



Fact Sheet on SB 375

Senate Bill (SB) 375, authored by Senate President Pro Tem Darrell Steinberg, was signed into law on September 30, 2008. SB 375 is the most ambitious attempt by any state in the country to forge a closer link between transportation investments and land use decisions. The bill integrates planning processes that are currently disjointed for transportation, land use, and housing, with the goal of reducing the amount that people have to drive, along with associated GHG emissions. The major provisions of this lengthy and complicated bill are listed below.

1. Creates regional targets for GHG emissions reductions from cars and light trucks.

By September 30, 2010, the California Air Resources Board (ARB) must give each of California's 18 Metropolitan Planning Organizations (MPOs) targets for GHG reduction from cars and light trucks for 2020 and 2035. A Regional Targets Advisory Committee has prepared a report on the methodology and factors that ARB will consider in setting the targets and monitoring compliance.

2. Requires regional planning agencies to create a land use and transportation plan to meet the GHG targets.

As part of the Regional Transportation Plan (RTP) updates that are conducted every four or five years, each MPO must prepare a Sustainable Communities Strategy (SCS) that meets GHG targets, "if there is a feasible way to do so." The primary variables that make up the RTP are 25-year forecasts for land use, alternative transportation investment scenarios, and transportation prices and policies.

- Transportation models are to be updated and used that take into account the effects of land use and public transportation service on VMT.
- While SB 375 anticipates that regional growth projections will support reduced GHG emissions, federal regulations for RTPs require MPOs to "utilize most recent planning [land use] assumptions, considering local general plans and other factors." This may limit how aggressive MPOs can be in creating an SCS with much more compact land use forecasts than they previously had. Still, cities and regions can predict that by 2020 and 2035 general plans and zoning codes will be different from current practices. General plans and zoning codes drive the SCS; assumptions in the SCS do not supersede local codes or authority over land use in any way.
- RTPs will still be financially constrained, meaning that MPOs can only plan to use existing sources of funds, or new sources they could reasonably assume would come into being during the 25-year period. If MPOs were given more authority by the state and federal government to raise revenue and implement pricing mechanisms, it would make it easier to meet ambitious targets.
- An additional financial constraint is that MPOs often assume a huge number of investments are already "committed" and can not be changed under any of the alternative scenarios. This often includes projects that only have a small fraction of needed funding but that were included in a sales tax or other ballot measure. However, regions can change their definitions of "committed" so that scenarios can be more varied (and potentially effective).
- Transportation policies that reduce demand on the system – whether through financial incentives to use alternatives, employee flex-time to reduce commuting, road pricing, or other measures – could also be considered. Many of these measures are expected to be highly effective. In the San Francisco Bay Area Metropolitan Transportation Commission's recent RTP analysis, transportation pricing was shown to significantly reduce driving.
- The SCS will be a component of the Regional Transportation Plan. Therefore, transportation investments in the RTP must be consistent with the SCS. (The law creates exceptions for some existing projects.)

3. If the plan does not meet the targets, an “Alternative Planning Strategy” must be developed. If MPO modeling shows that the SCS will not meet the region’s GHG targets, the MPO must prepare an Alternative Planning Strategy (APS) that does meet the targets.

- The APS is a separate document from the RTP, and it could include land use forecasts that are not necessarily realistic “current planning assumptions.” It would also look at infrastructure or pricing mechanisms that the MPO does not have the current resources, authority, or ability to implement. Essentially, it is supposed to be a step-by-step guide to what investments, policies, or changes in land uses it would take to meet the target.
- The transportation investments in the RTP do not have to be consistent with those in the APS, but they still must be consistent with an SCS, even if that SCS has not met the targets.

4. Reforms the Regional Housing Needs Allocations (RHNA) and Housing Element law to match regional planning processes.

- The RHNA will be based on the SCS, which means cities that have significant public transportation and potential for infill development are likely to have greater housing responsibilities.
- Each region must also plan to provide enough housing to match all anticipated job growth (i.e., no more exporting housing for local workers to other regions). They must also plan for homes affordable to each economic bracket.
- The RHNA cycle will be extended to 8 years to match every other RTP cycle (most are 4 years).

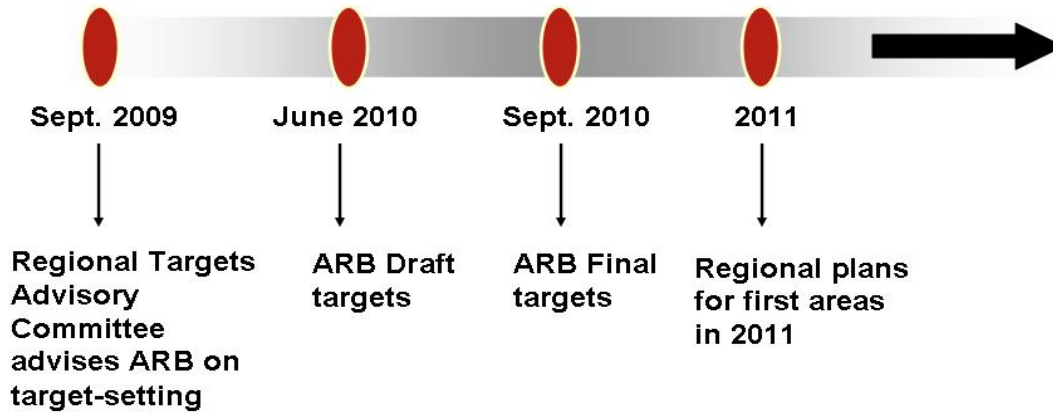
5. Requires each city to change the Housing Element of its General Plan to show how it will be able to meet its allocation of housing for residents of different income levels.

- Housing Elements will be due 18 months after the SCS is adopted. Jurisdictions must then re-zone sites within three years of Housing Element adoption.
- If a jurisdiction does not re-zone, developers can propose projects for those sites at densities that would have been needed to fulfill the housing element.

6. Makes new California Environmental Quality Act (CEQA) exemptions and streamlining for certain projects consistent with a regional plan that meets the targets. These CEQA exemptions apply to projects that are consistent with either an approved SCS or, if the SCS does not meet its targets, an approved APS.

- The most basic type of exemption is for projects consistent with SCS or APS land-use forecasts that are residential or mixed-use projects (at least 75 percent residential). These do not have to:
 - Analyze GHG emissions for cars and light trucks;
 - Analyze growth-inducing cumulative impact on the regional road network;
 - Analyze lower density alternatives;
 - For projects that fall into the category of “Transit Priority Projects,” there are three potential types of CEQA streamlining. To qualify as one of these projects the development must be built for at least 50 percent residential use, have a minimum net density of 20 units per acre, be located within ½ mile of a rail stop, a ferry terminal, or a bus line with 15-minute frequencies, and not be surrounded by seas of parking.
 - Total CEQA exemption is possible for projects that are no bigger than eight acres or 200 units, and that meet a number of other provisions.
 - A short form analysis may be used by some.
 - If there are pre-established traffic mitigations for the area, the project must only do those mitigations.

SB 375 Timeline



SB 375 ACRONYMS

AB 32	The Global Warming Solutions Act of 2006
APS	Alternative Planning Strategy
Caltrans	California Department of Transportation
CARB	California Air Resources Board
CEQA	California Environmental Quality Act
CTC	California Transportation Commissions
COG	Council of Government
EIR	Environmental Impact Report
GHG	Greenhouse Gas
HCD	California Housing and Community Development Department
MPO	Metropolitan Planning Organization
RHNA	Regional Housing Needs Allocation
RTAC	Regional Targets Advisory Committee
RTP	Regional Transportation Plan
SCS	Sustainable Communities Strategy
TPP	Transit Priority Project

