

Housing, Land Use and Transportation Policy Committee Meeting CSAC Legislative Conference

Wednesday, April 12, 2023 — 9:30am – 11:00 am In-person: SAFE Credit Union Convention Center

Meeting Room: Ballroom B1 Sacramento County, California

Supervisor Jennifer Kreitz, Mono County, Chair Supervisor Bonnie Gore, Placer County, Vice Chair Supervisor Nora Vargas, San Diego County, Vice Chair

#### 9:30 am I. Welcome and Introductions

Supervisor Jennifer Kreitz, Mono County, Chair Supervisor Bonnie Gore, Placer County, Vice Chair Supervisor Nora Vargas, San Diego County, Vice Chair

#### 9:35 am II. HCD Efforts that Enable the Construction of Affordable Housing

Dori Ganetsos, Senior Specialist – Special Projects, Housing Policy Division California Housing and Community Development Department (HCD)

#### 9:45 am III. Addressing Housing Infrastructure Needs

James Corless, Executive Director, Sacramento Area Council of Governments (SACOG)

Todd Smith, Planning Director, Sacramento County

Shawna Purvines, Deputy County Executive Officer (DCEO), Placer County Executive Office

Attachment One: Green Means Go Fact Sheet – Accelerating Infill Development Across the Sacramento Region

## 10:25 am IV. Housing Choice Voucher Program

Peter Ragsdale, Executive Director of the Housing Authority of the County of San Joaquin

#### 10:45 am V. Legislative and Budget Update

Mark Neuburger, Legislative Advocate, CSAC Kristina Gallagher, Legislative Analyst, CSAC

Attachment Two: 2023 Housing, Land Use and Transportation Committee Legislation

Attachment Three: CalMatters Article – Transit Ridership Falters, Posing a

'Fiscal Cliff'

#### 11:00 am VI. Closing Comments and Adjournment

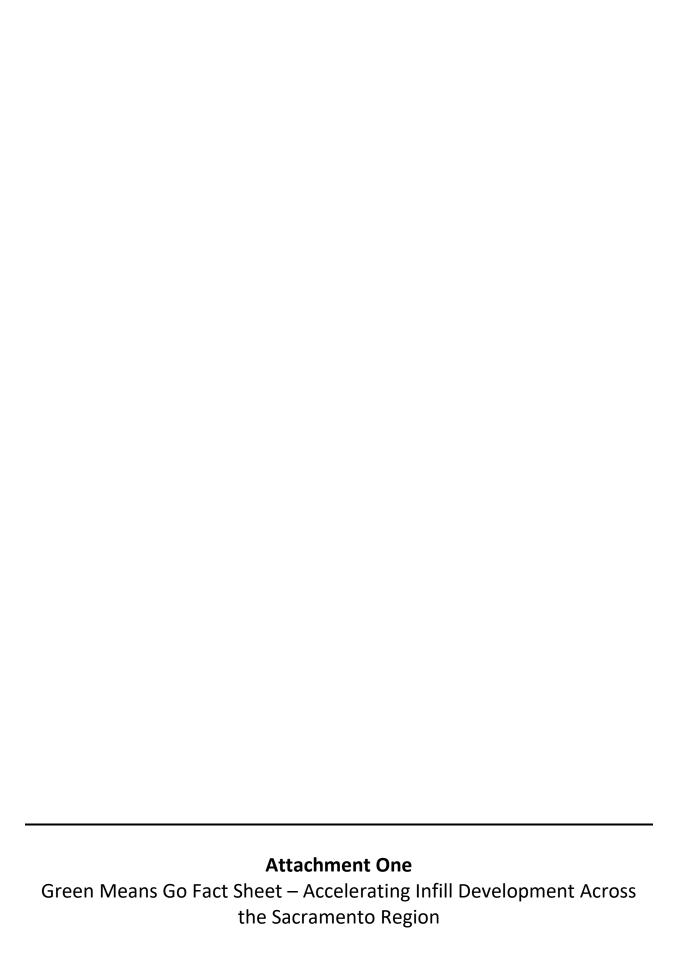
## **LIST OF ATTACHMENTS**

# **Addressing Housing Infrastructure Needs**

Attachment One......Green Means Go Fact Sheet – Accelerating Infill

Development Across the Sacramento Region

# **Legislative and Budget Update**





Green Means Go is a multi-year pilot that aims to lower greenhouse gas emissions in the six-county Sacramento region by accelerating infill development, and reducing and electrifying vehicle trips. It allocates state funding to projects that create more infill housing, increases mobility, and reduces vehicle emissions. Green Means Go funding will be directed to locally-nominated Green Zones, areas that cities and counties have identified for infill development in their local plan that are within a center, corridor, or established community as identified in SACOG's Metropolitan Transportation Plan/Sustainable Communities Strategy. In addition to reducing vehicle emissions, the pilot will also stimulate economic development and improve quality of life in the region. To support the pilot program, the SACOG Board has directed that eligible future state funds be used on the Green Means Go program.

#### **Why Green Means Go**

When the California Air Resources Board established SACOG's 19 percent greenhouse gas reduction target, SACOG was the only region in the state to have its target conditioned on the successful implementation of a pilot. This allows it to be a model for other regions on how to effectively grow their communities while reducing greenhouse gas emissions.

Green Means Go is a key component of SACOG's 2020 Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS), which sets the goal to have one third of all homes built in centers, corridors, or established communities. Without significant funding assistance from the state, the greater Sacramento region's 19 percent emission reduction goal will be unachievable. Infill areas in the Sacramento region, and other established communities in the state, face corridor-level challenges with existing infrastructure. This

creates immediate barriers to potential development and individual housing projects, Green Means Go can address that.

#### **Regional Growing Pains**

SACOG forecasts its six-county region needs 11,000 housing units per year, 75% as attached and small lot housing products. Yet the Sacramento region faces serious barriers around infill development compared to the coastal metropolitan areas. Infill development is costly while the current infrastructure was built to support old commercial corridors; it simply does not support highdensity housing, nor do cities and counties have the resources to upgrade sewer, water, drainage and other infrastructure needs. As a result, the Sacramento region has only been able to build about 20% of the attached product the region would need in order to meets the goals laid out in our Sustainable Communities Strategy. Infill development is costly, and our region is behind coastal and metropolitan areas in creating it. The current infrastructure was built to support old commercial





corridors; it simply does not support high-density housing, nor do cities and counties have the resources to upgrade sewer, water, drainage, and other infrastructure needs.

By the year 2040, through Green Means Go and with the necessary investment in Green Zones, the region is primed for promising outcomes:

- Green Zones have 32 percent of planned housing growth, creating an estimated 84,000 new homes
- Green Zones will see around 40 percent of planned employment growth, creating about 525,000 new jobs
- Green Zones see a 16% reduction of VMT per capita, double the regional reduction per capita at 8%

On top of general impacts on housing, SACOG's infill strategy will help reduce the number of homes in high and very high fire risk areas by 10,000 units over 20 years. This is based on historical development and on the share of homes and existing housing stock in wildfire prone areas.

#### **Green Zones**

26 of the SACOG region's 28 local jurisdictions have adopted Green Zones and developed policies or plans to support and promote infill development and new transportation options. Green Zones are key areas that must have infill capacity, be in an area planned for infill development, and be in a center, corridor, or established community as identified in SACOG's MTP/SCS. Green Zones will be the accelerators for economic development projects that promote increased alternative transportation options; increase housing near expanded travel options and other amenities; and make it easier for the region to access electric vehicles for cleaner transportation.

These Green Zones show the region's enthusiasm for Green Means Go and that the benefits go far beyond greenhouse gas reductions. Green Means Go is the Sacramento region's commitment and solution to

California's housing, climate, and transportation challenges. Green Zones recognize there is a connection between land use, housing, economic and workforce development, transportation investments, and travel choices. Jurisdictions across the region have gone through an extensive process to develop Green Zones that meet the program criteria, but also face significant barriers to their development, especially infrastructure costs.

#### **State Funding**

After months of developing the proposed pilot program, and several years of advocacy with state regulators, legislators, and the administration, the state has approved critical funding to metropolitan planning organizations (MPOs) for SCS implementation through AB 140. AB 140 defines the expenditure of \$600 million for the Regional Early Action Planning Grants Program of 2021 (REAP 2021). SB 170 allocated an additional \$4 million to SACOG's Green Means Go program. The need for this funding was identified over a decade ago when the Sustainable Communities and Climate Protection Act of 2008 (Senate Bill 375) was adopted by the state legislature and is long overdue. SACOG's partners' and members' efforts have been recognized as a key catalyst for this state funding.

Through REAP 2021, SACOG will receive approximately \$34 million in formula funds. Funding must be used for "housing, planning, infrastructure investments supporting infill housing, and other actions that enable meeting housing goals that also result in per capita vehicle miles traveled reductions, including accelerating infill development, supporting residents through realizing multimodal communities, shifting travel behavior through reducing driving, and increasing transit ridership." Investments must also align with one of the following: state planning priorities (Gov't Code § 65041.1), affirmatively further fair housing (Gov't Code § 8899.50), housing element compliance, or sustainable communities strategy (or APS).



SACOG has used 2022 to develop the Green Means Go funding program, including outreach and engagement, guidelines development, applications and updated data on Green Zones. In November 2022 the SACOG board awarded the first \$3.2 million in Green Means Go awards, with \$31 million to be awarded in March of 2023. As part of the program SACOG has also partnered with the Urban Land Institute on four technical assistance activities and convened the region's infrastructure providers around barriers to infill development.

More about the projects receiving awards:

#### **City of Auburn Form-Based Code**

The project will guide a comprehensive vision for Auburn's central commercial core (Old Town and Downtown) which includes higher intensity uses including an array of housing types and mixed-use developments.

# City of Citrus Heights Sunrise Tomorrow Infrastructure Support

The Green Means Go scope will include preliminary engineering of backbone infrastructure to support the redevelopment of the Sunrise Mall, a transformation of the 100-acre site into a mixeduse, transit-oriented village comprised of 2,200 residential units, 480 hotel rooms, 320,000 SF retail, 960,000 SF office, 450,000 SF community/institutional uses, and 25 acres of open and green space. The award will also support evaluation of infrastructure financing opportunities for the site.

will support water, sewer, drainage, and non-transportation dry utility infrastructure needs.

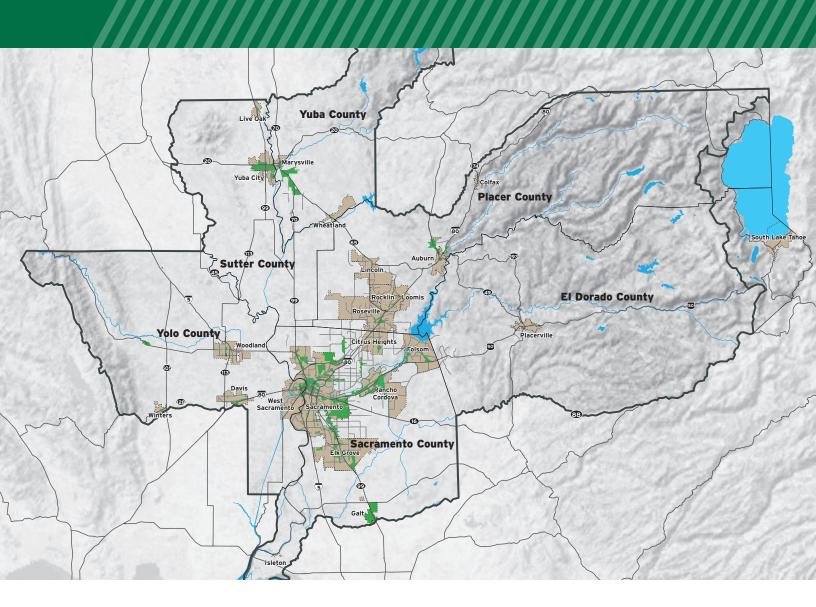
#### City of Rancho Cordova Mills Crossing

The Mills Crossing transit-oriented development is a mixed-use, mixed-income community hub including over 100 multifamily and townhouse units, 2+ acres of public parks and plazas, and approximately 100,000 square feet of community arts, culture, and wellness facilities. The Early Activation award helps housing-related activities such as civil and utility engineering and other technical studies.

# City and County of Sacramento San Juan Apartments by Mutual Housing-Offsite Improvements

San Juan Apartments by Mutual Housing is a proposed 150-unit affordable housing development (including a childcare facility and 2,500 SF of commercial space) located at 5700 Stockton Boulevard, to serve families with incomes between 30% and 60% of the area median. The Green Means Go award helps offsite improvements, including the extension of domestic water and sewer and stormwater services, as well as undergrounding of power lines that run through and adjacent to the site.







For more information, please visit:

www.sacog.org/greenmeansgo



# 2023 Housing, Land Use and Transportation Committee Legislation April 12, 2023



For more information, please contact Mark Neuburger, Legislative Advocate, at 916-591-2764, or <a href="mneuburger@counties.org">mneuburger@counties.org</a> or Kristina Gallagher, Legislative Analyst, at 916-879-1603 or <a href="mailto:kgallagher@counties.org">kgallagher@counties.org</a>. For the latest bill status and complete list of legislation that HLT is tracking, please visit <a href="mailto:www.counties.org/legislative-tracking">www.counties.org/legislative-tracking</a>.

Bill Summary	CSAC Position	Location	
Housing and Land Use			
AB 68 (Ward) Land use: streamlined housing approvals: density, subdivision, and utility approvals. The bill proposes to strip local governments of their land-use authority by permanently prohibiting all new housing	CSAC currently has a "pending"	The bill has been referred to the Assembly Committee on	
construction in counties that the bill claims are not climate smart parcels.	position but will most likely be in opposition to this bill.	Housing and Community Development.	
AB 356 (Mathis) California Environmental Quality Act: aesthetic impacts. The bill makes permanent a provision of CEQA stating that lead agencies are not required to evaluate the aesthetic effects of a project involving the refurbishment, conversion, repurposing, or replacement of an existing building that is abandoned, dilapidated, or has been vacant for more than one year and which includes the construction of housing.	CSAC is in support of this bill along with RCRC and the League of California Cities.	The bill is set to be heard in the Assembly Natural Resources Committee on April 10, 2023.	
AB 1485 (Haney) Housing element: enforcement: Attorney General. The bill would give the Attorney General the unconditional right to wade into any lawsuit filed over a potential violation of state housing law.	CSAC currently has a "pending" position on this bill.	The bill is set to be heard in the Assembly Housing and Community Development Committee on April 12, 2023.	

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AB 1504 (McCarty) Planning and zoning: adoption of regulations: electric vehicle charging stations. The bill would require counties to apply the same requirements when approving EV charging stations in the public right of way as they are currently approved through building permits.	CSAC currently has a "pending" position on this bill.	The bill is set to be heard in the Assembly Local Government Committee on April 19, 2023.
SB 91 (Umberg) California Environmental Quality Act: exemption: supportive and transitional housing: motel conversion. The bill would permanently extend existing law that allows for a motel, hotel, residential hotel, or hostel that is converted into a supportive housing or transitional housing project to be exempt from the California Environmental Quality Act (CEQA).	CSAC is in support of this bill.	The bill passed the Senate Environmental Quality Committee and is set to be heard in the Senate Housing Committee on April 18, 2023.
SB 406 (Cortese) California Environmental Quality Act: exemption: financial assistance: housing. The bill promotes affordable housing development without circumventing environmental review by extending to local governments an existing law that makes State financial assistance for affordable housing projects—but not the projects themselves—exempt from California Environmental Quality Act (CEQA) review.	CSAC is in support of this bill.	The bill passed the Senate Environmental Quality Act and is set to be heard in the Senate Housing Committee on May 2, 2023.

Transportation and Public Works		
AB 7 (Friedman) Transportation: project selection processes. The bill would require, on and after January 1, 2025, the project selection process for each transportation project that would be funded, at least partially, from specified funding sources, including the State Highway Account, the Road Maintenance and Rehabilitation Account, and the Trade Corridor Enhancement Account, to incorporate principles from the 2021 federal Infrastructure Investment and Jobs Act (IIJA), including incorporating safety, addressing environmental impacts, complying with ADA, prioritizing infrastructure that is more resilient to a changing climate, reconnecting communities and reflecting the inclusion of disadvantaged groups in the planning, project selection and design, among	CSAC currently has a "pending"	The bill passed the Assembly Transportation Committee and has been referred to the Assembly Appropriations
following other principles in the project selection process.  AB 334 (Rubio) Public contracts: conflicts of interest. The bill provides clarity to public agencies when contracting with independent contractors on public projects that their normal, historical contracting practices will	CSAC currently has a "pending" position on this bill.	Assembly Appropriations Committee.  The bill is set to be heard in the Assembly Elections
AB 400 (Rubio) Local agency design-build projects: authorization. The bill will permanently allow local governments to utilize existing state law which allows them to use the Design-Build (DB) procurement process for qualifying public works projects. This bill achieves this by eliminating the existing January 1, 2025 sunset date on the statutory DB authority.		The bill has been referred to the Assembly Local

AB 744 (Carrillo) California Transportation Commission: data, modeling, and analytic software tools procurement. The bill requires the California Transportation Commission (CTC) to acquire solutions for data, modeling, and analytic software tools to support the state's sustainable transportation, congestion management, affordable housing, efficient land use, air quality, economic, and climate change strategies and goals.	CSAC is in support of this bill along with the League of California Cities and Transportation California.	The bill passed the Assembly Transportation Committee and has been referred to the Assembly Appropriations Committee.
SB 396 (Wahab) Local government: excavations: notice. This bill would require, prior to commencing any local agency-led excavation projects, a city, county, or city and county to notify interested parties of the project on its internet website to encourage collaborative installations of important utilities and infrastructure, including, but not limited to, fiber optic cable, undergrounding utilities, or other important services.	CSAC currently has a "pending" position on this bill.	This bill has been referred to the Senate Governance and Finance Committee.
SB 706 (Caballero) Public Contracts: progressive design-build: local agencies. This bill would allow counties, cities and special districts to use the Progressive Design-Build (PDB) project delivery method for construction contracts.	CSAC is co-sponsoring this bill with the Design-Build Institute of America – Western Pacific Region and the League of California Cities.	The bill passed the Senate Governance and Finance Committee and has been referred to the Senate Appropriations Committee.
SB 830 (Smallwood-Cuevas) Public works. The bill would expand the definition of "public works" to include an offsite, custom fabrication of sheet metal ducts or similar sheet metal products for heating, ventilation, and air conditioning systems produced as a nonstandard item solely and specifically designed and engineered for installation in a project.	CSAC currently has a "pending" position on this bill.	The bill has been referred to the Senate Labor, Public Employment and Retirement Committee.





# Transit ridership falters, posing a 'fiscal cliff'



**BY DAN WALTERS JANUARY 22, 2023** 



A Bay Are Rapid Transit train waits in station on July 3, 2022. Photo by Michael Ho Wai Lee, Sipa USA via Reuters

## **IN SUMMARY**

California wants more people to use public transit for transportation to reduce greenhouse gas emissions, but ridership is down and transit systems face a "fiscal cliff."



California utopians, including those holding public office, envision a state that by 2045 will have achieved zero net emissions of carbon dioxide and other greenhouse gases.

The largest source of those emissions is transportation – the cars, trucks, buses, airplanes and railroad engines that carry Californians, the goods they need to live and the inputs and outputs of the state's \$3.4 trillion economy.

To that end, the California Air Resources Control Board has issued seemingly countless decrees, including one that would ban the sale of autos with gas- or diesel-powered engines by 2035.

Public transit is central to the state's hopes of reducing transportation emissions. Officials want more Californians to park their cars – or not buy them in the first place – and use buses and light and heavy rail systems for commutes and other personal trips.

Despite those hopes, transit ridership is going the other way, and transit system operators and advocates are using terms such as "fiscal cliff" and "death spiral" as farebox revenues decline and there is greater demand for taxpayer money to shore up their operations.

Transit usage cratered when the COVID-19 pandemic hit the state three years ago and millions of workers either lost their jobs or shifted to working at home. Ridership picked up a bit when pandemic closures eased and employment finally returned to pre-pandemic levels. However, the California Transit Association says that as of the third quarter of 2022, overall ridership was averaging just two-thirds of what it had been prior to the pandemic.



"Some agencies have returned to pre-pandemic ridership levels and above, while others continue to struggle with ridership counts that are one-third of previous totals," the organization says in a <a href="mailto:new "strategic">new "strategic">new "strategic</a> plan" it unveiled in December.

The plan "comes at a moment when our industry faces serious existential threats – slow ridership recovery, a fiscal cliff, and a widening workforce gap," Karen King, who chairs the organization's executive committee, said.

The plan makes obtaining more financial support, particularly from the state, its highest priority, citing not only declines in ridership and operational revenue, but the state's mandate that it get rid of its hydrocarbon-fueled buses and replace them with battery-powered vehicles. The cost of zero-emission buses and the infrastructure to operate them is tabbed at more than \$11.6 billion.

Three weeks after the plan was released, Gov. Gavin Newsom proposed a <u>new budget for the 2023-24 fiscal year</u> with spending reductions to close what he said was a \$22.5 billion deficit, thanks to a projected decline in revenues.

Transit officials and their supporters didn't like the budget's treatment of transit, particularly a \$2 billion reduction in transit infrastructure. The industry's top legislative advocate, Scott Wiener, a Democratic state senator from San Francisco, pledged to seek restoration of the funds and more money to cover transit's revenue declines.



Wiener said, "We must not let our public transportation systems go over the impending fiscal cliff and enter a death spiral – where budget shortfalls lead to service cuts that lead to ridership drops that lead to further budget shortfalls and service cuts. The state must serve as a financial back-stop against this fiscal cliff to ensure our transit systems survive."

The transit dilemma typifies the conflicts and tradeoffs that permeate the state's hopes for achieving carbon neutrality 22 years hence. As a recent <u>CalMatters analysis of the state's ambitious but tortured plans</u> to rid itself of hydrocarbon-fueled cars underscores, it's one thing to declare such a goal on paper, but it's quite another to make it reality when the precise steps needed are complicated, time-consuming and expensive.



# **Dan Walters**

**OPINION COLUMNIST** 

#### dan@calmatters.org

Dan Walters has been a journalist for more than 60 years, spending all but a few of those years working for California newspapers. He began his professional career in 1960, at age 16, at the Humboldt Times... More by Dan Walters

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