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SYMPOSIUM 2009

**SENATE BILL 375:
WILL THIS NEW GLOBAL CLIMATE LEGISLATION
COOL DOWN OR HEAT UP FUTURE DEVELOPMENT?**

Jonathan Zasloff, University of California, Los Angeles (Moderator)

Beth Collins-Burgard, Latham & Watkins LLP

Huasha Liu, Southern California Association of Governments

Jeff Weir, California Air Resources Board

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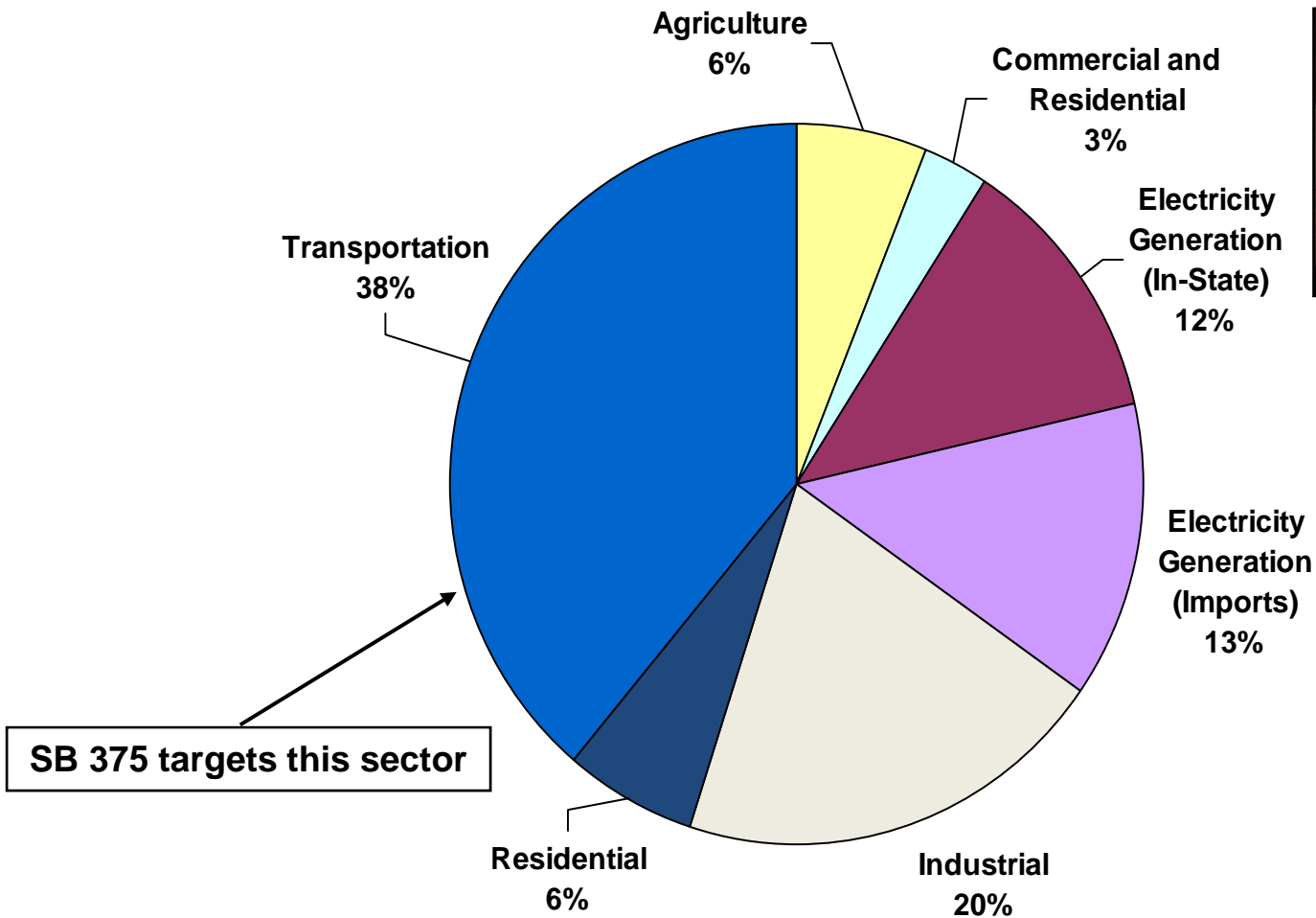
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SB 375 OVERVIEW

Presented by:
Beth Collins-Burgard
Latham & Watkins LLP

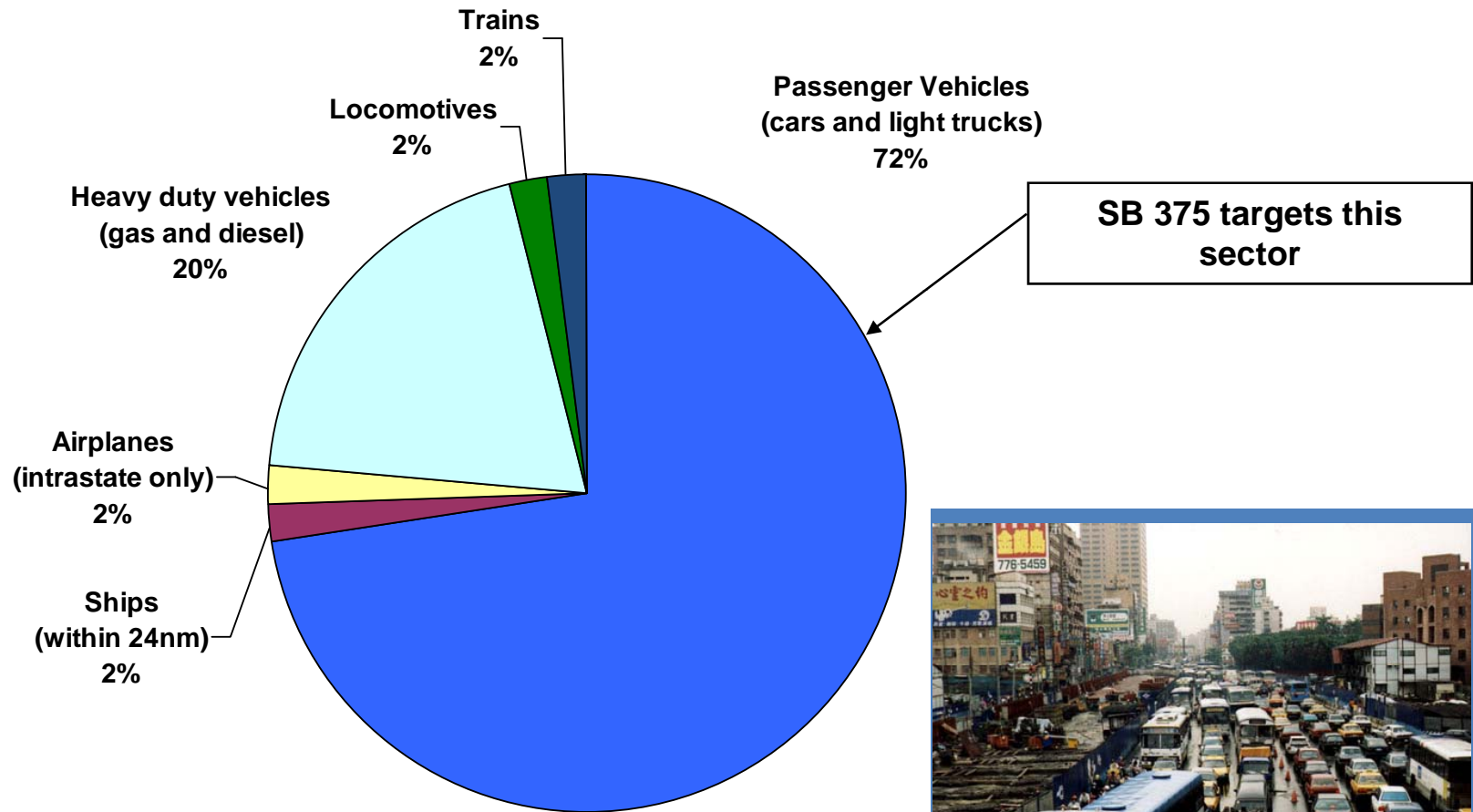
- Largest new land use legislation in over 30 years
- Signed into law on September 30, 2008
- Enacted to achieve AB 32 (Global Warming Solutions Act of 2006) goals by reducing GHGs from the transit sector
 - Mandates setting of regional GHG emission reduction targets
 - Uses land use incentives to promote high-density, transit-oriented development and reduce sprawl
- Also includes housing mandates, including affordable housing mandates

2004 California GHG Emissions by Sector



Source: California Air Resources Board; AB 32 Transportation Update, February 28, 2008

California Transportation GHG Emissions



Source: California Air Resources Board; AB 32 Transportation Update, February 28, 2008

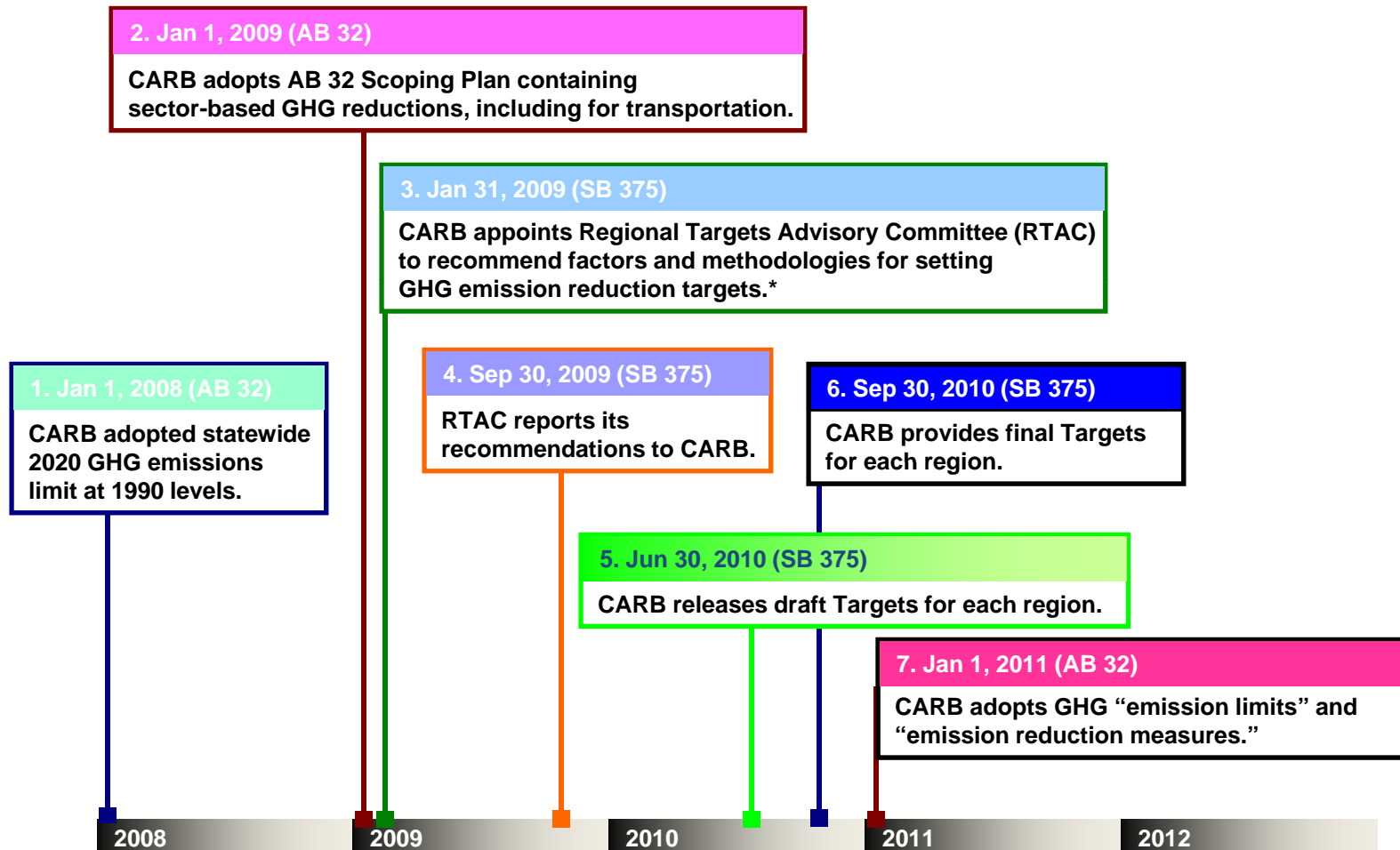
Reducing Transportation GHG Emissions

- Change the vehicles
- Change the fuels
- Reduce vehicle miles traveled
- Reduce traffic congestion



Focus of SB 375

CARB's Timeline: Set GHG Emission Reduction Targets for 2020 and 2035



* These GHG emission reduction targets (hereinafter "Targets") referred to on this chart are for cars and light trucks only.

What are Metropolitan Planning Organizations (MPOs)?

- Since 1962, federally mandated transportation policy-making organizations (e.g. SCAG, SANDAG)
- Includes representatives from local government and transportation authorities
- Research and plan for transportation, growth management, hazardous waste management, and air quality
 - Develop Regional Transportation Plans
 - Channel funding



New Role For MPOs

- SB 375 requires CARB to consult with MPOs and set regional GHG emission reduction targets for 2020/2035
- MPOs then must develop
 - Sustainable Communities Strategy (SCS) or
 - Alternative Planning Strategy (APS), if necessary

Sustainable Communities Strategy (SCS)

- Blueprint for regional development to align regional transportation, housing, and land use plans to reduce GHG emission via VMT reductions and congestion relief
- To evaluate whether SCS meets emission targets for 2020/2035 set by CARB, SB 375 encourages MPOs to use the California Transportation Commission (CTC) guidelines for travel demand modeling
 - If MPO determines SCS will not meet targets, it must revise SCS or develop Alternative Planning Strategy (APS)
 - If MPO determines SCS will meet targets and CARB rejects, MPO must revise SCS or develop APS
 - MPO adopts RTP containing SCS before submitting to CARB

Alternative Planning Strategy (APS)

- APS is not part of RTP, nor it is financially constrained
- MPOs must develop APS if CARB determines SCS does not achieve the GHG emissions target
- MPO then must obtain CARB's acceptance that an APS would demonstrate it could meet the GHG emission target

SCS/APS Does Not Supersede Local Control

- Nothing in a Sustainable Communities Strategy shall be interpreted as superseding the exercise of the land use authority of cities and counties within the region.
 - Government Code § 65080(b)(2)(J)
- City and County land use plans are not required to conform to the SCS/APS except for regional housing needs assessment
- However, CEQA land use analysis would trigger analysis of consistency with SCS because of integration of SCS and RTP

SCS approval required before CEQA incentives available

Incentives for certain high-density, transit-oriented projects

- CEQA exemption
- New CEQA documents
 - Sustainable Communities Environmental Assessment
 - Shorter, Minimized Environmental Impact Report
- Streamlined CEQA review

Sustainable Communities Environmental Assessment

- Like Negative Declaration/Mitigated Negative Declaration
- Initial study – analyze all significant or potential significant effects
- Substantial evidence review

Shorter, More Limited Environmental Impact Report

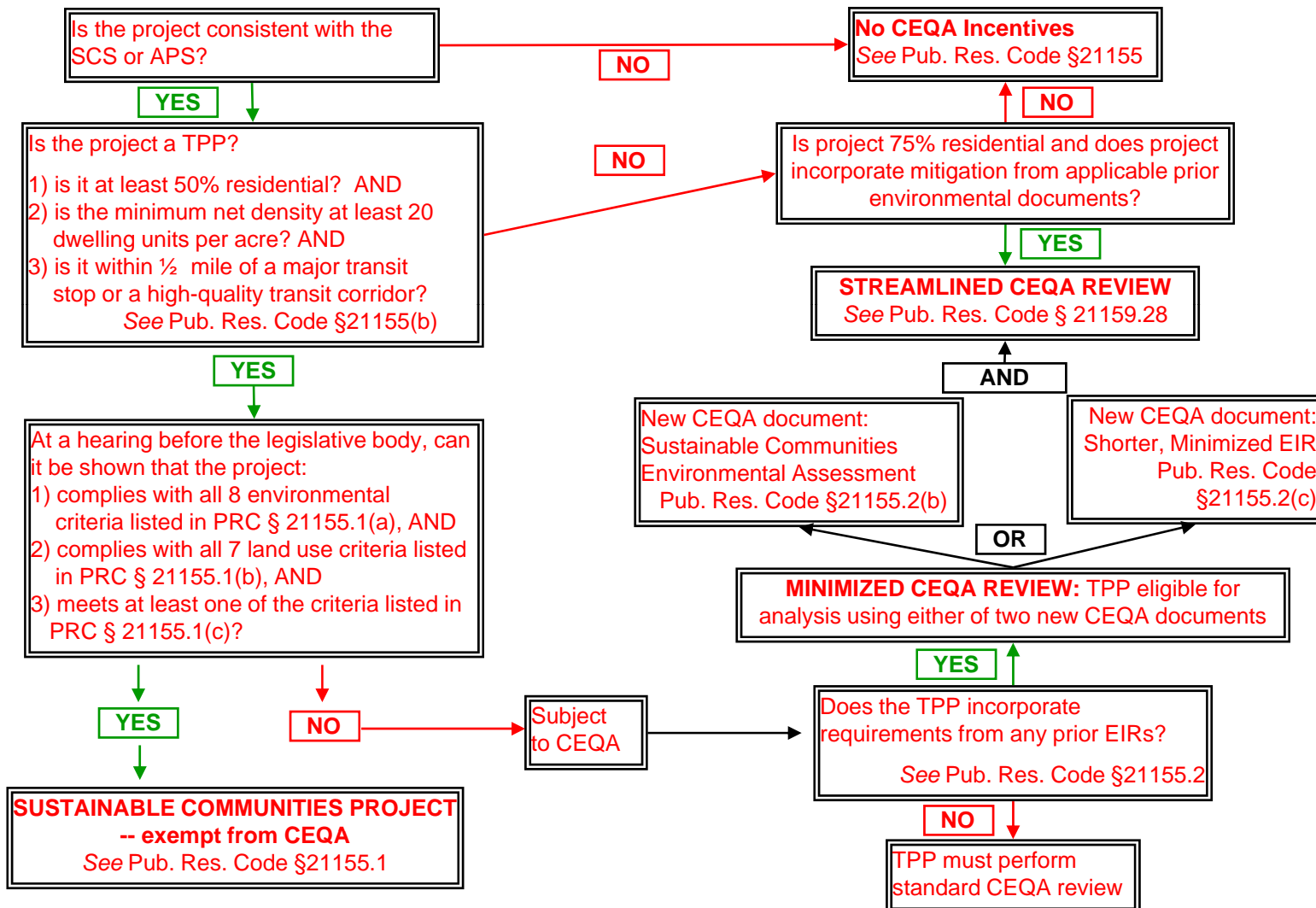
- Analyze only significant or potential significant effects
- No need to analyze off-site alternatives
- Substantial evidence review

CEQA Incentives

Streamlined CEQA Review For Certain Projects

- Streamlined CEQA review also available for:
 - Certain projects that qualify for new CEQA documents, or
 - Projects that (1) are at least 75% residential (2) are consistent with an approved SCS, and (3) that incorporate mitigation from prior environmental documents
- Findings need not reference, describe, or discuss
 - (1) growth inducing impacts or
 - (2) any project specific or cumulative impacts from cars and light-duty truck trips generated by the project on global warming or the regional transport network
- EIR need not reference, describe, or discuss a reduced residential density alternative to address the effects of car and light-duty truck trips generated by the project

CEQA Incentives



- Governor Schwarzenegger: SB 375 “creates a model that the rest of the country and world will use.”
- SB 375 seeks dramatic changes regarding California’s approach to land use and transportation planning.
- President Obama appears to be following California’s lead:
 - Planning to adopt AB 32 GHG emission targets federally
 - Will grant California waiver for fuel economy standards
 - Regulations followed by 17 other states
 - Is SB 375 a trend on the state or federal level?

Potential Impacts on Development SB 375 Does Both!

Cools Down:

- Growth in environmentally sensitive areas
- Sprawling development patterns
- Inefficient energy and transportation demand growth
- Need for infrastructure to serve new development

Heats Up:

- Infill choices for a new demographics in the region
- Priority for transit oriented and mixed use development
- Sustainable suburban communities
- Incentives through environmental streamlining

Potential for Local Land Use Change Housing Need Allocation = 33 units

R

Zoning Capacity = 30 units

C

Potential for Local Land Use Change Housing Need Allocation = 33 units

R

Zoning Capacity = 30 units
Proposed housing in SCS = 23 Units

C

(Change to Mixed Use?)
Proposed Housing in SCS = 10 Units

