

**Metropolitan Transportation Commission and Association of Bay Area Governments
Joint MTC Planning Committee with the ABAG Administrative Committee**

May 13, 2022

Agenda Item 5a

Exploring the Successes and Shortcomings of Senate Bill 375 (Steinberg, 2008)

Subject:

Overview of successes and shortcomings in implementing regional plans such as Plan Bay Area over the past decade, highlighting initial findings from state reports required under Assembly Bill 285 (Friedman, 2019) and Senate Bill 150 (Allen, 2017) as well as potential opportunities for State legislative reform in the coming months.

Background:

Since the passage of Senate Bill (SB) 375, regions across California have been required to integrate land use and climate mitigation into their regional planning processes, which historically focused solely on transportation. With greenhouse gas reduction targets set by the California Air Resources Board (CARB), this sparked greater focus on environmental issues in the regional planning process and a more thoughtful consideration of the connections between transportation and land use. However, SB 375 neither provided any additional implementation authorities to regions nor authorized new funding streams to regions, local jurisdictions, or project sponsors to turn these visionary plans into reality.

Much has changed since 2008. The Bay Area has now completed three iterations of Plan Bay Area, including the latest iteration adopted in fall 2021. Plan Bay Area 2050 was more comprehensive than ever before, laying out a blueprint for transportation, housing, economic development, and environmental resilience through 2050. Beyond planning for the future, the region has innovated through efforts like the One Bay Area Grant Program to support climate-smart investments and assist local jurisdictions with Priority Development Area planning. The State has provided new, albeit limited, funding opportunities like the Regional Early Action Planning program to assist local jurisdictions with Housing Element updates. Partnerships between the State, the region, local jurisdictions, and non-profit organizations have enabled pilot programs from the emerging Bay Area Housing Financing Authority to start moving forward.

Findings from Recent State Reports:

Yet despite this progress, action in the Bay Area and across the State has not been progressing as quickly as envisioned to meet ambitious climate goals. Two draft State reports, mandated by Assembly Bill 285 and Senate Bill 150, have been drafted by the Strategic Growth Council (SGC) and CARB, respectively, to delve further into the root causes of these challenges. These findings are summarized as follows:

- **It is important to acknowledge the long timelines and complex delivery process for transportation projects in California.** Changing course is challenging at all levels of government due to the significant time and effort required to translate vision into reality. It will be important for the State to create meaningful and collaborative opportunities for projects to improve their alignment with 21st century goals.
- **That being said, the State has identified a meaningful divergence between near-term transportation investments and urgent climate and equity priorities.** Capacity-increasing freeway investments that contribute to greenhouse gas emission increases continue to be delivered, especially in the Central Valley and Southern California.
- **The State correctly flags that a lack of housing production at all income levels in climate-efficient places is contributing to rising emissions.** Given that land use plays an even greater role in emissions reductions than transportation investments, the lack of new housing opportunities, especially for lower-income Californians, in walkable, transit-oriented communities is central to this narrative as well.
- **Notably, the State acknowledged that it has contributed to these challenges – for example, by funding projects that undercut its climate ambitions.** When compared to prior iterations of similar reports, this cycle acknowledges that regions are not singularly responsible for this challenge, and specifically identifies State agencies and programs needing reform in the years ahead.

- **While the State notes that the Bay Area leads on issues like greenfield preservation and transit funding, our region is not immune from these broader trends.** While the latest reports do acknowledge some areas the Bay Area has succeeded – for example, by containing sprawl much more effectively than other peer metro areas – the broader finding is that no region in California is currently successfully achieving climate goals.
- **The State argues that bolder action is required to realign priorities, acknowledging Plan Bay Area 2050 and San Diego Forward as best-practice examples.** Notably, the Bay Area and San Diego plans were specifically listed as the direction that other regions need to follow as they pivot toward a more climate-friendly future. Perhaps more importantly, the high-impact strategies in plans like Plan Bay Area 2050 need to be realized through partnership and collective action at the State, regional, and local levels.
- **In addition to strengthening partnerships, we believe the State will need to better prioritize its goals across divergent agencies and programs.** Statewide planning efforts are typically fiscally-unconstrained, meaning that the challenging but meaningful tradeoff discussions in efforts like Plan Bay Area 2050 are not occurring at the statewide scale. Better coordination in Sacramento could provide regions and local jurisdictions greater clarity on the State’s priorities and advance shared goals.

Next Steps:

Staff will continue to advocate for additional State funding and tools to accelerate implementation of the strategies and implementation actions in Plan Bay Area 2050. Scaling up successful programs like REAP that could fund a wide range of transportation and housing investments is one piece of the puzzle. Engaging with the State as it considers potential reforms to existing funding programs to better align with 21st century goals are equally important.

Going beyond funding, the reality is that the bulk of greenhouse gas emission reductions come from strategies that are lower-cost but politically-challenging – such as roadway pricing or densification near frequent transit hubs. As noted earlier, strengthening existing partnerships to accelerate progress in this space will be key, bringing together a broad range of stakeholders from local governments to non-profit organizations to State agencies.

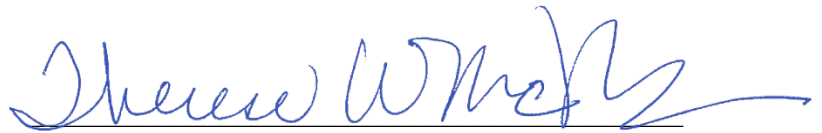
Last but not least, MTC/ABAG staff continue to work with legislative staff on Senate Bill 1217 (Allen/Cortese) to improve the regional planning process, consistent with the MTC/ABAG advocacy platform. This work seeks to address some of the shortcomings of the original 2008 law to streamline the time-consuming and at times, opaque review process established by CARB and re-focus State and regional energies toward implementation commitments and progress tracking, similar to the recently adopted Plan Bay Area 2050 Implementation Plan.

Issues:

None identified.

Attachments:

- Attachment A: Presentation



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