



Housing, Land Use and Transportation Policy Committee Meeting
CSAC 128th Annual Meeting
Wednesday, November 16, 2022 — 8:30am – 10:00am
In-person: Disneyland Hotel, Magic Kingdom Ballroom 3
Orange County, California

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

- 8:30 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
- 8:35 am** **II.** **Housing, Land Use and Transportation Platform Updates – ACTION ITEM**
Mark Neuburger, Legislative Representative, CSAC
Kristina Gallagher, Legislative Analyst, CSAC
Attachment One: Platform Memorandum
Attachments Two-Five: Platform Chapters 7, 10, 14, 15
- 8:45 am** **III.** **2022 Year in Review and 2023 Housing, Land Use and Transportation Priorities – ACTION ITEM**
Attachment Six: 2023 HLT Priorities and 2022 Year in Review
Attachment Seven: 2022 Legislative Advocacy Outcomes
Attachment Eight: Overview of SB 6, AB 2011, and AB 2668 and How they Relate to SB 35 (Wiener) Chapter 366, Statutes of 2017
Attachment Nine: AB 2011 vs. SB 6 – Chart
- 9:00 am** **IV.** **Housing Needs: How Are Counties Trying to be Creative in Building Affordable Housing in their Communities?**
Lisa Cuestas, President and CEO, CASA Familiar
Dan Heldridge, CEO, Housing Trust Placer
Patricia Robertson, Executive Director, Mammoth Lakes Housing, Inc.
Mark Neuburger, Legislative Representative, CSAC
Attachment Ten: Overview - Avanzando San Ysidro Community Land Trust
Attachment Eleven: Mammoth Lakes Housing 2021-22 Impact Summary
- 9:30 am** **V.** **Emerging Technologies in Transportation**
Juan Matute, Deputy Director, UCLA Institute of Transportation Studies, Lecturer in Urban Planning
Lauren Prehoda, Road Charge Program Manager, California Department of Transportation
James Kast, Hydrogen Infrastructure Manager, Toyota
Attachment Twelve: UCLA - California Local Option Sales Taxes for Transportation During the Pandemic
Attachment Thirteen: Department of Transportation Road Charge – Fact Sheet
- 10:00 am** **VI.** **Closing Comments and Adjournment**

LIST OF ATTACHMENTS

Housing, Land Use and Transportation Platform Updates

- Attachment One.....Platform Memorandum
- Attachment TwoChapter 7 – Planning, Land Use and Housing
- Attachment Three.....Chapter 10 – Transportation and Public Works
- Attachment Four.....Chapter 14 – Climate Change
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2022 Year in Review and 2023 Housing, Land Use and Transportation Priorities – ACTION ITEM

- Attachment Six.....2022 Year in Review and 2023 Work Plan
- Attachment Seven.....2022 HLT Legislative Advocacy Outcomes
- Attachment Eight..... Overview of SB 6, AB 2011, and AB 2668 and How
they Relate to SB 35 (Wiener) Chapter 366,
Statutes of 2017
- Attachment Nine AB 2011 vs. SB 6 – Chart

Housing Needs: How Are Counties Trying to be Creative in Building Affordable Housing in their Communities?

- Attachment Ten..... Overview - Avanzando San Ysidro Community Land
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Summary

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Attachment One
Platform Memorandum



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November 16, 2022

To: Housing, Land Use and Transportation Policy Committee

From: Mark Neuburger, CSAC Legislative Representative
Kristina Gallagher, CSAC Legislative Analyst

Re: Housing, Land Use and Transportation Policy Platform Memorandum

At the end of each two-year legislative session, CSAC undertakes a policy platform review process to capture changes in law from bill signings and to prepare for potential policy debate in the coming session. To begin the process of updating the CSAC Policy Platform, staff sent the proposed drafts of the chapters under the purview of the Housing, Land Use and Transportation Policy Committee to policy committee members, public works directors, planning directors, as well as legislative coordinators on October 3 and requested feedback from counties by October 20.

Although CSAC received a wide array of suggested platform changes, we note that County suggestions are modified or not incorporated for various reasons. These include consolidation with comments submitted on the same language by other counties, consistency with overall guidance from the CSAC Board on major issues, the issue is already addressed elsewhere in the platform, ensuring that changes provide substantive advocacy direction rather than background information, and keeping language broadly focused rather than being too specific that it could be viewed as limiting.

The chapters under the purview of the Housing, Land Use and Transportation Policy Committee are the suggested changes, along with a brief description of any proposed changes are listed below. Staff recommends that the committee adopt all of the recommended changes in the 'Immediate Action' section at this meeting. Staff received a variety of suggested platform changes that require additional time to allow for in-depth conversations that is not possible at the annual meeting. Staff recommends that the committee form a sub-committee to consider the suggested recommendations. Details on a future meeting will be announced once finalized.

IMMEDIATE ACTION

Chapter Seven – Planning, Land Use and Housing

- **Section 2:** New proposed language consistent with CSAC position on simplifying the CEQA process under the “Environmental Analysis” section (*See Sec. 2, Environmental Analysis - #1*):
 - *The state should adopt statutory exemptions from environmental review for certain projects that align with Housing, Transportation Climate and Resiliency Goals the goals of counties of the state.*
- **Section 2:** New proposed language consistent with CSAC’s position to require the state to work collaboratively and cooperatively with counties and cities to ensure decisions do not erode local control and decision-making under the “Coastal Development” section (*See Sec. 2, Coastal Development - #3*):
 - *The California Coastal Commission should work with local jurisdictions with regard to the sea level rise within Local Coastal Programs Planning Assistance (LCPA) guidelines.*
- **Section 2:** New proposed language consistent with CSAC’s position to support policies and programs that ensure environmental justice by providing information and raising awareness on a number of environmental issues, such as air quality, greenhouse gas emission, water quality, noise, and heavy industrial uses; as well as protecting and conserving open space, natural and resource areas, and making them accessible. (*See Sec. 2, Environmental Justice #1, #2*)
 - Comprehensive coastal plans should also include preservation of open space, development of commercial and recreational small craft harbor facilities, ***accessible*** camping facilities, ***quality water access***, and commercial and industrial uses.
- **Section 6:** New proposed language consistent with CSAC’s position on providing local governments with the flexibility and creativity to adopt local housing elements under the “Housing Element Reform” section (*See Sec. 6, Housing Element Reform - #3*):
 - *Housing element reform should allow counties to obtain RHNA credits for their resource participation in the creation of affordable housing within their incorporated jurisdiction.*

- **Section 6:** New proposed language consistent with CSAC’s position to support permanent financing resources and subsidy mechanisms for affordable housing, including a statewide permanent source for affordable housing. *(See Sec. 6, Affordable Housing Funding – Introduction)*
 - Policies should be established to encourage continued flow of capital to market rate ***and affordable housing*** ownership ~~housing in order~~ to assure an adequate supply of low-cost, low-down payment mortgage financing for ***first-time and*** qualified buyers.

- **Section 6:** New proposed addition consistent with CSAC’s position to provide stimulus to produce affordable housing in the “Affordable Housing Funding” section *(See Sec. 6, Affordable Housing Funding - #6):*
 - Establish and adequately fund federal and state tax incentives for the provision of affordable housing. The tax codes and financial industry regulations need to be revised to provide stimulus to produce affordable housing, particularly for ***state moderate***, median, low, and very low-income households. Counties support expansion of existing tax credit programs to better allow local governments to meet statewide goals for the development of affordable homes.

- **Section 6:** New proposed language consistent with CSAC’s position on enabling housing production within the “Housing Element Reform” section *(See Sec. 6, Housing Element Reform - #2):*
 - Housing element reform must consider natural resources issues, including exposure to natural hazards and availability of resources to support new growth, especially in rural, unincorporated areas, *and reflect solutions that address the risk and needs without stifling needed housing production.*

- **Section 6:** New proposed language consistent with CSAC’s position on creatively applying incentives and development standards, minimizing regulations, and generating adequate financing to make housing more affordable and available to all income groups, under the “Promote a Full Range of Housing in All Communities” section *(See Sec. 6, Promote a Full Range of Housing in All Communities - #3):*
 - *The state should develop an incentive structure to support counties who make progress towards meeting their state allocated housing goals.*

- **Section 7:** New proposed language consistent with CSAC’s Homelessness Principles:
 - *Given the growing magnitude of California’s homelessness crisis, CSAC reinstated the Homelessness Action Team in 2022 to develop guiding principles on homelessness. These Homelessness Principles were approved by the CSAC Board of Directors on September 1, 2022, and will guide advocacy efforts around homelessness policies, investments, and proposals. The principles outline the need for a statewide plan, call for multi-level partnerships and collaboration while recognizing the need for clear lines of responsibility across all levels of government, detail the importance of building enough housing, and highlight how critical sustained and flexible state funding is to making progress.*
- Minor grammar corrections.

Chapter Ten – Transportation and Public Works

- **Section 3:** New proposed language consistent with CSAC’s position that states transportation systems must be compatible with the environment by considering greenhouse gas (GHG) emissions, air and noise pollution, aesthetics, ecological factors, cost benefit analyses, and energy goals. (*Sec. 1, General Principles – Introduction*)
 - Public transit planning should include a continuing effort of identifying social, economic, and environmental requirements. *Increasing Public Transit usage can assist the state in meeting its climate goals.*
- **Section 3:** New proposed language consistent with CSAC’s position that railroads play a key role in a coordinated statewide transportation system, under the “Rail” section (*See Sec. 3, Rail – Introduction*):
 - *Rail infrastructure is a relevant transportation technology that can assist the state in meeting its climate goals. Investments are needed to expand or restore service to meet passenger and commercial rail service demand.*
- **Section 4:** New proposed language consistent with CSAC’s position under the “Financing Policy and Revenue Principles” section, which states that traditional sources of revenue for transportation are declining, and additional funding is required and efforts to obtain these sources should be supported (*See Sec. 2, Financing Policy and Revenue Principles – Introduction*):
 - *However, due to the increased use of transportation modes that don’t directly require fossil fuels (e.g, zero-emission vehicles, transit, and biking)*

revenues from SB 1 will inevitably decline. Current transportation trends and the state’s current plans to reduce carbon emissions as a means to address climate change will require counties to examine new technologies and look for opportunities to diversify the revenue sources that support California’s local transportation system.

- **Section 4:** New proposed language consistent with CSAC’s position under “Government Relations Policy” section, which states that the full partnership concept of intergovernmental relations is essential to achieve a balanced transportation system (*See Sec. 2, Government Relations Policy – Introduction*):
 - *The 2021 Infrastructure Investment and Jobs Act (IIJA) was a tremendous win for counties in California. IIJA included \$1.2 trillion in investments over five years from Federal Fiscal Year (FFY) 2022 through FFY 2026, including \$550 billion in new spending on transportation, water and power infrastructure, and pollution cleanup, in addition to regular annual spending on infrastructure projects. CSAC is invested in working with the California State Transportation Agency (CalSTA) and the California Transportation Commission (CTC) on the implementation of IIJA so that counties continue to get their fair share of the federal funding.*
- **Section 4:** Updated language consistent with CSAC’s inclusion of 2018 California Statewide Local Streets and Roads Needs Assessment Report Update in the “Conclusion” section (*See Sec. 4, Conclusion - 3rd Paragraph*):
 - *The 2021 California Statewide Local Streets and Roads Needs Assessment Report Update found that the condition of California’s local streets and roads has improved 1 point since 2018. On a scale of zero (failed) to 100 (excellent), the statewide average Pavement Condition Index (PCI) is now 66 (still in the “At Risk” category).*
- Minor grammar corrections.

Chapter Fourteen – Climate Change

- Note that this chapter is also under the purview of the Agriculture, Environment and Natural Resources Committee.
- Minor grammar correction.

Chapter Fifteen – Tribal and Intergovernmental Relations

- Minor grammar corrections.

END OF IMMEDIATE ACTION ITEMS

SUB-COMMITTEE CONSIDERATION

The recommended changes in the following section require additional time to allow for in-depth conversations that is not possible at the annual meeting. Details on a future meeting will be announced once finalized.

Chapter Ten – Transportation and Public Works

- **Section 1:** New proposed language consistent with CSAC’s position that transportation systems must be regularly and consistently maintained to preserve existing public infrastructure, under the “Balanced Transportation Policy” section (*See Sec. 2, Balanced Transportation Policy - #1*):
 - *Transportation system maintenance should be viewed from the lens of “fix it first” and should support local governments by allocating transportation and budget surplus funds first to bringing up the overall Pavement Condition Index (PCI) to an adequate level.*
 - *NOTE: The above could be controversial to those areas of the state that have growing populations which require augmentations to their road network.*

- **Section 3:** Proposed deletion of language to make complete streets a priority:
 - *that funding for basic maintenance of the existing system is severely limited, complete streets improvements should be financed through a combination of sources best suited to the needs of the community. ~~and should not be mandated through the use of existing funding sources.~~*
 - *NOTE: The above deletion of language would be a notable departure from CSAC’s platform stance on state mandates.*

- **Section 4:** New proposed language consistent with CSAC’s position under the “Financing Policy and Revenue Principles” section, which states that federal and state funds for safety and preservation purposes should be sent directly to applicable operational levels without the involvement of any intermediate level of government (*See Sec. 2, Financing Policy and Revenue Principles - #5*):
 - *However, 55 of 58 counties are either at risk or below, with the seven lowest being on average in the worst category of “Poor.” The costs of poor road*

maintenance compound as condition decreases, moving repairs to full repaving and risking expensive catastrophic washouts in extreme weather events. While the state average condition is gradually rising, state intervention in the form of a “local road bailout” is needed for these most severely degraded roads within the state to ensure safe and reliable infrastructure for all residents.

- **NOTE:** The term “local road bailout” is not currently used in the platform.

Chapter Fourteen – Climate Change

- Note that this chapter is also under the purview of the Agriculture, Environment and Natural Resources Committee.
- **Section 3:** Proposed deletion of language to support transportation safety with no caveats:
 - *CSAC supports a balanced transportation policy that recognizes the need to promote alternatives to driving by improving state and local roadways to add safe access for transit, bicycles and pedestrians, ~~where feasible and appropriate.~~ At the same time, CSAC supports transportation investments that facilitate interregional travel and goods movement, ~~especially in parts of the state that are growing more rapidly.~~*
- **Chapter 15 – Tribal and Intergovernmental Relations:** Proposed review of the Chapter, as well as an addition throughout the chapter to strive for equitable relations between counties and tribal governments:
 - It may be prudent to review this chapter and update its language to indicate CSAC will continue strive for equitable relationships between counties and tribal governments with reciprocal intention. As currently written this section is heavy on tribal development impacting county land, however there is no mention of the reciprocated effect of County developments on tribal land for a more balanced relationship.

Attachment Two
Chapter 7 – Planning, Land Use and Housing



The California County Platform | Chapter 7
Planning, Land Use, and Housing
Adopted by the CSAC Board of Directors November 2020

SECTION 1: GENERAL PRINCIPLES

General-purpose local government performs the dominant role in the planning, development, conservation, and environmental review processes. Within this context, it is essential that the appropriate levels of responsibility at the various levels of government be understood and more clearly defined. These roles at the state, regional, county, and city level contain elements of mutual concern; however, the level of jurisdiction, the scale of the problem/issue, available funding and the beneficiaries of the effort require distinct and separate treatment.

The following policies attempt to capture these distinctions and are intended to assist government at all levels to identify its role, pick up its share of the responsibility, and refrain from interfering with the details of how other agencies carry out their responsibility.

The housing needs throughout the state, lack of revenue, and controversial planning law in the area of housing have resulted in the need for new focus on housing planning law. Housing principles are identified and included under a separate heading in this section.

Counties are charged with comprehensive planning for future growth, the management of natural resources, and the provision of a variety of public services both within the unincorporated and incorporated areas.

Although Agriculture and Natural Resources are in this Platform as a separate chapter, there is a correlation between Planning and Land Use, and Agriculture and Natural Resources (Chapter Three). These two chapters are to be viewed together on matters where the subject **matter material** warrants.

Additionally, climate change and the release of greenhouse gases (GHGs) into the atmosphere have the potential to dramatically impact our environment, land use, public health, and our economy. Due to **the overarching nature of relationship between** climate change **and other** issues, this chapter **also** should **also** be viewed in conjunction with Chapter Fourteen, **which that** outlines CSAC's climate change policy.

- 1) Counties have and must retain a primary responsibility for basic land use decisions.
- 2) Counties are cognizant of the need for resource conservation and development, maintaining our economic and social well being, protecting the environment, and guiding orderly population growth and property development.

- 3) Counties are responsible for preparing plans and implementing programs to address land use, transportation, housing, open space, conservation, air quality, water ~~supply~~/distribution and quality, solid waste, and liquid waste, among other issues.
- 4) Counties play a major role in facilitating inter-jurisdictional cooperation between all levels of government ~~in order~~ to achieve the balanced attainment of these objectives.
- 5) Counties must have sufficient funding from state sources to meet state mandated planning programs.
- 6) Counties define local planning needs based on local conditions and constraints.

SECTION 2: THE COUNTY ROLE IN LAND USE

General Plans and Development

Counties should protect vital resources and sensitive environments from overuse and exploitation. General and specific plans are policy documents that are adopted, administered, and implemented at the local level. State guidelines can serve as standards to ~~insure~~ ensure uniformity of method and procedure, but should not mandate substantive or policy content. Land use and development problems and their solutions differ from one area to another and require careful analysis, evaluation, and appraisal at the local government level. Local government is the best level of government to ~~equitably, economically and effectively solve such problems~~ solve such problems equitably, economically and effectively. Further, it is important that other public agencies, (e.g., federal, state, regional, cities, schools, ~~or~~ special districts, ~~etc.~~) participate in the local general planning process to avoid conflicts with future local decisions that are consistent with the general plan.

- 1) State requirements for general plan adoption should be limited to major planning issues and general plan mandates should include the preparation of planning elements only ~~as they pertain to~~ when appropriate given the specific characteristics, goals, and needs of each ~~individual~~ county.
- 2) Zoning and other implementation techniques should be a logical consequence to well ~~thought out~~ considered and locally certified plans.
- 3) Counties support a general plan judicial review process which first requires exhaustion of remedies before the Board of Supervisors, with judicial review confined to a reasonable statute of limitations and limited to matters directly related to the initial hearing record. Counties also support retaining the current judicial standard whereby the courts defer to the judgment of the local agency when that judgment is supported by substantial evidence in the record.

- 4) Policy development and implementation should include meaningful public participation, full disclosure, and wide dissemination in advance of adoption.

Public Facilities and Service

Counties have a vital role in ensuring that municipal services and public facilities are provided to residents in the unincorporated area in an efficient manner.

- 1) Within the framework of the general plan, counties should protect the integrity and efficiency of newly developing unincorporated areas and urban cores by prohibiting fringe area development, which would require services and compete with existing infrastructure.
- 2) Counties should accept responsibility for community services in newly developing unincorporated areas where no other appropriate entity exists.
- 3) In the absence of feasible incorporation, County Service Areas or Community Service Districts are appropriate entities to provide needed services for urbanizing areas. They work against proliferation of single purpose districts, allow counties to charge the actual user for the service, permit direct control by the Board of Supervisors, and set the basis of reformation of multi-purpose districts.
- 4) County authority to require land and/or in-lieu fees to provide public facilities in the amount needed to serve new development must be protected.

Environmental Analysis

The environmental review process under the California Environmental Quality Act (CEQA) provides essential information to be constructively used in local decision-making processes. Unfortunately, the CEQA process is too often used as a legal tool to delay or stop reasonable development projects.

The CEQA process and requirements should be simplified wherever possible including the preparation of master environmental documents and use of tiered environmental impact reports (EIRs) and negative declarations, including Climate Action Plans, and associated environmental impact reports for tiering under CEQA. *The state should adopt statutory exemptions from environmental review for certain projects that align with Housing, Transportation Climate and Resiliency Goals the goals of counties of the state.*

- 1) The length of environmental reports should be minimized without impairing the quality of these reports.
- 2) Other public agencies (federal, state, regional, affected local jurisdictions, special districts, etc.) should participate in the environmental review process for plans and

projects ~~in order~~ to provide a thorough review and analysis up front and avoid conflicts in future discretionary actions.

- 3) Counties should continue to assume lead agency roles where projects are proposed in unincorporated territory requiring discretionary action by the county and other jurisdictions.
- 4) CEQA documents should include economic and social data when applicable; however, this data should not be made mandatory.

Coastal Development

Preservation, protection, and enhancement of the California coastline is the planning responsibility of each county and city with shoreline within its boundaries. Planning regulation and control of land use are the implementation tools of county government whenever a resource is used or threatened.

Counties within the ~~C~~oastal ~~Z~~one are also subject to the California Coastal Act which is implemented via cooperative agreements between the California Coastal Commission and counties and cities. Most development in the ~~C~~oastal ~~Z~~one requires a coastal development permit issued by local agencies with a certified Local Coastal Plan (LCP) or by the Commission in the absence of a cooperative agreement. LCPs link statewide coastal policies to local planning efforts ~~in an attempt to~~ with the goal of protecting the quality and environment of California's coastline.

- 1) Counties are committed to preserve and provide access to the coast and support where appropriate beach activities, boating activities, and other recreational uses in developing and implementing precise coastal plans and appropriate zoning.
- 2) Comprehensive coastal plans should also include preservation of open space, development of commercial and recreational small craft harbor facilities, *accessible* camping facilities, *quality water access*, and commercial and industrial uses.
- 3) Local jurisdictions must have the statutory and legal authority to implement coastline programs. Statewide efforts related to the California coastline must respect local land use authority. The ~~S~~state should collaboratively and cooperatively work with counties and cities to ensure decisions do not erode local control and decision-making.
- 4) The State, counties, and cities should mutually encourage, seek, and support efforts to streamline, improve, and modernize coastal development permit and local coastal planning processes, without compromising or undermining the original intent and tenets of these laws.
- 5) Counties support measures to streamline the process for approving and amending Local Coastal ~~Programs (LCPs) Plans~~.

- a. Measures should re-prioritize Commission staff and resources to the early scoping phase of any proposed amendment, to help identify key issues early on.
 - b. Measures should identify standard timelines for each stage of the amendment process and develop specific procedures/mechanisms for adhering to those timelines, and should also require clearly identified reasons for any extensions requested by Commission staff.
- 6) [The California Coastal Commission should work with local jurisdictions with regard to the sea level rise within Local Coastal Programs Planning Assistance \(LCPA\) guidelines.](#)
- 7) Counties support legislative funding options that will enhance efficiency and accountability in the local coastal planning process.

Open Space Lands

Counties support open space policy that sets forth the local government's intent to preserve open space lands and ensures that local government will be responsible for conserving natural resources and developing and implementing open space plans and programs. Counties need state policies and fiscal resources to fully implement open space plans.

- 1) Counties support additional revenues for local open space acquisition programs, such as the subvention funds formerly provided by the Williamson Act.
- 2) Counties support reimbursement to local agencies for property tax losses.
- 3) Counties support greater use of land exchange powers for transfer of development rights.
- 4) Counties support protection of current agricultural production lands through the purchasing of development rights.
- 5) In some cases, open space easements should be created and used by local jurisdictions to implement open space programs, like the Williamson Act program.
- 6) Timber preserve zones and timber harvesting rules should enhance protection of this long-term renewable resource.

Healthy Communities

Counties support policies and programs that aid in the development of healthy communities which are designed to provide opportunities for people of all ages and abilities to engage in routine daily physical activity.

- 1) Counties support promoting active living via bicycle- and pedestrian-oriented design.

- 2) Counties support mixed-use development, providing recreation facilities, and siting schools in walkable communities.

Environmental Justice

Environmental justice is the fair treatment of people of all races, cultures, and incomes with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations, and policies.

- 1) Counties support policies and programs that ensure environmental justice by providing information and raising awareness on a number of environmental issues, such as air quality, greenhouse gas emissions, water quality, noise, and heavy industrial uses.
- 2) Counties support environmental justice by providing sufficient services and infrastructure; protecting and conserving open space, natural and resource areas, and making them accessible; preventing and minimizing pollution impacts.
- 3) Counties support environmental justice by facilitating stakeholder participation in planning efforts.

SECTION 3: STATE ROLE IN LAND USE

Local government recognizes that state government has a legitimate interest in proper land use planning and utilization of those lands which are of critical statewide concern.

- 1) The state interest shall be statutorily and precisely defined and strictly limited to those lands designated to be critical statewide concern in concert with attainable and specified state goals and policies.
- 2) In determining those lands of crucial statewide concern, a mechanism should be created which ensures significant local involvement through a meaningful state/local relationship.
- 3) The state should prepare a statewide plan that reconciles the conflicts between the various state plans and objectives ~~in order~~ to provide local governments with greater certainty in areas of statewide concern. This is not intended to expand the State's authority over land use decisions; rather it should clarify the state's intent in relation to capital projects of statewide significance.
- 4) The ~~state's~~ ~~state's~~ participation in land use decisions in those designated areas shall be strictly limited to ensuring the defined state interest is protected at the local level.

- 5) Any regulatory activity necessary to protect the state's interest, as defined in statute, shall be carried out by local government.
- 6) Counties' enforcement procedures for violations of zoning and building ordinances should not be hampered by State established maximum fines that in some cases do not serve as a deterrent. ~~and are merely incorporated into the cost of doing business.~~
- 7) Climate change is a programmatic issue of statewide concern that requires a clear understanding of the roles and responsibilities of each level of government as well as the state's interest in land use decisions to ensure statewide climate change goals are met. Population growth in the state is inevitable, thus climate change strategies will affect land use decisions ~~in order~~ to accommodate and mitigate the expected growth in the state.
- 8) Local government, as the chief land use decision-maker and integral part of the housing planning process, must have a clearly defined role and be supported with the resources to achieve the State's climate change goals.
- 9) Adequate financial resources shall be provided, before a state-mandate is activated, to ensure local government ~~has the ability to~~ can carry out state-mandated planning requirements.

SECTION 4: REGIONAL GOVERNMENTS

Counties support voluntary participation within regional agencies as appropriate to resolve regional problems throughout the State. Regional approaches to planning and resolution to issues that cross jurisdictional boundaries are increasingly important. While California's growth rate has slowed since the boom in the 1980's, the State will still see significant population gains over the next 50-years with the total population projected to reach 52.7 million by 2060. Within that same time frame, 13 counties will have one million or more residents and six of those counties will have a population of two million or more residents.

Regional agencies in California play an important role in the allocation of regional housing need numbers, programming of Federal and State transportation dollars, in addressing air quality non-attainment problems, and climate change to name a few. Regional collaboration remains important to address issues associated with growth in California, such as revenue equity issues, service responsibilities, a seamless and efficient transportation network, reducing GHGs and tackling climate change, job creation, housing, agricultural and resource protection, and open space designation.

- 1) The passage of SB 375 in 2008 and the preparation of regional Sustainable Communities Strategies in most of the State's regions elevate the importance of regional

collaboration. Regional agencies must make genuine and substantive efforts to include local governments in their regional planning efforts.

- 2) While planning at the regional scale is increasingly important, land use decisions shall remain the exclusive province of cities and counties based on state planning and zoning law and the police powers granted to them under the State Constitution.
- 3) Cities and counties are responsible for a vast infrastructure system, which requires that cities and counties continue to receive direct allocations of revenues to maintain, operate and expand a variety of public facilities and buildings under their jurisdiction. As an example, cities and counties own and operate 81 percent of the state's ~~publicly~~ ~~publically~~ maintained road miles, thus must retain direct allocations of transportation dollars to address the needs of this critical network and protect the public's existing investment.
- 4) Regional approaches to tax sharing and other financial agreements are appropriate and often necessary to address service needs of future populations; however, cities and counties must maintain financial independence and continue to receive discretionary and program dollars directly.
- 5) Counties support voluntary revenue-sharing agreements for existing revenues at the regional level, and any mandated revenue sharing must be limited to new revenues.
- 6) Regional agencies must consider financial incentives for cities and counties that have resource areas or farmland instead of (or in addition to) high growth areas. For example, such incentives should address transportation investments for the preservation and safety of city and county road systems, farm to market transportation, and interconnectivity ~~of~~ transportation needs.
- 7) Regional agencies should also consider financial assistance to address countywide service responsibilities in counties that contribute towards the GHG emissions reductions targets by implementing policies for growth to occur within their cities and existing urbanized areas.

SECTION 5: SPECIAL DISTRICTS

In recent years, Local Agency Formation Commissions (LAFCOs) have been generally successful at regulating incorporations, annexations, and the formation of new special districts. However, the state has a legacy of a large number of independent special districts that leads to fragmentation of local government.

- 1) Counties find that there are many fully justified districts that properly serve the purpose for which they were created. However, there are districts whose existence is no longer "defensible."
- 2) Counties find that nothing is served by rhetorically attacking "fragmentation."
- 3) LAFCOs should retain the authority to evaluate special districts to test their value to the community for whom they were initially formed to serve and identify those districts that no longer serve the purposes for which they were created.

SECTION 6: HOUSING

Housing is an important element of economic development and essential for the health and well being of our communities. The responsibility to meet the state's housing needs must be borne by all levels of government and the private sector. Reductions in state and federal funding and the loss of redevelopment housing set aside funding create a need for new funding sources to support the development of affordable housing. Moreover, reforms are needed to address the current property and sales tax systems in California, which can work against housing affordability by providing fiscal disincentives for additional housing development.

Counties support the following principles in relation to housing. These principles must be taken as a whole, recognizing the importance of their interdependence. These principles provide a comprehensive approach to address the production of housing, recognizing the role of counties, which is to encourage and facilitate the production of housing. They should not be misinterpreted to hold counties responsible for the actual production of housing; instead, they should recognize the need for various interests to cooperatively strive to provide affordable housing that is accessible and available to meet the needs of California residents at all income levels and in all geographic areas.

State Role in Housing Planning

- 1) CSAC supports a role by the state Department of Housing and Community Development (HCD) that focuses on assisting local governments in financing efforts and advising them on planning policies--both of which strive to meet the state's housing needs.
- 2) HCD's role should focus on facilitating the production of housing, rather than an onerous and unpredictable housing element compliance process that detracts from local governments' efforts to seek funding and actually facilitate housing production.
- 3) CSAC supports **locally driven** plans that seek to implement broad state goals allowing for the development of homes affordable to households at all income levels.
- 4) While CSAC generally opposes direct state intervention in local zoning, state laws that streamline the housing development process must also provide opportunities for

counties to ~~more easily meet their housing element planning requirements~~ meet their housing element planning requirements more easily.

Housing Element Reform

- 1) A sweeping reform of the current housing element requirements should be undertaken to streamline and simplify existing housing element law.
- 2) The housing element should place a greater emphasis on obtaining financing and enabling production, rather than the **overly detailed** data analysis now required under state law.
- 3) Housing element reform should provide local governments with the flexibility and creativity to adopt local housing elements, comprehensive housing assistance strategies, and other local plans and programs that will be effective in their communities.
- 4) Housing element reform should conserve state and local resources by promoting predictable HCD review consistent with statutory requirements, including transparent standards that are uniformly applied and includes timelines for comment periods and decision-making.
- 5) Housing element reform must consider the unique characteristics of unincorporated communities, including the limited availability of infrastructure to support urban development, limited transit services, and policies to protect agricultural lands and open space.
- 6) **Housing element reform should allow counties to obtain RHNA credits for their resource participation in the creation of affordable housing within their incorporated jurisdiction.**
- 7) Housing element reform must consider natural resources issues, including exposure to natural hazards and availability of resources to support new growth, especially in **more rural**, unincorporated areas, **and reflect solutions that address the risk and needs without stifling needed housing production.**

Affordable Housing Funding

- 1) Counties support identifying and generating a variety of permanent financing resources and subsidy mechanisms for affordable housing, including a statewide permanent source for affordable housing.
- 2) These sources need to be developed to address California's housing needs, particularly with the reduction of federal and state contributions in recent years. The elimination of redevelopment in 2012 redirected most public funds previously dedicated to affordable housing development and preservation, as it ended all future receipts of affordable housing set-aside funds, as well as recapturing many millions of dollars in housing funds that had been received in prior years.

- 3) The need for new affordable housing units exceeds the number of new units for which financing and subsidies will be available each year. Therefore, additional funding is necessary to ensure production of new subsidized units, and adequate funds for housing subsidies to households.
- 4) Policies should be established to encourage continued flow of capital to market rate and *affordable housing* ownership ~~housing-in-order~~ to assure an adequate supply of low-cost, low-down payment mortgage financing for *first-time and* qualified buyers.
- 5) A need exists to educate the private building and financial communities on the opportunities that exist with the affordable housing submarket ~~so-as~~ to encourage new investments.
- 6) Establish and adequately fund federal and state tax incentives for the provision of affordable housing. The tax codes and financial industry regulations need to be revised to provide stimulus to produce affordable housing, particularly for *state moderate*, median, low, and very low-income households. Counties support expansion of existing tax credit programs to better allow local governments to meet statewide goals for the development of affordable homes.
- 7) *The state should develop an incentive structure to support counties who make progress towards meeting their state allocated housing goals.*

Restructure Local Government Funding to Support Housing Affordability

The current property and sales tax systems in California are not supportive of housing development and work against housing affordability because housing is not viewed as a "fiscal winner" by local governments as they make land use and policy decisions.

- 1) Local government finance should be restructured at the state level to improve the attractiveness and feasibility of affordable housing development at the local level.
- 2) At a minimum, there should be better mechanisms to allow and encourage local governments to share tax revenues.

Promote a Full Range of Housing in All Communities

- 1) Local governments, builders, the real estate industry, financial institutions, and other concerned stakeholders should recognize their joint opportunities to encourage a full range of housing and should work together to achieve this goal.

- 2) Promoting a full range of housing will require cooperative effort from the beginning of the planning and approval process.
- 3) CSAC supports creatively applying incentives and development standards, minimizing regulations, and generating adequate financing ~~in order~~ to make housing more affordable and available to all income groups.
- 4) CSAC supports reforms that facilitate the ability of counties to provide for the construction and financing of affordable housing, including the repeal of constitutional limitations on the ability of local government to financially support affordable housing without voter approval.

SECTION 7: HOMELESSNESS

Given the growing magnitude of California's homelessness crisis, CSAC reinstated the Homelessness Action Team in 2022 to develop guiding principles on homelessness. These *Homelessness Principles* were approved by the CSAC Board of Directors on September 1, 2022, and will guide advocacy efforts around homelessness policies, investments, and proposals. The principles outline the need for a statewide plan, call for multi-level partnerships and collaboration while recognizing the need for clear lines of responsibility across all levels of government, detail the importance of building enough housing, and highlight how critical sustained and flexible state funding is to making progress.

Attachment Three
Chapter 10 – Transportation and Public Works



**The California County Platform | Chapter 10
Transportation and Public Works**

Adopted by the CSAC Board of Directors November 2020

SECTION 1: GENERAL PRINCIPLES

Transportation infrastructure and multi-modal transportation choices are essential for the current and future well-being of the State of California. A balanced transportation system utilizes all modes of travel in a complementary manner to provide all users access and mobility options to safely move about their community. Counties also recognize that climate change and the release of greenhouse gasses (GHGs) into the atmosphere have the potential to dramatically impact our environment, land use decisions, transportation networks, and the economy. Due to the ~~overarching nature of relationship between~~ climate change and other issues, all sections in this chapter should be viewed in conjunction with Chapter Fourteen, which outlines CSAC's climate change policy.

- 1) Transportation infrastructure investments should balance the competing needs of all segments of society and the economy with maximum coordination between all levels of government and reasonable amounts of free choice for the consumer.
- 2) Transportation systems must be fully integrated with planned land use; support the lifestyles desired by ~~the people of individual areas~~; and be compatible with the environment by considering greenhouse gas (GHG) emissions, air and noise pollution, aesthetics, ecological factors, cost benefit analyses, and energy ~~consumption measures goals~~.
- 3) Transportation systems should be designed to serve the travel demands and desires of all the people of the state and support a robust economy, recognizing the principles of local control and the unique ~~restraints characteristics~~ of each area.
- 4) Local control recognizes that organizational and physical differences exist and ~~that~~ governments should have flexibility to cooperatively develop systems by which services are provided and problems ~~resolved~~.
- 5) Transportation system maintenance should be viewed from the lens of “fix it first” and should support local governments by allocating transportation and budget surplus funds first to bringing up the overall Pavement Condition Index (PCI) to an adequate level.

SECTION 2: BALANCED TRANSPORTATION POLICY

System Policy and Transportation Principles

It is of statewide interest to provide for a balanced, seamless, and multi-modal transportation system on a planned and coordinated basis manner, consistent with social, economic, political, and environmental goals within of the state. The statewide network includes the local streets and roads, state highways, transit, bicycle and pedestrian facilities, rail, and ports. Rural and urban transportation needs must be balanced so-as to build and operate a single transportation system. While urban transportation systems support significant daily vehicle miles traveled and the transportation of millions of people, the rural transportation network connects communities together and plays a critical role in the movement of goods for the entire state. The statewide transportation system should be an asset to present and future generations. It must consider and protect the natural and built environment and support economic development of the state.

- 1) Transportation systems must be regularly and consistently maintained in-order to preserve the existing public infrastructure (current revenues are not keeping pace with needs of the local road or state highway or transit systems), reduce the future costs to tax-payers, and to protect the environment. All users of the system have a responsibility to adequately invest in the transportation infrastructure that is so critical to every-day life.
- 2) Repairs to local access roads that are damaged in-the-course-of during emergency operations (for-example, e.g., during in-fighting a fire or flood) should be eligible for reimbursement under the same programs as roads which are directly damaged by the event.
- 3) System process modifications are needed to expedite project delivery and minimize project cost.
- 4) Heavy vehicles impose exponentially greater wear and tear on roadways than lighter vehicles. Many locally-maintained roads may not have been designed to accommodate heavy vehicles. Proposed increases in weight limits to improve efficiency by reducing number of heavy vehicle trips required, or to meet other policy goals, should be balanced against the costs of additional wear and tear on roads, bridges, and highways.

Financing Policy and Revenue Principles

Transportation financing needs exceed existing and foreseeable revenues despite growing recognition of these needs at all levels of government. Further, traditional sources of revenue for transportation are declining as communities develop more sustainably and compactly in order to reduce vehicle miles traveled and GHG emissions to meet statewide climate change goals. Additional funding is required and efforts to obtain these sources should be supported. Also, any new sources of funding should produce enough revenue to respond significantly to transportation needs.

- 1) As the owner and operator of a significant portion of the local system, counties support continued direct funding to local governments for preservation and safety needs of that system.
- 2) Counties support regional approaches for transportation investment purposes for capital expansion projects of regional significance and local expansion and rehabilitation projects through regional transportation planning agencies.
- 3) Single transportation funds—comprised of state and federal subventions—should be available at each of the local, regional, and statewide levels for financing the development, operation, and/or maintenance of highways, public transit, airports or any other modal system as determined by each area in accordance with local, regional, and statewide needs and goals.
- 4) The cooperative mechanisms established by counties and cities to meet multi-jurisdictional needs should be responsible for the financing, construction, operation, and maintenance of regional transportation systems utilizing—as appropriate—existing transportation agencies and districts.
- 5) Federal and state funds for safety and preservation purposes should be sent directly to applicable operational levels without involvement of any intermediate level of government. Pass-through and block grant funding concepts are highly desirable.
- 6) The cost of transportation facilities and services should be fairly shared by the users and also by indirect beneficiaries.
- 7) Transportation funding should be established so that annual revenues are predictable with reasonable certainty over several years to permit rational planning for wise expenditure of funds for each mode of transportation.
- 8) Financing should be based upon periodic deficiency reports by mode to permit adjustment of necessary funding levels. Additional elements such as constituent acceptance, federal legislative and/or administrative actions, programmatic flexibility, and cost benefit studies should be considered.
- 9) Efforts to obtain additional revenue should include an examination of administrative costs associated with project delivery and transportation programs.
- 10) Funding procedures should be specifically designed to reduce the cost of processing money and to expedite cash flow. Maximum use should be made of existing collection mechanisms when considering additional financing methods.

- 11) In the development of long-range financing plans and programs at all levels of government, there should be a realistic appreciation of limitations imposed by time, financing, availability, and the possibility of unforeseen changes in community interest.
- 12) Existing funding levels must be maintained with historical shares of current funding sources ensured for counties (e.g., state and federal gas tax increases, ~~etc.~~).
- 13) Although significant transportation revenues are raised at the local level through the imposition of sales taxes, additional state and federal revenue sources are needed such as additional gas and sales taxes, congestion pricing, public-private partnerships, and user or transaction fees, to provide a diverse financing strategy.
- 14) Additional revenue raising authority at the local and regional level is needed as well as other strategies as determined by individual jurisdictions and regions.
- 15) Transportation revenues must be utilized for transportation purposes only and purposes for which they are dedicated. They should not be diverted to external demands and needs not directly related to transportation activities.
- 16) Revenue needed for operational deficits of transit systems should be found in increased user fees, implementation of operating efficiencies and/or new sources, rather than existing sources depended upon by other modes of transportation.
- 17) Future revenues must be directed to meet mobility needs efficiently and cost effectively with emphasis on current modal use and transportation choices for the public.

Government Relations Policy

The full partnership concept of intergovernmental relations is essential to achieve a balanced transportation system. Transportation decisions should be made comprehensively within the framework of clearly identified roles for each level of government without duplication of effort.

- 1) Counties and cities working through their regional or countywide transportation agencies, and in consultation with the State, should retain the ability to program and fund transportation projects that meet the needs of the region.
- 2) No county or city should be split by regional boundaries without the consent of that county or city.
- 3) Counties and cities in partnership with their regional and state government, should attempt to actively influence federal policies on transportation as part of the full partnership concept.

Management Policy

Effective transportation requires the definite assignment of responsibility for providing essential services including fixed areas of responsibility based upon service output.

- 1) Greater attention should be devoted to delivery and maintenance of transportation infrastructure in a cost-effective manner with flexibility in delivery methods and project management.
- 2) Special transportation districts should be evaluated and justified in accordance with local conditions and public needs.
- 3) The State Department of Transportation should be responsible for planning, designing, constructing, operating, and maintaining a system of transportation corridors of statewide significance and interest. Detailed procedures should be determined in concert with regional and local government.
- 4) Restrictive, categorical grant programs at **the** federal and state levels should be abandoned or minimized in favor of goal-oriented transportation programs which can be adjusted by effective management to best respond **to** the ~~to~~ social and economic needs of individual communities.
- 5) Policies and procedures on the use of federal and state funds should be structured to **minimize "red tape," eliminate unnecessary requirements,** recognize the professional capabilities of local agencies, provide post-audit procedures, and permit the use of reasonable local standards.

SECTION 3: SPECIFIC MODAL TRANSPORTATION POLICIES

Aviation

- 1) Air transportation planning should be an integral part of overall planning effort and airports should be protected by adequate zoning and land use. Planning should also include consideration for helicopter and other short and vertical take-off aircraft.
- 2) State and federal airport planning participation should be limited to coordination of viable statewide and nationwide air transportation systems.
- 3) Local government should retain complete control of all airport facilities, including planning, construction, and operation.

Streets and Highways

The local street and road system, over 81-percent of the total maintained miles in the state, continues to play an important role in the mobility of Californians and critical for a vibrant

economy. Further, local roads serve as the right-of-way for active transportation and transit. In a coordinated statewide transportation system, highways will continue to carry a great percentage of the goods and people transported within the state. Non-motorized transportation facilities, such as pedestrian and bicycle facilities **also** are ~~also~~ proper elements of a balanced transportation system.

- 1) Counties and cities must work cooperatively with regional agencies, the state, and the federal government to ensure the local system is maintained in a cost-effective and efficient condition and that is fully integrated into the statewide transportation network.
- 2) A program of highway maintenance and improvement of this modal system must be continued in coordination with the development of other modal components. Efforts to maximize utilization of transportation corridors for multi-purpose facilities should be supported.
- 3) Counties support efforts to design and build complete streets, ensuring that all roadway users – motorists, bicyclists, public transit vehicles and users, and pedestrians of all ages and abilities – have safe access to meet the range of mobility needs.
- 4) Given that funding for basic maintenance of the existing system is severely limited, ~~however,~~ complete streets improvements should be financed through a combination of sources best suited to the needs of the community. ~~and should not be mandated through the use of existing funding sources.~~

Public Transit

- 1) Counties and cities should be responsible for local public transit systems utilizing existing transportation agencies and districts as appropriate.
- 2) Multi-jurisdictional public transit systems should be the responsibility of counties and cities acting through mechanisms, ~~which that~~ they establish for regional decision-making, utilizing existing transportation agencies, ~~and~~ districts as appropriate.
- 3) The State should be responsible for transportation corridors of statewide significance, utilizing system concepts and procedures similar to those used for the state highway system. Contracts may be engaged with existing transit districts and public transportation agencies to carry out and discharge these state responsibilities.
- 4) Consideration of public transit and intercity rail should be an integral part of a local agency's overall planning effort and should maximize utilization of land for multi-purpose transportation corridors.

- 5) Public transit planning should include a continuing effort of identifying social, economic, and environmental requirements. *Increasing Public Transit usage can assist the state in meeting its climate goals.*

Rail

Railroads play a key role in a coordinated statewide transportation system. In many communities, they ~~form a~~ ~~are center~~ ~~central~~ for intermodal transportation.

Rail carries a significant portion of goods and people within and out of the state. The continued support of rail systems will help balance the state's commuter, recreational, and long distance transportation needs. Support for a high-speed rail system in California is necessary for ease of future travel and for environmental purposes.

- 1) Rail should be considered, as appropriate, in any local agency's overall planning effort when rail is present or could be developed as part of a community.
- 2) Research and development of innovative and safe uses of rail lines should be encouraged.
- 3) *Rail infrastructure is a relevant transportation technology that can assist the state in meeting its climate goals. Investments are needed to expand or restore service to meet passenger and commercial rail service demand.*

SECTION 4: CONCLUSION

Between 1994 (when the state gas excise tax was last increased) and 2017, when the Legislature passed SB 1 (Beall), California's population and travel increased, while revenues for maintenance and improvement of state highways and local roads failed to keep pace. In fact, by 2017 the value of the existing state gasoline tax had eroded to roughly half of its 1994 value due to inflation and improvements in vehicle fuel efficiency. SB 1 ~~currently~~ provides an ongoing source of approximately \$5 billion in revenue to invest in state highways, local roads, regional improvements, public transportation and active transportation and ~~will allow~~ ~~helps~~ California to reverse the trend of deteriorating transportation infrastructure. *However, due to the increased use of transportation modes that don't directly require fossil fuels (e.g, zero-emission vehicles, transit, and biking) revenues from SB 1 will inevitably decline. Current transportation trends and the state's current plans to reduce carbon emissions as a means to address climate change will require counties to examine new technologies and look for opportunities to diversify the revenue sources that support California's local transportation system.*

The 2021 Infrastructure Investment and Jobs Act (IIJA) was a tremendous win for counties in California. IIJA included \$1.2 trillion in investments over five years from Federal Fiscal Year (FFY) 2022 through FFY 2026, including \$550 billion in new spending on transportation, water and power infrastructure, and pollution cleanup, in addition to regular annual spending on infrastructure projects. CSAC is invested in working with the California State Transportation

Agency (CalSTA) and the California Transportation Commission (CTC) on the implementation of IJJA so that counties continue to get their fair share of the federal funding.

~~The 2018 California Statewide Local Streets and Roads Needs Assessment Report Update found that the statewide average local street and road Pavement Condition Index (PCI), which ranks roadway pavement conditions on a scale of zero (failed) to 100 (excellent), is 65, an “at risk” rating. Through a combination of SB 1 funding and increased use of sustainable pavement preservation techniques, local agencies will be able to stabilize the average condition of pavements at a PCI of 64, reduce the deferred maintenance backlog by \$18.4 billion in the coming decade, and improve a significant percentage of the network from at-risk to good condition.~~

The 2021 California Statewide Local Streets and Roads Needs Assessment Report Update found that the condition of California’s local streets and roads has improved 1 point since 2018. On a scale of zero (failed) to 100 (excellent), the statewide average Pavement Condition Index (PCI) is now 66 (still in the “At Risk” category).

However, 55 of 58 counties are either at risk or below, with the seven lowest being on average in the worst category of “Poor.” The costs of poor road maintenance compound as condition decreases, moving repairs to full repaving and risking expensive catastrophic washouts in extreme weather events. While the state average condition is gradually rising, state intervention in the form of a “local road bailout” is needed for these most severely degraded roads within the state to ensure safe and reliable infrastructure for all residents.

Accordingly, it is vitally important to protect the \$1.5 billion share of local street and road formula funding from SB 1, which will be adjusted based on inflation and increasing vehicle values. Furthermore, CSAC must continue to advocate for streamlining administrative processes and environmental review and promoting efficiencies and sustainable practices that allow counties to ~~make the most of every dollar~~ maximize the benefits of transportation funding.

The citizens of California have invested significant resources in their transportation system. This \$3 trillion investment is the cornerstone of the state's commerce and economic competitiveness. Virtually all vehicle, pedestrian, and bicycle trips originate and terminate on local streets and roads. Emergency response vehicles extensively use local roads to deliver public service. Public safety and mobility rely on a well-maintained transportation infrastructure. Protecting transportation funding is important to the economy and the economic ~~resiliency recovery~~ of the state. Increased investment and ~~incorporating mobility innovations~~ in the transportation network is essential to stimulate the economy, ~~to~~ improve economic competitiveness, and ~~to~~ safeguard against loss of the public's existing \$3 trillion investment in our transportation system.

(The source of information for the statistics provided is from the Transportation California website and includes reports from the: California Transportation Commission (CTC), Legislative

Analyst Office (LAO), United States Department of Transportation (USDOT), Federal Highway Administration (FHWA), and the Local Streets and Roads Needs Assessment.)

Attachment Four
Chapter 14 – Climate Change



The California County Platform | Chapter 14
Climate Change

Adopted by the CSAC Board of Directors November 2020

SECTION 1: GENERAL PRINCIPLES

- 1) CSAC recognizes that sustainable development and climate change share strong complementary tendencies.
- 2) CSAC recognizes that mitigation and adaptation to climate change – such as promoting sustainable energy, improved access and increased walkability, transit oriented development, and improved agricultural methods – have the potential to bolster sustainable development.
- 3) CSAC recognizes that climate change will have a harmful effect on our environment, public health and economy. Although there remains uncertainty on the pace, distribution and magnitude of the effects of climate change, CSAC also recognizes the need for immediate actions to mitigate the sources of greenhouse gases.
- 4) CSAC recognizes the need for sustained leadership and commitment at the federal, state, regional and local levels to develop strategies to combat the effects of climate change.
- 5) CSAC recognizes the complexity involved with reducing greenhouse gases and the need for a variety of approaches and strategies to reduce greenhouse gas (GHG) emissions.
- 6) CSAC supports a flexible approach to addressing climate change, recognizing that a one size fits all approach is not appropriate for California’s large number of diverse communities.
- 7) CSAC supports special consideration for environmental justice issues, disadvantaged communities, and rural areas that do not have the ability to address these initiatives without adequate support and assistance.
- 8) CSAC supports cost-effective strategies to reduce GHG emissions and encourages the use of grants, loans and incentives to assist local governments in the implementation of GHG reduction programs.
- 9) CSAC recognizes that adaptation and mitigation are necessary and complementary strategies for responding to climate change impacts. CSAC encourages the state to develop guidance materials for assessing climate impacts that includes adaptation options.

- 10) CSAC finds it critical that the state develop protocols and GHG emissions inventory mechanisms, providing the necessary tools to track and monitor GHG emissions at the local level. The state, in cooperation with local government, must determine the portfolio of solutions that will best minimize its potential risks and maximize its potential benefits. CSAC also supports the establishment of a state climate change technical assistance program for local governments.
- 11) CSAC believes that in order to achieve projected emission reduction targets, cooperation and coordination between federal, state and local entities must occur to address the role public lands play in the context of climate change.
- 12) CSAC recognizes that many counties are in the process of developing, or have already initiated climate change-related programs. CSAC supports the inclusion of these programs into the larger GHG reduction framework and supports acknowledgement and credit given for these local efforts.
- 13) CSAC acknowledges its role to provide educational forums, informational resources and communication opportunities for counties in relation to climate change.
- 14) CSAC recognizes that collaboration between cities, counties, special districts, and the private sector is necessary to ensure the success of a GHG reduction strategy at the local level.
- 15) CSAC encourages counties to take active measures to reduce GHG and create energy efficiency strategies that are appropriate for their respective communities.

SECTION 2: FISCAL

The effects of climate change and the implementation of GHG reduction strategies will have fiscal implications for county government.

CSAC recognizes the potential for fiscal impacts on all levels of government as a result of climate change, i.e. sea level rise, flooding, water shortages and other varied and numerous consequences. CSAC encourages the state and counties to plan for the fiscal impacts of climate change adaptation, mitigation and strategy implementation.

- 1) CSAC supports the use of grants, loans, incentives and revenue raising authority to assist local governments with the implementation of climate change response activities and GHG reduction strategies.
- 2) CSAC continues to support its state mandate principles in the context of climate change. CSAC advocates that new GHG emissions reduction programs must be technically

feasible for counties to implement and help to offset the long-term costs of GHG emission reduction strategies.

- 3) CSAC advocates that any new GHG reduction strategies that focus on city-oriented growth and require conservation of critical resource and agricultural lands within the unincorporated areas should include a mechanism to compensate county governments for the loss of property taxes and other fees and taxes.
- 4) CSAC supports the allocation of cap and trade revenues to fund programs that help reduce GHG emissions at the local level.
- 5) CSAC supports changes and refinement to the California Communities Environmental Health Screening Tool (CalEnviroScreen) to include criteria that reflects the diversity of disadvantaged communities in California.

SECTION 3: LAND USE, TRANSPORTATION, AND HOUSING

CSAC recognizes that population growth in the state is inevitable, and therefore climate change strategies that affect land use must focus on how and where to accommodate and mitigate the expected growth in California. Land use planning and development play a direct role in transportation patterns, affecting travel demands and in turn vehicle miles traveled (VMT) and fuel consumption. It is recognized that in addition to reducing VMTs, investing in a seamless and efficient transportation system to address congestion also contributes to the reduction of GHG emissions. In addition to serving vehicles and facilitating goods movement, local streets and roads are the primary right-of-way for transit, bicycles, and pedestrians. Continued dedicated funding will be required to maintain local roads and bridges, while also improving safety for all road users, and adding capacity for transit and active transportation where the local context is appropriate.

The provision of housing affordable to all income levels also affects the ability to meet climate change goals. Affordable housing in close proximity to multi-modal transportation options, work, school, and other goods and services is a critical element to reducing GHG emissions in the state. Smart land use planning and growth, such as that required by SB 375 (Chapter 728, Statutes of 2008), remains a critical component to achieve the GHG emission reduction targets pursuant to AB 32 (Chapter 488, Statutes of 2006), particularly to address the emissions from the transportation sector (i.e. vehicle, air and train). In order to better understand the link between land use planning, transportation, housing, and climate change further modeling and consideration of alternative growth scenarios is required to determine the relationship and benefits at both the local and regional levels.

- 1) CSAC supports measures to achieve reductions in GHG emissions by promoting housing/jobs proximity and transit-oriented development, and encouraging high density residential development along transit corridors. CSAC supports these strategies through

its support for SB 375 (Chapter No. 728, Statutes of 2008) and other existing smart growth policies for strategic growth. These policies support new growth that results in compact development within cities, existing unincorporated urban communities and rural towns that have the largest potential for increasing densities, and providing a variety of housing types and affordability.

- 2) CSAC supports adding safe facilities for bicycle, pedestrian, and transit use on state highways that serve as local main streets, especially in rural unincorporated communities. The state should bear the costs of constructing and maintaining these improvements rather than putting additional pressure on limited local funds or competitive grant funding.
- 3) CSAC supports a balanced transportation policy that recognizes the need to promote alternatives to driving by improving state and local roadways to add safe access for transit, bicycles and pedestrians, ~~where feasible and appropriate~~. At the same time, CSAC supports transportation investments that facilitate interregional travel and goods movement, ~~especially in parts of the state that are growing more rapidly~~.
- 4) CSAC supports continued dedicated state and federal funding for maintenance and rehabilitation of local roadways and bridges as part of a broader climate change strategy. Effective asset management can reduce the lifecycle carbon emissions associated with these facilities.
- 5) CSAC supports policies that efficiently utilize existing and new infrastructure investment and scarce resources, while considering social equity as part of community development, and strives for an improved jobs-housing balance.
- 6) CSAC supports policies intended to reduce traffic-related fatalities and injuries by promoting vehicle, pedestrian and bicycle safety; including policies allowing local governments to reduce speed limits, continued funding for projects under the Highway Safety Improvement Program, enhanced traffic safety enforcement, public education and traffic safety campaigns, and improved availability of road safety data for local agencies.
- 7) CSAC supports the protection of critical lands when it comes to development, recognizing the need to protect agricultural lands, encourage the continued operations and expansion of agricultural businesses, and protect natural resources, wildlife habitat and open space.
- 8) CSAC acknowledges that growth outside existing urban areas and growth that is non-contiguous to urban areas may be necessary to avoid the impacts on critical resource and agricultural lands that are adjacent to existing urban areas.

- 9) CSAC supports providing incentives for regional blueprints and countywide plans, outside of SB 375, to ensure that all communities have the ability to plan for more strategic growth and have equitable access to revenues available for infrastructure investment purposes. It is CSAC's intent to secure regional and countywide blueprint funding for all areas.
- 10) CSAC supports new fiscal incentives for the development of countywide plans to deal with growth, adaptation and mitigation through collaboration between a county and its cities to address housing needs, protection of resources and agricultural lands, and compatible general plans and revenue and tax sharing agreements for countywide services.
- 11) CSAC recognizes that counties and cities must strive to promote efficient development in designated urban areas in a manner that evaluates all costs associated with development on both the city and the county. Support for growth patterns that encourage urbanization to occur within cities must also result in revenue agreements that consider all revenues generated from such growth in order to reflect the service demands placed on county government. As an alternative, agreements could be entered into requiring cities to assume portions of county service delivery obligations resulting from urban growth.
- 12) While local governments individually have a role in the reduction of GHG emissions through land use decisions, CSAC continues to support regional approaches to meet the State's GHG emission reduction and climate change goals, such as efforts which build upon existing regional blueprint and transportation planning processes. CSAC continues to support regional approaches over any statewide "one size fits all" approach to addressing growth and climate change issues. Further, CSAC supports countywide approaches to strategic growth, resource and agricultural protection, targeting scarce infrastructure investments and tax sharing for countywide services.
- 13) CSAC finds it critical that state and federal assistance is provided for data and standardized methodologies for quantifying GHG emissions for determining and quantifying GHG emission sources and levels, vehicle miles traveled and other important data to assist both local governments and regional agencies in addressing climate change in environmental documents for long-range plans.

SECTION 4: ENERGY

Reducing energy consumption is an important way to reduce GHG emissions and conserve. Additionally, the capture and reuse of certain GHGs can lead to additional sources of energy. For example, methane gas emissions, a mixture of methane, carbon dioxide and various toxic organic and mercuric pollutants, from landfills and dairies have been identified as potent GHGs.

Effective collection and treatment of these gases is not only important to the reduction of GHG emissions, but can also result in an additional source of green power.

CSAC continues to support efforts to ensure that California has an adequate supply of safe and reliable energy through a combination of conservation, renewables, new generation and new transmission efforts.

Energy Efficiency

- 1) CSAC supports energy conservation and energy efficiency, along with broader use of renewable energy resources. Counties are encouraged to undertake vigorous energy action programs that are tailored to the specific needs of each county. When developing such action programs counties should:
 - (a) Assess available conservation and renewable and alternative energy options and take action to implement conservation, energy efficiency and renewable energy development when feasible;
 - (b) Consider the incorporation of energy policies as an optional element in the county general plan; and,
 - (c) Consider energy concerns when making land use decisions and encourage development patterns which result in energy efficiency.
- 2) CSAC supports incentive based green building programs that encourage the use of green building practices, incorporating energy efficiency and conservation technologies into state and local facilities. A green building is a term used to describe structures that are designed, built, renovated, operated or reused in an ecological and resource-efficient manner. Green buildings are designed to meet certain objectives using energy, water and other resources more efficiently and reducing the overall impact to the environment.
- 3) CSAC supports the state's development of green building protocols sustainable building standards, including guidelines for jails, hospitals and other such public buildings.
- 4) CSAC supports the use of grants, loans and incentives to encourage and enable counties to incorporate green building practices into their local facilities.
- 5) CSAC supports the use of procurement practices that promote the use of energy efficient products and equipment.

Methane Emissions

- 1) CSAC supports state efforts to develop a dairy digester protocol to document GHG emissions reductions from dairy farms. CSAC supports funding mechanisms that support the use of dairy digesters to capture methane gas and convert it to energy.
- 2) CSAC supports state efforts to capture methane gases from landfills, and supports development of a reasonable regulatory measure with a feasible timeline to require

landfill gas recovery systems on landfills that can support a self-sustaining collection system.

- 3) CSAC supports the development of a guidance document for landfill operators and regulators that will recommend technologies and best management practices for improving landfill design, construction, operation and closure for the purpose of reducing GHG emissions.
- 4) CSAC also supports funding mechanisms, including grants, loans and incentives to landfill operators to help implement these programs.

SECTION 5: WATER

According to the Department of Water Resources, projected increases in air temperature may lead to changes in the timing, amount and form of precipitation, changes in runoff timing and volume, sea level rise, and changes in the amount of irrigation water needed. CSAC recognizes the need for state and local programs that promote water conservation and water storage development.

CSAC recognizes that climate change has the potential to seriously impact California's water supply. CSAC continues to assert that adequate management of water supply cannot be accomplished without effective administration of both surface and ground water resources within counties, including the effective management of forestlands and watershed basins.

- 1) CSAC supports the incorporation of projections of climate change into state water planning and flood control efforts.
- 2) CSAC supports water conservation efforts, including reuse of domestic and industrial wastewater, reuse of agriculture water, groundwater recharge, and economic incentives to invest in equipment that promotes efficiency.
- 3) CSAC continues to support the study and development of alternate methods of meeting water needs such as desalinization, wastewater reclamation, watershed management, the development of additional storage, and water conservation measures.

SECTION 6: FORESTRY

With a significant percentage of California covered in forest land, counties recognize the importance of forestry in the context of climate change. Effectively managed forests have a lower probability of releasing large amounts of harmful GHG emissions into the atmosphere in the form of catastrophic wildfires. Furthermore, as a result of natural absorption, forests reduce the effects of GHG emissions and climate change by removing carbon from the air

through the process of carbon sequestration. CSAC also recognizes the benefits of biomass energy as an alternative to the burning of traditional fossil fuels, as well as the benefits of carbon sequestration through the use of wood products.

- 1) CSAC supports encouraging sustainable forestry practices through the existing regulatory process, and encouraging continued reforestation and active forest management on both public and private timberlands.
- 2) CSAC supports responsible optimum forest management practices that ensure continued carbon sequestration in the forest, provide wood fiber for biomass-based products and carbon-neutral biomass fuels, and protect the ecological values of the forest in a balanced way.
- 3) CSAC supports the state's development of general forestry protocols that encourage private landowners to participate in voluntary emission reduction programs and encourage National Forest lands to contribute to the state's climate change efforts.
- 4) It is imperative that adequate funding be provided to support the management of forest land owned and managed by the federal government in California in order to ensure the reduction of catastrophic wildfires.
- 5) CSAC supports additional research and analysis of carbon sequestration opportunities within forestry.

SECTION 7: AGRICULTURE

The potential impacts of climate change on agriculture may not only alter the types and locations of commodities produced, but also the factors influencing their production, including resource availability. Rising temperatures, changes to our water supply and soil composition all could have significant impacts on California's crop and livestock management. Additionally, agriculture is a contributor to GHG emissions in form of fuel consumption, cultivation and fertilization of soils and management of livestock manure. At the same time, agriculture has the potential to provide offsets in the form of carbon sequestration in soil and permanent crops, and the production of biomass crops for energy purposes.

- 1) CSAC supports state efforts to develop guidelines through a public process to improve and identify cost effective ~~strateiges~~ strategies for nitrous oxide emissions reductions.
- 2) CSAC continues to support incentives that will encourage agricultural water conservation and retention of lands in agricultural production.

- 3) CSAC continues to support full funding for UC Cooperative Extension given its vital role in delivering research-based information and educational programs that enhance economic vitality and the quality of life in California counties.
- 4) CSAC supports additional research and analysis of carbon sequestration opportunities within agriculture.

SECTION 8: AIR QUALITY

CSAC encourages the research and development and use of alternative, cleaner fuels. Further, air quality issues reach beyond personal vehicle use and affect diesel equipment used in development and construction for both the public and private sector.

- 1) CSAC supports state efforts to create standards and protocols for all new passenger cars and light-duty trucks that are purchased by the state and local governments that conform to the California Strategy to Reduce Petroleum Dependency. CSAC supports state efforts to revise its purchasing methodology to be consistent with the new vehicle standards.
- 2) CSAC supports efforts that will enable counties to purchase new vehicles for local fleets that conform to state purchasing standards, are fuel efficient, low emission, or use alternative fuels. CSAC supports flexibility at the local level, allowing counties to purchase fuel efficient vehicles on or off the state plan.
- 3) CSAC supports identifying a funding source for the local retrofit and replacement of county on and off road diesel powered vehicles and equipment.
- 4) CSAC opposes federal standards that supersede California's ability to adopt stricter vehicle standards.
- 5) Counties continue to assert that federal and state agencies, in cooperation with local agencies, have the ability to develop rules and regulations that implement clean air laws that are both cost-effective and operationally feasible. In addition, state and federal agencies should be encouraged to accept equivalent air quality programs, thereby allowing for flexibility in implementation without compromising air quality goals.
- 6) CSAC also recognizes the importance of the Air Pollution Control Districts (APCDs) and Air Quality Management Districts (AQMDs) to provide technical assistance and guidance to achieve the reduction of GHG emissions.
- 7) CSAC supports the development of tools and incentives to encourage patterns of product distribution and goods movement that minimize transit impacts and GHG emissions.

- 8) CSAC supports further analysis of the GHG emission contribution from goods movement through shipping channels and ports.

SECTION 9: SOLID WASTE AND RECYCLING

The consumption of materials is related to climate change because it requires energy to mine, extract, harvest, process and transport raw materials, and more energy to manufacture, transport and, after use, and dispose of products. Recycling and waste prevention can reduce GHG emissions by reducing the amount of energy needed to process materials, and reducing the amount of natural resources needed to make products.

CSAC continues to support policies and legislation that aim to promote improved markets for recyclable materials, and encourages:

- 1) The use of recycled content in products sold in California;
- 2) The creation of economic incentives for the use of recycled materials;
- 3) Development of local recycling markets to avoid increased emissions from transporting recyclables long distances to current markets;
- 4) The expansion of the Electronic Waste Recycling Act of 2003 and the Beverage Container Recycling Program;
- 5) The use of materials that are biodegradable;
- 6) Greater manufacturer responsibility and product stewardship.

SECTION 10: HEALTH

CSAC recognizes the potential impacts of land uses, transportation, housing, and climate change on human health. As administrators of planning, public works, parks, and a variety of public health services and providers of health care services, California's counties have significant health, administrative and cost concerns related to our existing and future built environment and a changing climate. Lack of properly designed active transportation facilities have made it difficult and in some cases created barriers for pedestrians and bicyclists. Lack of walkability in many communities contributes to numerous chronic health related issues, particularly obesity which is an epidemic in this country. Heat-related illnesses, air pollution, wild fire, water pollution and supply issues, mental health impact and infectious disease all relate to the health and well-being of county residents, and to the range and cost of services provided by county governments.

CSAC recognizes that there are direct human health benefits associated with improving our built environment and mitigating greenhouse gas emissions, such as lowering rates of obesity, injuries, and asthma. Counties believe that prevention, planning, research, education/training, and preparation are the keys to coping with the public health issues brought about by our built environment and climate change. Public policies related to land uses, public works, climate change and public health should be considered so as to work together to improve the public's health within the existing roles and resources of county government.

- 1) CSAC supports efforts to provide communities that are designed, built and maintained so as to promote health, safety and livability through leadership, education, and funding augmentations.
- 2) CSAC supports efforts to improve the public health and human services infrastructure to better prevent and cope with the health effects of climate change through leadership, planning and funding augmentations.
- 3) CSAC supports state funding for mandated local efforts to coordinate monitoring of heat-related illnesses and responses to heat emergencies.
- 4) CSAC supports efforts to improve emergency prediction, warning, and response systems and enhanced disease surveillance strategies.

GLOSSARY OF TERMS

Climate change

A change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability observed over comparable time periods.

United Nations Framework Convention on Climate Change

Carbon Sequestration

Carbon sequestration refers to the provision of long-term storage of carbon in the terrestrial biosphere, underground, or the oceans so that the buildup of carbon dioxide (the principal greenhouse gas) concentration in the atmosphere will reduce or slow. In some cases, this is accomplished by maintaining or enhancing natural processes; in other cases, novel techniques are developed to dispose of carbon.

US Department of Energy

Environmental Justice

Environmental Justice is the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies.

US Environmental Protection Agency

Greenhouse Gas

A gas that absorbs radiation at specific wavelengths within the spectrum of radiation (infrared radiation) emitted by the Earth's surface and by clouds. The gas in turn emits infrared radiation from a level where the temperature is colder than the surface. The net effect is a local trapping of part of the absorbed energy and a tendency to warm the planetary surface. Water vapor (H₂O), carbon dioxide (CO₂), nitrous oxide (N₂O), methane (CH₄) and ozone (O₃) are the primary greenhouse gases in the Earth's atmosphere. *United Nations Intergovernmental Panel on Climate Change*

Attachment Five

Chapter 15 – Tribal Intergovernmental Relations



The California County Platform | Chapter 15
Tribal and Intergovernmental Relations
Adopted by the CSAC Board of Directors November 2020

SECTION 1: GENERAL PRINCIPLES

CSAC supports government-to-government relations that recognize the unique roles and interests of tribes, states, and counties in protecting their mutual constituents and providing governmental services and infrastructure beneficial to all.

CSAC recognizes and respects the tribal right of self-governance to provide for tribal members and to preserve traditional tribal culture and heritage. In similar fashion, CSAC recognizes and promotes self-governance by counties as a means to provide for the health, safety, and general welfare of all residents of their communities. To that end, CSAC supports active participation by counties on issues and activities that have an impact on counties' abilities to provide for the public safety, health, and welfare of all county constituents, including tribal members.

Federal ~~and~~ ~~or~~ state law should not interfere with the provision of public health, safety, welfare, or environmental services by local government. CSAC will support legislation and regulations that preserve—and do not impair—the ability of counties to provide these services. CSAC will work to mitigate any impacts on the ability of counties to provide these critical functions and services should federal or state law or regulations propose to hamper the ability of counties to protect all residents of their communities and the environment.

Accordingly, CSAC's fundamental goals for county-tribal intergovernmental relations are to facilitate intergovernmental agreements, develop mechanisms to mitigate for the off-reservation impacts of tribal developments on local government services and the environment, and to promote best practices and models of successful tribal-county relationships. CSAC is committed to promoting and supporting the development of positive working relationships between counties and tribes to the mutual benefit of both parties and the communities they respectively serve.

SECTION 2: FEDERAL ACKNOWLEDGMENT

Due to the potential interaction between Federal Acknowledgement, Restoration, and Reaffirmation decisions and the Indian Gaming Regulatory Act (IGRA), as well as the potential for such decisions to impact the services provided by counties, CSAC recommends that federal law or policy include the following steps in the acknowledgement process:

- 1) CSAC supports requirements for the Bureau of Indian Affairs to solicit input from and convene consultation meetings with local governments, including counties, concerning

acknowledgment petitions, at the earliest opportunity. Counties have government-to-government relationships with tribes affecting a variety of important interests, including child welfare, gaming, environmental protection, and mitigation of off-reservation impacts created by on-reservation development, including gaming in particular.

- 2) CSAC supports requirements for Bureau of Indian Affairs consultation with counties prior to authorizing re-petition by a previously denied petitioner.
- 3) CSAC recognizes that newly acknowledged tribes are a clear exception under section 20 of IGRA. Although it is separate from the acknowledgement process, CSAC supports a stringent and transparent fee to trust process with significant input from all stakeholders considered regarding “initial” reservation lands.

SECTION 3: FEDERAL TRIBAL LANDS POLICY/DEVELOPMENT ON TRIBAL LAND

The overriding principle supported by CSAC is that when tribes are permitted to engage in gaming activities under federal law, then the state should negotiate in good faith with tribes to secure gaming compacts that require judicially enforceable mitigation agreements between counties and tribal governments. These agreements should fully mitigate local impacts from a tribal government’s gaming activities and fully identify the governmental services to be provided by the county to that tribe.

Additionally, when tribes seek to acquire additional trust land, subsequent tribal development projects, which may not have otherwise been consistent with local land use regulations, could have impacts to off-reservation local government services and the environment. As such, federal law and regulations should incentivize intergovernmental agreements between counties and tribes to address the impacts of non-gaming development projects on proposed trust lands. Such agreements could also establish a process to identify and mitigate off-reservation impacts of future projects not envisioned or described in a fee-to-trust application.

CSAC believes that existing law fails to address the off-reservation impacts of tribal land development. The following provisions would address this issue while emphasizing that counties and tribal governments need to each carry out their governmental responsibilities in a manner that respects the governmental responsibilities of the other.

- 1) CSAC supports federal legislation that gives counties an effective voice in the decision-making process for taking lands into trust for a tribe and furthers the overriding principle discussed above.
- 2) CSAC supports federal legislation and regulations to provide that lands are not to be placed into trust and removed from the land use jurisdiction of local governments

without adequate and timely notice and opportunity for consultation and the consent of the State and the affected county.

- 3) CSAC supports federal legislation and regulations which ensure that material changes in the use of trust land, particularly from non-gaming to gaming purposes, shall require separate approval and environmental review by the Department of the Interior.
- 4) CSAC reiterates its support of the need for enforceable agreements between tribes and local governments concerning the mitigation of off-reservation impacts of development on tribal land. CSAC opposes any federal or state limitation on the ability of tribes, counties and other local governments to reach mutually acceptable and enforceable agreements, including any federal prohibitions on deed restrictions mutually agreed to by tribal and local governments.
- 5) CSAC supports legislation or policy to incentivize intergovernmental agreements between counties and Tribes concerning an application to acquire additional trust lands. Agreements should include provisions related to environmental review and mitigation measures for off-reservation impacts of projects planned at the time of the acquisition, as well as future, projects that would represent a material change in land use from the projects envisioned and described by a fee-to-trust application.
- 6) CSAC supports Bureau of Indian Affairs standards and regulations requiring justification of the need and purpose for acquisition of additional trust lands. CSAC also supports a lower threshold for acquisition of trust land that will be restricted to only non-gaming or non-intensive economic purposes, including development of housing for tribal members, and religious, cultural, and governmental uses for tribes that lack sufficient trust lands for these purposes.
- 7) CSAC opposes the practice commonly referred to as “reservation shopping” where a tribe seeks to place land into trust outside its aboriginal territory over the objection of the affected county.
- 8) CSAC will support federal legislation that addresses “reservation shopping” or consolidations in a manner that is consistent with existing CSAC policies, particularly the requirements of consent from Governors and local governments and the creation of judicially enforceable local agreements.
- 9) CSAC supports the use by a tribe of non-tribal land for economic development purposes. CSAC recognizes that existing law requires tribes to fully comply with state and local laws and regulations applicable to development projects, including environmental laws, health and safety laws, and mitigation of environmental impacts on the affected community.

- 10) In recognition of the unique relationship between tribal governments and the federal government, CSAC will support changes in federal law that further the ability of counties to enforce compliance with all environmental, health and safety laws. CSAC opposes legislation to authorize the Secretary of the Interior to take land into trust for tribes that were not under federal jurisdiction in 1934 unless it includes additional reforms that ensure a meaningful role for counties in the fee-to-trust process and includes standards requiring justification of the need and purpose for acquisition of additional trust lands.
- 11) Class II bingo-style video gaming devices have similar off-reservation impacts to the environment and local government services as those of class III devices. CSAC supports requiring tribes that operate such machines to work with local governments to mitigate all impacts caused by such businesses. This would require an amendment to the Indian Gaming Regulatory Act.

SECTION 4: INTERGOVERNMENTAL RELATIONS

The relationships between tribes and counties are not limited to gaming and issues related to development on tribal lands. Counties and tribes have shared interests in promoting economic development and self-sufficiency for their overlapping constituencies, promoting the general health, safety, and well-being of the entire community, and protecting natural resources.

- 1) CSAC supports policy to encourage and incentivize collaboration between counties and tribes on state and federal grant applications and other funding sources.
- 2) CSAC supports policies, including such as the recently-created tribal nations grant fund, which will devote a portion of tribal gaming revenues to provide equitable opportunities for economic development for tribes and tribal members that do not participate in gaming.

SECTION 5: TRIBAL-STATE GAMING COMPACTS

CSAC recognizes that Indian Gaming in California is governed by a unique structure that combines federal, state, and tribal law.

While the impacts of Indian gaming fall primarily on local communities and governments, Indian policy is largely directed and controlled at the federal level by Congress.

The Indian Gaming Regulatory Act of 1988 (IGRA) is the federal statute that governs Indian gaming. IGRA requires compacts between states and tribes to govern the conduct and scope of casino-style gambling by tribes. Those compacts may allocate jurisdiction between tribes and the state.

While subsequent compacts provide a better framework to promote effective intergovernmental relationships between counties and tribes that seek to develop a casino and supporting facilities, CSAC believes that the 1999 Compacts fail to adequately address these impacts and/or to provide meaningful and enforceable mechanisms to prevent or mitigate impacts. Negotiations between Governor Brown and tribes resulted in new and extended compacts that address many issues with the original 1999 agreements, as have compacts **recently** negotiated by Governor Newsom.

The overriding purpose of the principles presented below is to harmonize existing policies that promote tribal self-reliance with policies that promote fairness and equity and that protect the health, safety, environment, and general welfare of all residents of the State of California and the United States. Towards that end, CSAC urges the State to consider the following principles when it negotiates or renegotiates Tribal-State Compacts:

- 1) Compacts should require a tribal government operating a casino or other related businesses to analyze and mitigate all off-reservation impacts caused by that business through the development of tribal environmental impact reports. In order to ensure consistent regulation, public participation, and maximum environmental protection, Tribes will promulgate and publish environmental protection laws that have standards for environmental analysis and mitigation that are at least as stringent as state and federal environmental laws, including the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA) with judicial review in the California courts.
- 2) Compacts should require tribes to meet and negotiate **judicially enforceable** mitigation agreements with local jurisdictions prior to the construction of new or expanded gaming facilities.
- 3) Compacts should include robust mechanisms for mitigation of the impacts on local government services of casino developments that pre-exist the date of the compact. The compacts should consider the differences between tribes with very small pre-existing casinos and those that are permitted to operate larger facilities.
- 4) Compacts should impose binding “baseball style” arbitration on the tribe and county if the parties cannot agree on the terms of a **mutually beneficial** enforceable agreement related to mitigation of the impacts of a new or expanded casino or related project.
- 5) Compacts should provide a process to determine whether tribal environmental impact reports provide analysis and mitigation measures consistent with what NEPA and CEQA standards would require and provide adequate information to fully assess the impacts of a project. ~~To In order to~~ properly address the impacts of a project, this process should occur prior to negotiation of an intergovernmental agreement between a tribe and local government, and therefore prior to construction of a new facility or an expansion of an existing facility.

- 6) The compact should require a tribal government constructing or expanding a casino or other related business that impacts off-reservation land to seek review and approval of the local jurisdiction to construct off-reservation improvements consistent with state law and local ordinances, including CEQA with the tribal government acting as the lead agency and with judicial review in the California courts.
- 7) The compact should require counties and tribes to negotiate local agreements as to the applicability of local and state regulations concerning health and safety issues, including, but not limited to, water service, sewer service, fire inspection and protection, rescue/ambulance service, and food inspection.
- 8) A Tribal Government operating a casino or other casino-related businesses will pay to the local jurisdiction the Tribe's fair share of appropriate costs for local government services. These services include, but are not limited to, water, sewer, fire inspection and protection, rescue/ambulance, food inspection, health and social services, the full range of public safety functions, roads, transit, flood control, and other public infrastructure. Means of reimbursement for these services include, but are not limited to, in lieu payments equivalent to property tax, sales tax, transient occupancy tax, benefit assessments, appropriate fees for services, development fees, impacts fees, and other similar payments.
- 9) To address socioeconomic impacts and other impacts of casinos that are not easily quantifiable, in addition to direct mitigation offsets, the Compact shall provide for an appropriate percentage of Net Win to go to the affected county to address in-direct impacts.
- 10) The Indian Gaming Special Distribution Fund (SDF) has not been sufficiently funded, ~~nor~~ ~~has it been and is~~ inadequate to serve as the exclusive source of casino mitigation funding for many counties. If the SDF is retained in new and amended compacts, it should serve as an additional mechanism to ensure that counties are guaranteed funds to mitigate off-reservation impacts caused by tribal gaming. Special Distribution Funds should be provided directly to the Indian Gaming Community Benefit Committee in each county that receives this funding. The SDF program should be amended to provide greater reliability of local government funding, as well as increased flexibility in the use of mitigation funding to reasonably address casino impacts.
- 11) The Governor should establish and follow appropriate criteria to guide the discretion of the Governor and the Legislature when considering whether to consent to tribal gaming on lands acquired in trust after October 17, 1988, and governed by IGRA (25 U.S.C § 2719). The Governor's Administration should also establish and follow appropriate criteria/guidelines to guide his/her participation in future compact negotiations.

- 12) Compacts should be specific to a particular tribal casino location rather than pertaining to a potential casino in an indeterminate location.

SECTION 6: SACRED SITES

California's ever-increasing population and urbanization threatens places of religious and social significance to California's Native American tribes.

In the spirit of government-to-government relationships, local governments and tribal governments should work cooperatively to ensure sacred sites are protected at the earliest possible time, without undue delay to the development process, and ideally well before environmental review for a specific development project begins.

- 1) Local governments should consult with tribal governments when adopting or amending general plans to ensure that long-range development plans do not interfere with efforts to preserve and/or mitigate impacts to Native American historical, cultural, or sacred sites.
- 2) Local governments should also consult with tribes during the review of individual development projects to avoid and mitigate impacts to tribal cultural resources.
- 3) The state should provide counties with technical and financial assistance in identifying tribes whose cultural resources may be affected by a plan or project, and in determining how to mitigate or avoid impacts to these resources.
- 4) In the spirit of government-to-government collaboration, tribes should also consult with counties on the off-reservation impacts of projects proposed on tribal lands early in the development process.

GLOSSARY OF TERMS

Fee Simple (Fee Land)

Land ownership status in which the owner, for instance a tribal government, holds title to and control of the property. The owner may make decisions about land use or sell the land without federal government oversight.

Fee-to-Trust Conversion

When fee simple lands are converted to trust status and title is transferred to the federal government. Tribes or individual Indians can initiate the process on fee lands they already own or lands they acquire.

Indian Gaming Regulatory Act (IGRA) of 1988

The United States Congress passed IGRA and President Reagan signed it into law on October 17, 1988. The Act established a statutory framework for tribal government gaming operations and regulation. Among others, the Act defines three classes of gaming and requires negotiation of a Tribal-State gaming compact before an Indian tribe can conduct Class III (casino style) gaming on their lands.

Tribal Gaming

A business enterprise of a tribe. Tribal governments initiated gaming on reservations to create jobs and generate revenue for tribal government operations, programs and services and to create/sustain an economy on reservations.

Tribal-State Gaming Compact

IGRA requires states to negotiate in good faith with Indian tribes that seek to enter into Tribal-State compacts to conduct Class III gaming on Indian lands. Class III gaming includes slot machines and banked card games. Although the content of these compacts vary from state-to-state and from tribe-to-tribe, the Act specifies that these agreements cover two primary issues: 1) the scope of gaming that is to be conducted at the tribal gaming facility, and 2) a system of regulation for the gaming activity on Indian lands. In California, the Tribal-State gaming compact provides for revenue sharing with tribes that have little or no gaming, funding and mitigation agreements for local governments to assist in addressing the impacts of tribal gaming, and the Tribal Labor Relations Ordinance, which prescribes a process for collective bargaining.

Trust Land

Land owned either by an individual Indian or a tribe, the title to which is held in trust by the federal government. Most trust land is within reservation boundaries, but trust land can also be off-reservation, or outside the boundaries of an Indian reservation.

Attachment Six
2022 Year in Review and 2023 Work Plan



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Graham Knaus

November 16, 2022

To: Housing, Land Use, and Transportation Policy Committee

From: Mark Neuburger, Legislative Representative
Kristina Gallagher, Legislative Analyst

Re: **2022 Year in Review and 2023 Work Plan – ACTION ITEM**

The following memo includes a summary of key highlights from the work of the Housing, Land Use and Transportation Policy Committee in 2022 and draft 2023 priorities for the Committee's consideration.

Housing, Land Use and Transportation Policy Committee 2022 Year in Review

CSAC took a leading role engaging in various housing, land use and transportation discussions in the Capitol in 2022. Over the course of the year, the Legislature and the Administration focused on great deal of issues facing Californians surrounding homelessness and affordable housing, including reaching a deal on two major bills - AB 2011 by Assemblymember Buffy Wicks (D-Oakland) and SB 6 by Senator Anna Caballero (D-Merced), which take different approaches to increase the state's housing supply as outlined in *attachments eight and nine*. The two bills were passed as a part of a broad package of housing bills signed by the Governor on September 28th that seek to streamline the housing approval process in hopes to tackle California's housing crisis.

The final budget builds on General Fund allocations proposed for housing and infrastructure in the Governor's January budget proposal with a \$2 billion multiyear package of affordable housing and homeownership investments.

Although the 2021-22 Legislative Session saw a substantial budget surplus, the Department of Finance monthly cash report showed that revenues were \$2.7 billion below the 2022-23 Budget Act forecast. In addition, the Legislative Analyst's Office (LAO) Multiyear Budget Outlook predicts a likely budget shortfall in the out-years. It is still premature to conclude that there will be a certain budget shortfall in the next fiscal year, but LAO reports that there are economic indicators that suggest a heightened risk of recession within two years.

The 2023-24 Legislative session will convene on December 5, 2022 for an Organizational Session when the Legislature will swear-in Legislators and elect Leadership.

Key highlights from the second year of the 2021-2022 Legislative Session include:

I. Infrastructure Investments

CSAC was successful in advocating for much needed funding for infrastructure projects this year. The 2022-23 state budget plan made a massive multi-year commitment to the state's infrastructure in transportation, housing, broadband, energy and zero emission vehicles, including planned investments in the subsequent three fiscal years and provided \$47 billion for infrastructure investments – a very robust and ambitious state infrastructure budget which will create jobs and prepare the state's economy better for future challenges.

I. Infrastructure Investment and Jobs Act (IIJA) Implementation

CSAC staff were also key stakeholders in the California Department of Transportation's (CalTrans) working group that developed a balanced Infrastructure Investment and Jobs Act (IIJA) funding distribution formula, resulting in a fair resolution (Resolution G-22-49) which created a formula that splits total funding 60 percent for state programs and 40 percent for regional/local programs for Federal Fiscal Year 2022.

CSAC was particularly supportive of the agreed-to proposed investments in local bridge repair and replacement, local road safety and active transportation projects, and flexible regional funding needed to meet multiple transportation priorities, including reductions in greenhouse gas emissions from the transportation sector.

II. Housing, Transportation, Permitting Legislative Advocacy

The Housing, Land Use and Transportation team tracked over 150 pieces of legislation in 2022 and took active positions on over 45 bills. CSAC has been a key stakeholder in deliberations around housing, land use and transportation legislation.

CSAC was heavily involved in working on a variety of policy bills that will give local governments more flexibility, including sponsoring AB 1932 by Assemblymember Tom Daly (D-Anaheim) that extends the sunset date in existing law which allows counties to enter into construction manager at risk contracts (known as CMAR contracts).

CSAC successfully lobbied to have counties removed from the provisions of SB 361 (Umberg). In its final form, the bill would have required the City of Anaheim to comply with additional state review and transparency requirements prior to disposing of surplus land. CSAC dropped its opposition to this bill and became neutral. Originally, SB 361 would have made significant changes to the Surplus Lands Act. The bill would have essentially given the Department of Housing and Community Development veto power over the disposition of surplus lands. Specifically, the bill would have prohibited local agencies from proceeding with disposal of property if the department of Housing and Community Development (HCD) issued a notice of violation (NOV). The bill ultimately died.

CSAC also supported legislation that seeks to promote the development of affordable housing, such as SCA 2 (Allen), which will ask California voters to repeal Article 34 of the California Constitution, which requires development, construction, or acquisition of publicly funded low-rent housing projects to be approved by a majority of voters in a city or county. Repealing Article 34 eliminates this discriminatory provision from the California Constitution and removes an electoral hurdle for counties that seek to fund affordable homes in their jurisdictions. CSAC supported SCA 2, which has been placed on the 2024 statewide ballot.

Attachment seven includes a comprehensive overview of the bills CSAC engaged on, including detailed information on our key requests for amendments and each bill's final outcome.

2023 Housing, Land Use and Transportation Policy Committee Priorities

As the issues counties face continue, many of the policy responses to these challenges have implications for other policy areas. For example, legislative approaches to address housing affordability and availability frequently implicate legislative decisions meant to address the climate impact of the state's transportation system. CSAC staff will continue to look for opportunities to work with the legislature to develop reasonable policy solutions that minimize conflict with other policy areas.

The following section of the memo summarizes a draft of major priorities for the work of the Housing, Land Use, and Transportation Policy Committee in the first year of the 2023-2024 legislative session.

- I. **Available, Accessible & Affordable Housing:** The need for increased production of permanent housing in the state continues to be an issue of great importance. Addressing California's housing production challenges is also now broadly recognized as an important component of the state's efforts to address the rising

rates of homeless and housing vulnerable families and individuals. In recent years, the state has created a variety of programs and allocated funding to improve the housing availability and affordability. Unfortunately, many of these programs have narrow eligibility standards and often have a cumbersome administrative process for counties to access and administer. CSAC will continue efforts to find reasonable modifications to these programs and address state efforts that hinder housing production, as well as additional resources to assist counties in their efforts to address the housing challenges they face.

II. Transforming Transportation: The Committee’s priorities for 2021 and 2022 included specific goals to investigate the impact that automated vehicles and the state’s goal of phasing-out the sale of most gas-powered vehicles by 2035 will have on the transportation system. During this time, the pace of change in the transportation technology has continued to accelerate while the state has adopted laws and regulations that seek to address the impact that the transportation system has on greenhouse gas emissions. However, many of these policies have created conflicting requirements that have prevented county ability to operate the existing transportation system and plan for needed improvements. A proactive policy and regulatory strategy that provides input from counties on their current challenges and successes is critical to adjusting state transportation policy to address challenges in a way that is feasible for counties.

III. Protect and Advance County Flexibility in Delivering Public Works Projects: CSAC will work to protect and advance local flexibility in the delivery of public works projects. Existing project delivery authority must be extended, and the reasonable adoption of innovative project delivery methods are needed to ensure counties have the contracting flexibility they need to deliver public works projects efficiently and quickly.

Attachment Seven
2022 HLT Legislative Advocacy Outcomes

**Housing, Land Use and Transportation
2022 Legislative Advocacy Outcomes
November 16, 2022**

Bill Summary	CSAC Position	Final Outcome
<i>Housing and Land Use</i>		
<p>AB 916 (Salas) Zoning: bedroom addition. The bill would prohibit a city or county legislative body from adopting or enforcing an ordinance requiring a public hearing as a condition of reconfiguring existing space to increase the bedroom count within an existing dwelling unit.</p>	<p>CSAC initially held an oppose position on this measure but removed opposition to it after the bill was substantially amended to remove any height increases to ADUs in the bill.</p>	<p>AB 916 was signed by the Governor.</p>
<p>AB 1932 (Daly) Public contracts: construction manager at-risk construction contracts. The bill extends the sunset date in existing law which allows counties to enter into construction manager at risk contracts (known as CMAR contracts). The CMAR method is a much more efficient and flexible procurement method rather than the traditional Design-Bid-Build method. In short, the CMAR method allows for early construction manager input during the design process, allowing for a quicker and more cost-effective way to build certain public works projects. Current law contained a sunset date of January 1st, 2023. This bill allows counties to continue using this method until January 1, 2029.</p>	<p>CSAC was the sponsor and requested the Governor's signature on this bill.</p>	<p>AB 1932 was signed by the Governor.</p>
<p>AB 2234 (Rivas) Planning and zoning: housing: postentitlement phase permits. This bill establishes time limits for approval and requires online permitting of postentitlement permits. Specifically, this bill requires local agencies to complete review, either return in writing a full set of comments to the applicant with a comprehensive request for revisions or return the approved permit application, and electronically notify the applicant of its determination within 30 business days of the application being complete for housing development projects with 25 units or fewer; or 60 business days of the application being complete for housing development projects with 26 units or more. The bill also requires a local agency to establish a digital permitting system if the local agency meets a specific population threshold.</p>	<p>CSAC requested a veto on AB 2234. CSAC had also joined a broad coalition of organizations and held an oppose unless amended position on this bill.</p>	<p>AB 2234 was signed by the Governor.</p>

<p>SB 361 (Umberg) Surplus land: City of Anaheim. The bill would have required the City of Anaheim to discuss a Notice of Violation of the Surplus Land Act (SLA) issued by the Department of Housing and Community Development (HCD) at a properly noticed public session prior to taking final action to ratify or approve the disposal of land subject to the notice.</p>	<p>CSAC initially held an oppose unless amended position on this measure but removed opposition after the bill was amended. Originally, the bill would have made significant changes to the Surplus Lands Act. The bill would have essentially given the Department of Housing and Community Development veto power over the disposition of surplus lands. Specifically, the bill would have prohibited local agencies from proceeding with disposal of property if the department of Housing and Community Development (HCD) issues a notice of violation (NOV).</p>	<p>The bill was not taken up on the Assembly Floor and was placed on the inactive file. The bill is now dead.</p>
<p>SB 897 (Wieckowski) Accessory dwelling units: junior accessory dwelling units. This bill increases the height maximum of ADU's from 16 to 18 feet for parcels with an existing multistory building or 20 feet for a multifamily or single-family parcel located within a half mile of transit. This bill also adds a provision which sets a minimum height requirement of 25 feet for ADUs that are attached to a primary single-family residence.</p>	<p>CSAC requested a veto on this measure.</p>	<p>The Governor signed this bill.</p>
<p>SB 948 (Becker) Housing finance programs: development reserves. This bill replaces individual project transition reserves for the development of affordable housing to a pooled reserve model, as specified, operated by the Department of Housing and Community Development (HCD). Specifically, the bill creates the Pooled Transition Reserve Fund to be operated by HCD and will continuously appropriate funding into that fund for the purpose of maintaining a pooled transition reserve to mitigate the impacts on tenant rents from the loss or exhaustion of rental or operating subsidies. SB 948 also authorizes HCD to charge a fee to a development that receives qualified project rental or operating subsidies at the time of permanent loan closing, to be deposited into the fund.</p>	<p>CSAC was in support and requested the Governor's signature on this bill.</p>	<p>The Governor signed this bill.</p>

<p>SB 1449 (Caballero) Office of Planning and Research: grant program: annexation of unincorporated areas. The bill would have required the Governor's Office of Planning and Research (OPR) to establish, upon appropriation by the Legislature, the Unincorporated Area Annexation Incentive Program (Program), authorizing the OPR to issue a grant to a city for the purpose of funding infrastructure projects related to the proposed or completed annexation of a substantially surrounded unincorporated area, subject to approval by the director after the city submits an application containing specified information. The bill would have required the OPR to match, on a dollar-for-dollar basis, any dollar contribution a city makes toward a project funded by the program, subject to a maximum funding threshold as determined by the director. The bill would have required the OPR to develop guidelines, and consult with various local representatives including counties, to prepare those guidelines, for purposes of implementing the program, and would have provided that the guidelines would not be subject to the rulemaking requirements of the Administrative Procedure Act.</p>	<p>CSAC was in support of this measure.</p>	<p>SB 1449 was vetoed by the Governor on September 28th. The veto message can be found here.</p>
<p>SCA 2 (Allen) Public housing projects. SCA 2 repeals Article 34 of the California Constitution, which requires development, construction, or acquisition of publicly-funded low-rent housing projects to be approved by a majority of voters in a city or county. Repealing Article 34 eliminates this discriminatory provision from the California Constitution and removes an electoral hurdle for counties that seek to fund affordable homes in their jurisdictions. SCA 2 will ask California voters to remove a limitation on local government's ability to financially support affordable homes, while maintaining strict voter approval requirements for new taxes or general obligation bonds.</p>	<p>CSAC was in support of this measure.</p>	<p>SCA 2 was chaptered on September 13th and has been placed on the 2024 state ballot. Since SCA 2 was a Senate Constitutional Amendment, it did not need to be signed by the Governor in order to be chaptered and be placed on the ballot.</p>

Transportation

[AB 2120 \(Ward\)](#) Transportation finance:

federal funding: bridges. The bill would have ensured a fair and needs-based allocation of bridge formula funding from the federal Infrastructure Investment and Jobs Act (IIJA) and would have invested billions of dollars over the next few years in repairing and replacing local bridges in communities across the state to address critical safety issues and deferred maintenance.

CSAC was the [sponsor](#) of this bill.

The bill was held on the Assembly Appropriations Committee Suspense File.

[AB 2438 \(Friedman\)](#) Transportation funding:

guidelines and plans. This bill would have required various state transportation programs to incorporate strategies from the Climate Action Plan for Transportation Infrastructure (CAPTI) into program guidelines. It would have also required various state agencies to establish new transparency and accountability guidelines for certain transportation funding programs, as specified.

CSAC [dropped its opposition](#) to the bill and became neutral after the bill was amended to explicitly listed the California State Transportation Agency, California Transportation Commission, and California Department of Transportation programs that are the subject of the bill and remove the language that would have made the bill applicable to an open-ended list of programs. The amendments also clarified that this bill only would have applied to the competitive component of the Local Partnership Program.

The bill was vetoed by the Governor. A veto message can be found [here](#).

[AB 2514 \(Dahle\)](#) State Highway System

Management Plan: underserved rural. This bill would have directed the California Department of Transportation (Caltrans) to include a comprehensive evaluation of transportation in rural counties as part of its State Highway System Management Plan, which includes a 10-year state highway rehabilitation plan and a 5-year maintenance plan that is submitted to the California Transportation Commission (CTC) every two years, during an odd-numbered year, and is then transmitted to the Governor and the Legislature during that same odd-numbered year.

CSAC was in [support](#) of this measure.

The bill was vetoed by the Governor. A veto message can be found [here](#).

<p>AB 2953 (Salas) Department of Transportation and local agencies: streets and highways: recycled materials. This bill, beginning January 1, 2024, requires local agencies, as defined, to apply standard specifications for the use of recycled materials in streets and highways that are at or above the level allowed in the Department of Transportation (Caltrans) specifications, to the extent feasible and cost effective.</p>	<p>CSAC worked with the author’s office on amendments that removed the provision using annual average revenues for determining which local jurisdictions would be exempt from adopting the standards set forth by AB 2953, but rather use population, one hundred thousand (100,000) for counties and twenty-five thousand (25,000) for cities to determine which local jurisdictions would be exempted from using the updated standards. Furthermore, these amendments addressed the significant cost pressures on local jurisdictions as highlighted in the governor’s veto message of AB 1035 (2021). Special districts are also exempt from the provisions of the bill. CSAC removed its opposition and went neutral on this bill.</p>	<p>The Governor signed this bill.</p>
<p>SB 922 (Wiener) California Environmental Quality Act: exemptions: transportation-related projects. The bill exempts various types of qualifying transportation projects that are vital to meeting California’s transportation greenhouse gas emissions reduction goals from review under the California Environmental Quality Act (CEQA). Importantly for California’s counties, who are responsible for transportation facilities in unincorporated communities that range from highly urban to very rural, this bill expands a tailored set of exemptions offered under existing law to apply to transportation projects in both rural and urban communities. Specifically, this bill expands CEQA exemptions for specified transit, bicycle, and pedestrian projects, and extends these exemptions from 2023 to 2030.</p>	<p>CSAC was in support of this measure.</p>	<p>The Governor signed this bill.</p>

<p>SB 932 (Portantino) General plans: circulation element: bicycle and pedestrian plans and traffic calming plans. This bill requires every city and county to develop and implement bicycle plans, pedestrian plans, and traffic calming plans upon a substantive revision of the circulation element.</p>	<p>CSAC initially held an oppose unless amended position on this measure but removed its opposition after negotiated amendments were taken. Originally, the bill would have exposed many local governments to a new legal liability that was likely to result in significant litigation costs to defend and settle. As agreed, the proposed amendments removed the language on the private right of action, and made clarifying and technical amendments to include specific principles included in the Federal Highway Administration’s Safe System Approach; ensured goals and implementation are subject to local conditions and funding; incorporated specific projects in implementation plans rather than the General Plan; and removed inapplicable references to the Transportation Agency’s Zero Traffic Fatalities Task Force Report, the State Local partnership Program, the Surface Transportation Block Grant, and the Congestion Mitigation and Air Quality Improvement Program.</p>	<p>The Governor signed this bill.</p>
<p>SB 1121 (Gonzalez) State and local transportation system: needs assessment. The bill requires the California Transportation Commission (CTC), in consultation with the California Transportation Agency (CalSTA) and the California Department of Transportation (Caltrans), to prepare a needs assessment of the cost to operate, maintain and provide for the necessary future growth of the state and local transportation system. The needs assessment required by SB 1121 would provide important information necessary to identify anticipated revenue to cover the cost of the needs identified, along with information on funding shortfalls and how those gaps should be addressed. The bill requires the CTC to submit an interim needs assessment to the Legislature on or before January 1, 2024, and a complete needs assessment on or before January 1, 2025, and every five years thereafter, as specified.</p>	<p>CSAC held a support position on this measure. Needs assessments can be a helpful tool in clarifying and identifying transportation goals, identifying tradeoffs (for instance, the fundamental tradeoff between capital improvements or expansion and system preservation) and encouraging alignment across agencies and programs.</p>	<p>The Governor signed this bill.</p>

Attachment Eight

Overview of SB 6, AB 2011, and AB 2668 and How they Relate to SB 35
(Wiener) Chapter 366, Statutes of 2017



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Graham Knaus

November 16, 2022

To: Housing, Land Use, and Transportation Policy Committee

From: Mark Neuburger, Legislative Representative
Kristina Gallagher, Legislative Analyst

Re: **Overview of SB 6 (Caballero), AB 2011 (Wicks), and AB 2668 (Grayson) and How they Relate to SB 35 (Wiener) Chapter 366, Statutes of 2017**

The following memo includes a summary of three key housing bills that were signed as a part of the Governor's "California to Build More Housing, Faster" Housing Package signed on September 28, 2022, and how they either amend or relate to SB 35 (Wiener) Chapter 366, Statutes of 2017.

SB 35 (Wiener) of 2017: In 2017, SB 35 created a streamlined approval process for infill projects with two or more residential units in localities that have failed to produce sufficient housing to meet their regional housing needs allocation.

To access the streamlined process, a developer has to demonstrate that the development meets a number of requirements including that the development includes a percentage of affordable housing units, meets specified labor standards, is not on an environmentally sensitive site, and would not result in the demolition of housing that has been rented out in the last ten years.

Localities are required to provide written documentation to the developer who fails to meet the specifications for streamlined approval, within a specified period of time. If the locality does not meet those deadlines, the development is deemed to satisfy the requirements for streamlined approval and must be approved by right.

Existing law requires the California Department of Housing and Community Development (HCD) to determine when a locality is subject to the streamlining and ministerial approval process in SB 35 (Wiener) based on the number of units issued building permits, as reported in the annual production report local governments submit each year as part of compliance with their housing elements. This determination occurs at the halfway and at the end of the eight-year housing element planning period. If HCD determines that a local government has not permitted enough units to meet its above moderate- and its lower income regional housing needs, a development must dedicate 10 percent of the units to lower income in the development to receive streamlined, ministerial approval. If the jurisdiction has permitted its share of above moderate-income housing but not its share of the lower income housing,

then developments must dedicate 50 percent of the units for lower income households to have access to streamlining.

SB 35 Projects: There is currently no reliable data available on the utilization of SB 35 since its implementation in 2018. However, anecdotal evidence suggests that developers have found it to be an effective tool for facilitating the development of projects for which at least 50 percent of the units are affordable to lower income households. By contrast, evidence also suggest that developers have not widely utilized SB 35 for market-rate housing projects for which less than 50 percent of the units are affordable to lower income households. One possible explanation is that HCD has determined that SB 35 currently does not apply to such market-rate housing in many cities in expensive coastal markets, where projects could absorb the additional costs associated with this process. Another possible explanation is that the labor standards required for market-rate projects utilizing SB 35 are too difficult to meet.

Since adoption of SB 35, the legislature has passed several bills to provide further clarity and address areas of contention. This includes AB 831 (Grayson), Chapter 194, Statutes of 2020, which added a process for projects to be modified after their approval and AB 1174 (Grayson), Chapter 160, Statutes of 2021, which further refined the modification process and process for subsequent permits.

AB 2668 (Grayson) of 2022: This bill makes a series of technical and clarifying changes to SB 35 and further amends it by removing perceived ambiguities in the law regarding the application process and the local review process. It would also provide additional pathways for development on sites known to have contained hazardous waste, by expanding the entities authorized to determine that the site is suitable for development to include specified local agencies, and to provide an alternative process for development on sites where the hazard is a leak of petroleum hydrocarbons. According to the author of the bill, this change reflects a comprehensive evaluation by the State Water Board of tank closure policy and criteria, in which it concluded that petroleum hydrocarbons present low risks after emission because they can naturally degrade quickly, depending on soil conditions.

Specifically, AB 2668 revises SB 35 to:

- Make explicit that a local government is required to approve a development if it determines that the development is consistent with SB 35's criteria (a proposition that has always been implicit in the law, since SB 35 creates a "ministerial" duty for a city to grant a permit, as confirmed in case law).
- Confirms that the minimum percentage of total units that a development must dedicate for lower-income housing is calculated before calculating any density bonus. SB 35 projects are entitled to use the State Density Bonus Law (*The State Density Bonus Law allows developers to increase density, access concessions to*

reduce development costs, waive development standards and reduce parking in exchange for providing affordable housing.)

- Provides opportunities to use SB 35 on a hazardous waste site, if the local agency has otherwise determined that the site is suitable for residential use or residential mixed uses or the site is an underground storage tank site and has received a uniform closure letter based on criteria established by the State Water Resources Control Board, as specified.
- Confirms that a city cannot find a project inconsistent with applicable standards on the grounds that application materials were not included, as long as the application contains substantial evidence that would allow a reasonable person to conclude that the development is consistent with the objective planning standards.
- Confirms that although SB 35 has a process to allow additional "design review" or "public oversight" over the ministerial application, a locality still must provide written documentation of any applicable standards with which the project conflicts within the applicable deadline calculated from application submittal (60 days for projects with 150 or fewer homes; 90 days for projects with more than 150 homes).

SB 6 (Caballero) of 2022: This bill allows residential development on property zoned for retail and office space without needing a rezoning, and allows project applicants to invoke the Housing Accountability Act (HAA) to limit local discretion to deny or condition approval.

The bill would ease a barrier to building housing in commercial sites by authorizing a development project that is at least 50 percent residential to be an allowable use within a zone where office, retail, or parking are a principally permitted use, but leave in place many of the other forums for local government input on housing projects.

To take advantage of the rezoning benefit, developers must commit to both a prevailing wage *and* use a skilled and trained workforce, which means a portion of the workforce must be union labor. SB 6 does state that if developers don't get at least two bids on a project, they can move forward with it if they pay union-level wages. The bill was amended to cut down its original 15% affordability requirement to zero and would allow a local government to impose affordability requirements if they would like. It has fewer site exclusions than AB 2011, so it is likely to be used most frequently in lower-cost areas of the state and on sites where AB 2011 is not available.

SB 6 amends SB 35 (Wiener), to allow projects that meet the criteria of this bill to utilize the provisions of SB 35. *Specifically, as follows:*

- *Authorizes a development to be eligible for SB 35 (Weiner) streamlined approval if:*
 - i) *The site is zoned for office or retail commercial use; and*

ii) The site has had no commercial tenants on 50% or more of its total usable net interior square footage for a period of at least three years prior to the submission of the application.

- *Provides that a project on a parcel that meets the criteria of the provisions of the bill that authorize the development project that is at least 50% residential to be an allowable use within a zone where office, retail, or parking are a principally permitted use if it complies with other provisions of the bill, must be deemed by the local agency consistent with objective zoning standards, objective design standards, and objective subdivision standards if the project is consistent with the provisions of this bill and if none of the square footage in the project is designated for hotel, motel, bed and breakfast inn, or other transient lodging use, except for a residential hotel.*

AB 2011 (Wicks) of 2022: This bill provides a streamlined ministerial approval pathway, *comparable* to SB 35 of 2017, for qualifying multifamily projects on commercial zoned land that pay prevailing wages and meet specified affordable housing targets. The goal of AB 2011 is to unlock significant affordable and mixed-income housing development potential in existing commercial zones.

Specifically, it would more narrowly target infill building along heavily transited commercial corridors. Under AB 2011, a developer would get to build housing “by-right” which means skipping local review processes, as well as the California Environmental Quality Act (CEQA) process if they paid workers union-level wages and offered health care benefits, among other requirements.

Besides labor standards, the main difference between AB 2011 and SB 6 is affordability. Under AB 2011, at least 15% of housing units in a building built by-right would need to be deed-restricted affordable, either for purchase or rental to low-income households. Alternatively, 8% of units would need to be affordable to very low-income households, and 5% would be affordable to extremely low-income households. Under a third option, 100% of units would be affordable.

Specifically:

The bill creates two primary pathways to qualify for its protections: (i) 100% affordable projects located on a commercially zoned site, or (ii) mixed-income projects located along a “commercial corridor,” meaning a street with a right of way width between 70 and 150 feet. The affordability requirements applicable to mixed-income projects are:

- *Rental: (i) 8% very low income and 5% extremely low income, or (ii) 15% low income; and*

- *For-sale: (i) 30% moderate income, or (ii) 15% low income.*

Eligibility is further limited by numerous site and project criteria requiring careful review - similar to the existing SB 35 ministerial streamlining site requirements, which must be reviewed on a site-specific basis to determine whether a project would potentially qualify for the bill's protections.

AB 2011 and SB 6 have their own detailed process for establishing permissible density and other applicable development standards for residential development on sites where commercial zoning applies. Ultimately, the two laws create three total potential pathways for development standards.

Note: Although AB 2011 is similar to SB 35, it does not amend the bill.

Background on SB 6 and AB 2011:

SB 6 (Caballero) had the support of the state Building and Construction Trades Council, while AB 2011 (Wicks) had support from affordable housing developers and the state's Conference of Carpenters. On August 25th, Senate and Assembly Leadership stated that they have reached a deal with both of the two key labor groups. They opted to give developers two choices of two different pieces of law to comply with if they want to build housing where strip malls once were – (AB 2011: stricter affordability standards or SB 6 - stricter labor standards.)

The issue surrounded around the shortage of at least 100,000 construction workers to build the millions of homes needed in result of California's housing crisis. The affordable housing developers, the state's carpenters union and the largest unions representing teachers and health care workers supported AB 2011 (Wicks), while the opposition came from the Building and Construction Trades Council (Trades) and the California Labor Federation.

The groups disagreed on how to grow the labor pool. The Trades were pushing for language that would require a portion of the workforce for these projects to be graduates of an apprenticeship program, which effectively meant union members. The Carpenters stated that only a small fraction of homebuilders are unionized, and instead of waiting years for that pool to grow, legislation should require higher wages, health benefits and tools to enforce existing labor law.

Furthermore, the unions were opposed to a bill that would not require a "skilled and trained workforce," which meant that at least a third of the workers who can build housing on rezoned land must be graduates of apprenticeship programs. Many saw this as requiring union labor, since unions run most of the state's apprenticeships.

NOTE: both laws take effect on July 1, 2023 – not in January 2023, as is the case for most new laws – and would remain in effect for 10 years, sunseting in 2033 unless extended.

Sources:

[California Legislature Creates Pathways for Residential Development on Commercially Zoned Land | Insights | Holland & Knight \(hklaw.com\)](#)

<https://calmatters.org/housing/2022/08/california-housing-crisis-labor-deal/>

[2022 Housing Legislation Overview – Major Pending Bills on the Governor’s Desk - Coblentz Law](#)

Attachment Nine
AB 2011 vs. SB 6 – Chart

	AB 2011		SB 6
	100% Affordable Housing Development in Commercial Zones	Mixed-Income Housing Along Commercial Corridors	
Project Approval Pathway	<ul style="list-style-type: none"> Ministerial, CEQA-exempt approval for qualifying projects within 90 days (for projects with ≤ 150 homes) or 180 days (for projects with > 150 homes). Local government is required to identify any inconsistency with qualifying criteria within 60 days (≤ 150 homes) or 90 days (> 150 homes); otherwise development is deemed to comply with standards. Local government may conduct design review, but it must occur within a limited timeframe and only be based on objective standards. Local government may adopt an ordinance to implement AB 2011, the adoption of which is exempt from CEQA. 		<ul style="list-style-type: none"> No new ministerial approval pathway. Housing project may invoke HAA and SB 35, notwithstanding non-compliance with zoning prohibiting residential use, if project meets all other criteria for those statutes. Local government may adopt an ordinance to implement SB 6, the adoption of which is exempt from CEQA.
Below Market Rate Unit Requirements¹	<ul style="list-style-type: none"> 100% (excluding manager's units) for lower-income (rental or for-sale) households. Deed restriction for 55 years (rental) or 45 years (owner-occupied) 	<ul style="list-style-type: none"> <u>Rental</u>: <ul style="list-style-type: none"> 8% very low income + 5% extremely low income, <u>or</u> 15% lower income <u>Owner-occupied</u>: <ul style="list-style-type: none"> 30% moderate income, <u>or</u> 15% low income Locally adopted inclusionary requirements apply if more stringent BMR homes must be "equitably distributed," have same bedroom/bathroom count ratios and same quality appliances, fixtures and finishes as market rate units. Deed restriction for 55 years (rental) or 45 years (owner-occupied). 	<ul style="list-style-type: none"> None (but local inclusionary requirements may apply).
Labor Requirements	<ul style="list-style-type: none"> Prevailing wage required. A project with more than 50 units (rental or for sale) must also require contractors who employ construction craft employees or let subcontracts for at least 1,000 hours to participate in an apprenticeship program and make specified health care contributions. 		<ul style="list-style-type: none"> Prevailing wage required. "Skilled and trained workforce" required, <u>unless</u>, after specified bidding process, less than two prequalified contractors promising to use "skilled and trained workforce" bid on contract.
Location, Site and Project Criteria	<ul style="list-style-type: none"> Zone where office, retail, or parking are a principally permitted use. Proposed project must be "multifamily" (≥ five homes for sale or rent). Urbanized area or urban cluster. At least 75% of the site adjoins parcels developed with urban uses. Not on a site or adjoined to a site where more than 1/3 of the square footage is dedicated to industrial use. For a vacant site, site does not contain tribal cultural resources and is not within a very high fire severity zone. Satisfies SB 35 eligibility criteria in Govt. Code Section 65913.4(a)(6)(B)-(K) (farmland, wetlands, conservation/species habitat areas are excluded; fire hazard zones, hazardous waste sites, earthquake fault zones and flood areas are subject to specified restrictions). For sites within a neighborhood plan (i.e. specific plan, area plan, precise plan, urban village plan or master plan), the neighborhood plan must either allow multifamily housing development on the site as of Jan. 1, 2022 or, by Jan. 1, 2024, allow for multifamily development on the site via an adopted plan and environmental review. Not on site governed by mobile home/recreational vehicle (RV) laws or the Special Occupancy Parks Act. No housing within 500 feet of a freeway. No housing within 3,200 feet of active oil or gas refinery. The development proponent must complete a phase I environmental assessment and mitigate as necessary. Notice to commercial tenants, and prescribed relocation assistance to certain qualifying independently owned commercial tenants, is required. 		<ul style="list-style-type: none"> Zone where office, retail or parking are a principally permitted use. Project site is 20 acres or less. In urban area and is not on a site or adjoined to any site where more than 1/3 of the square footage on the site is dedicated to industrial use. Development must be a "housing development project" that includes residential units only or a mixed-use project with at least 50% of the square footage dedicated to residential use. Development must be consistent with any applicable and approved sustainable community strategy or alternative plan. Notice to commercial tenants, and prescribed relocation assistance to certain qualifying independently owned commercial tenants, is required.

<p>Additional Criteria Applicable to Mixed-Income Housing Along Commercial Corridors</p>		<ul style="list-style-type: none"> • The project site abuts a commercial corridor and has a frontage along the commercial corridor of a minimum of 50 feet. • The site is not greater than 20 acres. • The development is not located on a site that would require the demolition of certain types of housing or an historic structure, or a site where a prior residential use was demolished within the last 10 years, or a site zoned for housing but not multifamily residential use. • Notice to commercial tenants, and prescribed relocation assistance to certain qualifying independently owned commercial tenants, is required. 	
<p>Development Standards</p>	<ul style="list-style-type: none"> • The residential density must meet or exceed the density deemed appropriate to accommodate housing for lower income households in that jurisdiction (generally 30 dwelling units per acre (du/acre) in metropolitan counties, 20 du/acre in suburban jurisdictions, 10-15 du/acre otherwise). • Development must meet objective standards for the existing zoning designation for the parcel if existing zoning allows multifamily residential use or otherwise must meet the standards of the zoning designation for the closest parcel that allows residential use at a density that meets the applicable requirements. • A development shall be deemed consistent with the objective zoning standards related to housing density if the density proposed is compliant with the maximum density allowed within that land use designation, notwithstanding any specified maximum unit allocation that may result in fewer units of housing being permitted. 	<ul style="list-style-type: none"> • The residential density is determined by statutory provisions based on factors, including whether the jurisdiction is metropolitan or not, the local government's zoning, site size and proximity to major transit. Potential densities range from 20 du/acre to 80 du/acre. • Development must meet applicable objective standards for the closest zone in the city that allows multifamily residential use at the residential density allowed under AB 2011, or if no such zone exists, those for the zone that allows the greatest density within the city. The applicable objective standards may include a requirement that up to 1/2 of the ground floor of the project be dedicated to retail use (and this requirement cannot be removed pursuant to a concession or incentive under the Density Bonus Law). • Height limits, setback and stepback standards are also prescribed in detailed statutory standards dependent on whether the site is on a commercial corridor, within one-half mile of a major transit stop and based on adjacent uses. Potential height limits from 35 to 65 feet. • No automobile parking required (except requirements for electric vehicle (EV) installed parking spaces or accessible parking spaces remain). 	<ul style="list-style-type: none"> • The density must meet or exceed the applicable density deemed appropriate to accommodate housing for lower income households in that jurisdiction pursuant to housing element law (generally 30 du/acre in metropolitan counties, 20 du/acre in suburban jurisdictions, 10-15 du/acre otherwise) • The development shall be subject to local zoning, parking, design, and other ordinances, local code requirements and procedures applicable to the processing and permitting of a housing development in a zone that allows for the housing with the density allowed by SB 6. • The development must be consistent with all other objective local requirements for a parcel, other than those that prohibit residential use, or allow residential use at a lower density than provided for lower income households pursuant to housing element law, including impact fee requirements.

Attachment Ten
Overview - Avanzando San Ysidro Community Land Trust



Avanzando San Ysidro Community Land Trust

Casa Familiar envisions the creation of Avanzando San Ysidro Community Land Trust (CLT) with an innovative initial project that would be the first of its kind in California, and possibly nationally. The project would be constructed as 100 rental units across three sites, financed through Low Income Housing Tax Credits (LIHTC). It would then be converted to ownership, or co-op shares, after the 15-year tax credit compliance period. Residents would purchase their 1, 2 or 3 bedroom unit, or co-op share, for the cost of debt remaining on it. Families earning 30-50% of area median income are the main focus of this project because that is the greatest need in the neighborhood. This transition to ownership will create stable housing options that are currently not in reach for most of San Ysidro's neighbors and will directly contribute to building generational wealth.

A community land trust (CLT) is an anti-displacement strategy to help remove land from the speculative real estate market. The CLT land is legally separated from the housing and amenities (improvements) on it, and held in trust. All improvements on the CLT are governed by a board of resident stakeholders, and a ground lease, that dictate the terms of sales and rents to keep them affordable (fig 1). This allows for the initial investments and subsidy to remain in the project while market prices continue to rise (fig 2). The goal is to ensure permanent affordability, and create long-lasting community control of the land.

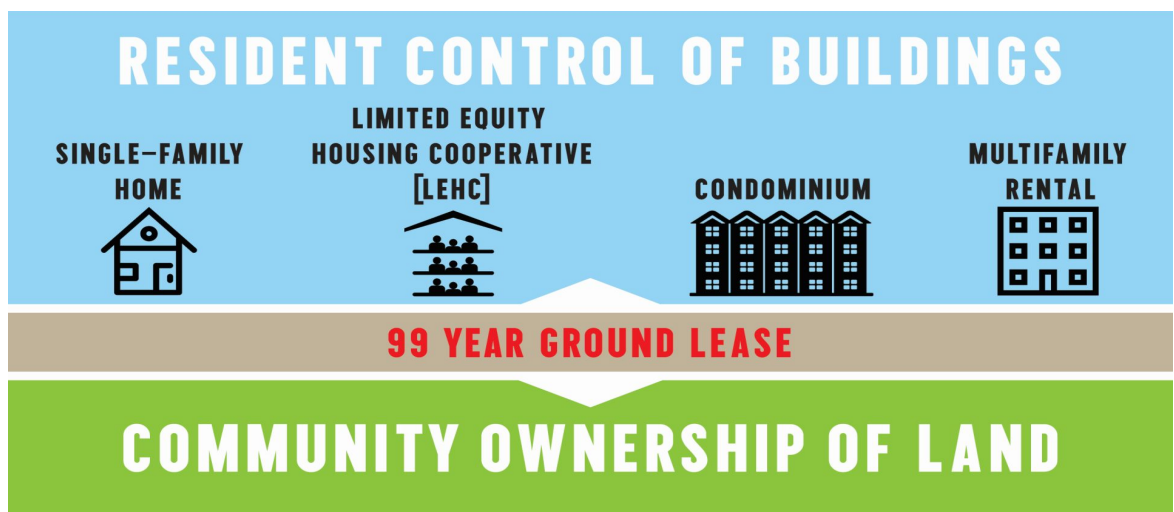


fig 1

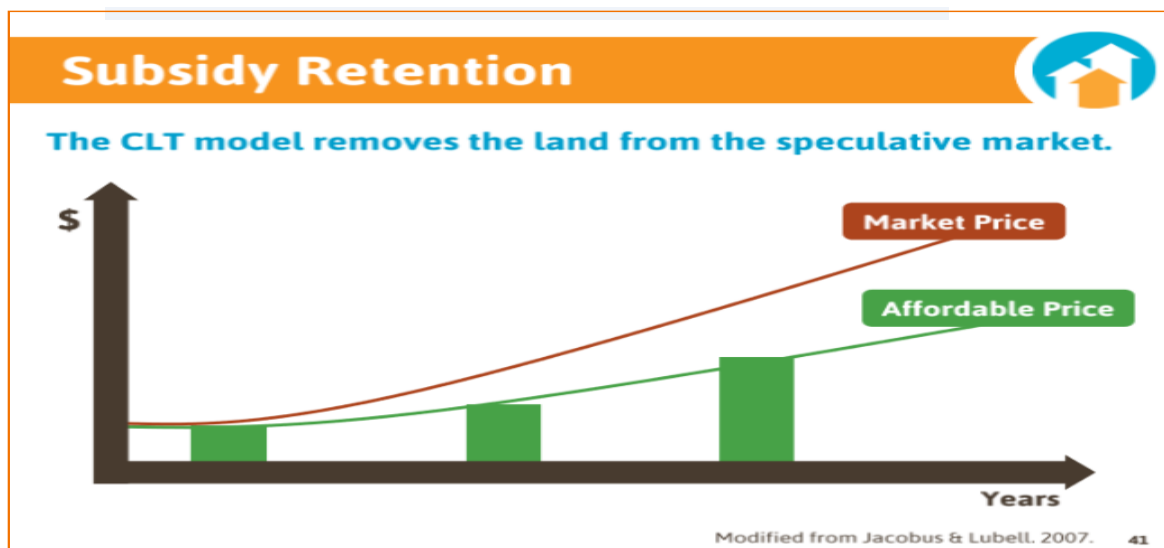


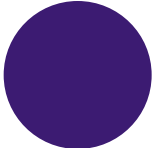
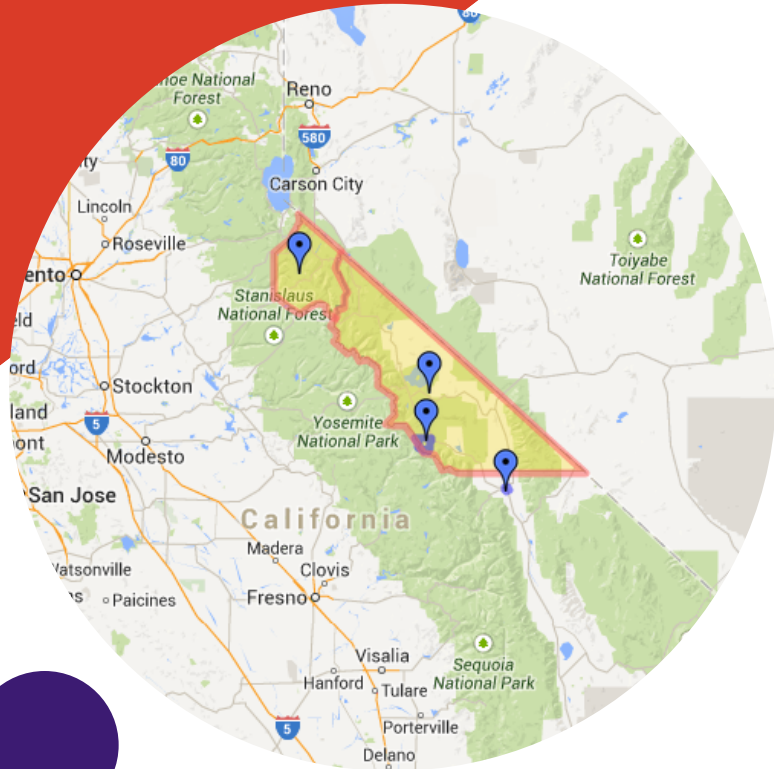
fig 2

Attachment Eleven

Mammoth Lakes Housing 2021-22 Impact Summary



Serving the rural counties of Inyo, Mono, & Alpine in the Eastern Sierra region of California



about us

Mammoth Lakes Housing, Inc. is an independent 501(c)3 nonprofit organization providing housing programs and projects to a service area of more than 14,000 square miles and a diverse population of more than 33,000 residents.

Our rural service area encompasses unique topography and includes national monuments and parks, forests, deserts, ski areas, and more.



Grant Management

We partner with jurisdictions on State & Federal grants for housing projects and program delivery.



Developer Resource

We provide local resources and knowledge to private housing developers.



Community Services

We deliver front-line services to the residents of our communities.



We support community housing for a viable economy and sustainable community.



2021-22 Impact Summary

\$14.5M

Grants awarded for housing projects and programs

\$70k

Private fundraising dollars for housing projects

\$582k

Admin funds from regional partners to grow staff capacity

108

New or preserved housing units in the region

100%

Growth in staff capacity from 2 to 4 employees

1

Remote legal aid station installed at our office

Attachment Twelve

UCLA - California Local Option Sales Taxes for Transportation During the
Pandemic

California Local Option Sales Taxes for Transportation During the Pandemic

Natalie Amberg, Graduate Student Researcher; Hannah King, Graduate Student Researcher; Jacob L. Wasserman, Research Project Manager
UCLA Institute of Transportation Studies

Brian D. Taylor, Ph.D., FAICP, Professor of Urban Planning and Public Policy, UCLA
Luskin School of Public Affairs and Director, UCLA Institute of Transportation Studies

Martin Wachs, Ph.D., FAICP, Distinguished Professor Emeritus of Urban Planning, UCLA
Luskin School of Public Affairs

October 2021

Issue

Local option sales taxes (LOSTs) approved by voters have emerged over the past several decades as a method of funding transportation projects. LOSTs have been especially popular in California, where many counties rely on them to fund a large share of street, highway, public transit, and other transportation projects, as the buying power of federal fuel taxes and some other transportation revenues has waned. These voter-approved tax measures generally outline specific projects to be funded, but if these projects exceed their projected costs or if tax collections fall below predicted levels, some of these projects may be delayed or canceled. LOSTs thus inherently come with a degree of uncertainty tied to broader economic forces, including the supply of and demand for taxable goods and services.

The COVID-19 pandemic in California provides a vivid and timely example of the link between sales tax revenues and characteristics of regional economies. This study identifies factors associated with LOST revenue generation during the pandemic. We find that LOST revenues fell sharply, but recovered quickly statewide. Wealthier counties tended to recover LOST revenues more slowly than poorer counties.

Key Research Findings

Despite initially dire predictions and fluctuations within the pandemic, LOSTs proved resilient. While LOST revenues in all

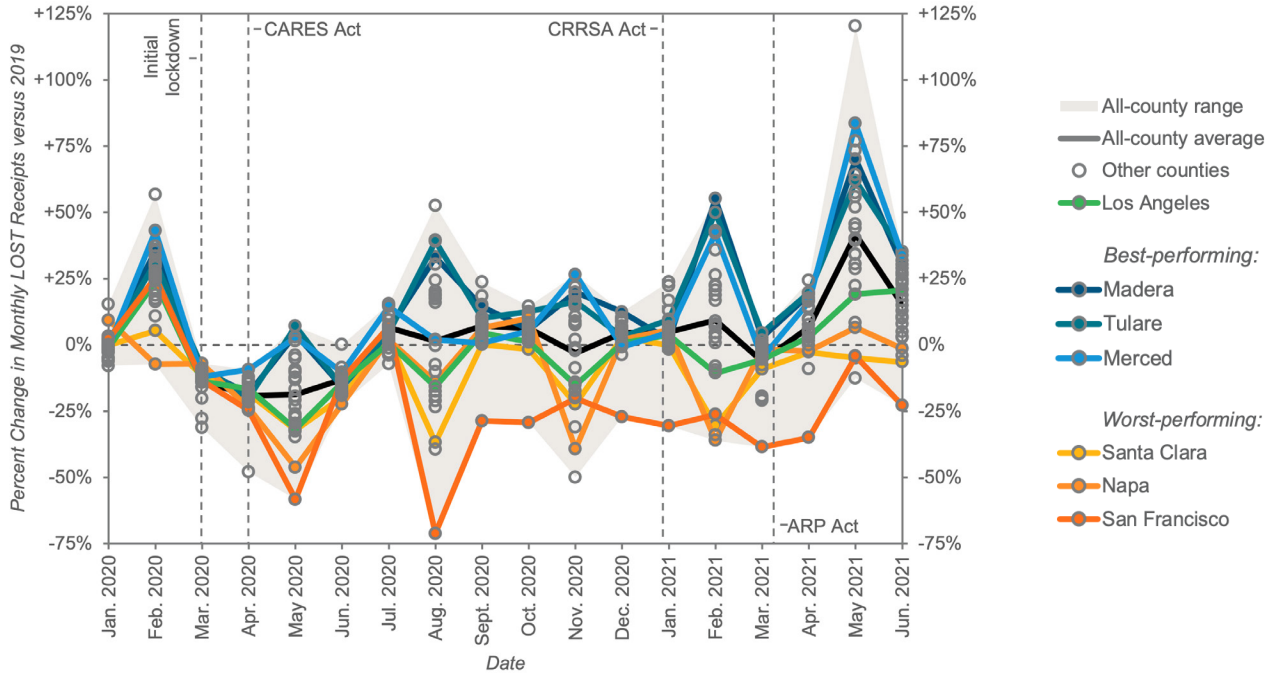
counties declined in the initial stages of the pandemic, revenue decreases were not as large as some analysts first predicted. County LOST receipts fell between 5% and 35% from 2019 to 2020 (Figure 1).

Revenues largely increased after the pandemic's initial months, albeit with significant variation across counties. LOSTs generally fared worse in higher-income counties and better in more rural counties. There was little relationship between LOST revenues and the degree of public health restrictions on business operations and gatherings, after the state implemented a county-level tiered system of restrictions.

The overall strength of the local economy and the share of employment in some sectors were correlated with variations in LOST revenues across counties. As unemployment rose, LOST receipts fell, and the reverse also held true. Counties with heavy employment in certain sectors, particularly in information and professional services, also tended to lose more revenue than other counties.

Many transportation budgets overall fared better during the pandemic than LOSTs, due to emergency federal support. While revenue sources like fares and tolls reported losses, federal stimulus spending boosted many transportation budgets. Public transit operators in California's counties with LOSTs received \$9.5 billion in federal stimulus funds from the three federal COVID-19 relief bills.

Figure 1: Changes in LOST Receipts Compared to the Same Month in 2019



Conclusion

- The federal support for individuals, employers, and transportation operators during the pandemic surpassed that issued during the Great Recession. This support helped maintain LOST receipts (as consumers kept spending) and broader transportation budgets (with increased federal funding).
- LOST revenues are sensitive to the strength and structure of the local economy. The pandemic demonstrated the need to incorporate both local conditions and uncertainty into transportation revenue projections.
- Despite their pandemic losses — or because of their pandemic resilience — LOSTs are likely to continue to proliferate.

- The pandemic reinforced that LOSTs can reliably provide revenues but did not change the fact that, unlike road-use charges such as fuel taxes and congestion pricing, they do not send price signals about the social costs of travel that can improve traffic flows and encourage more sustainable travel. LOSTs are thus not a tool for managing transportation systems, merely one for funding them.

More Information

This policy brief is drawn from the “All Is Not LOST: Tracking California’s Local Option Sales Tax Revenues for Transportation during the Pandemic” research report by the UCLA Institute of Transportation Studies. The full report can be found at www.its.ucla.edu/project/impacts-to-state-and-local-transportation-revenue.

Further Sources:

CDTFA (2021). Monthly Payments to Special Districts from the Transactions (Sales) and Use Tax. *California Department of Tax and Fee Administration*. <https://www.cdtfa.ca.gov/dataportal/dataset.htm?url=MonthlyLocalAllocationSpecialDistrict>.

UCLA ITS (2021). California Local Option Sales Tax Measures 1976-2020. *USC Initiative and Referendum Institute*. <http://www.iandrinstute.org/data.cfm>.

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Project ID UC-ITS-2021-18 | DOI: 10.17610/T6902M

Attachment Thirteen

Department of Transportation California Road Charge – Fact Sheet



About Road Charge

As California makes progress toward our ambitious clean air goals, many Californians are switching to more fuel-efficient vehicles, so they buy less gasoline and pay less gas tax. This not only means less funding to maintain our transportation system but also places more of the burden of funding road repairs and maintenance on low- and middle-income families that can't afford to purchase a new car.

California needs a fairer, more transparent, and more sustainable way to fund our roads. That's the reason the state is exploring replacing the gas tax with a road charge, an alternative funding mechanism that allows drivers to support road and highway maintenance based on how many miles they drive, instead of how many gallons of gas they buy.

About the Public/Private Roads Project

Could a road charge system create a simpler way to distinguish between public and private roads for travelers? Currently, when a driver is on a private road, they are still paying the gas tax even though no public money goes to the maintenance of that road. The Public/Private Roads Project will test the ability of current GPS technology to differentiate when a car is driving on a public versus a private road, giving them a more accurate tax payment, while protecting the user's privacy.

With the pilot scheduled to launch in March 2023, we are actively recruiting rural and tribal community members in California to take part in a pilot to experience a road charge system firsthand and help the state better understand their communities' priorities in a potential road charge system. Participants will be compensated up to \$250 for their involvement.

How you can help

The Public/Private Roads Project is the first in the nation specifically designed to focused on engaging rural and tribal communities to understand their concerns and priorities for a road charge system.

We want the voices of rural populations at the table.

As rural county representatives, you are uniquely positioned to connect us to the community members we should be engaging as part of this project. We want to know of the community groups, stakeholders, organizations and government organizations we should be speaking to in order to recruit participants from all walks of rural life. Who do you want us to connect with in your community?

If you have ways you would like us to connect with your county, please reach out!

► **Lauren Prehoda**
California Department of Transportation
Road Charge Program
lauren.prehoda@dot.ca.gov