REPORT TO SHASTA COUNTY RTPA

SUBJECT		MEETING DATE	ITEM NUMBER
Senate Bill 375 (SB 375)/ Sustainable Communities Strategy (SCS) Planning Update		4/26/11	6

RECOMMENDATION
It is recommended that the board receive an update on SB 375.

SUMMARY
Metropolitan planning organization (MPO) regions must prepare a coordinated transportation and land use plan, known as a sustainable communities strategy (SCS), aimed at reducing vehicle miles traveled (VMT) and associated greenhouse gas (GHG) emissions. The agency's response can be divided into three activities: 1) seek funding, 2) develop technical capabilities, and 3) phased SCS development. Implementation will depend upon state funding, the development of public-private sector partnerships, and the consistent application of SCS principles and priorities among regional partners.

DISCUSSION
Signed into law September 2008, SB 375 represents a coordinated set of reforms aimed at better integrating land use, transportation, housing, and environmental laws. As is typical of new legislation with no history of implementation, interpretations of the law are wide-ranging. The full impact of the law will remain uncertain until regional SCS plans are approved and related projects are tested under real world conditions. Much also depends on the state's follow through with consistent policy and funding decisions.

This report is intended to:

- Provide information and context sufficient for the board, local agencies, and the public to understand the key elements and local impacts of SB 375; and
- Outline the agency's SB 375 planning and implementation approach.

SB 375 contents & requirements:
The attached SB 375 fact sheets (prepared by the California State Association of Counties, Institute for Local Government, and the California Building Industry Association) highlight the law's main points and provide some different perspectives on its potential impacts. Viewed from a Shasta County perspective, SB 375 contains several key elements that affect the agency and that local officials should be familiar with:

1. SB 375 requires that the California Air Resources Board (CARB) establish regional targets for all MPO regions for GHG emissions reductions in 2020 and 2035 from cars and light trucks as a function of regional land use patterns and VMT. Shasta County's target of 0% per capita change from 2005 to 2020 will be revisited and reevaluated in 2014 based on the agency's SCS planning and enhanced travel demand modeling processes.

2. SB 375 requires that all MPO regions develop a coordinated transportation and land use plan (known as a 'Sustainable Communities Strategy' or SCS) to meet respective regional GHG emission reduction targets.

3. SB 375 requires that the SCS be added to the next Regional Transportation Plan (RTP) update. The SCS must be consistent with existing local general plans. It must also be consistent with other chapters in the RTP, including project selection and prioritization.

4. SB 375 requires that the regional housing needs allocation (RHNA) and SCS be consistent. The State Department of Housing and Community Development provides "fair share" housing estimates for each jurisdiction and reviews local general plan housing elements to ensure compliance.
5. SB 375 provides for limited California Environmental Quality Act (CEQA) relief. New development that is consistent with the region's adopted SCS would not require individual project GHG emissions analysis related to cars and light trucks.

While all MPO regions in California are affected by SB 375, the state has thus far recognized their inherent diversity, range of resources, and technical capabilities. CARB has grouped MPO regions into three categories: the four largest MPOs (Southern California, San Diego, Sacramento, and the Bay Area); the eight San Joaquin Valley MPOs; and the remaining six small MPOs, of which Shasta is included. These small MPOs collectively represent about five percent of the state's vehicle miles traveled and associated GHG emissions. Even under the most aggressive plans and assumptions, the impact of small MPOs toward SB 375 goals would be negligible.

Local response to SB 375:
The SCS planning requirement is written sufficiently broad to accommodate a wide range of approaches customized to meet local challenges and opportunities. Each region is given a high level of autonomy over the SCS planning process, with few specific guidelines on how this is to be accomplished.

The basic need to comply with the law is a given. Beyond that, the agency philosophy since inception of SB 375 has been to seize opportunities the law presents by taking advantage of our strength as a small MPO that is less complex geographically than mega-regions such as the Bay Area. This simplifies creation of a compliant SCS in a way that does not need to interfere with local agency goals and, in many ways, can support them. SB 375 presents two key opportunities:

1. Whereas the prior focus of state and federal capital grants was congestion relief and matching funds, the new SCS focus gives the Shasta region a new competitive edge; and

2. The unprecedented availability of planning funds to support local agencies with technical tools, desired local planning studies, and augmentation of local planning staff.

A detailed overview of the agency's SCS approach is provided via the attached tables. Generally speaking, this approach can be divided into three activities:

I. Seek funding

To date, several Proposition 84-funded programs have served as the state's principle means of funding local implementation of SB 375. Over three grant cycles, a total of $60 million will be distributed competitively among the state's 18 MPO regions. During the first cycle, the agency was successful at obtaining two grants totaling $700,000 with no local match requirement.

Staff is monitoring various other grant programs with a potential nexus to SCS planning and/or implementation and will bring future opportunities to the board for consideration. Two such grant opportunities (administered by the California Department of Forestry & Fire Protection and California Department of Transportation) were authorized by the board at the February RTPA meeting.

II. Develop technical capabilities

The following elements comprise the technical foundation needed to carry out the agency's SCS planning approach:

	Technical Sub-Element	Status
I	Develop complete, standardized, and merged geographic information systems (GIS) data for regional land use and travel demand modeling.	Approximately 20% complete.
II	Enhance travel demand modeling to better capture the interaction between land use and travel demand.	Funding secured and RFP prepared for board consideration.
III	Develop GIS-based spatial analysis tools for first-cut SCS.	Approximately 30% complete.
IV	Develop GIS platform for building regional consensus and tracking performance measures.	Feasibilty study complete, funding secured for implementation.

III. Phased SCS development

The regional SCS will be developed in the following phases with corresponding opportunities for local agency and public review.

- First-cut SCS (fall 2011) – GIS-based spatial analysis tools will be used to evaluate existing urban patterns through the lens of mobility, economic activity, and public health. In rural areas, a composite of wildfire risk factors, including emergency response time and fuel loads, will be used as a proxy measure. The resulting 'sketch' version of the SCS will provide a starting point for local agency dialogue and the prioritization of areas targeted for urban intensification, urban expansion, or safeguarding.
- Beta-SCS (summer 2012) – A non-binding, trial version of the SCS will be prepared in partnership with local agency staff. This beta-SCS will be presented to each city council and the county board of supervisors for consideration. If accepted, local agencies may reference the beta-SCS during the development review process and when considering investments in transportation, infrastructure, and public services. The beta-SCS would provide local agencies an extended period to evaluate its value and test the practicality of its implementation under real-world conditions.
- Formal SCS (fall 2014) – Based on experience gained and feedback received during the beta-SCS planning and implementation period, a formal SCS will be prepared for local and regional consideration. The formal SCS will be constrained by local general plans, anticipated resources, and local agency approval. The formal SCS will be added as a new chapter to the RTP. The environmental impact report on the RTP/SCS will serve as the reference document covering GHG emissions analysis requirements for any SCS-consistent development rather than project-by-project assessments.
- Alternative Planning Strategy (APS) (if needed) – If the adopted SCS does not meet the region's assigned GHG emissions reduction target, SB 375 requires that the agency prepare an alternative planning strategy (APS). The APS would show how the region's GHG target might be achieved through alternative development patterns or transportation measures, and the constraints that preclude the region from this course of action. Unlike the SCS, the APS does not become part of the RTP and therefore is not required to meet corresponding federal and state requirements.

Future SCS implementation:
The agency's SCS implementation approach is directly aimed at facilitating projects that provide localized co-benefits. Where local agencies have existing and/or anticipated needs with any nexus to sustainability, the region's SCS will be leveraged. The agency will also play a more general role as an advocate on behalf of the region. Priority considerations as the agency moves forward include the following:

- Reiterate local land use authority – The SCS cannot regulate land use nor is it in the agency's interests to have such authority. The SCS must conform to existing general plans.
- Advocate for and defend realistic regional GHG emissions reduction targets – The agency should develop the technical tools and capabilities required to corroborate locally-generated GHG emissions target recommendations. Economic impacts and the community's acceptance of potential VMT reduction strategies must also be taken into consideration.
- Seek dedicated state funding for SB 375 implementation – The agency should work with the California Association of Councils of Governments (CALCOG) to support efforts that would assign funding to the state's mandate.
- Communicate with CARB – As the agency responsible for setting regional GHG emission reduction targets and having the authority to accept or reject Shasta County's SCS, ongoing discussions and data sharing are needed to ensure a predictable process.
- Safeguard regional interests – The SCS outcome should help protect against California Environmental Quality Act (CEQA) related litigation, place the region in a competitive position to receive grant funding, and compliment local needs and priorities.

OTHER AGENCY INVOLVEMENT
The cities of Redding, Anderson, and Shasta Lake have partnered with the agency to seek funding for SCS-consistent activities, including the development of an urban forestry program and the Downtown Redding Specific Plan Update. Shasta College is providing funding and student interns in support of technical tasks.

FINANCING
In the absence of a dedicated funding source, the agency's SB 375 budget is being pieced together from Regional Blueprint funds and Proposition 84 Modeling Enhancements ($400,000) and Sustainable Communities ($300,000) grants. Proposition 84 grants do not require a local match. Additional future grant opportunities with a nexus to SB 375 will be brought to the board for consideration.

Daniel S. Little, AICP, Executive Director

DSL/DTW/jac

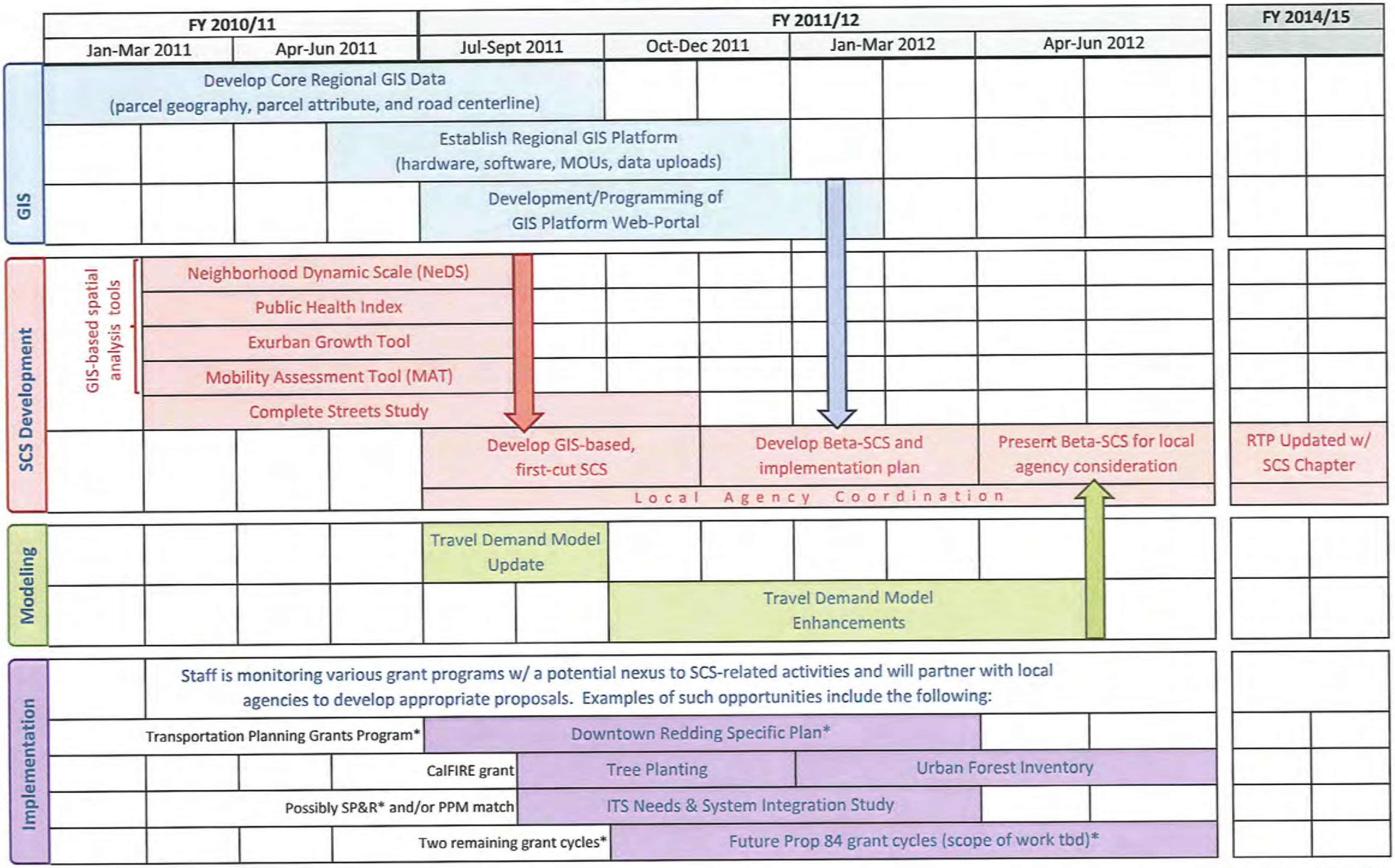
Attachments: SCS work flow charts
SB 375 fact sheets

Sustainable Communities Strategy (SCS) Funding

Source	Task	Description	Budget
Proposition 84 Modeling Enhancements Program	**Travel Demand Model Enhancements**	Develop finer traffic analysis zones. Add to or enhance model capabilities that address multimodal networks, travel cost, and mode choice. Update inputs to reflect new statewide travel survey data and increase stratification of trip distribution. Add sensitivity to the 'D' factors (Density, Design, Diverity Destination accessiblity, etc). Lay technical foundation for future migration to 'activity-based' travel model. Update land use forecast allocation methods. Set up two-way linkages between land use and travel demand models.	$190,000
	GIS Data Enhancements	Compile, spatially rectify, standardize, and merge core regional GIS data classes, including parcel, parcel attributes, and roadway centerlines.	$210,000
			$400,000
Proposition 84 Sustainable Communities Program	**Mobility Assessment Tool (MAT II)**	GIS-based spatial analysis tool. Measures the relative degree of mobility across the region. This task will expand the analysis area of MAT to include the south-central urbanized region.	$25,000
	Neighborhood Dynamic Scale (NeDS)	GIS-based spatial analysis tool. Measures the movement of people and investment in/out of neighborhoods. Will be used to identify locations most appropriate for growth actions or maintenance and preservation actions.	$27,000
	Community Well-Being Atlas	A GIS-based spatial analysis tool. Utilizes a composite index of several community health indicators. Shasta College to provide cash match. Shasta County Public Health to provide in-kind contributions.	$20,000
	Exurban Growth Tool	A GIS-based spatial analysis tool. Utilizes wildfire risk factors and emergency response time as a proxy tool in rural and unincorporated areas.	$25,000
	Complete Streets Study	Identify and categorize non-motorized network and create GIS feature class. Overlay with street and road network to identify conflicts. Develop and prioritize fixes.	$42,000
	GIS Platform Implementation	Establish the regional server, including set-up, software, MOUs, and other tasks as needed. Upload local data, and develop an internet-based GIS portal.	$76,000
	ITS Study	Evaluate ITS system needs and develop plan for funding, implementation, and integration with the GIS Platform.	$35,000
	Grant Administration/Project Managment	Grant administration/project management.	$50,000
			$300,000

Source	Program	Description	Budget
Potential Other Funding	**Caltrans Transportation Planning Grants Program (Community-Based Transportation Planning)**	Downtown Redding Specific Plan with sustainability supplement and catalyst pilot program.	$300.000 (requested)
	CalFIRE "Leafing Out" program	Urban Forest Inventory & Urban Tree Planting. Cash match provided by Shasta College via NSF grant.	$30,000
	Proposition 84 future grant funding cycles	Additional GIS Platform website programming. Pass through funding to local agencies for SCS-consistent plans and projects. Other as determined.	n/a
	In-kind city/county staff support	To be determined.	n/a
	State Planning & Research (SPR)	Matching funds for Prop 84-funded Intelligent Transportation Systems (ITS) Study.	n/a
	Various other programs as identified	Varied, based on local needs and program criteria.	n/a

Sustainable Communities Strategy Workflow and Approximate Schedule



*Anticipated Funding

CSAC
1100 K Street
Suite 101
Sacramento
California
95814
Telephone
916.327-7500
Facsimile
916.441.5507

SB 375 (STEINBERG)
Addressing Greenhouse Gas Emissions from the Transportation Sector via Regional Transportation Plans
CSAC Analysis

SUMMARY

In 2006, the Legislature passed AB 32 —The Global Warming Solutions Act of 2006 — which requires the State of California to reduce greenhouse gas (GHG) emissions to 1990 levels no later than 2020. According to the California Air Resources Board (CARB), in 1990 GHG emissions from automobiles and light trucks were 108 million metric tons, but by 2004 these emissions had increased to 135 million metric tons. The transportation sector contributes over 40 percent of the GHGs throughout the state. Automobiles and light trucks alone contribute almost 30 percent. AB 32 granted CARB broad authority over any "source" of GHG emissions, including the authority to regulate the car and light truck sector.

SB 375, by Senator Darrell Steinberg, provides a means for achieving AB 32 goals from cars and light trucks. The bill is a monumental step forward in the State's efforts to achieve the global warming goals consistent with AB 32 (Nunez, Chapter 488, Statutes of 2006). Further, the bill aligns three critical policy areas of importance to local government: (1) regional long-range transportation plans and investments; (2) regional allocation of the obligation for cities and counties to zone for housing; and (3) a process to achieve greenhouse gas emissions reductions targets for the transportation sector.

State, Regional and Local Role in Setting Targets
The new law establishes a process for CARB to develop the GHG emissions reductions targets for each region (as opposed to individual local governments or households). CARB must take certain factors into account before setting the targets, such as considering the likely reductions that will result from actions to improve the fuel efficiency of the statewide fleet and regulations related to the carbon content of fuels (low carbon fuels). CARB must also convene a Regional Targets Advisory Committee (RTAC), which includes representation from the League of California Cities (League), California State Association of Counties (CSAC), metropolitan planning organizations, developers, planning organizations and other stakeholder groups. Furthermore, before setting the targets for each region, CARB is required to exchange technical information with the MPO for that region and with the affected air district. SB 375 provides that the MPO may recommend a target for its region.

Enhanced Regional Planning Process
SB 375 relies upon regional planning processes already underway in the 17 Metropolitan Planning Organizations (MPOs) in the state to accomplish its objectives. The provisions related to GHG emissions only apply to the MPOs in the state, which includes 37 of the 58 counties. Most notably, the measure requires the MPO to prepare a Sustainable Communities Strategy (SCS) within the Regional Transportation Plan (RTP), which sets forth a vision for growth for the region taking into account the transportation, housing, environmental, and economic needs of the region. The SCS is the blueprint by which the region will meet its GHG emissions reductions target if there is a feasible way to do so.

Requires State Interagency Cooperation
SB 375 indirectly addresses another longstanding issue: single purpose state agencies. The new law will require the cooperation of CARB, the California Transportation Commission (CTC), the California Department of Transportation (Caltrans) and the State Department of Housing and Community Development (HCD). For example, SB 375 takes a first step to counter this problem by connecting the Regional Housing Needs Allocation (RHNA) to the transportation planning process. While these state agencies will be involved in setting the targets and adopting new guidelines, local governments and the MPOs will not only provide input into setting the targets, but will serve as the lead on implementation. Member cities and counties working through their MPOs are tasked with development of the new integrated regional planning and transportation strategies designed to meet the GHG targets.

Rural Sustainability Component
SB 375 does include a provision that applies to all regional transportation planning agencies in the state that recognizes the rural contribution towards reducing GHGs. More specifically, the bill requires regional transportation agencies to consider financial incentives for cities and counties that have resource areas or farmland, for the purposes of, for example, transportation investments for the preservation and safety of the city street or county road system, farm to market, and interconnectivity transportation needs. An MPO or county transportation agency shall also consider financial assistance for counties to address countywide service responsibilities in counties that contribute towards the GHG emissions reductions targets by implementing policies for growth to occur within their cities.

CEQA Incentive
Additionally, SB 375 uses California Environmental Quality Act (CEQA) streamlining as an incentive to encourage residential projects, which help achieve AB 32 goals to reduce GHG emissions. Cities and counties that find the CEQA streamlining provisions attractive have the opportunity (but not the obligation) to align their planning decisions with the decisions of the region.

Clarity for Achieving GHG Emissions Reductions from Transportation Sector
SB 375 provides more certainty for local governments and developers by framing how AB 32's reduction goal from transportation for cars and light trucks will be established. It should be noted, however, that SB 375 does not prevent CARB from adopting additional regulations under its AB 32 authority. However, based on the degree of consensus around SB 375 and early indications from CARB, such actions are not anticipated in the foreseeable future.

A more detailed analysis of SB 375 follows this brief summary.

For more information regarding SB 375 and this analysis, please contact:
DeAnn Baker, Legislative Representative, (916) 327-7500 ext. 509 or dbaker@counties.org
Kiana Buss, Legislative Analyst, (916) 327-7500 ext. 566 or kbuss@counties.org

The Basics of SB 375:
Transportation, Housing and Greenhouse Gases

About the Institute for Local Government

The Institute for Local Government is the nonprofit research affiliate of the League of California Cities and the California State Association of Counties. ILG's mission is to promote well-informed, ethical, inclusive, effective and responsive local government in California through innovative (state of the art) resources, tools and programs.

The Institute's Current Program Areas Include:

- Climate Change
- Collaborative Governance Initiative
- Communities for Healthy Kids
- Intergovernmental Conflict Resolution
- Healthy Neighborhoods
- Land Use & Environment
- Local Government 101
- Public Service Ethics

For More on SB 375:

Visit www.ca-ilg.org/sb375 for links, analysis and additional information, including:

- California State Association of Counties Summary: www.counties.csac.org
- League of California Cities Analysis: www.cacities.org

Reducing Greenhouse Gas Emissions through Coordinated Regional and Local Planning for Housing and Transportation

SB 375 (Chapter 728, Statutes of 2008) directs the California Air Resources Board to set regional targets for reducing greenhouse gas emission. The new law establishes a "bottom up" approach to ensure that cities and counties are involved in the development of regional plans to achieve those targets.

SB 375 builds on the existing framework of regional planning to tie together the regional allocation of housing needs and regional transportation planning in an effort to reduce greenhouse gas (GHG) emissions from motor vehicle trips.

What is SB 375?

AB 32, California's *Global Warming Solutions Act of 2006*, gives the California Air Resources Board authority over sources of greenhouse gas emissions, including cars and light trucks. According to the California Air Resources Board, transportation accounts for some 40 percent of greenhouse gas emissions, with cars and light trucks accounting for almost three-quarters of those emissions (30 percent overall).

SB 375, authored by Senator Darrell Steinberg, directs the Air Resources Board to set regional targets for the reduction of greenhouse gas emissions. Aligning these regional plans is intended to help California achieve GHG reduction goals for cars and light trucks under AB 32, the state's landmark climate change legislation.

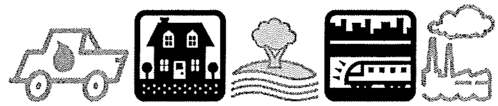
Because the existing regional transportation planning and housing allocation processes are overseen by local elected officials selected by their peers to serve on regional agency boards, the law is intended to ensure that cities and counties are closely involved in developing an effective plan for the region to achieve the targets.

To increase public participation and local government input, the law strengthens several existing requirements for public involvement in regional planning. The new law establishes a collaborative process between regional and state agencies to set regional GHG reduction targets, and provides CEQA incentives for development projects that are consistent with a regional plan that meets those targets. Cities and counties maintain their existing authority over local planning and land use decisions.

SB 375 Has Three Major Components:

1. Using the regional transportation planning process to achieve reductions in greenhouse gas emissions consistent with AB 32's goals;
2. Offering California Environmental Quality Act incentives to encourage projects that are consistent with a regional plan that achieves greenhouse gas emission reductions; and
3. Coordinating the regional housing needs allocation process with the regional transportation process while maintaining local authority over land use decisions.

How Will SB 375 work?



1. SB 375 sets up a collaborative process between metropolitan planning organizations (MPOs) and the ARB to establish greenhouse gas emissions targets for each region in the state. A Regional Targets Advisory Committee including city and county officials is advising ARB on the targets.
2. SB 375 requires each MPO to include a "Sustainable Communities Strategy" in the regional transportation plan that demonstrates how the region will meet the greenhouse gas emission targets. If the sustainable communities strategy falls short of meeting the targets, the region must prepare an "alternative planning strategy" that, if implemented, would meet the targets.
3. SB 375 requires that decisions relating to the allocation of transportation funding be consistent with the Sustainable Communities Strategy.
4. SB 375 creates California Environmental Quality Act (CEQA) streamlining incentives for projects that are consistent with the regional Sustainable Communities Strategy (or the Alternative Planning Strategy if one is required.)
5. SB 375 changes housing element law to synchronize the schedule and develop common land use assumptions for regional housing and transportation planning.
6. SB 375 strengthens the existing requirements for input by the public and local officials into the development and review of MPO plans.

SB 375, General Plans and Local Land Use

Local officials will be key decision-makers in how the provisions of SB 375 are ultimately implemented.

While the Air Resources Board is responsible for setting region-wide greenhouse gas emission targets for each MPO in the state, each MPO will be responsible for developing its own sustainable communities strategy (and alternative planning strategy if necessary). MPOs are governed by local elected officials.

Neither the "sustainable communities strategy" nor the "alternative planning strategy" will supersede a city's or county's general plan or other planning policies or authorities. Nor must a local agency's planning policies be consistent with either strategy.

Rather, these strategies provide a basis for determining eligibility of residential development or transportation projects for SB 375's CEQA streamlining incentives, if cities or counties choose to offer them.

More About Sustainable Communities Strategies

The sustainable communities strategy is a growth strategy for the region which, in combination with transportation policies and programs, strives to reduce greenhouse gas (GHG) emissions and, if it is feasible, help meet ARB's targets for the region.

Specifically, a Sustainable Communities Strategy (SCS) will:

- Identify the general location of uses, residential densities, and building intensities within the region;
- Identify areas within the region sufficient to house all the population of the region, including all economic segments of the population, over the course of the planning period of the regional transportation plan;
- Identify areas within the region sufficient to house an eight-year projection of the regional housing need for the region;
- Identify a transportation network to service the transportation needs of the region;
- Gather and consider the best practically available scientific information regarding resource areas and farmland in the region; and
- Quantify the reductions in GHG emissions the SCS is projected to achieve and any shortfall in reaching the regional target.

It is important to emphasize that this development pattern must comply with federal law, which requires that any pattern be based upon "current planning assumptions" that include the information in local general plans and sphere of influence boundaries.

If the sustainable communities strategy will not achieve the region's greenhouse gas reduction target, the region must also prepare a separate document called the "alternative planning strategy." Projects consistent with this strategy also qualify for CEQA incentives.

Source: California State Association of Counties Summary of SB 375

California Building Industry Association

CBIA 1215 K Street, Suite 1200 • Sacramento, CA 95814 • (916) 443-7933 • fax (916) 443-1960

August 7, 2008
(Updated 8-11-08)

MEMORANDUM FOR: Interested Parties

SUBJECT: **Senate Bill 375**

Overview of SB 375

The overarching objective of the bill is to establish the strategy for achieving regional greenhouse gas (GHG) reduction targets established by the California Air Resources Board (CARB) attributable to automobiles and light duty trucks resulting from regional land use patterns.

The bill looks to accomplish those reductions not on a project-by-project basis but as part of a larger regional planning effort that links regional transportation planning with local (city/county) land use planning through the development of a "blueprint-like" "sustainable communities strategy" (SCS) . The purpose and function of the SCS is to act as the regional land use base over which the transportation programs, projects and investments contained in the federally mandated regional transportation plan (RTP) are implemented.

In addition to linking regional transportation planning with local land use planning, the bill aligns both of those activities with the state mandated housing element process and provides significant regulatory reform to development projects that are proposed within areas consistent with the SCS.

What Regions are Included in SB 375

The bill applies to regions covered by the state's seventeen metropolitan planning organizations or councils of government (COGs):

- Butte County Assoc of Governments
- Council of Fresno County Governments
- Kern Council of Governments
- Kings County Association of Governments
- Madera County Transportation Commission
- Merced County Association of Governments
- Metropolitan Transportation Commission (Bay Area)
- Association of Monterey Bay Area Governments
- Sacramento Area Council of Governments
- San Diego Association of Governments

- San Joaquin Council of Governments
- San Luis Obispo Council of Governments
- Santa Barbara County Association of Governments
- Shasta County Regional Transportation Planning Agency
- Southern California Association of Governments
- Stanislaus Council of Governments
- Tulare County Association of Governments

Regional Carbon Targets For Autos and Light Duty Trucks

SB 375 grants new statutory authority to CARB to establish regional carbon targets (for 2020 and 2035) associated with autos and light duty trucks for the affected regions. The targets must be in place by January 1, 2011.

To assist in laying the ground-work for the setting of the targets, SB 375 establishes the Regional Targets Advisory Committee (RTAC) and gives CARB the authority, by January 31, 2009, to appoint the committee members from a list of organizations including homebuilders. The purpose of the RTAC is to recommend by way of a report due December 31, 2009, factors to be considered and technical methodologies to be used in the setting of the regional targets. Factors include data needs, modeling, growth forecasts, economic and demographic trends, etc. This information will be exchanged with each MPO and affected air district and may include a recommended target for the region.

Once set, the targets are required to be updated every eight years and may be revised on a four-year basis but only to reflect changes in technical methodologies and modeling. CARB may express the target on a gross tonnage, tons per capita, tons per household metric or any other measurement deemed appropriate. A specified public process within the region is required.

The Plan to Achieve the Targets

Planning for GHG reductions occurs in one of two ways: A SCS is required to be developed as part of the RTP. If the SCS, as it is reviewed by CARB, is determined to meet the target then no further planning is necessary. If the SCS is determined not to achieve the target then an Alternative Planning Scenario (APS) must be developed to demonstrate how the targets could be achieved.

A. Sustainable Communities Strategy. This acts as the land use baseline within the RTP. For the RTP planning period (nominally a 20-25 yr. doc.) the SCS must project long-term growth patterns using existing general plans as a starting point, identify the general location of uses, residential densities and building intensities within the region sufficient to meet an 8-year Regional Housing Needs Assessment (RHNA) allocation and, when integrated with the regional transportation network, achieves where feasible the CARB GHG targets.

SB 375 does not mandate that the targets actually be achieved. Rather it looks to create incentives to achieve the targets by allocating funding to transportation projects consistent with the SCS and by offering CEQA streamlining to projects consistent with the SCS/APS.

B. Alternative Planning Scenario. If the GHG targets cannot be achieved by the SCS then a region prepares an APS which demonstrates how, with additional transportation funding & or policies, other infrastructure or alternative development patterns the region could achieve its target. The APS is separate from the RTP (possibility of conflict with federal law) but may be adopted concurrently with the RTP & the SCS. For CEQA purposes, the APS is not a land use plan and the inconsistency of a housing project with the APS is not a consideration in determining whether a project may have an environmental effect.

There are public participation criteria for the development and adoption of both the SCS and the APS.

An EIR is required on the adopted RTP/ SCS/ APS.

How Environmental Resources are Handled Within SCS/APS

SB 375 requires that information on resources and farmland (defined in the bill) be gathered and considered as part of the SCS/APS planning.

Important Land-Use Disclaimers

- An SCS does not regulate the use of land.
- No abrogation of vested rights.
- No requirement to be for a city/county's general plan or land-use policies to be consistent with the SCS/APS.

Submittal To CARB

After adoption of the SCS or APS, the MPO shall submit the plan to CARB. CARB's authority is limited to acceptance or rejection of the plan. Should the SCS be rejected, the region would then prepare an APS.

Special Provisions for Preparation and Adoption of SCS in SCAG Region

Within the six-county region represented by the Southern California Association of Governments (SCAG), a sub-regional COG and the county transportation commission may work together to propose a SCS for that sub-region. If one is proposed, SCAG is required to(1) include the sub-regional SCS within the regional SCS to the extent that it is consistent with the provisions of SB 375 and federal law and (2) approve the sub-regional strategy for that sub-region to the extent it is consistent with (the amended RTP section of) SB 375.

Housing Element Alignment With SCS and RTP

SB 375 requires that the three planning processes for RHNA, RTP and SCS be aligned.

- The SCS must fully accommodate the region's RHNA allocation.

- Housing element period is now eight years (changed from five years) with COGs distributing their RHNA numbers at the beginning of the planning period coincidental with the development of the SCS and the RTP.
- Housing element due to Department of Housing and Community Development (HCD) one year into planning period following allocation of the RHNA.
- Zoning pursuant to RHNA allocation is to be completed within three years.
- A one-year extension on zoning is possible but in order to qualify, a jurisdiction must have already completed 75 percent of the zoning.
- Missing housing element deadlines opens a jurisdiction up to court-imposed sanctions.
- Anti-NIMBY provision applicable where site is suitable for residential use but the zoning has not been completed within the timeframes. Local government may deny only for a health or safety reason. Applies to projects that are 49 percent affordable.
- Penalty for failure to submit a housing element to HCD throws a locality back into a four-year housing element cycle.

CEQA Streamlining for Projects Consistent with an SCS/APS

In the situation where a region has adopted a SCS or an APS determined by CARB to achieve the applicable regional GHG targets attributable to automobiles and light-duty trucks and a residential or mixed-use residential development project is proposed consistent with the use designation, density, building intensity and applicable policies specified for the project area in the plan and the project has incorporated the applicable mitigation measures in the prior RTP/SCS EIR, certain new CEQA benefits attach.

Specifically:

- Residential and mixed-use residential projects need not analyze growth-inducing impacts;
- Residential and mixed-use residential projects need not analyze cumulative impacts from autos and light duty trucks generated by the project on global warming or on the regional transportation network;
- Environmental documents are not required to analyze or discuss a reduced residential density alternative to address the effects of autos & light duty trucks generated by the project;
- Residential and mixed-use projects need not analyze GHG emissions resulting from autos and light duty trucks.

Mixed-use residential defined. 50 percent residential in infill areas and 75 percent residential elsewhere.

Regional Transportation network defined. Includes all existing and proposed transportation improvements in the transportation and air quality conformity modeling within the RTP. However, projects must comply with conditions, exactions or fees for the mitigation of the project's impacts on the regional transportation network or local streets and roads.

Transit Priority Project CEQA Streamlining

- **Exempt if:** smaller than 8 acres & 200 units and meet a number of other environmental qualifications and at least 20% of the units affordable to moderate income purchasers or set a side open space at a 5 acre per 1000 people ratio;
- **Project-specific, Environmental Assessment (AKA Short-Form EIR):** Non-exempt transit priority projects qualify for initial study project specific analysis, shorter comment period and exemption from cumulative or growth inducing analysis consistent with the SCS/APS.

Traffic Mitigation Streamlining

- Local agencies can adopt traffic mitigation measures for projects that are at least 10 upa and 75% residential. Once adopted, the project need not comply with other traffic mitigation measures. The measures must be updated every 5 years.

Transit Priority Project (TPP) Defined. A TPP is a project that is consistent with the SCS/APS, at least 50 percent residential, at a density of at least 20 units per acre and within a half-mile of a transit corridor with a 15-minute service at peak times.

Transportation Sales Tax Exemption

Projects contained in sales tax measures adopted by December 31, 2010 are not subject to the SCS requirements. Furthermore, nothing in SB 375 requires sales tax authorities, for measures adopted by December 31, 2010, to change the funding allocations approved by the voters for categories of transportation projects.

Rural Sustainability Element

SB 375 includes a rural sustainability element within the RTP directing the MPO to consider financial incentives for counties that have resource or farmland areas. Additionally, the element requires the MPO or county transportation agency to consider financial assistance for services responsibilities for the county-wide residents in counties that contribute toward the GHG reduction targets by implementing policies for growth within cities.

CBIA will be transmitting language as soon as it is available. Furthermore, as some provisions of SB 375 may change over the next few weeks CBIA will keep you informed. If you have any questions, please contact me at rlyon@cbia.org.