Research Report – UCD-ITS-RR-14-06

Evaluating Progress toward SB375 Implementation: A Long-term View

May 2014

Gian-Claudia Sciara

Institute of Transportation Studies ◦ University of California, Davis
1605 Tilia Street ◦ Davis, California 95616
PHONE (530) 752-6548 ◦ FAX (530) 752-6572
www.its.ucdavis.edu

UCDAVIS
URBAN LAND USE AND TRANSPORTATION CENTER
of the Institute of Transportation Studies

UCD-ITS-RR-14-06

Testimony

Transportation and Housing Committee
California State Senate

Hearing on the Sustainable Communities and Climate Protection Act of 2008 (SB 375): From Vision to Implementation

John L. Burton Hearing Room (4203)
California State Capitol
Sacramento, California
Tuesday, May 13, 2014
1:30 PM

Gian-Claudia Sciara, PhD, AICP

Postdoctoral Scholar
Urban Land Use and Transportation Center
Institute of Transportation Studies

University of California, Davis
1605 Tilia Street • Davis, California 95616
Phone (530) 752-6548
www.its.ucdavis.edu

Gian-Claudia Sciara, Ph.D., AICP[1]
Postdoctoral Scholar
University of California, Davis

Evaluating Progress toward SB375 Implementation: A Long-term View

Before the Transportation and Housing Committee
California State Senate

May 13, 2014

Chairman and Distinguished Members:

Thank you for inviting me to speak on the progress toward implementation of SB 375, the Sustainable Communities Climate Protection Act of 2008. I am a Postdoctoral Researcher at the University of California, Davis, where I develop research on transportation institutions at the UC Davis Institute of Transportation Studies' Urban Land Use and Transportation Center. Since 2010, a significant portion of my work has examined the institutional terrain underpinning SB 375 and its implications for policy implementation. Prior to my career in university research, I worked as a senior planner in the private sector. My expertise lies in regional transportation planning, policy, and finance, and my research and publications address planning and policy interactions across national, state, regional and local levels.

In the context of this hearing, I have been asked to report on two pieces of my research that bear on implementation of SB 375. Following a summary of my main points below, I will briefly discuss the motivation behind the research I have undertaken, the research approach, and the key findings. I will conclude with a brief discussion of overall observations about measuring current implementation progress and going forward.

Summary of Key Points

1. Consideration of progress toward SB 375's goals must take into account the governance paradox that underpins SB375. There is a notable disconnect between the law's unequivocal affirmation of *local* land use authority and the importance it places on *regional* visions for future land use and transportation. This is a central challenge facing implementation of the law.

2. Over the long term, local governments and the land use and development policies they pursue will decisively influence progress on SB375. General Plans produced by California cities are thus a key component of SB375's success. They articulate city by city how the state will grow. My review of a 31-city sample of General Plans suggests that many cities could improve their plans in key dimensions to provide for greater alignment with SB 375 principles.

[1] The opinions and conclusions expressed in this testimony are the author's alone and should not be interpreted as representing those of the Institute of Transportation Studies at the University of California, the University, or any of the sponsors of its research. This product is part of the research report series of the UC Davis Institute of Transportation Studies. Publications of ITS do not necessarily reflect the opinions of its sponsors.

3. Analysis of pre-SB 375 efforts by California regions to encourage smart growth offer lessons for SB 375 implementation in the future. My study of these earlier Metropolitan Planning Organizations (MPOs) programs suggest there is clear appetite among local governments for planning and capital investment to refocus growth on established centers and to make cycling, walking, and public transit more attractive means of travel. Investment in planning can help communities encourage growth that shapes the built environment in support of SB 375. However, due to restrictions built into the programs' underlying funding sources, existing MPO-led smart growth programs have largely favored capital versus planning investment.

4. In 2014, SB 375 stands halfway between its passage and its 2020 milestone. It is important to assess the success of regional and local SB 375 performance. However, it is equally important to acknowledge that shifting physical development and changing travel behavior to reduce GHGs is a long term policy initiative. Efforts to propel California toward smart growth will bear fruit most visibly in the long-term. Most SB 375-related efforts to date have necessarily addressed institutional set up, such as setting and approving regional targets and developing Sustainable Communities Strategies (SCSs), milestones which some regions have yet to reach. Questions about progress toward SB 375's goals for development, travel patterns, and GHG reduction are the right ones to ask, but the ability to answer them right now is limited.

5. In the near term, important steps can be taken to enable more rigorous SB 375 performance measurement going forward. First, planning-specific performance metrics should be developed to assess whether trends in local government land use planning and policy track SB 375 objectives. Second, for discrete local projects and policy initiatives, there is a need to institutionalize evaluation beyond accounting-focused audits and anecdotal evidence of project benefits. Thoughtful performance measures of in SB375 terms could ascertain whether local projects and policies (a) have contributed or are likely to contribute to travel behavior changes and reduced automobile use; and (b) may produce co-benefits such as improved community health or economic growth.

SB 375's Innovations and Resulting Policy Questions

California's Sustainable Communities and Climate Protection Act of 2008, or SB 375, is part of the state's response to earlier state law AB 32, which committed California to reducing GHGs to 1990 levels by 2020 and further to 80 percent below 1990 levels by 2050. While other states have committed to specific GHG reductions, California is the first state to set policy that links transportation-related GHG reduction to land use. SB 375 seeks greenhouse gas (GHG) reductions by asking metropolitan regions and their constituent local governments to plan for land use and transportation that will create less automobile-reliant patterns in the built environment. The law is grounded in research showing that how we design and build communities and their mobility systems influences the choices people have about how and how much they travel to meet their daily needs (Salon et al, 2012), and the law acknowledges that these choices have consequences for the environment and climate systems.

SB 375 establishes a new framework for the MPOs that plan and allocate regional transportation investments in California. Under existing federal and state law, MPOs have traditionally crafted long term regional transportation plans aimed at responding to anticipated growth and physical development and associated increases in vehicle travel. SB 375 inverts this process, calling on MPOs first to craft a regional land use vision, and then to develop supportive transport investments. This regional land use

vision is called the Sustainable Communities Strategy (SCS), which is a "forecasted development pattern for the region, which, when integrated with the transportation network…will reduce the GHG emissions from cars and light trucks." The SCS allows MPOs to set a development vision for that region rather than simply responding to expected growth.

This feature of SB 375 places metropolitan planning bodies in a complicated governance position. On one hand, MPOs must plan for transportation investments and land use and development patterns that would reduce automobile reliance. On the other hand, MPOs have no direct control over land use and development patterns. Because MPOs have no land use authority, SB 375 anticipates that they will instead leverage their transportation funds to incentivize local land use decisions compatible with their regional SCS and GHG reduction goals. Thus, SB 375 does not require local land use policy to align with the regional SCS. However, local governments that make SCS-compatible planning and development choices should, in principle, benefit more from MPO-directed funds than local governments that do not. SB 375 also offers project developers exemptions from the state's Environmental Quality Act (CEQA) for residential or mixed-use residential projects consistent with SCS and for Transit Priority Projects.

SB 375's governance framework raises two questions reflecting its inherent regional-local tension: (1) How well will regional funding incentives work to achieve local land use decisions supporting smart growth principles? (2) Do the General Plans of California cities reflect the policies and strategies needed to support growth that is less reliant on the private automobile and more friendly to public transit, cycling and walking options? I have examined these questions in the context of two research projects; while neither study evaluates SB 375 outcomes per se, both establish preliminary dimensions for considering performance under SB375 in the future.

Lessons from Existing Regional Efforts to Shape Local Policy

Over the last decade or so, each of the MPOs serving the Sacramento, San Diego, San Francisco Bay Area, and Los Angeles regions has launched a competitive grant program to encourage local land development and transportation investments in accordance with smart growth principles. While these smart growth grant programs were initiated by California MPOs before SB 375, they share some of SB 375's aims (See Table 1). Through these programs, MPOs have reserved modest amounts of funds to support local government capital and planning projects that align with smart growth objectives. Projects may emphasize compact development; transit-, walk- and bike-friendly communities; jobs-housing balance; vibrant downtowns; and mixed-use centers. Studying these programs offers a chance to learn from experiences MPOs have already collected in efforts to encourage local land use and transportation decisions to promote reduced automobile reliance and focused growth. My review of these programs[2] yields several insights relevant to SB 375 implementation.

[2] For full discussion of the research approach, methods, and findings, see: Sciara, G.-C., & Handy, S. L. (2013). Cultivating Cooperation without Control: California's MPO-driven Smart Growth Programs. Davis, CA: Institute of Transportation Studies, University of California.

Table 1. Summary of California MPOs' Smart Growth Grant Programs

	San Francisco	Sacramento	San Diego	Los Angeles
Program	Transportation for Livable Communities Program	Community Design Program	Smart Growth Incentive Program	Compass Blueprint Program
Year Started	1997	2005	2005	2005
Funding Source(s)	• STP • CMAQ • Transportation Enhancements (TE)	• STP • CMAQ • Transportation Enhancements (TE)	• Transportation Enhancements (TE)	Federal planning grants • FHWA & FTA Metro PL • FHWA &FTA State Planning & Research
Local Funding Source(s)	• Federal - local swaps.	• Federal - local swaps.	• Seeded by federal grants. • TransNet sales tax funds; est. $250 million (2008-48)	• No.
Target Growth Areas	Priority Development Areas	Transit Priority Areas; Centers & Corridors	Smart Growth Opportunity Areas	The 2% Strategy
Planning Projects	☑	☒	☒	☑
Capital Projects	☑	☑	☑	☒

(1) First, efforts to realize the regional Sustainable Communities Strategies must not neglect investment in foundational planning by local governments. Planning products themselves may not change travel behavior or reduce GHGs, but they are important steps toward concrete, physical development that reflects SB 375 objectives. In their existing efforts to support smart growth, MPOs have been less able to support investment in local planning than capital projects; this bias toward capital projects is built into the programs' underlying funding sources.

Where planning funds were available through MPOs' smart growth programs, our study shows that local governments used them largely to develop planning tools with formal status as binding policy, implement regulations under California land use law (e.g. general plan or plan element, area plan, revised zoning codes and ordinances, or specific plan, see Table 2), or analyze the market feasibility of developing a specific site or zone. When such investments support late-stage planning efforts that align with SB 375 and SCS principles, and they can influence the development that follows.

Table 2. Formal Planning Tools that Shape Future Development

Planning Tool	Description
General Plan	"intended as the supreme document guiding the future physical development of a community – the set of policies from which all decisions flow" (Fulton & Shigley, 104) California's 1971 consistency law requires that zoning ordinances and subdivision procedures be consistent with the general plan.
Area Plan / Community Plan	a more specific version of the general plan, dealing with a smaller geographic area; has the same force of law as a general plan. (Fulton & Shigley, 107)
Zoning Ordinance	"designed to translate the general plan's broad policy statements into specific requirements…. [It] divides up all land in the city into zones and specifies the permitted uses and required standards in each zone." (Fulton & Shigley, 103)
Specific Plan	"an implementation document…designed to implement the general plan (or an area plan) within a certain area" (Fulton & Shigley, 213); typically contains detailed development standards; akin to a zoning ordinance; not part of the general plan.

(2) Second, where SCS implementation involves catalytic projects, programs, or plans, empirical evaluation of their impacts on travel behavior and on development patterns is important. To date, evaluations of MPO-driven smart growth programs have been oriented toward project audits (i.e. Were the funds spent as proposed?) and anecdotal project benefits. More robust before-and-after evaluations are needed to provide local governments and MPOs with real data about what strategies work. This means ensuring that appropriate data are collected before and after the intervention to measure change. Thoughtful project evaluation in SB 375 terms could ascertain whether projects (a) have contributed to travel behavior changes and reduced automobile use; and (b) may produce co-benefits such as improved community health or economic growth. Planning-specific implementation metrics could assess if trends in local land use plans and decisions support SB 375 objectives, for instance via a local government's record of entitlement actions over time.

Local Planning Under SB 375: A Preliminary Progress Report

Realization of regional GHG targets set in California following SB 375 depends in large part on how cities plan for growth. This is especially true over the long term. If cities accommodate population and employment growth with development and transportation strategies that rely predominantly on auto travel, the ability to reduce GHGs will be limited.

General Plans in California articulate city-by-city how the state will grow. California state law requires local governments to develop General Plans, forward looking documents envisioning the community's future physical form in seven basic elements (land use, circulation, housing, conservation, open space, noise, and safety). State law further requires that local zoning be consistent with the plan. Consequently, general plans and the development decisions they inform are key components of SB375 implementation.

In a study of California general plans and the policies they contain,[3] my research asked: How well do General Plans reflect principles and strategies needed to grow communities less reliant on the automobile and friendlier to transit, cycling and walking? To answer this question, I reviewed a random sample of 31 general plans updated since SB 375's passage, focusing on the transportation, housing, and land use elements (the most essential elements for delivering SB375-supportive policies). I restricted the analysis to explicit policy statements, which in contrast to broad plan language are more direct indicators of commitment to strategies and their implementation. The study considered whether policies addressed key principles associated with SB 375, and what implementation strategies the policies invoked. The following seven planning principles were used to screen policies:

1. Strengthen existing communities
2. Reduce auto dependence
3. Provide housing variety
4. Mix land uses
5. Equity (access to residential and employment opportunities)
6. Responsible regionalism
7. Preserve open space

The study developed a standardized scoring system, and plans earned points in three ways: (1) by including policies that address key SB 375 principles; (2) by linking those policies to practical implementation strategies; and (3) by providing high levels of implementation detail, for instance by noting a responsible party or a time frame for taking action.

This analysis yields several observations about local General Plans in light of SB 375's passage. **(1) First, when considered across all seven SB 375 principles, overall performance of the plans is low.** Even taking into account the fact that the scoring system employed makes perfect scores unlikely, plans scores are fairly low (Figure 1). **(2) Second, plans appear to address planning principles reflecting equity, reduced auto dependence, and mixed land uses somewhat better than other SB 375 principles, but performance in none of the key dimensions is outstanding**. The plans perform modestly better on equity than other principles; still, this result may be due to the fact that equity (defined in this study as the ability to access appropriate housing options and employment in reasonable proximity) can be addressed through policies included in all three key plan elements.

[3] A full account of this study is in development and will be available for distribution. Results reported in this testimony are preliminary.

(3) Third, frequently employed implementation strategies in the plans indicate the approaches that planners are using to achieve SB 375 compatible results (Figure 2). The most popular strategy was street design standards, perhaps reflecting planners' attention not only to SB 375 but also to California's Complete Streets Act of 2008, which required the general plan to develop a balanced, multimodal network to meets the needs of all road users. General Plans also commonly invoked coordination of land use transportation and housing agencies, a promising sign that planners recognize the interdependencies inherent in changing development and travel patterns. Finally, more modest use of parking supply and open space preservation strategies are encouraging signs that planners are nascent attention; promising areas for future

(4) Finally, through their General Plans, local governments can take three steps to better align the blueprint of future growth in California with SB 375 objectives: They can (a) commit to policies that directly reflect SB 375 objectives for reduced automobile reliance through land use policy; (b) link policies to effective implementation strategies; and (c) outline the specific steps and schedules that will guide the transition from policy to practice.

Conclusions

With the passage of the Sustainable Communities and Climate Protection Act in 2008, California initiated an important, long-term project to change the shape of future growth and travel to be less reliant on the automobile and to contribute to urgently needed reductions in greenhouse gas emissions.

Focused efforts by state, regional and local partners to date have contributed to the institutional set up for implementation of SB 375, including establishment of regional GHG targets and development of Sustainable Communities Strategies designed to reach them. Now, attention shifts to implementation. How will California's regions and local governments produce the desired results?

The research I have summarized today shows California regions squarely in the twilight zone: lacking authority over local land use policy but tasked with realizing a regional land use allocation and strategies to reduce GHG emissions. Through existing smart growth efforts, California's largest regions have already used means at their disposal to encourage local decisions that support center-focused growth and increased alternatives to automobile travel; I expect this kind of institutional innovation to continue. This work also shows that traces of SB 375's objectives are visible in the general plans of California's local governments, but that much more can be done to align local planning with the principles of sustainable communities.

Interest in and enthusiasm for measuring the progress made since the law's passage is appropriate and welcome. In our eagerness to performance, it is important to understand that SB 375 is a long term project; that local government support of regional SCSs – through compatible planning and policy decisions – is essential yet not required; and that the framework for evaluating progress over the long term must evaluate both planning progress (via general plans, specific plans, amendments, and subsequent entitlements) and the contributions of specific projects and policies via empirical study.

I would like to thank you again for the opportunity to address the Committee today on this important topic and look forward to answering any questions you might have.

Figure 1. Assessment of General Plans by SB 375 Planning Principles

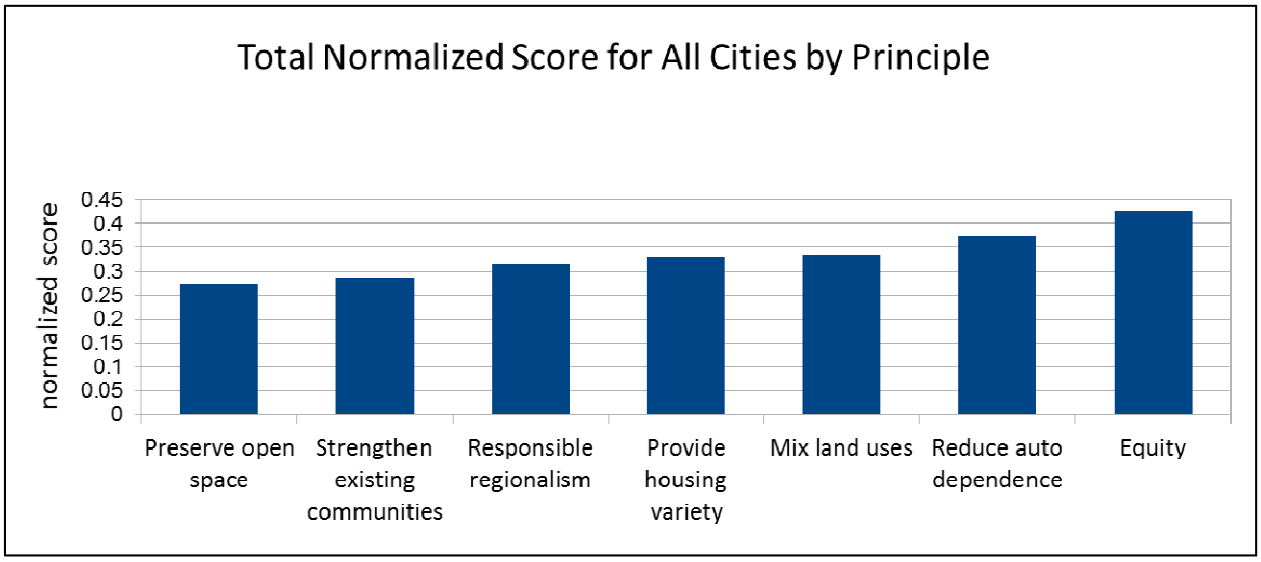
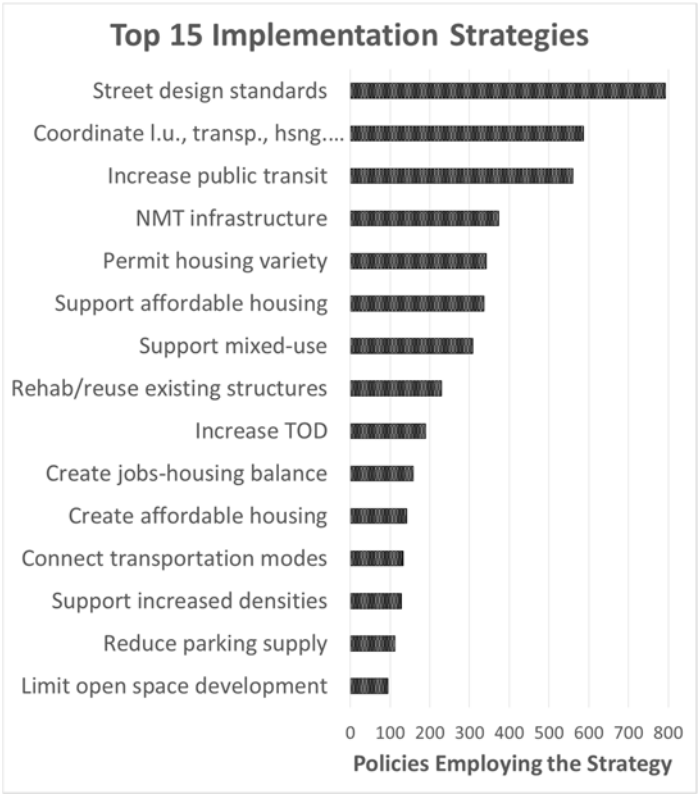


Figure 2. Implementation Strategies Used to Support SB 375-relevant General Plan Policies



References

Air Resources Board. Research Briefs on Impacts of Transportation and Land Use-Related Policies. University of Southern California and University of California, Davis. 2013.

Fulton, W., & Shigley, P. (2012). *Guide to California Planning* (Fourth ed.). Point Arena, CA: Solano Press Books.

Foster, K. A. (2010). Challenges Ahead for US Regional Planning Governance. *Town Planning Review, 81*(5), 485-503. doi: 10.3828/tpr.2010.21

Salon, D., Boarnet, M. G., Handy, S., Spears, S., & Tal, G. (2012). How Do Local Actions Affect VMT? A Critical Review of the Empirical Evidence. *Transportation Research Part D: Transport and Environment, 17*, 495-508.

Sciara, G.-C., & Handy, S. L. (2013). Cultivating Cooperation without Control: California's MPO-driven Smart Growth Programs. Davis, CA: Institute of Transportation Studies, University of California.

The UC Davis Policy Institute for Energy, Environment and the Economy and the National Center for Sustainable Transportation. (2014). Sustainable Communities: Implementation Challenges and Opportunities. Policy Forum Series. January – March, 2014. Sacramento, California.

About the Institute of Transportation Studies

The Institute of Transportation Studies at UC Davis (ITS-Davis) is the leading university center in the world on sustainable transportation. It is home to more than 60 affiliated faculty and researchers, 120 graduate students, and a budget of $12 million. While our principal focus is research, we also emphasize education and outreach.

The Institute is unique in hosting a graduate program in transportation, matching interdisciplinary research with interdisciplinary education. Our Transportation Technology and Policy (TTP) graduate curriculum draws from 34 different academic disciplines. Our more than 225 alumni are becoming leaders in government and industry.