

October 10, 2022

Mayor Bobbie Singh-Allen, Board Chair
Sacramento Transportation Authority
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Dear Chair Singh-Allen:

Local and regional governments have an important role to play as we jointly work to build a future with cleaner air, a safer climate, and wider transportation choices. To help support this work, California Air Resources Board (CARB) staff regularly track major local efforts and have reviewed the *Sacramento County Transportation Maintenance, Safety, and Congestion Relief Act of 2022—Retail Transactions and Use Tax*¹ (Measure A) put forth by the non-governmental Committee for a Better Sacramento. We understand that if approved by voters, the measure would assess a half-cent (0.5%) retail transaction and use tax on some retail purchases in Sacramento County, raising billions of dollars that would be dedicated to transportation projects in the county, and direct the Sacramento Transportation Agency (STA) to plan, construct, operate, and maintain them.

We write to share information regarding the impacts that several projects slated for funding under this measure, and the project portfolio as a whole, will have on climate change and air quality. As an oversight agency, including for the Senate Bill 375 program (Steinberg, Stats. 2008, ch. 728), and based on CARB staff's analysis of the measure, we need to make you aware that if Measure A is approved, the region may face serious compliance challenges with State emissions reductions requirements.

The combined set of projects included in this \$8.5 billion measure would be inconsistent with the statewide effort to lessen the impacts of climate change. The projects would create a substantial increase in vehicle miles traveled (VMT) and greenhouse gas (GHG) emissions in the Sacramento region, by expanding roadways and by potentially increasing development outside of the region's existing development footprint, notwithstanding mitigation efforts.²

¹ Available at: https://movesac.org/wp-content/uploads/2022/02/Sacramento_County_Transportation_Maintenance_Safety_and_Congestion.pdf.

² See SACOG review and analysis of the proposed citizens' transportation tax initiative in Sacramento County, available at <https://sacog.primegov.com/Portal/Meeting?meetingTemplateId=3074>. According to this study,

Transportation sales tax measures such as this measure require significant investment by residents. If designed well, a sales tax measure offers the opportunity to dramatically improve a region's travel choices for all residents and promote a growth pattern that improves access to affordable homes in locations that are convenient to jobs, services, and other opportunities.

More specifically, Measure A would provide public funding for highway-centered projects that would increase VMT from passenger vehicles and therefore GHG emissions that would harm County and California residents and California's commitments to climate and equity. As noted in the measure's "Expenditure Plan," the measure proposes to fund many roadway capacity expansion projects, including multiple new highway interchanges, segments of the Capital Southeast Connector highway, and segments of Bradshaw Road and Watt Avenue in Sacramento County, among others. Likewise, at least five of the seven Caltrans District 3 projects funded by the measure will create additional travel lanes and interchange capacity additions.

These projects are not in SACOG's 2020 Metropolitan Transportation Plan/Sustainable Communities Strategy (2020 MTP/SCS),³ which describes the region's planned land use and development patterns and strategies to meet the region's GHG reduction targets for passenger vehicles. CARB is charged with confirming for the public and for State and federal funding agencies that the region's MTP/SCS is consistent with State climate commitments under SB 375. As you know, the State has many funding opportunities to support transportation options under an approved MTP/SCS. Without an approved MTP/SCS, State funding options for transportation projects can be imperiled.

While often promoted as congestion relief, road expansions do not fix congestion. They induce vehicle travel, and hence more traffic, by facilitating dispersed land use and development patterns and by altering people's transportation mode choices.⁴ This in turn raises vehicle miles traveled (VMT) and GHG emissions while leaving final congestion levels unchanged or even higher than before the expansion. Commonly considered options such as managed lanes and carpool lanes likewise expand road capacity and induce additional vehicular travel. The same is true for building new development outside of existing

regional greenhouse gas emissions reductions would be eroded by 9.4 percent compared to the reductions achieved in the 2020 SACOG Sustainable Communities Strategy, going from an 18.58 percent reduction to a 16.83 percent reduction compared to 2005 passenger vehicle emissions levels.

³ See *SACOG review and analysis of the proposed citizens' transportation tax initiative in Sacramento County*, available at <https://sacog.primegov.com/Portal/Meeting?meetingTemplateId=3074>.

⁴ Handy, Susan, & Boarnet, Marlon G. 2014. "Impact of Highway Capacity and Induced Travel on Passenger Vehicle Use and Gas Emissions." California Air Resources Board Policy Brief. Available at: https://ww2.arb.ca.gov/sites/default/files/2020-06/Impact_of_Highway_Capacity_and_Induced_Travel_on_Passenger_Vehicle_Use_and_Greenhouse_Gas_Emissions_Policy_Brief.pdf.

development and more environmentally sustainable areas like infill. Increasing sprawl development patterns raise VMT and GHG emissions and can increase congestion.

Measure A is inconsistent with implementation of SACOG's 2020 Plan and the region-wide benefits the Plan promises because it would fund projects not included in or anticipated by the Plan that will increase driving and encourage additional development in outlying, vehicle-dependent locations. As noted in SACOG's own analysis of Measure A,⁵ the region, barring drastic action, will not meet its 2035 target with the projects specified for funding in this measure.

Development of the VMT and GHG-increasing projects in Measure A could also impact the region's ability to develop a compliant MTP/SCS in future years, and therefore to secure funding. Measure A-funded projects must be included in SACOG's 2024 MTP/SCS. An SCS that is incomplete or inconsistent with State law would cause CARB to reject the SCS for being incomplete in accordance with State law.⁶ This would include when an SCS does not contain planned transportation network projects in the region that impact regional GHG emissions from cars and light trucks. An MTP/SCS that cannot meet the regional GHG emission reduction targets means the region and jurisdictions therein could suffer direct fiscal implications.⁷

CARB is aware that STA and SACOG have signed a memorandum of understanding (MOU) with the goal of mitigating the emissions from projects funded through the measure in a way that would allow the region to meet its SB 375 GHG emission reduction targets. More information is needed about specific mitigation for VMT- and GHG-increasing projects to consider whether the projects' mitigated impacts can be consistent with the SB 375 program, which seeks to durably shift projects towards consistency with State climate goals. Because road capacity expansion can cause significant, permanent increases in VMT and GHG emissions, mitigation can be extremely costly. Mitigation options are limited, which could delay fully mitigating all new emissions well into the future. Numerous environmental analyses of projects that involve highway capacity additions are underway, and conversations with Caltrans and transportation agency practitioners indicate that full mitigation costs for some of these projects may equal or exceed capital construction costs. Given this experience, the \$510 million that SACOG cites as mitigation funding will be grossly inadequate, leaving the feasibility of mitigation in question. Additional funding for mitigation

⁵ See SACOG review and analysis of the proposed citizens' transportation tax initiative in Sacramento County, available at <https://sacog.primegov.com/Portal/Meeting?meetingTemplateId=3074>.

⁶ SB 375 says an SCS "shall consider congestion management programming activities carried out within the region," which includes road capacity expansions. Likewise, the 2017 California Transportation Commission Regional Transportation Plan Guidelines for Metropolitan Planning Organizations requires that all regionally significant projects be included in the MTP/SCS, regardless of funding source.

⁷ A region's failure to meet its GHG targets can make it ineligible or uncompetitive for State funding from various SB 1 and Greenhouse Gas Reduction Fund (GGRF) grant programs (e.g., Solutions for Congested Corridors, Trade Corridor Enhancement Program, Transit and Intercity Rail Capital, and Affordable Housing and Sustainable Communities Programs).

and feasible options for mitigation have yet to be disclosed. Strategies to build projects first and mitigate GHG emissions later could be highly susceptible to implementation failure depending on the strategies and available funding for mitigation.

As part of evaluating the region's future SCS submittals, CARB will continue to apply its review standard of examining evidence to verify whether strategies can be implemented and whether the region is putting in place the necessary actions to implement them. A robust review is required to ensure the public and funding agencies can rely on the MTP/SCS's determination that it will meet the regional GHG targets and not undermine California's climate and equity commitments.

As the agency charged with the final evaluation of SACOG's future MTP/SCSs against the GHG targets, CARB staff have the following recommendations for project-level mitigation and SB 375 implementation:

- A) SB 375 GHG emissions mitigation measures for projects of substantial long-lasting effect such as some in the measure must be certain in application, effect, and duration.

Mitigation strategies should be realistic and plan to be implemented. Mitigation measures need to be binding and monitored over time.

- B) SB 375 GHG emissions mitigations must be achieved within the Sacramento region and are limited to passenger vehicle emissions.

Mitigation measures must reduce GHG emissions from passenger vehicles within the SACOG region. More generalized emissions mitigation such as purchasing carbon credits would not be appropriate for mitigation of impacts from projects that are not consistent with the regional SCS and GHG targets.

- C) SB 375 GHG emissions mitigation should address diversion of investment from more environmentally sustainable infill areas, which are also key to advancing housing and transportation equity in California.

Longstanding patterns of investment in high-income, low-density communities in California has resulted in air quality and economic disparities. The inclusion of transit and active transportation projects in a region does not resolve the negative impacts from continuing those types of longstanding investment patterns. Mitigation should address this by prioritizing investments in disadvantaged areas and increasing investment in infill through equitable methods.

Over three quarters of Californians see climate change as a threat to our economy and quality of life. The significant and negative impacts of climate change already occurring today on our shared transportation infrastructure and mobility are warnings of the dire future impacts that will occur without consistent and sustained local and regional investment consistent with climate commitments. Projects funded by this tax measure will be paid for by residents in and visitors to Sacramento County for four decades, and any negative impacts

will endure for decades more. Full disclosure of environmental and economic costs and ensuring full mitigation within the region for Measure A projects that increase VMT and GHG emissions will provide important information for the public, State agencies, and partners to consider.

We are eager to partner with STA to support the region in implementing projects that support climate and equity based on regional needs. The region has innovative transit agencies, extraordinary bicycling and pedestrian opportunities, significant efforts underway to build housing in areas that do not increase car-dependency, and a public eager for visionary leadership. We know that there are paths forward that can yield plans and projects consistent with State commitments to climate and equity, and – importantly – a better future for the region.

If you have questions, please do not hesitate to contact me or Ms. Jennifer Gress, Chief of the Sustainable Transportation and Communities Division, at jennifer.gress@arb.ca.gov.

Sincerely,



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Executive Officer

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