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To: CSAC Board of Directors
CSAC Housing, Land Use and Transportation Committee
CSAC Climate Change Task Force

From: DeAnn Baker, CSAC Legislative Representative
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Re: SB 375 (Steinberg): Greenhouse Gas Emissions: Regional Transportation Plans

Background.

SB 375 by Senator Darrell Steinberg is a comprehensive bill, which would set forth a process for local and regional government, and stakeholder input into the California Air Resources Board (CARB) development of regional greenhouse gas (GHG) emissions reductions targets for the transportation sector. The bill would also enhance the regional transportation planning process utilizing an incentive based regional approach to achieve the targets.

As you are aware, in March 2008 the CSAC Board of Directors gave staff direction to Support if Amended based on 12 amendments outlined below. There have been significant negotiations since that time, which recently intensified resulting in resolution of many of the controversial aspects of the bill and inclusion of the CSAC requested amendments. Senator Steinberg invested a significant amount of time and personally mediated the most controversial aspects of the bill.

The proposed revisions are a vast improvement from the bill in print. The bill is less prescriptive with respect to the regional planning process formerly in the bill. It contains significant and robust processes for local government and public input into the entire process from CARB setting the targets, to the Metropolitan Planning Organizations (MPOs) developing the plans to achieve them. The bill also contains meaningful CEQA reform for specified infill and mixed-use projects. There was also resolution on aligning the long-range transportation planning process with the housing element process.

It is staff's assessment that we successfully achieved all of the amendments we were seeking in order to support the bill (with the exception of three amendments which are no longer necessary due to changes in the bill). Thus, CSAC staff reviewed the negotiated agreement with the CSAC Officers. They unanimously agreed that the Board direction had been achieved and that CSAC should move to a support position.

The League, planners, builders, low-income housing groups and various environmental groups were all involved in the negotiations and agreed to the current parameters and specifics of the bill. To CSAC's knowledge, they are all seeking support from their members as well.

To assist you in understanding this very comprehensive and complex bill we have two attachments and an analysis of the CSAC requested amendments. **Attachment One** is a mock-up of the bill as proposed to be amended. **Attachment Two** is a summary of SB 375 with a focus on the recent "deal points".

The following is an analysis reflecting the CSAC amendments and subsequent language, which can be found in the mock-up version of the bill:

CSAC Requested Amendments & Mock-up Citations.

1. Provide an exemption for those rural counties outside MPOs that are found in non-attainment due to air transport issues, dust and reasons beyond their control (currently this would apply to Amador, Calaveras, Inyo, Mariposa, Mono, Nevada and Tuolumne).

**The measure now only applies to the 17 federally designated MPOs.
SEC 1. (e).**

2. Clarify that the SCS represents the land use element of the RTP.

**The amendments clarify this point in the same section as amended above.
SEC 1. (e).**

3. Add affected air pollution control districts to the agencies that ARB must consult with when determining the regional targets.

**The bill now requires CARB to exchange technical information with affected air districts in addition to the affected MPO prior to setting the regional target.
SEC 4. Section 65080 of Government Code, (b)(2)(A)(ii).**

4. Provide clarification regarding current practice by regions to comply with Federal Regulations—to ensure that the SCS is developed based on a land use scenario reasonably likely to occur considering local general plans and other factors.

**The measure requires the MPO to use the most recent planning assumptions considering local general plans and other factors.
SEC 4. Section 65080 of Government Code, (b)(2)(B).**

5. Expand the countywide approach currently authorized in the bill for SCAG to all multi-county regions in the state.

**SB 375 now includes significant increased outreach and workshop requirements targeted towards local elected officials, amongst other numerous public outreach requirements. Specifically, the measure includes a requirement that MPOs hold a workshop in each county to present the draft SCS plan to local elected officials to ensure that the Boards of Supervisors and City Councils are adequately consulted and solicited for input and recommendations.
SEC 4. Section 65080 of Government Code, (b)(2)(D).**

6. Include language that grandfather's the sales tax counties' projects and expenditures by category for measures adopted prior to the effective date of the bill.

**The bill now provides that specific projects in sales tax measures passed prior to December 31, 2008 are not subject to the SCS. Further, no sales tax authority is required to change their funding allocations for categorical expenditures for measures passed before December 31, 2008.
SEC 4. Section 65080 of Government Code, (b)(2)(L).**

7. Include local agency and public participation requirements of the MPOs and Regional Transportation Planning Agencies captured under the bill, in particular for the SCS.

Significant increased public participation requirements were added to the bill throughout.

SEC 4. Section 65080 (b)(2)(D)and(E) contain numerous provisions.

8. Include a rural sustainability element to the RTP/SCS to provide incentives to cities and counties that have designated farmland and resource lands. Also support consideration of financial assistance to counties that contribute towards the SCS goal by adopting city oriented growth policies.

The measure requires MPOs or County Transportation Agencies to consider financial incentives, such as transportation investments for safety, preservation, farm to market and interconnectivity purposes, for cities or counties that have designated protected resource and/or farmland areas. Further, the bill requires MPOs or County Transportation Agencies to consider financial assistance for service responsibilities for the countywide residents in counties that implement policies for growth to occur within their cities.

SEC 4. Section 65080 of Government Code, (b)(4)(C).

9. Provide consistency between the RTP/SCS and the regional housing needs allocation (RHNA) to cities and counties with particular emphasis towards recognition of the designated grow areas.

Consistency between the RTP/SCS and RHNA is provided for in the amendments. The amendments would change the planning horizon for the housing element from 5-years to 8-years.

SEC 7. Section 65583 of Government Code, beginning with (c).

The following amendments were identified by staff in March but were no longer necessary as the specific language requiring regions to identify specific preferred growth areas, and significant resource and farmland areas was amended out of the measure:

1. Support language that also gives priority to land for growth that is non-adjacent to urban areas in order to avoid growth on significant farmland or resource areas.
2. Amend to allow consistency with habitat conservation plans and required resource protection areas.
3. Support a definition of urbanized area that recognizes the need for infrastructure investment for new growth within existing urban communities and rural towns, in addition to cities.

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