

METROPOLITAN TRANSPORTATION COMMISSION

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July 13, 2022

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Ms. Liane M. Randolph, Chair California Air Resource Board 1001 I Street Sacramento, CA 95814

Dear Ms. Randolph:

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Draft 2022 Progress Report (Pursuant to SB 150) RE:

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The Metropolitan Transportation Commission and the Association of Bay Area Governments (MTC/ABAG) congratulate CARB on the release of the Draft 2022 Progress Report. This report, together with CARB's recently released Draft Scoping Plan, represents a tremendous amount of work to assess the current status of transportation and land use planning across the state and prepare for more effective and coordinated action moving forward. MTC/ABAG appreciates the opportunity to comment on the Draft 2022 Progress Report, Appendix A, and the Data Dashboard.

Through multiple regional transportation plan/sustainable communities strategy (RTP/SCS) cycles, MPOs have developed innovative strategies to reduce greenhouse gas emissions. In our region, Plan Bay Area 2050 introduced bold strategies ranging from alllane freeway tolling to increased housing and job growth in transit-rich and high-resource areas. MTC/ABAG appreciates the state's recognition that implementation of regional plans requires further action at all levels of government, and that MPOs at present cannot implement their plans alone. Regions currently face challenges such as inadequate financial resources, limited authority, and resource-intensive reviews of adopted regional plans. Recent state actions like the creation of the REAP program are an important first step, but additional state action to bolster regional resources and authorities and to streamline review processes is needed to enable MPOs to better tackle the climate crisis and advance important equity goals.

MTC/ABAG agrees that reducing greenhouse gas emissions is of the utmost importance, and that changes to state policy and funding frameworks to expedite transportation electrification and improve active and shared transportation can result in significant emissions reductions. In particular, actions to support the implementation of roadway pricing and housing/land use strategies included in adopted regional plans are key. The final report could be strengthened by the integration of more specific details, including:

- **Specifics on incentives**: the final report should include more detail on how the state envisions incentivizing certain actions. While funding is often an effective incentive, the state should consider other complementary potential incentives (e.g., streamlining of environmental review) and specify them more clearly.
- Clarity on timelines: the final report should outline the envisioned timeline for executing on the recommendations so that partners may plan accordingly.

Based on MTC/ABAG's experiences with planning and implementing strategies at the regional level, we offer comments to fine-tune the Draft 2022 Progress Report with an eye on equitable and effective implementation. We have organized our comments using the challenge areas identified in the Draft 2022 Progress Report, with a separate section and associated attachment related to the Draft Data Dashboard.

Comments on Potential Actions to Address Challenges Related to Transportation Planning and Investment

The Strategic Growth Council's recently released California Transportation Assessment (pursuant to AB 285) identifies that, too often in California, state climate and equity goals are not fully integrated into planning and investment frameworks. As such, MTC/ABAG supports state efforts to reexamine and refine approaches to these established processes. Reimagining legacy roadway projects to focus on reducing negative externalities like increased vehicle miles traveled (VMT) and greenhouse gas (GHG) emissions is a promising approach that would enable collaboration with project sponsors.

Revisiting existing state transportation planning and investment policies, particularly legacy programs and practices, to ensure that actions are aligned with current climate and equity goals, can meaningfully support lower emissions. MTC/ABAG supports using the CAPTI framework but urges flexibility so that projects that do not dovetail neatly with CAPTI but still have regional benefits are not excluded from state funding (e.g., rural road investments that have a primary goal of enabling evacuation and improving public safety). In the case of sales tax measures, MTC/ABAG would recommend the state prioritize lowering the voter approval threshold for measures that would exclusively fund investments in transit or active transportation (as was proposed by CARB in the Draft Scoping Plan) over pursuit of new climate and equity criteria requirements.

The final report should include a new action to increase funding for state programs that are well-aligned with climate and equity goals (and also regularly oversubscribed), such as the Affordable Housing and Sustainable Communities Program, Active Transportation Program, Transit and Intercity Rail Capital Program, and Low Carbon Transit Operations Program, as recommended in the California Transportation Assessment. The proposed action to make it easier to apply for these funds (e.g., developing a universal application that can be used for multiple state grant programs) would be a great help, particularly for smaller cities and transit operators with constrained staff capacity. Throughout all this work to reexamine state funding processes, the state should coordinate with regional planning agencies on an ongoing basis to ensure that state policy changes do not hinder the implementation of regional plans or otherwise have unintended consequences.

MTC/ABAG supports the report's direction to prioritize projects with a high mode shift potential or a strong linkage to needs expressed by historically underserved populations. The state should also consider cost-effectiveness and alignment with adopted regional plans as criteria for prioritizing investments moving forward. On the topic of actions to increase community engagement, state support for compensation of community-based organizations would be welcome, as the requirements of federal transportation funding sources are so complex that many local groups are not set up to receive those funds. Moving forward, coordination between state,

regional, and local partners will be critical to effectively engage historically underserved communities and avoid duplicative engagement efforts.

Comments on Potential Actions to Address Challenges Related to Transportation System Management

Optimizing the use of the existing system of highways, roads, and transit service is an emphasis area of *Plan Bay Area 2050*, and our analysis shows that this approach tends to be more cost-effective and equitable than traditional road or transit expansion projects. In particular, MTC/ABAG supports the proposed actions to enable the implementation of roadway pricing strategies from adopted regional plans, including parking pricing, cordon pricing, general-purpose to express lane conversions, and all-lane freeway pricing with an emphasis on congestion management. Implementation of these strategies will require close collaboration between regions and the state to ensure that pricing does not have unmitigated adverse equity impacts and to identify the appropriate implementation authorities. Strategies to mitigate equity impacts associated with pricing, such as ensuring the revenues are invested in a manner that benefits lower-income users and consideration of toll discounts for lower-income motorists, should be evaluated for inclusion in pricing implementation moving forward.

Optimizing the transit passenger experience is a cornerstone of MTC/ABAG's Bay Area Transit Transformation Action Plan. Critical to that effort is ensuring that transit operators have the funding needed to continue operating existing service levels. Transit agencies statewide will face a major fiscal crisis in the next several years unless ridership recovers much more rapidly than is expected and state assistance will likely need to play a role. The proposed action to revise Transportation Development Act rules to maximize the alignment of these investments with adopted regional plans is a promising avenue for accomplishing this aim. Relatedly, while MTC/ABAG supports the proposed action to make transit more affordable for passengers, it is critical to ensure that transit operators do not suffer financial losses, which could result in future service cuts.

MTC/ABAG encourages the State to consider vehicular speeds as another tool to manage the existing system, given the safety and emissions reductions co-benefits associated with lower speeds. *Plan Bay Area 2050* promotes safety and lower emissions by including a strategy to cap freeway speed limits at 55 miles per hour and select local street speeds at between 20 and 35 miles per hour. State action is needed to give local jurisdictions more leeway to reduce speeds on local streets and to enable better speed limit enforcement.

Comments on Potential Actions to Address Challenges Related to Land Use and Housing

SB 375's focus on aligning transportation and land use planning to achieve greenhouse gas emissions was a necessary evolution in long-range regional planning. Regions throughout California could benefit from including more targeted land use strategies that address region-specific issues such as affordability, jobs-housing balance, and resilience to natural hazards in their long-range plans, as MTC/ABAG has increasingly done over its past three regional planning processes under SB 375. The Draft Progress Report recognizes the challenges regions face in implementing the housing and land use components of their long-range plans and presents several strategies that, if revised, could significantly assist regions.

MTC/ABAG is already implementing many of the Draft Progress Report's recommendations related to housing and land use, funded in large part by REAP. This includes expanded data sharing to help with project prioritization, program development support that can help jurisdictions attain the state's Prohousing designation, and provision of resources for explaining context-sensitive infill. Ongoing funding is needed to ensure that these programs can be sustained over the long-term. In addition to continuing to fund these technical assistance programs, further state resources dedicated to affordable housing construction and preservation of existing affordable housing are vital to providing more affordable homes across California.

Recent state action to streamline CEQA review for select housing projects has helped to reduce some of the barriers to building housing, and MTC/ABAG supports additional state action to ensure that CEQA is not co-opted for goals outside of its original vision of environmental protection. While the proposed actions to provide more technical assistance or guidance are appreciated, tactical expansion of CEQA streamlining have the greatest potential to address the state's housing crisis. In particular, affordable housing projects and infill projects are prime candidates for further streamlining, as proposed in AB 2011 (Wicks).

More context is needed to fully understand the proposed action to give "state and regional agencies a greater role in supporting congruent local land use actions to foster their alignment with SCS implementation." Existing RHNA law already requires consistency between the near-term allocations and the long-range regional plan; given local knowledge of development opportunities and constraints within each jurisdiction, MTC/ABAG would encourage the state to avoid adding even more prescriptive requirements down to neighborhood or parcel level.

Comments on Draft Data Dashboard and Appendix A

Presenting an accurate and timely picture of past trends and current conditions is critical to understanding what actions are needed in the future. The final report should leverage the most up-to-date data available. Year 2020 data from the American Community Survey, as well as HPMS and the other input datasets used to estimate greenhouse gas emissions as described in Appendix A, are currently available. This data should be included in the final report for context, even while recognizing the unique nature of year 2020. Should additional years of data become available before the final report is released, the dashboard should include that data as well.

Additionally, when comparing estimates of daily VMT and GHG emissions to targets established by CARB pursuant to SB 375, it is important to acknowledge that while implementation at all levels of government has not been as robust as required, there are other factors outside of regions' and the state's control that influence transportation and land use outcomes. For example, until early 2022, inflation-adjusted gas prices grew at a slower pace than anticipated, reducing the per-mile cost of driving and incentivizing additional VMT. Acknowledging the various external forces at play would be appropriate and consistent with CARB's own requirements for MPOs through the state-mandated Incremental Progress Assessment.

On a more detailed note, our review indicates that the per-capita daily VMT trend estimates for the state and individual MPOs beginning on page 18 of Appendix A are significantly different from estimates reliant on Caltrans data that MTC/ABAG leverages for its performance monitoring work. This issue, among other concerns, is discussed in greater detail in Attachment 1 to this letter. Ultimately, given that per-capita daily VMT and associated greenhouse gas

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(GHG) emissions estimates are essential components of SB 375 performance monitoring, it is vital that the methodology, inputs, and estimates are thoroughly vetted by both CARB and regional agencies moving forward. In the interest of transparency, MTC/ABAG requests that CARB share the input data and processing files used to estimate per-capita daily VMT and GHG with MPOs prior to the finalization of the report so that we may verify these important metrics.

Thank you for your consideration of these comments. We look forward to continuing to partner with CARB to advance the implementation of strategies in regional plans like Plan Bay Area 2050, building toward more sustainable and equitable communities for all Californians. Please contact Matt Maloney, Director of the Regional Planning Program, at mmaloney@bayareametro.gov, should you have any further questions.

Sincerely,

Therese W. McMillan Executive Director

Attachment 1: Comments on Per-Capita Daily Vehicle Miles Traveled Analysis for Appendix A of SB 150 Draft Progress Report

MTC/ABAG appreciates Appendix A's detailed discussion of the merits and challenges presented by the various data sources used by CARB to estimate per-capita daily VMT, including Caltrans Highway Performance Monitoring System (HPMS) VMT data, California Energy Commission fuel sales data, and Bureau of Automotive Repair Smog Check Program odometer reading data. Producing an accurate and transparent estimate of VMT at the regional level is a complex task, yet it is vital for measuring regional performance related to GHG emissions reductions mandated by state law.

Per-capita daily VMT is one of the roughly forty indicators tracked on Vital Signs, MTC/ABAG's regional performance monitoring initiative. In the interest of transparency and reproducibility, MTC/ABAG uses daily VMT estimates from HPMS to track the region's performance dating back to 2001. To calculate per-capita statistics, population estimates from the California Department of Finance are used. Our analysis of HPMS data shows that the nine counties of the Bay Area collectively experienced a decrease in per-capita daily VMT of 3% (Figure 1) between 2005 and 2019. ¹ Conversely, the methodology used to estimate per-capita daily VMT described in Appendix A resulted in a 6.1% increase for the Bay Area over the same period.

20 2005 | 2006 | 2007 | 2008 | 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 23.2 22.8 22.3 22.6 22.6 Per-Capita VMT VMT (Millions) 166.2 | 166.8 | 166.3 | 163.2 | 161.7 | 158.2 | 162.2 | 167.0 | 165.8 | 170.0 | 172.0 | 172.6 | 172.7 | 175.1 | 180.3 Population (Millions) 6.9 6.9 7.0 7.0 7.1 7.1 7.2 7.3 7.4 7.5 7.6 7.7 7.7 7.7

Figure 1: Per-Capita VMT (MTC/ABAG Region)

Data Sources: HPMS and California Department of Finance Population and Housing Estimates

MTC/ABAG is also concerned that Appendix A's findings related to per-capita daily VMT conflict with other trends included in the document and are not sufficiently contextualized. For example, Appendix A details that between 2005 and 2019, the Bay Area experienced shifts in commute mode share away from auto commuting and toward transit (p. 33) and a reduction in

¹ Please visit the MTC/ABAG open data portal for per-capita vehicle miles traveled data: https://data.bayareametro.gov/Environment/Vital-Signs-Daily-Miles-Traveled-Bay-Area-Per-Capi/gfes-4rsv

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greenfield development per new resident (p. 64). A finding of increased per-capita daily VMT is counterintuitive given those trends and must be vetted for accuracy and ultimately contextualized in the final report.

Critically, MTC/ABAG has found an inconsistency in the 2005 HPMS data that may have skewed the results.² HPMS provides jurisdiction-level daily VMT summaries by county in Table 6 and MPO-level daily VMT summaries in Table 11. Summing the daily VMT by county in 2005 from Table 6 for the nine-county Bay Area returns a value of 166.2 million, whereas the daily VMT for the MTC region in 2005 from Table 11 indicates 159.9 million. MTC/ABAG has corresponded with Caltrans regarding this inconsistency, though Caltrans could not locate the processing files used to generate the summaries and therefore could not provide a reason for the inconsistency. Fortunately, HPMS data quality controls have improved in recent years, and 2019 county daily VMT sums and MPO daily VMT estimates for the Bay Area are consistent.

The 2005 data disparities are meaningful. Using the county sum as the 2005 base results in a change in per-capita daily VMT in the Bay Area of -3% by 2019, while using the MPO data point as the base results in a change of just under +0.5%. MTC/ABAG believes that the county-level daily VMT estimates are more transparent because they show individual jurisdiction-level estimates which comprise the county totals, while the MPO-level data does not provide any information on how that estimate was reached. As such, MTC/ABAG believes that county-level daily VMT estimates should be used in CARB's analysis, as opposed to MPO-level estimates.

Given that per-capita daily VMT and associated GHG estimates are cornerstones of measuring regional performance under SB 375, MTC/ABAG wishes to partner closely with CARB to ensure that the state's estimates are as accurate and transparent as possible. MTC/ABAG appreciates the work done to date to document the process for estimating per-capita daily VMT and GHG, and we look forward to continuing to work with CARB over the coming months leading up to the finalization of the SB 150 Progress Report to ensure that the data has been thoroughly vetted by regional partners.

² Please visit the Caltrans webpage to access 2005 HPMS data: https://dot.ca.gov/-/media/dot-media/programs/research-innovation-system-information/documents/california-public-road-data/prd2005-a11y.pdf