining provisions of the California Environmental Quality Act (CEQA). If projects are consistent with a plan that CARB agrees would, if implemented, achieve the GHG reduction target for the region, such projects would not have to perform an environmental analysis of the emissions from cars and light trucks. In addition, transit-friendly projects that qualify may be exempt from environmental analysis altogether, or at least may be able to perform an abbreviated analysis.

Assuming that the new CEQA provisions are strong enough to influence the design of new development projects, local agencies can then expect to see developers propose projects with increased densities. As local agencies begin to approve these developments, the likely growth patterns for the regions will begin to change --- and SB 375 will achieve its goal of more compact growth patterns. But it does so in a way that relies on incentives and is more bottom-up than top-down.

Getting a Regional Target

One of the larger questions in the SB 375 process that has yet to be answered is: What will each regional target be? AB 32, the California Global Warming Solutions Act of 2006, requires a certain amount (169 million metric tons) of carbon emissions be reduced from all sectors by 2020. In December 2008, CARB approved its Scoping Plan to implement AB 32, which estimated that transportation planning measures related to cars and light trucks would account for 5 million metric tons (about 3 percent of the total reductions).

The proposed 5 million metric ton figure for cars and light trucks, however, was only an estimate. The actual number will be set through the regional target-setting process included in SB 375. This process begins with the Regional Targets Advisory Committee (RTAC), which will advise CARB on how to set the target for each region. The committee is composed of 21 stakeholders; the League is represented by Greg Devereaux, city manager of Ontario and a former League board member.

CARB will take RTAC's input into account before recommending a draft set of regional targets for the 18 affected regions. CARB will then conduct a hearing in each region and make appropriate adjustments before each target becomes final on or before Sept. 30, 2010.

This process sounds easier than it really is. Both RTAC and CARB will have to grapple with some very difficult issues, such as inter-regional commuting and model standards and design. The League continues to be fully engaged in this process as RTAC finalizes its recommendations, which are due in September 2009.

When Does All This Take Effect?

Although the work to develop the regional targets starts now, the provisions of SB 375 do not take effect until the next General Plan housing element update *after* the region receives its regional target --- between late 2010 at the earliest for the San Diego Association of Governments (SANDAG) region and 2014 for the Southern California Association of Governments (SCAG) region. The timing for the rest of California's 18 Metropolitan Planning Organizations will fall somewhere between late 2010 and 2014.

Conclusion

SB 375 is important for two reasons. First, it integrates what would have been three separate regional planning processes that would have directly affected local General Plans: regional transportation planning, the regional housing needs allocation (RHNA) and GHG emission reduction planning. By ensuring that the same set of assumptions is used for all three processes, SB 375 facilitates more coordinated planning between local jurisdictions.

Second, SB 375 places a planning focus on the issue of climate change. Some have criticized the legislation for not going far enough, saying that in relying so much on incentives to achieve its

goals, SB 375 lacks real regulatory teeth. However, the real strength of SB 375 is that it spotlights how land use decisions can be made in a way that will reduce GHG emissions.

In focusing our planning efforts on the challenges of climate change, SB 375 harnesses the energy of local communities and their elected officials to address the problem.

SB 375 Glossary of Terms

APS: Alternative Planning Strategy. A separate document from the Regional Transportation Plan for regions where the Sustainable Communities Strategy will not achieve the greenhouse gas reduction target.

CARB: California Air Resources Board.

MPO: Metropolitan Planning Organization. A regional council of governments authorized under federal law to develop a regional transportation plan.

SCS: Sustainable Communities Strategy. A part of the Regional Transportation Plan that predicts a likely growth pattern for the region.

RTAC: Regional Targets Advisory Committee.

RTP: Regional Transportation Plan. A plan that, among other things, outlines transportation investments for a region. It is drafted by the MPO every four years (five years in air quality attainment areas) and includes a 20-year outlook for likely growth in the region.

Reduction Target: A goal set by CARB for a region to reduce the amount of greenhouse gas emissions from cars and light trucks.

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