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Via Email: SustainableCommunities@arb.ca.gov

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Re: Comments on [Draft Proposal for Updated Sustainable Communities Strategy Program & Evaluation Guidelines](#)

Dear Ms. Dolney:

In the face of [mounting evidence](#) that the promise of SB 375 (Steinberg) has not been met over the course of the first two planning cycles, we welcome the Board’s direction to dramatically overhaul its oversight of Regional Transportation Plans and Sustainable Communities Strategies (RTP/SCSs), and we applaud staff’s response in last month’s draft Guidelines. Our comments

focus on a few areas in which the final Guidelines should more fully and consistently carry through the Board's direction.

The Board directed CARB staff, specifically, "to place greater attention on the *strategies, key actions, and investments committed by the MPOs* and the jurisdictions they represent"; board members also requested "that SCSs contain a '*robust social equity analysis*'." (Draft, pp. 5, 8, emphasis added.) As the draft correctly notes, "models are one tool for measuring RTP/SCS performance, but alone are limited in what they can tell us about the SCS." (p. 18.) The draft Guidelines represent a significant step toward ensuring that the foreseeable effects of RTP/SCS strategies, actions and investments will not continue to be masked by black-box modeling; instead, the draft takes meaningful steps to anchor CARB's evaluation of RTP/SCSs in a clear-sighted review of the anticipated impacts of those strategies, actions and investments themselves.

In particular, we commend staff for taking as its guiding star the goal of setting forth "a Strategy-based SCS Program and Evaluation Framework, with more emphasis on the efforts MPOs are making to plan for more sustainable communities." (p. 6) We applaud the Framework's expressed purpose of "enhanc[ing] transparency and accountability of strategies within the plan, and [determining] whether the proposed strategies support the calculated GHG emission reductions from the overall plan." (p. 25.) The Framework includes "a policy commitments analysis to verify the SCS strategies are supported by policies and investments that yield the projected changes in VMT, land use patterns, mode share, and other metrics that are consistent with the per capita GHG emission reductions identified in the SCS." (p. 24.) The policy analysis is strengthened by the proposed trend and scientific literature review (pp.32-35) that help to signal risks to the successful achievement of GHG goals. It also includes reporting "on the efforts MPOs are taking to meet the requirements of the RTP Guidelines related to equity." (p. 9.) Finally, staff acknowledges the need to address other shortcomings, including a "lack of transparency in the CARB SCS review process" itself. (p. 19.)

To build on this robust framework, and fully and consistently carry through the Board's direction, the final Guidelines should:

- A. Fill in important gaps in the proposed Policy Commitments analysis so that it encompasses a comprehensive review of key strategies and commitments
- B. Ensure that all significant strategies and commitments are adequately analyzed in the Equity Analysis, specifically with regard to whether and how well they are meeting important community needs of underserved communities.
- C. Bring additional transparency, inclusiveness and accountability to the MPO planning process, and to CARB's review process

A. Fill in important gaps in the proposed Policy Commitments analysis so that it encompasses a comprehensive review of key strategies and commitments

Suggested change #1A: Throughout (e.g., p. 30), replace "strategies" with "strategies and

commitments.” Define “commitments” and “strategy commitments” (e.g., p. 31) as including the “strategies, key actions, and investments committed by the MPOs in their RTP/SCSs.”

Rationale: This is essential to faithfully implement the Board’s direction “to place greater attention on the *strategies, key actions, and investments committed by the MPOs* and the jurisdictions they represent” (p. 5.)

Suggested change #2A: Recognize (e.g., on p. 31, and other places that refer to “project list”) that transportation investments critical to achieving both GHG reductions and social equity are made not only in “projects” but also in “programs,” including programmatic investments in transit operations and transit fare subsidies (including both fixed route transit and demand responsive transit). E.g., add the underscored language as follows:

- On p. 28: “MPO’s adopted transportation project and program investment list, including project costs, funding source (if known/available)”
- In table 1, on p. 26, under **Public Transit and Active Transportation**, the example strategy is “Increased transit operations and efficiency, bike and pedestrian infrastructure, bikeshare systems, complete streets policies, etc.,” and the example actions are “Electronic fare payment system recognized across mobility providers.” The action is a mismatch unrelated to “increase transit operations,” and should be replaced with “increase transit operating funding; fund free or reduced-cost transit to increase ridership.”
- On p. 36 (describing the analysis of “Transportation Policy” within the Policy Analysis): “CARB staff will qualitatively evaluate the relationship between the stated GHG emission reductions in the SCS and relevant MPO and local transportation actions and investments, particularly investments that increase transit ridership by funding the operation of increased levels of transit service and by reducing transit fares. Other examples could include actions such as grant or incentive funds to projects that make better use of their existing transit systems through first/last mile connection (e.g., micro transit, bike share), and subsidizing on-demand dynamic ridesharing support key SCS transportation strategies. ...”
- Incorporate operating and fare reduction programs into the Investment Analysis, adding the underscored language on pp. 37-8: “The Investment Analysis evaluates whether SCS investments support the region’s expected GHG emissions reductions. CARB staff will evaluate and compare the expenditures in this plan and the previous plan, looking for evidence of whether the planned investments support the stated GHG reductions and whether the MPOs are shifting their investment priorities consistent with SCS strategies. This analysis looks at both capital and operating investments, making use of the transportation project list, the investments in transit operations, and the programs and investments to reduce transit fares (including both fixed-route and demand-responsive transit) (see p. 28) submitted by each MPO to assess the likelihood that modeled projections of transit ridership and VMT reduction will come to pass. For example, if

SCS strategies are focusing on transit and active transportation, CARB staff will look for evidence of investments to fund those strategies. As another example, if SCS strategies rely upon increased density near transit areas, CARB staff will consider whether the MPO uses discretionary funds to foster or incentivize targeted local actions to increase density in the right places.”

Rationale: The lack of frequent, reliable and affordable local transit service is a key impediment both to achieving mandated GHG reduction targets and to achieving social equity. The *2018 Progress Report: California’s Sustainable Communities & Climate Protection Act* finds that “transit operations has increased but just enough to keep pace with population growth and rising costs” (p. 26.) CARB’s review of MPO plans should expressly focus on strategy commitments that increase transit service levels and decrease fares, both of which are proven to increase transit ridership.

Suggested Change #3A: Recognize the importance of financial incentives that promote the production of housing affordable to high-propensity transit riders. E.g., on p. 36 (describing the analysis of “Land Use and Housing Policy” within the Policy Analysis) add and strike the following language: “CARB staff will qualitatively evaluate the relationship between the SCS and relevant MPO land use and housing commitments ~~activities and actions~~. For example, actions such as conditioning regional funds to local government on the production of affordable transit-oriented housing ~~incentivizing transit-oriented development~~ support the SCS’s housing strategies. On the other hand, an SCS that plans for a certain amount of infill development but does not support that strategy with actions or commitments ~~not reflecting approved large development projects or annexed new growth that were not envisioned or analyzed in the prior SCS~~ suggests to CARB that the SCS may be at risk of not meeting its targets unless plan adjustments are made.”

In addition, in Table 1, on p. 26, under “**Housing and Employment (land use),**” the example strategy is “Infill development, increased multi-family and/or small lot development, increased densities for residential and commercial development, transit-oriented development, increased jobs/housing balance/fit, etc.,” and the example actions are “MPO funds allocated to update local plans and zoning to increase density in targeted areas.” The listed example is one step removed from actually reducing GHG emissions, and should be replaced with “conditioning of transportation funds on local production and preservation of affordable housing near jobs or transit; community-serving infrastructure investment in existing, underserved rural communities; and requiring inclusionary housing to support jobs-housing fit.”

Rationale: The displacement of lower-income, high-propensity transit riders from transit-oriented places is a key impediment both to achieving mandated GHG reduction targets and to achieving social equity. A key, proven strategy to combat such displacement is conditioning discretionary transportation funds on local action to produce and preserve affordable housing, and/or to protect existing lower-income residents from eviction. CARB’s review of MPO plans should expressly focus on strategy commitments that tie funding to local actions that “produce, preserve and protect.”

B. Ensure that all significant strategies and commitments are adequately analyzed in the Equity Analysis, specifically with regard to whether and how well they are meeting important community needs of underserved communities.

Suggested Change #1B: P. 42 (under the heading “Equity”), add: “In addition to meeting the requirements for conducting an equity analysis of the RTP/SCS, MPOs should provide CARB with an assessment of the extent to which any of its key strategy commitments will meet the needs of low-income communities/communities of color and of low-income populations/populations of color, including the timeliness with which those needs will be met. This assessment should include a summary of the needs identified within the MPO’s public process by those communities and populations as priorities, and should also assess the extent to which any key strategy commitments may harm those communities or populations, through displacement, exposure to health risks, or otherwise.”

Rationale: The draft’s proposal to assess equity is generally limited to reporting on “whether MPOs are conducting equity analysis [sic] of their SCS, as well as the type of qualitative and quantitative equity analysis conducted by MPOs.” (p. 43.) This pro forma review is inadequate to address staff’s commitment to the Board “to fully evaluate the social equity impacts of the SCSs.” (Board tr. of 3/22/18, p. 43.) A “full evaluation” of the social equity impacts of the SCS must look not only at the MPO’s equity analysis of the RTP/SCS as a whole (often produced via black-box computer modeling based on incomplete metrics of equity), but also at the equity impact of the specific strategy commitments that will now be the focus of CARB’s review.

The California Transportation Commission’s RTP Guidelines shed useful light on how an equity analysis of those strategy commitments should be undertaken, highlighting CARB’s GGRF Funding Guidelines as a “planning practice relevant to the [equity analysis] requirements described in Chapter 4.” (CTC *RTP Guidelines*, p. 318.) As CTC notes, the GGRF Guidelines:

... define the benefit a GGRF investment must provide under SB 535 as “a benefit that meaningfully addresses an important community need” in a disadvantaged community. ARB’s definition of “benefit” is also directly relevant to the crafting of an equity and EJ analysis of the RTP, as discussed in the next section. In addition, ARB’s Funding Guidelines require that “projects be designed to avoid substantial burdens, such as physical or economic displacement of low-income disadvantaged community residents and businesses or increased exposure to toxics or other health risks. (*RTP Guidelines*, pp. 319-320)

Timeliness is a crucial factor in this assessment of the extent to which strategy commitments in the SCS meet the needs of underserved communities and populations: Federal law requires MPOs to ensure against any “significant delay in the receipt of benefits by minority or low-income populations.” (CTC *RTP Guidelines*, p. 77.)

In addition to addressing the Board’s direction, this more robust assessment of equity will also ensure that ARB’s review of RTP/SCSs for compliance with SB 375 complies with ARB’s obligations under AB 686 (Santiago) to affirmatively further fair housing (as broadly defined in

Gov. Code section 8899.50. See *CTC RTP Guidelines*, pp. 320-21 (discussing the “affirmatively furthering fair housing” requirement in federal law, now incorporated into California law by AB 686).

C. To bring additional transparency, inclusiveness and accountability to the MPO planning process, and to CARB’s review process, we recommend the following changes:

Suggested Change #1C: Add the underscored language on p. 28: “MPOs should also submit the following information: ... A table enumerating each of the MPO’s adopted key strategies and commitments (including the strategies, key actions, and investments committed by the MPOs in their RTP/SCSs), with citations to where each can be found in the adopted RTP/SCS, and how each compares to any related strategies or commitments in the prior RTP/SCS.”

Rationale: Compiling in one place all of the relevant strategies and commitments is essential to ARB’s completion of the Policy Analysis and Investment Analysis, and also critical to assessing Incremental Progress (see p. 38). It will also allow stakeholders and participants in the regional planning process a transparent look at what the MPO is putting forward for ARB’s review, and set the stage for their engagement in ARB’s review process

Suggested Change #2C: Modify on p. 30: “Report on whether an MPO’s proposed SCS has more or improved strategies or commitments than the currently adopted SCS; whether any strategies or commitments in the current SCS have been dropped or reduced in scope; and whether the strategies are supported by actions both in terms of policy and investment changes. Is this SCS achieving greater reductions due to strategies compared to the last SCS, and consistent with information the MPO shared during the 2018 target setting process?”

Rationale: As CARB compares the the new RTP/SCS with the prior one to look “for evidence that there are supportive key actions for incremental progress of SCS strategies both in terms of policy and investment changes” (p. 42), it will be essential to look at both broad strategies and specific commitments (policies, actions or investments). It will also be essential to identify changes in those commitments from the prior to the new plan.

Suggested Change #3C: Add the underscored language on p. 36: “The Policy Analysis will be conducted by CARB staff through independent review of the MPO’s SCS, dialogue with MPO staff, input from groups representing community residents, and researching relevant planning efforts and key actions.”

Rationale: Community advocacy and organizing groups have invested significant time in bringing their needs and concerns to their MPOs, and often bring forward creative solutions that would both reduce GHG emissions and better meet the needs of underserved and overburdened communities. The expertise of these groups is a valuable resource, both to their MPOs and to CARB in its review process.

Suggested Change #4C: On p. 28: “MPO’s adopted transportation project and program investment list, including project costs, funding source (if known/available), period by which the

project will be in operation (e.g., by 2020, by 2035, after 2035, or ongoing, in the case of programmatic investments that will be made annually throughout the RTP/SCS), and project locations, in Excel and visual format.” Additionally, this information must be available throughout the update process to the RTP/SCS and both drafts and final project and program investment lists should be made available.

Rationale: MPOs should be required to identify the timeline within which each project will come on line. That is something that each MPO/project sponsor should be able to articulate transparently in the RTP/SCS, and in the transportation project list that CARB proposes to require. In addition, for capital projects, the relevant date for impact on VMT and GHG emissions is not the date of expenditure of funds, but the date by which the service will be operational. The TIP is not likely to be informative on any of these issues; rather, the MPO should provide transparent information.

Suggested Change #5C: Add the underscored language on p. 38 (under the heading “Plan Adjustment Analysis”): “Some MPOs have indicated that they will provide an RTP/SCS implementation assessment report for this element that describes the implementation status of adopted RTP/SCS strategies. In order to assist in answering the question this analysis asks (as stated on p. 30: what measures are the MPO taking to correct course in the plan, as necessary, to meet the target?), such a report should both (a) identify whether each of its key strategies and commitments is being implemented, as contemplated in the plan, and (b) assess the effectiveness of each in reducing VMT and GHG emissions.”

Rationale: The text on p. 38 gives the impression that simply providing an RTP/SCS implementation assessment report will satisfy this analysis. It should be clarified to state that such a report will satisfy prong (a), and that prong (b) (effectiveness) must also be assessed, in order to answer the ultimate questions whether a change in course is needed, and if so how the MPO has made that course correction.

We support staff’s thoughtful and thorough update to the SCS review process and appreciate your consideration of these recommendations to further align the *Sustainable Communities Strategy Program & Evaluation Guidelines* with the Board’s direction. As always, we look forward to working with you to support strong implementation of SB 375. If there are any questions, please contact Richard Marcantonio <rmarcantonio@publicadvocates.org>.

Sincerely,

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