

Progress on Implementing SB 375: Combating Climate Change and Sprawl through Coordinated Planning

Elizabeth Mattiuzzi



EXECUTIVE SUMMARY:

Implementation Varies, County-Level Cooperation is Important

City planners are engaging productively with the goals of the regional Sustainable Communities Strategies (SCSs) under California's Senate Bill 375 (2008), but more staff and technical assistance, particularly for financing mechanisms, is needed. Infill housing to reduce commute distances is a critical component of addressing regional vehicle miles traveled. Yet, bike and pedestrian infrastructure is communities' highest priority for retrofitting existing neighborhoods and

setting the stage for future compact development. However, in places where cooperation among jurisdictions exists, particularly with leadership from multicounty agencies, multifamily housing is shown to be a higher priority. This suggests a need for finding ways to promote cooperation between cities on SB 375 implementation. One way that this is already happening is through multicounty organizations such as county transportation authorities and councils of governments that represent multiple cities and towns within a county. Recommendations include increasing capacity and technical assistance for such partnerships, while expanding funding and incentives for compact development in urban areas and suburbs.

Acknowledgements

The author thanks Professors Karen Chapple and Elizabeth Deakin at UC Berkeley and Professor Margaret Weir at Brown University for their input on the dissertation research on which this brief is based. Thanks also go to the many planning professionals who generously gave their time to participate in this research. Funding support during the PhD program came from the Eisenhower Fellowship at the US Department of Transportation, the Bay Area chapter of the Women's Transportation Seminar, and from the UC Berkeley Graduate Division and Department of City and Regional Planning. All errors and opinions are solely the author's.

Progress on Implementing SB 375: Combating Climate Change and Sprawl through Coordinated Planning

Introduction: California's Climate and Land-Use Law

Auto dependence in California's growing regions threatens to outweigh progress on greenhouse gas emission reduction from energy and vehicle efficiency. Senate Bill 375 (SB 375, 2008) set California on a path towards regional emissions reductions from land-use-related impacts on vehicle miles traveled (VMT). A key component of the law was for regional agencies governing transportation and housing to make plans intended to better coordinate these two areas. Eight years on, regional agencies are updating the first generation of their Sustainable Communities Strategies (SCSs), making it a good moment to take stock of their progress and the lessons we can draw from this experiment.

California ranks second in total emissions among US states, despite having relatively low per-capita emissions (U.S. Energy Information Administration 2013). About 36 percent of California's GHG emissions come from the transportation sector (CARB 2013). The state is pursuing aggressive strategies to improve vehicle fuel economy, yet possible increases in passenger vehicle use dampens the net reductions from these efforts. Even accounting for population growth, the state's vehicle miles traveled (VMT) has risen precipitously in the last 40 years; California has nearly doubled in population since the 1970s, yet VMT has grown by over two and a half times in the same period (OPR 2013).

At the same time, California has a long-term shortage of housing, particularly in coastal employment centers. It has some of the highest housing prices and the longest commutes in the nation. Home values are two and a half times the national average and rents on apartments are 40 percent above the national average (LAO 2015). The San Francisco Bay Area has the highest commute times and distances in the nation, and the Los Angeles region has the greatest share of simultaneously long times and distances or "mega commutes" in the nation (Rapino and Fields 2013).

Locating housing near jobs in dense urban environments that facilitate walking reduces VMT (Ewing and Cervero 2010). Building market rate and subsidized housing near jobs improves affordability within regions (Zuk and Chapple 2016). In order to locate jobs and housing closer together and reduce the distances that people must drive

to get between them, Metropolitan Planning Organizations (MPOs) in California are trying to encourage compact and transit-oriented development.

Under SB 375, the California Air Resources Board set targets for emission reduction from land use's contribution to VMT for each of California's MPO regions. The most ambitious targets went to the four highest population regions: Sacramento, San Diego, the Bay Area, and greater Los Angeles. The reduction targets ranged from 7–8 percent by 2020 and 13–16 percent by 2035 with a baseline year of 2005 (CARB 2011).

These MPOs each prepared a Sustainable Communities Strategy (SCS) as a new component of their federally mandated regional transportation plan to meet the state emission reduction targets under SB 375. The law requires the SCSs to indicate how each region is coordinating between their transportation planning roles and their roles in allocating state targets for housing at all income levels to municipalities. SB 375 strengthens the requirement for municipalities to have a housing element in their general plan that sets out how they will meet their regional allocation, and to zone for that housing. Beyond this requirement, cities and county planning departments continue to have broad land-use powers. Successful SB 375 implementation depends on actions by cities, but the law is a weak mandate when it comes to local action to reach its goals of balanced development to reduce car-dependence.

SB 375 provides little guidance on how cities and counties plan for housing and compact development. After its passage, questions remained about whether SB 375 would help cities and counties change course or if successful implementation would be limited to areas that were already on a path to reducing their VMT. There is evidence that local implementation of the first generation of SCSs by cities involved a large amount of experimentation and variation in results.

In the Bay Area and greater Los Angeles regions, "sub-regional" agencies provided additional support for SCS implementation beyond what the MPO (and in the case of the Bay Area, regional council of government) provided. The Bay Area has strong county transportation authorities (CTAs) that worked with municipalities to administer a re-

About IGS

The Institute of Governmental Studies is California's oldest public policy research center. As an Organized Research Unit of the University of California, Berkeley, IGS expands the understanding of governmental institutions and the political process through a vigorous program of research, education, public service, and publishing.

gional SCS implementation incentive grant. Similarly, the Los Angeles region has CTAs and councils of governments (COGs) within counties that have been playing a coordinating role among municipalities on climate planning and SCS implementation. This brief investigates how the SCSs are being implemented in this complex institutional landscape under a weak mandate.

Surveying Cities and Counties on SB 375 Implementation

This research explores progress on encouraging compact development at the local level in California post-SB 375 through a survey of city and county planners. Planners are uniquely situated to understand the potential factors that contribute to the successful implementation of state mandates and regional sustainability plans (Baldassare et al. 1996). Planners from 133 cities and counties responded to the survey.¹ The survey asked planners about the challenges and scope of local planning for compact development that brings the region as a whole closer to the goals of the SCS. Conclusions in this brief are also based on 50 interviews conducted with city, county, and regional planners and planning experts.

Local Action on Climate Planning

- *A large majority of jurisdictions across the state (76%) reported that they are working to make their planning documents and guidelines more consistent with the SCS in their respective regions (Table 1). The most common actions that jurisdictions reported working on that help implement SCS goals were updating general plans and preparing climate action plans, followed by updating specific plans and zoning codes (Figure 1). Updating the general plan can be a large undertaking and is an important first step. Yet actions like specific plans and zoning code updates may suggest a greater level of progress on SCS implementation.*

- *Land use lags—Among all jurisdictions, the highest priority topic of local plan updates for SCS consistency, by far, is bicycle and pedestrian infrastructure improvements. These are followed by multifamily housing, transit, and mixed-use development, whether higher density (vertical) or lower density (horizontal) (Figure 2). Recalling that SB 375 seeks to prevent sprawl-related emissions from overtaking fuel and vehicle efficiency gains, the low priority of land-use interventions may not bode well for the goals of the law. However, the relatively high prioritization of active transportation and transit*

Cities that had previously worked with other jurisdictions on a sustainability issue were more likely to be updating local plans to support the goals of the SCS.

Table 1. Where is SCS Consistency Work Happening?

All jurisdictions surveyed	76%
Sacramento region	46%
Bay Area	85%
Los Angeles region	76%
San Diego region	78%

This table shows the percentage of jurisdictions reporting that they are updating local plans in a way that will make them more consistent with their region’s Sustainable Communities Strategy.²

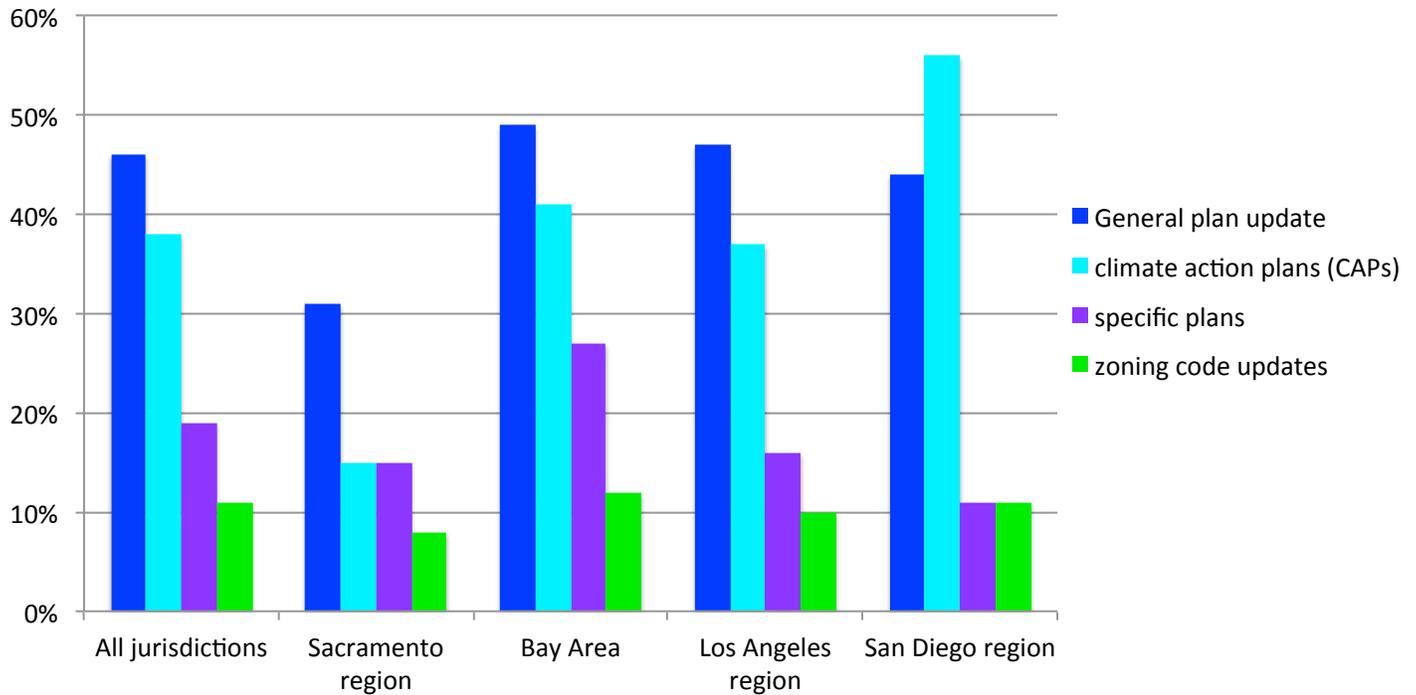
could be an indication of the currently available sources of funding and political realities that are driving local planning. It may also be a sign that that jurisdictions are successfully laying the groundwork for future land use-related smart growth by focusing on supportive infrastructure and transit service, particularly in areas where the real estate market continues to be weak. Retrofitting existing communities to improve mobility for walking and biking trips can reduce VMT if there is a focus on connecting key destinations.

Collaboration May Help Drive Implementation

California’s largest regions, the Bay Area and greater Los Angeles, have around 100 and 200 jurisdictions, respectively. One hypothesis guiding this research was that different kinds of regional governance or cooperation might help overcome some of the regional fragmentation that could stand as a barrier to local action that supports SCS goals. Would only a handful of motivated jurisdictions that already win awards for sustainability have the resources to promote compact development or would SCS implementation shift this pattern?

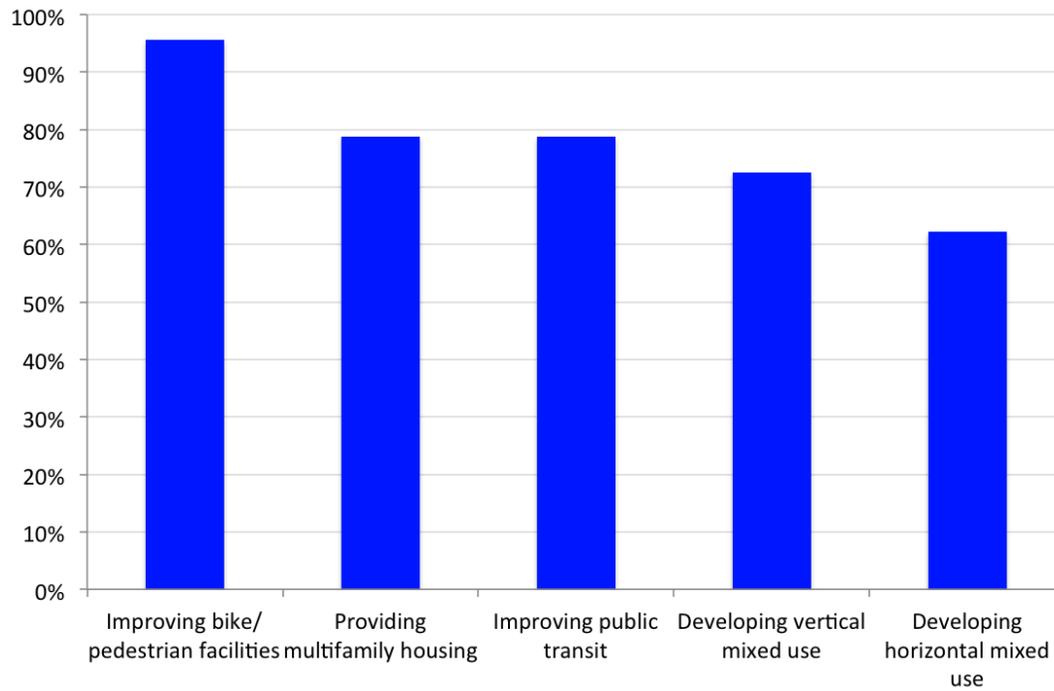
- *Cooperation with other jurisdictions was associated with a greater likelihood of updating local plans to be more consistent with the SCS. Cities that had previously worked with other jurisdictions on a sustainability issue were more likely to be updating local plans to support the goals of the SCS.³* For example, cities in the Inland Empire had previously worked together through subregional COGs, supported by developer impact fees and a utility grant, on climate action planning around energy use. Post-SB 375, these jurisdictions drew on this existing collaborative network to come together to apply for state and regional grants and work on other climate action plan elements, including land use measures that promote smart growth and create local benefits from “tiering” of the required greenhouse gas emission inventories of new development.

Figure 1. Local Plan Updates That Will Result in Greater SCS Consistency



This figure shows what types of efforts planners are undertaking that will make their local plans and guidelines more consistent with their region's Sustainable Communities Strategy.⁴

Figure 2. Priority levels of SCS Consistency Actions for Local Jurisdictions



This figure shows the share of planners who rated different SCS implementation actions as a high priority (4 or 5 on a scale of 1-5).⁵

- *Working with other jurisdictions and the MPO specifically on SCS development was related to an increased likelihood of multifamily housing being a local priority.* Among jurisdictions that reported working to implement the SCS locally, there was a greater likelihood that they were focusing on multifamily housing and mixed-use development if they had been involved in SCS development.

- *Coordination of planning activities by multicounty agencies is correlated with SCS consistency work.* Prior participation in a planning activity (other than the SCS) via a subregional agency, such as county transportation agencies or subregional councils of governments, was associated with an increased likelihood that a jurisdiction was working on SCS consistency.⁶ Subregional planning activities, such as climate action planning, could involve more of an alignment of priorities between local jurisdictions than a perceived zero sum regional planning activity such as the regional housing needs allocation (RHNA).

- *Encouragement from a county transportation authority (CTA) towards smart growth was correlated with a jurisdiction being more likely to prioritize multifamily housing as a strategy to support the SCS goals.* This relationship between multifamily housing and CTA encouragement of smart growth was stronger than the relationship for either regional agencies or subregional COGs providing the same encouragement.⁷ In larger regions, CTAs' role as a collective forum that is still close to the local scale could be helping municipalities overcome their local capacity constraints for working on compact development. In the Bay Area, the importance of CTA encouragement is likely related to the CTAs' coordinating role in the region's SCS implementation incentive grant (OBAG).

Obstacles to SCS implementation

- *Capacity issues have constrained but not prevented SCS implementation.* Capacity for implementing the SCS through smart growth is uneven across municipalities. Despite many obstacles, such as layoffs and difficulty raising revenue, planners are engaging in the task of meeting California's climate goals. Jurisdictions were fairly evenly split on the issue of staffing needs, with just under half of respondents (49 percent) reporting that they would need additional staff to respond to SB 375. About 30 percent of jurisdictions would need one more employee, and 20 percent reported needing two or more new employees to meet the workload of smart growth.

- *The most pressing areas of need for technical assistance (TA) among municipalities are design and financing.* Sixty-six percent of respondents reported that they need a medium or large amount (ratings of 3, 4, or 5) of additional TA for financing smart growth, such as how to apply for grants and how to use the new enhanced infrastructure financing

districts (EIFDs), which have replaced part of the powers of redevelopment (Figure 3). Sixty-three percent said the same about design TA, and fifty-three percent reported similar levels of needed TA for public engagement. Half of respondents said they need medium or large amounts of additional TA for planning for SCS consistency.

- Jurisdictions that reported high levels of need for technical assistance also reported that a greater number of departments, particularly public works, were also participating in SCS implementation efforts. Knowing that their department needs more help may just be an indication that they are more engaged with the issue and have a better sense of their needs.

- *Most jurisdictions estimated a deficit in the range of \$100,000 to \$1 million for planning and \$10-100 million for infrastructure to support smart growth.* The greatest area of infrastructure need reported was for "complete streets," which the state has recently mandated be included in local general plans. The state has mandated that cities plan for accessibility for all users of roadways, not just motor vehicles. Complete streets may be the most expensive, and the most urgent infrastructure funding issue. Planners also ranked water and sewer infrastructure, such as stormwater drainage, as areas of high need for supporting smart growth.

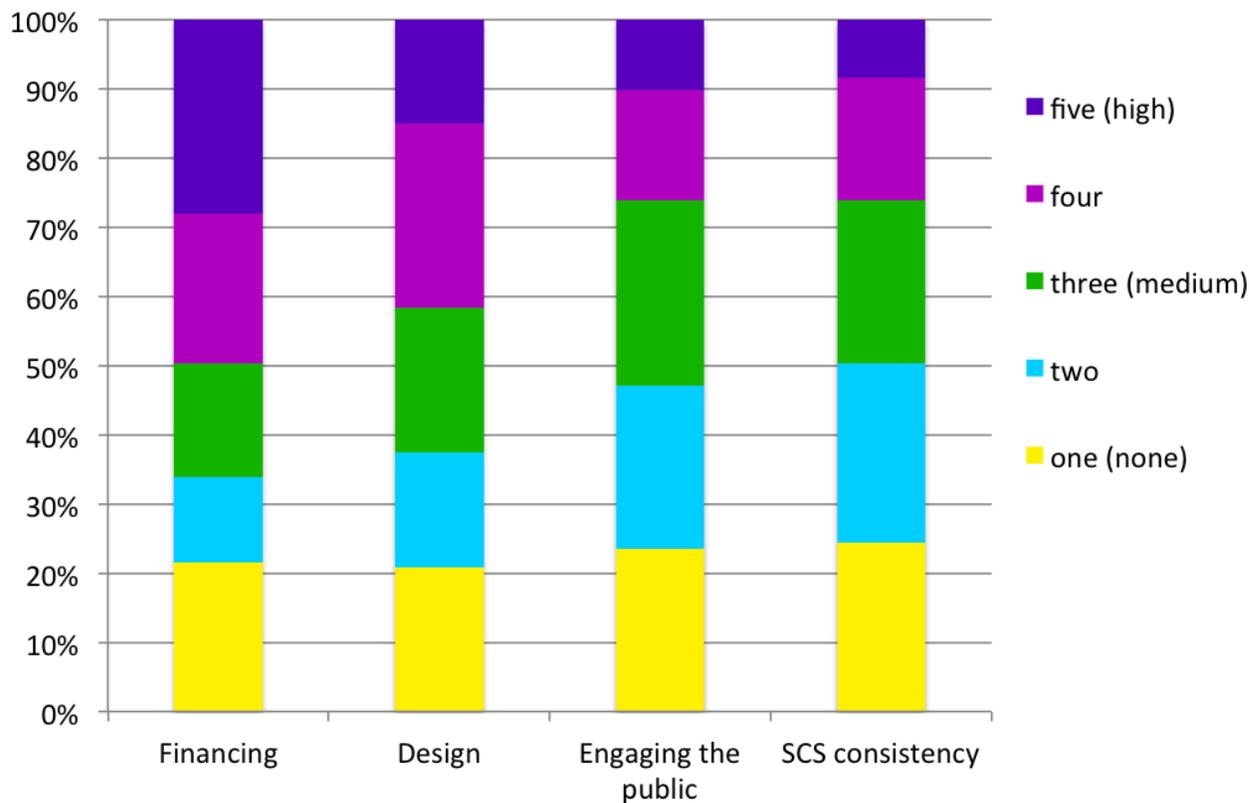
- *Local politics* may be preventing a greater focus on land use related SCS implementation. Planners experience greater local political support for transit than for new housing (Figure 4). Not surprisingly, the most vocal opposition to smart growth is in response to potential housing density increases and affordable housing construction, including housing density and affordable housing. However, where planners perceive that there is local political support for doing so they are moving forward with smart growth measures. Greater activism to let elected officials know where there is support for smart growth, particularly affordable housing, may help planners move forward on SCS implementation.

- *What do people complain about when they complain about compact development?* Planners cited concerns about parking impacts as the largest source of opposition to smart growth, although concerns about new housing and the design of smart growth were close behind (Figure 5). The op-

ABOUT THE AUTHOR

Elizabeth Mattiuzzi is a Postdoctoral Researcher at the Center for Community Innovation at UC Berkeley, which is affiliated with the Institute of Governmental Studies. She is interested in sustainable and inclusive housing, transportation, and economic development in regional planning and the regional economy. She received a PhD in city and regional planning from UC Berkeley in 2016 and a Masters in urban studies from the London School of Economics and Political Science in 2008.

Figure 3. Level of Needed Technical Assistance by Topic



This figure shows the level of technical assistance planners estimated that their department needed for different components of SCS implementation.⁸

position to smart growth design might be a more general opposition to density, although it leaves room for the possibility of better messaging around smart parking policies and locally acceptable smart growth design.

How the State of California Can Support Local Implementation of the Sustainable Communities Strategies

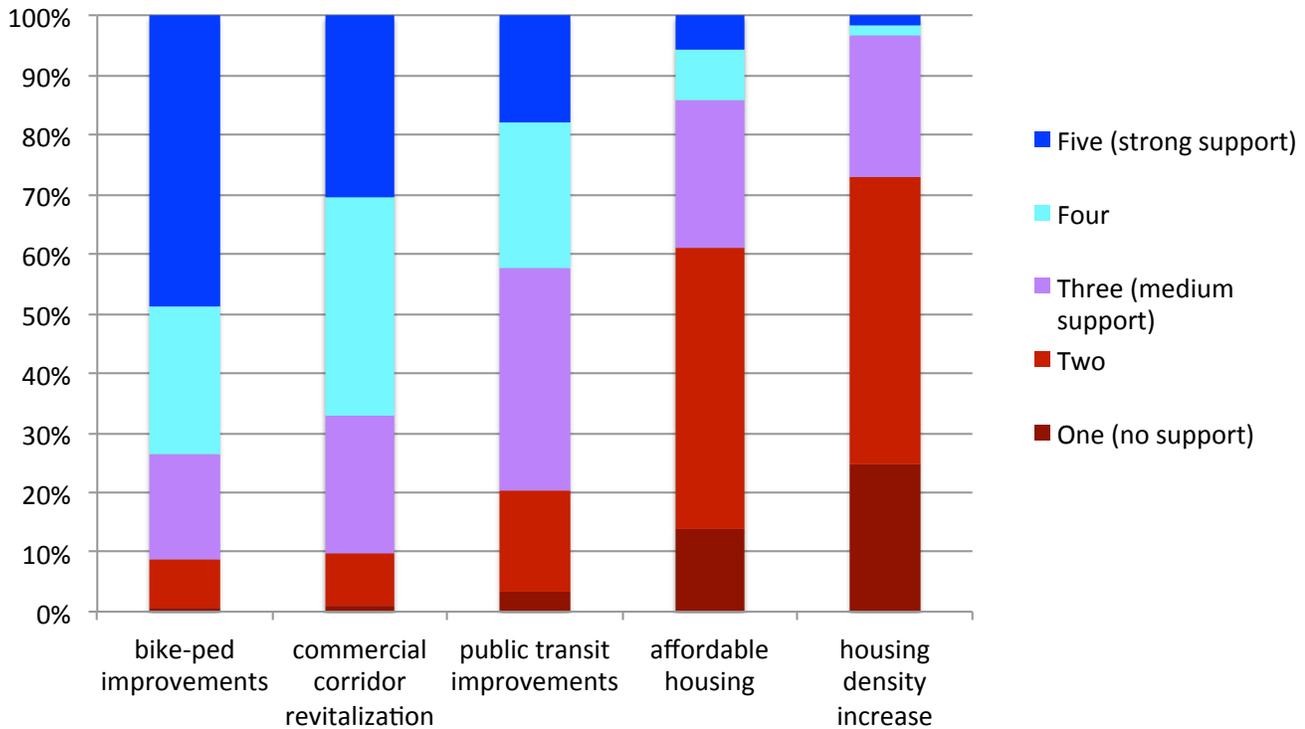
- *Fund smart growth and supportive infrastructure.*
- *Provide guidance to cities on strategies such as **density bonuses** to attract development in weak market areas and provide community benefits.*
- *Tailor compact development policies and funding streams to meet the needs of **suburban corridors**, in addition to core cities. Smart growth is not just for high density, transit-served areas. Developers are proposing “infill” projects in both high-density and lower-density areas, according to planners who responded to the survey. While the idea of infill typically conjures an image of small lot mixed use in dense urban areas, infill can also apply to the revitalization*

of appropriate suburban areas such as commercial corridors and underutilized shopping malls (Talen 2015).

- *Improve **infill incentives** and other CEQA-related smart growth incentives.* Only 13 percent of responding jurisdictions reported successfully using any kind of infill incentives. This may be partly because the infill incentives on the books, including those introduced by SB 375, tend to be narrowly applicable to more dense urban areas, not to medium-density neighborhoods or jurisdictions with suburban-style infrastructure and land-use patterns.

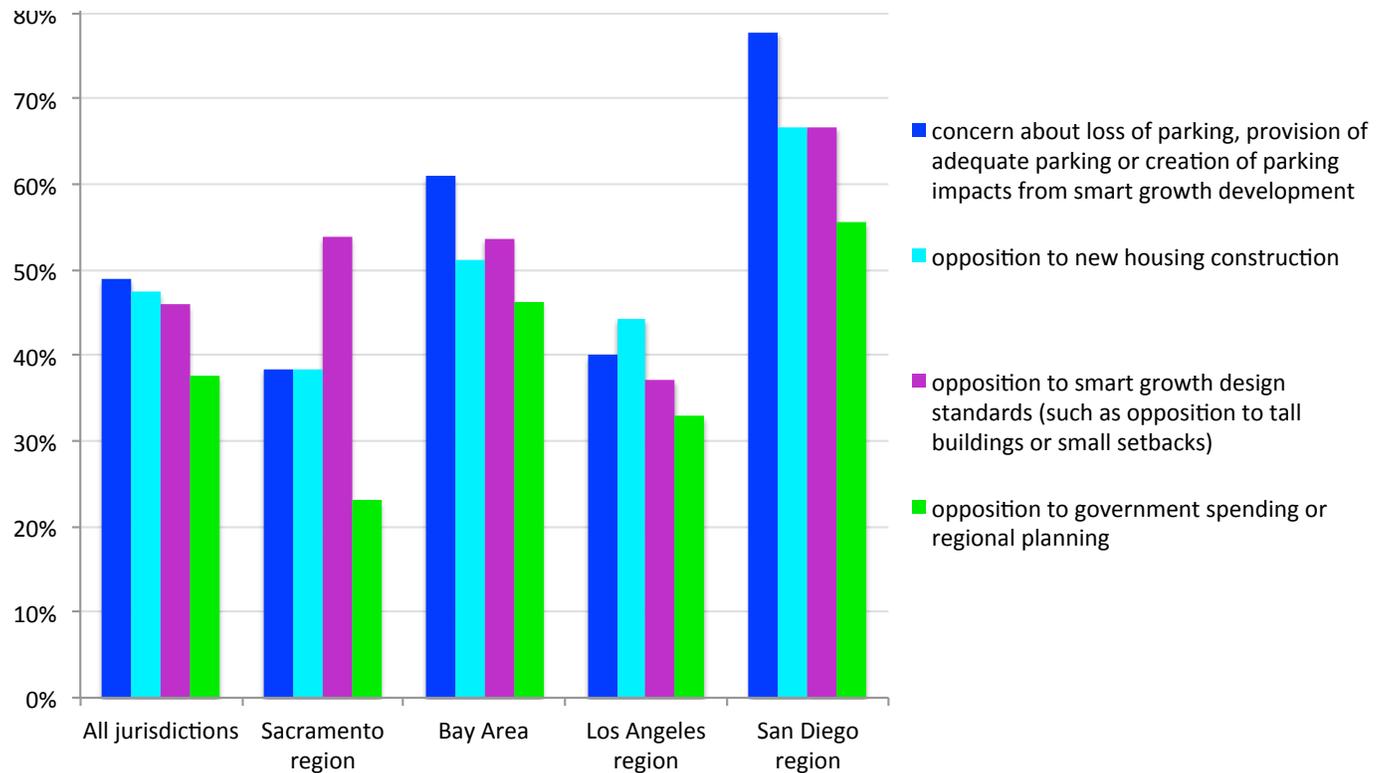
No jurisdictions reported using the Sustainable Communities Environmental Assessment alternative to a normal EIR provided by SB 375, although planners reported that having a legal precedent established would make them more likely to try. Subsequent laws have helped reduce red tape for compact development that is consistent with an SCS (SB 226, 2011) and infill that is consistent with a specific plan in a transit priority area as defined in SB 375 (SB 743, 2013). Yet some survey respondents reported local political opposition to the use of CEQA incentives due to fears about reduced public input in development. This suggests a need for better communication about the role of compact develop-

Figure 4. Perceived Local Support for Smart Growth Measures



This figure shows the rates at which planners identified local support for specific SCS implementation measures. Bike and pedestrian improvements had the highest support (4 or 5).⁹

Figure 5. Reasons for Local Opposition to Smart Growth



This figure shows the rates of planners reporting specific types of political opposition to smart growth planning in their jurisdiction.¹⁰

ment in environmental protection, including public health, open space preservation, and climate change mitigation. Furthermore, communicating that CEQA incentives will not reduce local control of land use or public participation is key.

• *Support the staffing needs of county-level agencies that are working on compact development.* County-level councils of governments (COGs) and transportation authorities are providing the largest amount of outside technical assistance for smart growth to cities after metropolitan planning organizations (MPOs). Over half of respondents (55 percent) reported that their departments receive a moderate or large amount of technical assistance (TA) from an MPO (or regional COG in the case of the Bay Area), but thirty-five percent said that they receive a moderate or large amount of TA from county transportation agencies (CTAs or CMAs), and twenty-three percent said that they receive a similar amount from a COG within their county.

The staffing needs of these county-level agencies should also be explored because they are playing an important role in local planning that supports the SCSs. In the Bay Area in particular, county transportation agencies, typically staffed primarily by transportation engineers, are stepping up to provide guidance to cities on housing issues (as required by MTC under the OBAG grant). In the Los Angeles region, county-level COGs are coordinating state and regional sustainability grant applications and work on climate action plans for cities and towns. In smaller regions without these multicounty organizations, additional resources for promoting cooperation could be provided directly to the MPO.

Notes

¹ I surveyed planning directors from the 351 cities and counties in the Sacramento, Bay Area, greater Los Angeles, and San Diego MPO regions in May-June 2014, with a 38 percent response rate.

² (N=133). “Is your department updating any of its planning documents or guidelines to be more consistent with the region’s Sustainable Communities Strategy (SCS)? ‘Consistency’ efforts might include updating the general plan or zoning code, or creating a climate action plan, that is consistent with the goals of the SCS (Question A1).”

³ Bivariate logit model of likelihood of local SCS consistency work, $p=0.08$.

⁴ (N=133). “Please describe what documents or guidelines you are updating/creating for consistency with the regional SCS (question A2).”

⁵ (N=114, 113, 113, 111, 113). “How would you rate the importance of each of the following activities in your jurisdiction’s work on SCS consistency, with 1 being a low priority and 5 being a high priority (Question A6)?”

⁶ Bivariate logit model of likelihood of local SCS consistency work, $p=0.08$.

⁷ Bivariate logit models of likelihood of multifamily

housing being a local smart growth priority, $p=0.02$, $p=0.07$, $p=0.07$.

⁸ (N= 120, 121, 119, 119, 31). “Please rate how much additional technical assistance on smart growth planning you need/anticipate needing in the following areas, with 1 being none and 5 being a large amount (Question G4).”

⁹ (N=125, 119, 122, 121, 121). “Based on your experience, how much community support would you estimate there is for the following measures in your city, with 1 being none and 5 being strong or substantial support (Question I1)?”

¹⁰ (N=133). “If there has been opposition to smart growth in your jurisdiction, what areas of concern have community members or groups raised (Question I3)?”

References

- Baldassare, Mark, Joshua Hassol, William Hoffman, and Abby Kanarek. 1996. “Possible Planning Roles for Regional Government: A Survey of City Planning Directors in California.” *Journal of the American Planning Association* 62 (1): 17–29.
- California Air Resources Board. 2011. “Approved Regional Greenhouse Gas Emission Reduction Targets.” http://www.arb.ca.gov/cc/sb375/final_targets.pdf.
- California Air Resources Board. 2013. “Update to AB 32 Scoping Plan.” http://www.arb.ca.gov/cc/scopingplan/2013_update/first_update_climate_change_scoping_plan.pdf.
- Ewing, Reid, and Robert Cervero. 2010. “Travel and the Built Environment.” *Journal of the American Planning Association* 76 (3): 265–94. doi:10.1080/01944361003766766.
- Legislative Analyst’s Office. 2015. “California’s High Housing Costs: Causes and Consequences.” <http://www.lao.ca.gov/reports/2015/finance/housing-costs/housing-costs.pdf>.
- Office of Planning and Research, State of California. 2013. “California @ 50 Million: Goals for the Future—Vehicle Miles Traveled.” https://www.opr.ca.gov/docs/VMT_pdf.pdf.
- Rapino, Melanie, and Alison Fields. 2013. “Mega Commuters in the U.S.: Time and Distance in Defining the Long Commute Using the American Community Survey.” Working Paper 2013–03. Washington, D.C.: US Census Bureau. http://www.census.gov/newsroom/releases/pdf/paper_mega_%20commuters_us.pdf.
- Talen, Emily. 2015. *Retrofitting Sprawl: Addressing Seventy Years of Failed Urban Form*. University of Georgia Press.
- U.S. Energy Information Administration. 2013. “State Carbon Dioxide Emissions.” <http://www.eia.gov/environment/emissions/state/>.
- Zuk, Miriam, and Karen Chapple. 2016. “Housing Production, Filtering and Displacement: Untangling the Relationships.” Berkeley: Institute of Governmental Studies.