

Public Comments

Received on the

Draft Sustainable Communities Strategy Evaluation and Program Guidelines



February, 2019

Table of Contents

California Association of Councils of Government Comment Letter	1
California Building Industry Association Comment Letter.....	16
ClimatePlan Network Comment Letter	20
Fresno Council of Governments Comment Letter	29



[SUBMITTED ELECTONICALLY]

January 15, 2019

Steven Cliff
Deputy Executive Officer
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Dear Mr. Cliff:

Re: Draft Proposal for Updated Sustainable Communities Strategy Program and Evaluation Guidelines

With the visible impacts of climate change (sea level rise, increasing fire risk, etc.) affecting our regions, we take SB 375's charge to reduce per capita, passenger vehicle greenhouse gas (GHG) emissions seriously. Each of our Regional Transportation Plans/Sustainable Communities Strategies (RTP/SCS) identifies critical land use and transportation policies to reduce per capita GHG emissions and improve mobility in our respective regions - all against a backdrop of worsening affordability for many California residents. These plans are developed through deep engagement with local jurisdictions, transportation partners, and members of the public. To date, CARB has determined that each of our MPO's RTP/SCS, if implemented, would meet the applicable GHG emission reduction targets.

After more than ten years of SB 375 implementation experience, we, the state's 18 metropolitan planning organizations (MPOs) are uniquely qualified to articulate the benefits and challenges of the proposed Sustainable Communities Strategy Program and Evaluation Guidelines ("Guidelines"). Thank you for the opportunity to comment. This letter represents the collective comments of the state's 18 MPOs.

We anticipate additional MPO-specific comments may be submitted by individual MPOs.

Overarching Comments

1. Make a clear distinction between SB 375 and SB 150 requirements within the Guidelines.

The SCS is a forward-looking plan, that if implemented, would meet applicable 2020 and 2035 GHG emission reduction targets. SB 375 requires CARB to accept or reject the MPO's determination that the strategy (SCS or APS) would, if implemented, achieve the greenhouse gas emission reduction targets established by CARB. SB 150, on the other hand, requires CARB to develop a report that assesses the progress made by our regions (a look back) in meeting the GHG emissions reductions targets, while recognizing the role the state legislature plays in establishing supportive state policy and funding allocations. SB 150 reporting is intended to inform the state legislature of SB 375 best practices in addition to program needs and challenges. The December 2018 Joint CARB/CTC Meeting MPO presentation¹ is the first to highlight best practices and recommend changes to state policy to overcome the identified challenges.

SB 375 and SB 150 focus on the same SB 375 targets; however, they vary greatly in content and timeframe for their respective analyses (RTP/SCS – 2020 and 2035; SB 150 – existing conditions). These differences are important when articulating the requirements of SB 375 and SB 150 in the Guidelines.

Why does this matter? Our respective RTP/SCSs are required to be updated every four-years. During that update, each MPO reviews its planning assumptions to ensure they capture changes that have occurred since the last plan in areas like: population growth, household income, housing and employment growth and distribution patterns, how applicable RTP/SCS strategies have been implemented, and much more. This review is conducted, to ensure, the updated RTP/SCS, if implemented, will meet the target, if there is a feasible way to do so. Although this process represents a look back, similar to SB 150, it ensures the RTP/SCS will meet the 2020 and 2035 targets (i.e. a plan assessment with course correction, as necessary, to meet the target).

SB 150 also acknowledges that successful implementation of an RTP/SCS is a collaborative effort between the MPO, local jurisdictions, and the state. The SB 150 report provides data-

¹ http://www.catc.ca.gov/meetings/joint-meetings/CTC-ARB%20Meetings/12418%20Joint%20meeting%20-%20Los%20Angeles/120418_MPO_Presentation.pdf

driven information to the Legislature for its consideration as part of future policy development supportive of SCS implementation.

“SB 375 empowers regions to develop innovative strategies as part of their SCS to meet their target. While there are requirements for information the SCS must contain including identifying areas for future development and housing, information on resources and farmland, and integrating development with the transportation network, it does not prescribe any one strategy for achieving the targets... The success of some strategies may also rely on state actions, such as increased funding to support transit and other transportation options or authorization of new policies, such as roadway pricing².”

Unfortunately, the Guidelines are not always clear in the distinction between SB 375 and SB 150. We request CARB update the Guidelines to articulate the distinctions between SB 375 and SB 150 requirements. Specific examples and recommended edits can be found below in the *Specific Comments* section of this letter.

- 2. Develop Consensus for Incremental Progress among the state’s four largest MPOs.** The four largest MPOs seek to work with CARB to develop a mutually agreeable way to report what strategies have changed—and constraints have emerged—since the adoption of the preceding RTP/SCS. Each MPO already reports progress to its respective board, but in a slightly different format. From the view of the largest MPOs, the interests of all parties are best served by a methodology that allows for meaningful information-sharing that accounts for regional differences. Although the Guidelines propose that MPOs may voluntarily conduct the Incremental Progress Analysis; they omit the flexibility or a way to account for regional differences. As a result, the methodology in the Incremental Progress Analysis should be improved. The large MPOs are willing to commit the staff time and resources to work with CARB staff to develop a meaningful methodology.

- 3. Requiring 14 of the state’s 18 MPOs to report Incremental Progress is inconsistent with SB 375 and CARB’s March 2018 target setting board action.** ARB staff stated, *“Staff does not propose any revisions to the October proposal for the 8 San Joaquin Valley MPOs nor for the 6-small remaining MPOs³.”* during its December 2017 informational board update.

This statement was further clarified in the March 2018 SB 375 Final Target Setting staff report that the CARB approved.

“CARB staff presented this revised proposal as an informational update to the Board on December 14, 2017. The initial feedback received on this revised

² SB 150 Bill Analysis: https://leginfo.legislature.ca.gov/faces/billAnalysisClient.xhtml?bill_id=201720180SB150, August 2017.

³ J&K court Reporting, Dec 2017 (page 13) - <https://www.arb.ca.gov/board/mt/2017/mt121417.pdf>

approach from the Board and from stakeholders who attended that meeting was overwhelmingly positive.”

We concur that it is appropriate to highlight new or enhanced strategies adopted in the pursuit of meeting SB 375 goals, but the required Incremental Progress reporting is beyond the scope of SB 375 and the March 2018 CARB Board action. For this reason, the 14 MPOs request the section omit reference to the eight San Joaquin Valley and “Small Six” MPOs.

- 4. Equity is a guiding factor throughout the RTP/SCS planning process.** Thank you for acknowledging the equity component to pricing strategies (Table 1. SCS Strategy and Key Action Examples, page 26). As each of our respective MPOs complete our RTP/SCS social equity analyses, we would like to highlight that each of the strategies within this table has the potential to have complex and significant equity considerations. Each of our equity analyses takes a full picture view of the RTP/SCS to ensure compliance with Title VI of the Civil Rights Act, Executive Order 12898, and the contracted agreements that all MPOs have entered into with Federal Department of Transportation agencies, which require that the programs, policies or actions stemming from our respective RTP/SCSs do not cause disproportionate effects on low-income populations or disparate impacts on minority populations. MPOs take great strides to include the voices (through public participation and outreach efforts) of low-income and minority communities throughout our planning and decision-making processes. A select set of MPO examples are included in Attachment 1 of this letter.

Additional highlights of individual MPO efforts can be found in each of our respective RTP/SCSs and Public Participation Plans. Appendix L of the California Transportation Commission’s 2017 RTP Guidelines for MPOs also contains additional planning examples.

- 5. Significant concerns regarding the technical efficacy of the proposed Elasticity Analysis.** We request the elasticity analysis be removed from the SCS Determination Element Screening Criteria of the guidelines for three reasons. First, in general, studies such as the CARB GHG Policy Briefs include elasticities for varying geographic areas, all of which may or may not be comparable to an MPO region. For example, some studies use national, city, or even international level data to determine a range of elasticities. Each of these studies is caveated. For example, CARB’s website includes *The Impacts of Traffic Operations on Passenger Vehicle Use and Greenhouse Gas Emissions: Policy Brief*, which includes the following caveats related to how applicable the study is to varying locations, vehicle fleet mixes, etc.

“The limited number of studies of each type of strategy, variations in methodology as described above, and variations in the applications studied with respect to both strategy design and context contribute to significant uncertainty as to the size of the effect of traffic operations strategies in any particular application... The estimated effect sizes shown in Table 1 apply to specific geographic areas and time periods and may not be applicable to other areas or time periods.”

Under the proposed Elasticity Analysis, there may be situations where due to research/elasticity limitations for a specified MPO strategy (i.e. research has not established an apples-to-apples elasticity; the geography of the elasticity does not match the geography of the MPO strategy, etc.), CARB staff, may choose/be required to apply a method even if the assumptions do not exactly match the specific conditions of the MPO strategy, this may result in significant errors. With regard to this, the California Air Pollution Control Officers Association's (CAPCOA) *Quantifying Greenhouse Gas Mitigation Measures* states, “*It is imperative that any deviations are clearly identified. While you may still be able to calculate a reduction for your measure, in many cases the error in your result will be so large that any conclusions you would draw from the analysis could be completely wrong.*”

Second, while acknowledging the elasticity approach cannot account for synergistic effects or spatial location of strategies, the guidelines do not include justification for the use of 85 percent as the threshold for checking the model-based results.

Lastly, if CARB is able to resolve the comments raised above; and the CARB Policy Briefs are intended to be used as a reference for the proposed Elasticity Analysis in the guidelines, additional analysis is necessary to ensure that the elasticities are: (1) related to passenger vehicle GHG, as opposed to some other metric (e.g. total VMT, which includes larger vehicles); (2) that the ranges of elasticities and uncertainties about to their applicability to SB 375 targets are acknowledged; and (3) that allowances are offered for some of the SB 375 specifics, such as exclusion of through-travel. If CARB is unable to resolve the concerns raised above, we request CARB remove the Elasticity Analysis from the SCS Determination Element Screening Criteria of the Guidelines.

We also would like to thank CARB for acknowledging within the Guidelines that the elasticity analysis is unable to distinguish the contribution of individual projects and does not intend to establish any causal relationship between performance indicators and regional VMT.

- 6. Capturing TNC data mode share requires data sharing.** While not a specific change to the Guidelines, CARB should encourage the California Public Utilities Commission (CPUC) to require Transportation Network Companies (TNCs) to share key data that supports better policy determinations. The Guidelines presume the availability of TNC data by stating that the use of such data is a “preferred approach” for several variables. Page 37 of the CARB SB 150 report highlights, “*Transportation Network Company (TNC) trip-level data is not available to State, regional, and local public agencies, nor to academic researchers in California.*” Accordingly, CARB should support MPOs through the CPUC rulemaking process to ensure each of our agencies has ongoing access to the data necessary to analyze the TNC market sector and its impacts and benefits to congestion and multimodal performance consistent with the guidelines. Ready access to TNC data would allow MPOs to analyze TNC usage to more accurately represent the growing TNC mode share in regional travel demand models and

determine if MPO policies and transportation funding are meeting state-mandated GHG emissions reduction targets.

Unfortunately, TNCs have been reluctant to share this data. Without data, it is difficult for MPOs to ascertain the share of TNC trips -- single and pooled -- as listed in the table of independent exogenous variables. Until such time as this data is required to be consistently shared on an ongoing basis, Table 4 and 6 should be updated with the phrase, “where available and sufficient for forecasting purposes”.

7. **Overall SCS Program Evaluation.** On page 44, the draft Guidelines indicate that if there is insufficient evidence to explain or overcome a deficiency in any of “the assessments,” ARB may reject an MPO’s determination that GHG targets will be met. (The “assessments” referenced are apparently five Policy Commitments analyses: trend, elasticity, policy, investment, and plan adjustment.) Thus, ARB may find that four of five analyses strongly support the MPO’s determination, but one does not, potentially leading to an unjustified rejection of the MPO’s determination. The MPOs recommend ARB consider and balance findings of all five analyses before accepting or rejecting an MPO’s determination.

Specific Comments

- **Please add a glossary of key terms to the document.** Terms such as “strategy, commitment, attribute, and policy” have multiple meanings in the context of the Guidelines. For example, the term “strategy” can be used to describe an individual project, such as the construction of a bike lane or a higher-level policy such as increase density by X percent. We request the addition of a glossary of terms to ensure we are all operating from the same definition for purposes of SCS review.

In addition, we request additional clarity be provided for the phrase “tracking implementation needs.” We request CARB clarify whether its interest is “strategy implementation” (are policies in the plan being implemented?) vs “on-the-ground progress” (are we implementing capital projects and building housing/jobs in line with the forecasted development pattern?) For example, inclusionary zoning is a “strategy.” Affordable housing is the thing “on the ground.” This nomenclature is unfortunately a bit confusing. The Guidelines seem to use strategies and outcomes often to mean the same thing when they do not. As mentioned above, a glossary of terms would be beneficial.

- **Global Guidelines comment – Tracking Implementation (SB 150 Reporting) Element.** Each reference to the Tracking Implementation Element should be titled in the same manner. This helps distinguish SB 150 tracking implementation, from the SCS planning assumption review and update discussed earlier in this letter. Specific locations for update are identified below.

- Page 6, first paragraph, last sentence.
 - Page 20, third bullet.
 - Page 23, first, bullet.
 - Page 30, title of first box
- **Figure 1, first box, Tracking Implementation, page 6.** Please update the text to read, “*Report on the progress regions have made towards meeting their SB 375 GHG reduction targets (SB 150 Reporting).*” This ensures consistency with other references throughout the document.
 - **Second to last full paragraph, first sentence, page 23.** Please update the text to read, “*CARB has enhanced the SCS program, and evaluation framework to include a new component to track implementation (SB 150 Reporting).*”
 - **First Bullet, Tracking Implementation, page 23.** SB 150 Report – The Guidelines should clarify whether the SB 150 report will be used to track implementation (Statewide, every 4-years on September 1st) or separate reporting will be done by MPO with each SCS determination (MPO focused, every 4 years when RTP/SCS is approved).
 - **What is CARB looking for in an SCS, Policy Commitments (Determination Element), page 23.** A concern over the long-term is that CARB is not taking enough account of electric and zero emission vehicle implementation. The result is that resources that could be spent on fast-to-implement strategies like workplace electric vehicle charging stations and RNG fueling infrastructure may be allocated to less efficient strategies. Early reductions have the greatest long-term effect to slow climate warming. The SB 150 report demonstrates that other strategies—like land use change (where it often takes years or decades to realize across-the-board reductions)—are less likely to provide early reductions in gasoline consumption. To be sure, we need to continue to build and expand land use and walkable community strategies that benefit public health. But in specific terms of quickly and efficiently reducing GHG emissions, vehicle technology improvements will have a greater immediate effect (and have the co-benefit of reducing criteria pollutants faster).
 - **Strategy Performance Indicators (Outcomes), page 28.** Seat utilization is affected by policy decisions at the local level, in terms of service goals. Some agencies may decide that larger vehicles are important to meet peak loads, even though those same vehicles might be underutilized in the off-peak. Other agencies might make the opposite decision. Local agencies should have discretion to decide these issues to meet their local transit service goals. As a result, load factors are important at the route level, or perhaps the transit/local agency level.
 - **First bullet under “The MPOs should also submit the following information:”, page 26.** Please update the language in the first bullet to read, “*MPO’s adopted ~~land-use-allocation~~ forecasted development pattern (total new population growth, housing growth, and*

employment growth) mapped or tabulated by place type or sub-regional geography as appropriate to each region.” Land use allocation is a term synonymous with local general plans. The term forecasted development pattern is synonymous with RTP/SCSs and recognizes that local jurisdictions retain land use authority under the California Constitution.

- **Fist sentence, page 29.** Please update the text to read, “*For the ~~land use allocation~~ forecasted development pattern...*”
- **Last sentence before Tracking Implementation (SB 150 Reporting) section, page 31.** Please update the text to read, “*The transportation project list and ~~land use allocation~~ forecasted development pattern...*”
- **Land Use and Housing Policy, page 36.** Please update the first sentence of this section to read, “*CARB staff will qualitatively evaluate the relationship between the SCS’s ~~and relevant MPO land Use and housing activities and actions~~ forecasted development pattern and adopted SCS key actions”.*
- **Transportation project list, last bullet, page 28.** Our MPOs are happy to submit the requested transportation project list; however, we request some flexibility in the format. For example, some MPO project lists are an InDesign file that is made publicly-available as an Adobe Acrobat .pdf file and in EXCEL format that could lose content in the conversion process. We presume, CARB staff will be flexible in working with MPO staff to gather the requested information.
- **Tracking Implementation Table, Page 30.** It is unclear whether the Tracking Implementation (Reporting Element) box on page 30 refers to the SCS or the SB 150 report. Assuming a consistent naming convention throughout the Guidelines, please update the title of the Tracking Implementation (Reporting Element) box to Tracking Implementation – SB 150 Reporting (Reporting Element).
- **Third sentence, Transportation Policy, page 36.** Please update the sentence to read, “*On the other hand, ~~not reflecting~~ assessing short- and long-run impacts, as applicable, of capacity and associated induced VMT in the region’s ~~travel demand modeling~~ analysis suggests to CARB that the SCS may be at risk of not meeting its GHG emission reduction targets.*” This edit ensures the Guidelines are consistent with OPR’s *Technical Advisory on Evaluating Transportation Impacts in CEQA*⁴. OPR’s Technical Advisory includes a list of projects not likely to lead to a substantial or measurable increase in vehicle travel that generally do not require an induced travel analysis and allows for non-modeling approaches.

⁴ OPR Technical Advisory on Evaluating Transportation Impacts in CEQA; http://opr.ca.gov/docs/20181228-743_Technical_Advisory.pdf; Page 24

In addition, the Technical Advisory states, “Given that lead agencies have discretion in choosing their methodology, and the studies on induced travel reveal a range of elasticities, lead agencies may appropriately apply professional judgment in studying the transportation effects of a particular project.” We presume this same level of discretion will be allowed to meet the intent of the Guidelines and request that this language be added to the Guidelines for clarification.

- **Second sentence, Pricing Policy, page 37.** Please update to read “Moving forward, to the extent that a proposed statewide road user price replaces the current state fuel excise tax, Statewide-road user pricing is an example of a potential future State-initiated strategy that an MPO should not use to demonstrate compliance with the SB 375 GHG emission reduction targets. However, the MPO could demonstrate compliance with the SB 375 targets by use (1) its ability to make reasonable assumptions about revenues appropriated to the MPO from a proposed road user pricing that that could be reinvested to further the region’s SCS; or (2) the other effects of road user pricing in excess of the current state fuel excise tax.”
- **First full paragraph, TIP Funding Assessment, page 38.** Please delete this paragraph. At the time of SCS review, the federally approved TIP considered by CARB would have been adopted under the existing federally approved RTP/SCS, and not the SCS under CARB’s review. This means, new or enhanced RTP/SCS strategies may not be included in the TIP subjected to the proposed CARB review.

The SB 150 report notes the difficulty in compiling short-term investments for comparison with long-range investments. In the section titled “WHAT DO WE NOT KNOW YET, AND WHERE IS ADDITIONAL WORK NEEDED?” CARB states: “Transportation spending is administered and tracked by many different agencies, but these spending streams are not compiled to help understand whether current investments align with long-term goals. In order to verify investments in long-range RTPs are being implemented through short-term spending, there is a need for better compilation of the different short-term spending streams.” The Guidelines’ proposed investment analysis does not deal with the fact that many of the investments in bike/pedestrian facilities (and some transit improvements) are made solely with local funding or formula funding through the state. The TIP generally identifies federally funded projects and projects funded through the State Transportation Improvement Program, not locally funded projects.

As an example, review of the TIP as the primary means to determine short-term RTP/SCS implementation may lead to incorrect conclusions regarding transit investments. Except for preventative maintenance costs, transit operations are not federally eligible expenses for

many transit operators across the state⁵. This means an analysis of TIP investments may not capture the RTP/SCSs full short-term commitment to funding transit operations.

While the TIP is one of many tools that describes short-term investments, it should not be used to generate overarching assumptions about an MPOs commitment to fund the strategies contained within its RTP/SCS for the reasons listed above. Although, we request this paragraph be deleted from the Guidelines our MPOs are committed to working with CARB staff to identify a full picture of RTP/SCS supportive investments.

- **Third sentence, Plan Adjustment Analysis, page 38.** To ensure consistency across the CARB Determination Elements of the Guidelines, please make the following edit: *“If CARB staff determines that an MPO is not hitting milestones with respect to SCS implementation, to give CARB staff the assurances it needs to determine that a region is capable of meeting its 2035 GHG emission reduction targets, CARB staff will look to the MPO for evidence that the MPO has considered these challenges and has either changed its strategy, or is putting measures in place to accelerate implementation in order to stay on track, as necessary to meet the target. if applicable”*
- **Overall SCS [Program] Evaluation, pages 44, 47-51.** As noted in the Guidelines, some data is more readily available than other data. As a result, we raise concerns about the ability of all 18 MPOs to produce model data for all the performance indicators listed and presume as the Guidelines imply, CARB staff will work with our respective staffs to prioritize data needs based on available resources. In addition, we request CARB provide clarification on the following indicators: seat utilization, household VMT (is this MPO household or MPO resident? Are group quarters included? E-I included? Visitors?).
- **MPO Data Submittal Table to CARB, pages 47-51.** We appreciate the Guidelines acknowledgement that one size does not fit all and that *“These guidelines include CARB’s request for information/data that may be more readily available for some MPOs to provide than for others.”* The MPO Data Submittal Table contained in the Guidelines is an example where one size may not fit all. Consistent with CARB’s first two rounds of RTP/SCS review, we presume CARB staff will be flexible in allowing updates to the table should data be unavailable or not applicable. A few limited examples where adjustments to the table may be necessary include, the applicability of tolls within a given MPO region or the availability of bike and pedestrian lane mile data.
- **Timeline for submittal of SCS Technical Methodology, page 55.** Thank you for acknowledging the iterative development process of our RTP/SCSs. We appreciate the

⁵ Note: Transit operators serving an urban area with a population over 200,000 cannot use many Federal Transit Administration fund sources to pay for transit operations.

flexibility to amend the technical methodology document as additional information becomes available.

- **Transit and Active Transportation Sensitivity Test and Reporting, pages 61-63.** Some of the performance indicators may be calculated differently by different regions due to differences between the respective MPO travel demand models. For example, a commute travel time could be calculated as home to work, but if a stop is made (dropping off kids at school) is the travel time measured from school to work, or home to work including the drop-off, or some other measure. Each MPO will report the applicable performance indicator consistently within their data, but some performance indicators may not be comparable across MPOs due to the definition applied.
- **Innovative Mobility Discussion page 63.** Thank you for highlighting the limited (and quite different) studies done on the impact of VMT and GHG reductions from innovative mobility strategies, including ride hailing. We encourage CARB to continue this dialogue with our collective staffs.
- **Definitions of Transit Operation Miles and Daily Service Hours, page 66.** The definitions of transit operation miles and transit daily service hours should specify whether these are revenue hours and revenue miles. We recommend using the National Transit Database definitions provided in the link below:

<https://www.transit.dot.gov/ntd/national-transit-database-ntd-glossary>

- **Trip and Emissions Data Needs, page 84.** MPO staff assume CARB will allow discretion as MPOs refine their off-model methodologies as technology evolves or more specific MPO data becomes available. We recommend adding this clarifying language in the guidelines. In many cases as with the carshare/bikeshare/pooled rides off-model strategies, the services are operated by private transportation service providers, which may be unwilling to share data needed to regularly monitor/track program Operations as the Guidelines indicate. A statement in the guidelines recognizing this issue would be helpful.

Thank you for the opportunity to comment. Please feel free to reach out to our staffs should you have any questions regarding the comments raised in this letter.

Sincerely,




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STACIE DABBS
Executive Director, MCAG



PATRICIA TAYLOR
Executive Director, MCTC



TONY BOREN
Executive Director, FresnoCOG



TED SMALLEY
Executive Director, TCAG



TERRI KING
Executive Director, KCAG



AHRON HAKIMI
Executive Director, KernCOG

Attachment (1)

- **Sacramento Area Council of Governments (SACOG).** SACOG developed an enhanced methodology for identifying disadvantaged communities and a framework for conducting its environmental justice analysis of these communities in the Sacramento region. The method and analysis will inform SCS development for the 2020 plan update and be available as a template for cities and counties in the region as they implement SB 1000. SACOG convened an equity working group to inform and vet these method and analysis.
- **San Diego Association of Governments (SANDAG).** As part of the 2019 Regional Plan development process, SANDAG established a [Community-Based Organizations \(CBO\) Working Group](#). The Working Group, which is comprised of representatives from 12 CBOs serving underserved/disadvantaged communities in the San Diego region, provides a collaborative open and public forum, while allowing SANDAG the opportunity to receive ongoing public input from disadvantaged or underrepresented communities in the region into key activities associated with developing the 2019 Regional Plan with a focus on the social equity perspective.

The Working Group provides input and direction on Regional Plan components, such as the definition of a disadvantaged community, the social equity analysis, and the network development process. The Working Group also played a large role in developing SANDAG’s Social Equity Analysis Framework, which was approved by the Board of Directors on [June 22, 2018](#). The Social Equity Framework serves as a guide for assessing the distribution of benefits and burdens of the transportation network. As a complement to the CBO Working Group, SANDAG convenes a monthly CBO Outreach Team meeting. The Outreach Team meeting provides the contracted CBOs a time to discuss how best to engage the respective underserved/underrepresented communities in the planning process, and how SANDAG can assist in the process via education or resources. At these meetings, the Outreach Team also shares the feedback and input received directly from the community given the different plan milestones.

- **Southern California Association of Governments (SCAG).** SCAG’s equity (Environmental Justice) analysis addresses equity from multiple dimensions (e.g., access to opportunities, housing equity, health equity, environmental impacts & climate vulnerability, among others) as impacted by the RTP/SCS. The 2016 EJ analysis was conducted through 18 performance indicators. To further improve the 2020 EJ process and analysis, SCAG established an Environmental Justice Working Group in April 2018 to broaden input from stakeholders on an on-going basis. In addition, SCAG also is in the process of engaging with CBOs throughout the region to gauge concerns and priorities from the disadvantaged communities and develop scenarios for the Connect SoCal (2020 RTP/SCS).
- **Tahoe Regional Planning Agency (TRPA).** Hosted community “Tahoe Talks” meetings to discuss transportation, local government, and the economy in Tahoe. Organized public

workshops and pop-up tents out in the community at popular shopping destinations, senior centers and transit centers with bi-lingual speaking staff to gather feedback and distribute the unmet transit needs (UTN) surveys. Organized and hosted meetings of the Social Services Transportation Advisory Council (SSTAC) – a committee whose representation includes transit users over 60, individuals with disabilities, social service agencies that provide services to seniors, individuals with disabilities, and individuals of limited means - to inform on current transportation projects and gather unmet transit needs feedback. Facilitated bicycle rodeos with the local police department to educate students on bicycle safety.

- **Fresno Council of Governments.** Fresno COG’s mini-grants to social and environmental justice organizations to assist in land use scenario development among minority and low-income populations. Collectively, those efforts yielded more than 3,000 votes and comments on RTP projects and SCS scenarios throughout that region.

Additional highlights of individual MPO efforts can be found in each of our respective RTP/SCSs and Public Participation Plans. Appendix L of the California Transportation Commission’s 2017 RTP Guidelines for MPOs also contains additional planning examples.

January 14, 2019

Sent electronically SustainableCommunities@arb.ca.gov

California Air Resources Board (CARB)
Sustainable Communities & Climate Protection Program

Subject: Comments: Draft Proposal For Updated Sustainable Communities Strategy Program & Evaluation Guidelines

On behalf of the California Building Industry Association (CBIA), thank you for the opportunity to offer these comments on the above noted document. CBIA is a statewide trade organization representing thousands of member companies including homebuilders, land developers, trade contractors, architects, engineers, designers, suppliers and other industry professionals. CBIA members are responsible for producing most of the housing in California. Additionally, CBIA was a principal force in the development of SB 375. We remain fully committed to seeing that law implemented in the most responsible way possible.

SB 375 Targets

In 2010 CARB set the initial SB 375 regional per capita passenger vehicle CO2 reduction targets for 2020 and 2035. The 2020 target applicable to the “big four” MPOs reflected a 7-8 percent reduction (from a 2005 baseline) and for the Central Valley a 5 percent reduction. The good news is that those targets were met and, in several cases, substantially exceeded. The initial target for 2035 called for a 13 percent per capita reduction. In early 2017, as CARB began the process of establishing a new 2035 target it determined that the large MPO plans could achieve a 17-18 percent reduction ... a full 5 percentage point increase from the initial target. This determination was acknowledged by the four largest MPOs who noted in a joint letter to CARB that based upon “stress tests” they conducted (tests unconstrained by revenue realities, market feasibility or other practical concerns) a 2035 18 percent per capita reduction was conceivable but only if significant new state policies and reforms were forthcoming.¹ In March of 2018 CARB adopted a 2035 target of 19 percent per capita reduction which became effective in October of that year.

VMT Constraints & Location-Limiting Housing Policies Can Enhance Global Emissions & Produce Equity Imbalances

A key justification for the heightened goal was the SB 32 legislative mandate to reduce GhG emissions statewide 40 percent from 1990 levels by the year 2030. To achieve this, CARB propounded that in addition to a full complement of SCS strategies per capita VMT needed to be significantly reduced.² At the time, CBIA and others pointed out that achieving these levels of reduction will be exacting on Californians --- especially working class and lower income Californians -- considering that VMT is on the rise (influenced by stable fuel prices, vehicle efficiency, reduced operating costs and consumer preference for automobile usage), transit

¹ The MPOs were unanimous that the greatest savings would come from non-land use intervention techniques such as transportation demand management programs, alternative fuel and vehicle strategies, ZEV penetration, and pricing strategies.

² 7.5 percent by 2030 and 15 percent by 2050.

ridership is on the decline, meaningful policy reforms are lagging, and pricey high-density urban transit oriented development is a life-style that not all desire and even fewer can afford. California's high housing prices are largely the product of time, cost and uncertainty fueled by formidable land, zoning and regulatory programs that, while well-meaning, tend to operate within a siloed framework. As a result, thousands of middle-income and lower-income families in search of affordable housing are being driven out of state. Last year, California lost more people to other states than it gained from foreign immigration. Since 2010, a net 710,000 people have left California for other states³ (creating a human and environmental "leakage" as most states do not have the aggressive GhG programs present in California). No wonder that California ranks 49th out of the 50 U.S. states in per capita housing units⁴ and claims 8 of the 10 least affordable housing markets nationwide.⁵

Bottom line: When housing and mobility policies are advanced that add subjectivity, uncertainty and promote siloed solutions that discourage broader and more regionally-based outcomes middle and lower-income individuals and families bear the social and economic consequences most sharply. In this regard equity examinations⁶ of proposed policies must be sensitive to and not undermine the positive co-benefits and economic opportunities that come from housing. The first rung on the ladder to economic opportunity is housing; the ladder can reach only so high without the asset-building power of affordable homeownership. With these points in mind we turn to the proposed guidelines.

Proposed Guidelines Conflate SB 375 Target Progress with SCS Implementation

The *Tracking Implementation (Reporting Element)* section of the guidelines seems to assume that reviewing progress toward achieving the SB 375 targets and SCS implementation are the same. They are not. SB 150 directs CARB to report on the progress MPOs have made on meeting their targets. In this regard SB 150 contemplates a review and report of what has already transpired within a region vis-a-vis the target. SCS implementation by an MPO, on the other hand, is a present-time forward-looking undertaking that because of the nature of transportation and land use decisions develops and materializes over time.

It is important for housing and transportation projects alike that the planning period rules and regulations remain clear and stable and that review and assumption changes be undertaken on an established schedule. (Hence the eight-year SCS/RHNA process and the four-year RTP/SCS update.) CBIA made this point in its earlier SB 150 comment letter to both CARB and the California Transportation Commission (CTC) when the (premature) assertion was made that California is not on track to meet the GhG reduction expectations of SB 375.⁷

³ Wall Street Journal, Review & Outlook, December 29, 2018.

⁴ McKinsey Global Institute: *A Tool Kit to Close California's Housing Gap: 3.5 Million Homes by 2025*.

⁵ *Home Prices in the 100 Largest Metro Areas*, Kiplinger Finance, Updated March 2018. Affordability Index compiled by *Clear Capital*.

⁶ In addition to health and environmental effects.

⁷ "Considering the current conditions of decreased levels of transit ridership and increased levels of vehicular use, we acknowledge that there is an "achievability" disconnect between the ambitious targets (and the assumptions that underly those targets) and what is occurring on the ground, in the real world. This realization should not come as a surprise though given the understanding that land use and transportation and housing and sustainable communities decisions (and results) develop and materialize over time. In this regard, SB 375 has always been something of an anomaly from and deviation to the standard rules and practices surrounding the state's GhG reduction mandates -- which are motivated by immediacy and a need to see dramatic, short-term results ... Focusing too sharply on short term metrics or outcomes ignores the very important ground work being undertaken in regions across the state that can provide longer-term payoffs.

According to the proposed guideline language, “CARB staff will be building off the work done for the first report to the Legislature on SB 375 implementation by reporting the level of implementation of individual SCSs through our evaluation process.” Furthermore, “CARB staff will begin reporting on whether the region is following through on its strategy commitments in the previous SCS, by comparing observed data with projections provided by the MPO from the previous SCS ...”⁸

We believe it important for CARB to clearly articulate the statutory basis supporting its new SCS incremental “level of implementation” authority.

To guide its implementation analysis CARB proposes that two questions be posed:

1. Is the region meeting or on track to meet its RTP/SCS performance benchmarks?
2. Are key regional metrics tracking with the expectations set out in the previous SCS?

Focusing too sharply on short-term outcomes and metrics and applying the proposed Elasticity Analysis (see below) could, we fear, subject individual transportation and housing projects to constantly changing criteria and could lead to significant disruptions to the planning process ... the opposite of the certainty needed to achieve the GhG reduction goals.

Just because implementation may be lagging at any given moment in time should not automatically raise the specter that the targets are not being met. Likewise, if key metrics or assumptions (such as population growth, job growth, housing production, transit ridership, etc.) are not keeping pace with expectations the established four-year RTP/SCS update allows for a stable and predictable process to make adjustments.

We suggest the following modifications to the questions recommended in the proposed language.

1. Is the RTP/SCS performance on track to meet the applicable SB 375 target benchmarks?
2. Are key regional metrics tracking with the emissions reductions necessary to meet the applicable SB 375 target?

Elasticity Analysis

The core purpose of the elasticity analysis is to address the question: *Does the scientific literature support the stated GhG emissions reductions?*

The arena of scientific literature and what it does or does not support -- particularly in climate change research that involves interpreting often sizeable gaps between model simulations and observed results – is a minefield, both scientifically and politically. We note this simply to state the obvious.

According to the proposed language, as we understand it, the elasticity analysis works this way:

1. CARB staff develops a standardized elasticity analysis method to evaluate the contribution of strategies and exogenous variables to the total VMT and GhG changes resulting from the SCS -- as a check on the MPOs reported VMT and GhG results;
2. After conducting the analysis CARB staff estimates the range of contributions of strategies on the regional VMT and GhG emissions reductions based on an aggregate result;

⁸ An updated SB 150 report is required every year.

3. Finally, CARB staff will look to see if the aggregate result accounts for at least 85 percent of the reported plan performance;
4. If the 85 percent threshold is not achieved and there is an unidentified “error range” between the model-result and the elasticity-result, then the MPO has some explaining and adjusting to do.
5. Along the way CARB appropriately notes several caveats to the elasticity analysis (EA), to wit:
6. The EA is unable to distinguish the contribution of individual projects and is unable to establish a causal relationship between performance indicators and regional VMT;
7. Uncertainties are inevitable relating to double-counting, omission of synergistic effects and other issues inherent in cumulating individual synergies to estimate a total effect;
8. The aggregate result may be a range and as such may not match the total regional GhG emissions;
9. The EA cannot account for synergistic effects of factors such as special location of strategies;
10. Nowhere is there a justification for the use of the 85 percent threshold for checking model-based results.

While we certainly appreciate the effort by CARB to fill the gap between simulations and results, we must rely on our common sense understanding of the objective of modeling which is to learn about actions not to predict and control outcomes. Context matters, and when the overarching narrative of CARB is that California is not on track to meet the greenhouse gas reductions of SB 375 and that tendentious narrative underlies the purpose for the EA, and when significant new policy changes (from financing to project review to regulatory reform) are not forthcoming, we must strongly recommend that it be removed from the guidelines.

In closing, we thank you for the opportunity to offer these comments and for extending the submittal date to January 15, 2019.

Respectfully,

Richard Lyon

Richard Lyon
Senior Consultant to CBIA



January 15, 2019

Via Email: SustainableCommunities@arb.ca.gov

Nicole Dolney
 Branch Chief, Transportation Planning Branch
 California Air Resources Board
 P.O. Box 2815
 Sacramento, CA 95812

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

Dear Ms. Dolney:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sincerely,

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Planning and Conservation League

Will Barrett, Clean Air Advocacy Director
American Lung Association in California

Jackie Cole, Principal Consultant

Veritable Good Consulting

Tony Dang, Executive Director
California Walks

Tamie Dramer, Chair
Organize Sacramento/Sacramento Transit Rider's Union

Kevin D. Hamilton, RRT, CEO
Central California Asthma Collaborative

Rev. Earl W. Koteen
Sunflower Alliance

Bryn Lindblad, Deputy Director
Climate Resolve

Adam Livingston, Director of Planning and Policy
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Coalition for Clean Air

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Colin Parent, Executive Director and General Counsel
Circulate San Diego

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Environmental Justice Program Manager
Catholic Charities, Diocese of Stockton

Andres Ramirez, Clean Energy Director
Pacoima Beautiful

Michael Rawson, Director
The Public Interest Law Project

Carter Rubin, Mobility and Climate Advocate
Natural Resources Defense Council

Jared Sanchez, Senior Policy Advocate
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Planning Commissioner City of Manteca

Joshua Stark, State Policy Director
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California Housing Partnership

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ClimatePlan

January 15, 2019

Steven Cliff, Deputy Executive Director
California Air Resources Board
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Re: Draft Proposal for Updated Sustainable Communities Strategy Program and Evaluation Guidelines

Mr. Cliff,

Fresno COG staff appreciates the opportunity to review and comment on the Draft Proposal for Updated Sustainable Communities Strategy Program & Evaluation Guidelines, which were introduced and discussed at the CARB workshop on December 12, 2018.

In general, we are concerned that the guideline update process has taken place in a unilateral, costly and unsustainable direction that Fresno COG cannot support. The information below supports this conclusion.

Tracking Implementation

SB 375 requires MPOs to develop a Sustainable Communities Strategy (SCS), that if implemented, will achieve the greenhouse gas emission targets set by the State. The CARB will determine in the SCS review process whether the SCS, if implemented, will meet the targets. The State, regions and local governments share the responsibility for the SCS implementation, which requires all partners to work together to achieve the GHG goals. The State needs to provide policy and funding support for regional and local governments to implement SCS strategies. Local agencies have land use authority and can be incentivized to implement more sustainable land use strategies. By combining progress tracking required by SB 150 in the SCS Evaluation Guidelines, CARB will provide a misleading impression that MPOs are the sole entities responsible for all the mismatch of on-the-ground data (which points to SCS implementation) and the target trajectory.

We encourage CARB to separate SB 150 progress tracking from the SCS evaluation process, and provide clear language acknowledging the pivotal role that local agencies and the State play in plan implementation. This would go a long way in demonstrating a commitment to the continued collaboration between CARB, the MPOs and the local agencies.

Policy Commitments

While COG staff appreciates the array of elements CARB staff will consider when making their determinations, it is still difficult to imagine exactly how these guidelines will be applied in determining whether GHG reduction targets have been demonstrably met. Despite pages of material outlining the criteria to be used, still missing is a discussion about the types or degrees of deviation in a particular SCS

City of Clovis
City of Coalinga
City of Firebaugh
City of Fowler
City of Fresno
City of Huron
City of Kerman
City of Kingsburg
City of Mendota
City of Orange Cove
City of Parlier
City of Reedley
City of San Joaquin
City of Sanger
City of Selma
County of Fresno

that would warrant failure to meet the targets in CARB's eyes. Without this clarity, Fresno COG finds that we are apprehensive regarding the various criteria, especially as several make reference to trends and strategies that would not be appropriate to the Fresno region (see below). In the end, as the length of the SCS evaluation guidelines continues to grow, the determination process still seems ultimately subjective.

Trend Analysis: Fresno COG modeling staff believes it is unreasonable to expect all VMT indicators to always go in the right direction. Sometimes the indicators will be impacted by exogenous factors that the MPOs cannot control, including transit ridership, for example. Transit ridership nationwide is trending downward, which is likely due to a booming economy that is increasing vehicle ownership.

Elasticity Analysis: The scientific literature addressing elasticity ranges of travel demand models is incomplete, especially regarding rural regions (as virtually all such studies have been performed exclusively in large, urban areas). In addition, the elasticity analysis ARB introduced does not reflect the synergy among different land use and transportation strategies, which are measured by the travel demand models the MPOs have been using in quantifying GHG emissions in the SCS process. For this reason, the travel demand models remain a superior quantification tool than the proposed elasticity analysis. As such, Fresno COG is opposed to introducing this untested methodology as a significant criterion in evaluating SCS performance. If CARB staff wishes to introduce this methodology in its evaluation in the future, **COG staff strongly suggests that there be an extensive period of testing and collaborative study with the MPOs from various regions before incorporating any such criteria into the SCS evaluation process.** As a matter of professional practice, when MPOs develop their travel demand models, they are required to go through a calibration and validation process to see how well the model performs. Fresno COG believes CARB should take a similar approach and ensure it is a tool that will work and meet the State's needs. We are disappointed that CARB staff continues to take such a unilateral approach to developing and proposing such a method without consulting with MPOs and allowing for any pilot testing with any of the regionally approved SCSs.

Furthermore, COG staff is particularly concerned with the proposed 85 percent aggregated screening criteria in the elasticity analysis. It is arbitrary and lacks any empirical demonstration of efficacy. Fresno COG remains strongly opposed to this approach in the continued absence of any defensible, empirical data to suggest this threshold is an appropriate touchstone by which all regions are to be evaluated.

Transportation Policy Analysis: Induced travel takes place when capacity increasing projects are built where there is current or future projected congestion. However, regions have different levels of sophistication for measuring/quantifying induced travel depending on congestion levels and the resources available. CARB should allow flexibility for smaller regions with fewer resources to assess induced travel through either quantitative or qualitative methods that are most appropriate to them.

Incremental Progress

Implementing an incremental progress analysis seems to pivot on the ability to separate and quantify the effects that exogenous variables have on GHG emission results. As MPOs access new data and improve modeling tools and practices, it becomes exponentially more difficult to track and quantify (to the degree CARB desires) the exact contribution such variables have on the final GHG emission result. Such a level of analysis would be outside the capability of smaller MPOs, whose staff is already struggling to meet its requirements in its RTP/SCS development. The performance indicator analysis

referenced in the alternative assessment proposition is more in line with the level of analysis that would be appropriate and sufficient for most MPOs in this regard.

In addition, the methodology that CARB proposes to conduct the Increment Progress Assessment is both cumbersome and labor intensive. It is not likely to produce reasonable results as directly as CARB expects, which could ultimately make CARB's decision regarding the SCS questionable. SB 375 is an unfunded mandate. Every four years, MPOs invest millions of dollars and huge staff resources in developing an SCS that will meet the GHG reduction targets. CARB's proposed Increment Progress Assessment methodology is demanding *extra* months of model testing when MPO staffing is already stretched very thinly.

The Incremental Progress Assessment was initiated and agreed upon between the Four Big MPOs and the CARB during the 2018 target -setting process because of the unique situation among the Four Big MPOs. The eight San Joaquin Valley MPOs were not part of the discussion and should be kept out of the Incremental Progress Assessment.

Equity

We are disappointed to see equity added to the ever-lengthening list of SCS evaluation guidelines, for the following reasons:

Equity concerns and regulations are already well established in State and Federal regulations. MPOs have conducted comprehensive equity (environmental justice) analysis in the RTP/SCS to ensure that projects in the plan do not impose disproportionately adverse impacts on low-income and minority populations. Such analyses are well documented in the RTP/SCS. Because equity has its local context, every region has a unique process for engaging low-income and minority populations during their RTP/SCS development. Such engagement efforts have been demonstrated throughout the entire RTP/SCS planning process.

Although social equality efforts have been a well-documented practice in the RTP/SCS process, social equality remains an issue **outside** of SB 375. It is inappropriate for CARB to overreach its designated power within SB 375 and include a non-authorized issue such as social equality as part of the SCS review.

EMFAC Adjustment Methodology

CARB developed a simple and quick methodology to address the issue of EMFAC versioning due to concerns expressed by the Four Big MPOs during the second SCS development process. The methodology was tested with the Four Big MPOs. It worked in favor of some MPOs and to the disadvantage of others. Fresno COG's second SCS stood to lose 3 percent of GHG reduction achievement due to this adjustment methodology. This methodology intends to keep all the plans (first-third SCSs) in the same "dollar value" by converting to the same version of EMFAC as when the first SCS was developed. However, it is CARB's practice that EMFAC is continuously improved and updated with the most up-to-date data availability regarding fleet mix, emission factors, etc. There will be eight years of gap between the first and third SCS, and EMFAC would have been updated several times during that period.

The proposed EMFAC Adjustment Methodology will force MPOs to use an out-of-date version of EMFAC and demonstrate the GHG emission reduction in a numeric value that is neither current nor accurate. The outcome will be confusing and potentially deceiving to the public and elected officials regarding the region's true GHG reductions.

Fresno COG asks CARB to reconsider the proposed EMFAC Adjustment Methodology and develop a new methodology that is fair to all MPOs and reflects each SCS's true achievements.

General Comments

In general, Fresno COG believes a bottom-up approach to SCS evaluation is preferable to a top-down approach. Each region's SCS has a unique set of strategies, challenges and priorities that are tailored to that region and are understood best by the local governments and the MPOs that serve them. Forcing MPOs to conform to a statewide standard when it comes to pursuing specific strategies belies the nature of regional planning, as well as the distinction between urban and rural regions.

The same objection applies to proposed CARB methodologies that require significant increases in staff, effort and modeling tools to accomplish: Larger MPOs may have the staff hours and funds to spare in completing new analysis and reporting, but smaller MPOs barely have the staff to fulfill normal planning obligations, much less take on massive additions in workload as proposed the draft guidelines propose.

It is Fresno COG's hope that CARB will take these comments as an invitation to engage in a more collaborative approach to SCS evaluation that addresses the needs and concerns of CARB, MPOs, and other stakeholders.

Should you have any questions, please feel free to contact me or Kristine Cai at 559-233-4148 ext. 215 or at kcai@fresnocog.org.

Sincerely,



Tony Boren
Executive Director

cc: Nicole Dolney, California Air Resources Board
Nesamani Kalandiyur, California Air Resources Board