July 14, 2022



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

Re: Draft SB 150 Progress Report

Dear Chair Randolph:

Thank you for the opportunity to provide comments on the Draft SB 150 Progress Report. The eight-county San Joaquin Valley Regional Planning Agencies' Directors' Committee has been working diligently towards meeting the State's climate change, housing production and social equity goals. We have collectively demonstrated through our sustainable communities strategies (SCSs) that, if implemented, the region will be able to meet the greenhouse gas (GHG) emission reduction targets that were set by the California Air Resource Board (CARB). However, due to the many barriers pointed out in the Draft SB 150 Progress Report, the SCSs across the state have not been fully implemented as planned. As CARB is tasked to provide updates on the progress of the implementation of the SCSs, the San Joaquin Valley Directors' Committee would like to provide the following comments for the Draft SB 150 Progress Report:

- Page 16, "2019 data indicate that nearly all regions were far from achieving 2020 targets set by CARB." It is recommended that the sentence be revised to read: "2019 data indicates that nearly all regions would not have been able to achieve 2020 targets set by CARB if it were not for the COVID-19 pandemic." Big Data (such as the Streetlight data) as well as the newly published 2020 HPMS shows that because of the pandemic, there was much less travel in 2020, and therefore the VMT level was significantly lower than otherwise forecast. The 2020 GHG targets were met with the lower level of VMT due to COVID.
- Pages 7 and 22 state that development in the San Joaquin Valley has become less compact since 2005. On page 7, it states that the data analyzed is in Appendix A. Table 1 in Appendix A only shows data between 2002-2016, so there isn't a clear comparison to pre-2005 and 2005-2019. CARB should either mention that the charts used to draw that conclusion are on pages 23 and 24 and not in Appendix A or add those charts to the appendix.
- Page 26. The paragraph below Figure 4 indicates that housing production is the role of local agencies and development communities. Local governments are not in the business of housing construction. They regulate how housing development will grow in their communities and can provide incentives and/or disincentives for certain types of development. When such limited tools are exhausted, the market (i.e., the private sector) is the main force behind housing development. It would be helpful if CARB, HCD, and other state agencies can conduct research on why among the new housing permitted, there is more moderate-income and market rate housing being permitted than any other housing types and provide recommendations on strategies to rectify the trend.

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- Better discussion on exogenous factors in the report would be helpful. Data analyzed in the report is largely based on outcomes of exogenous factors, but that discussion is very brief. While evaluation of exogenous factors isn't the intent of the report, the increase in driving, car ownership, and decline in transit ridership can largely be attributed to the economy rebounding after the Great Recession. Other factors include the housing affordability crisis, which has pushed residents to live in locations that require them to drive further to work, school, and other essential trips.
- Page 40. Under Potential Actions, regional agencies, especially medium and small agencies such as those in the San Joaquin Valley are not interested in greater roles in land use. We are not equipped to handle land use issues due to jurisdictional limitations and our limited staff resources and expertise, and therefore don't have the capacity to be involved in the day-to-day details of land use decisions that the local governments have authority over.
- Page 47, last paragraph, page 48 bullet points four and five. We are concerned about the recommendation for reevaluating the projects in the pipeline, which will delay project delivery and increase project cost. We are especially concerned about the calls to review Measure projects that were approved by our voters and funded by our local sales taxes. We have a commitment to these measure projects because they were approved by 2/3 of our voters which signifies an important need identified by the communities for such facilities. Any review of such projects needs to have a broad spectrum of representation from local and regional agencies.
- Climate change and social equity are important goals in the RTP that regions work hard to achieve. However, there are many other federal, state, and local goals that the regions must include in the RTP/SCS and spend limited dollars on. Safety, for example, is one of the federal, state, and local priorities. Another example is roadway maintenance. Through many of the surveys we have conducted, our residents have repeatedly told us that the top priority for them is for government to fix the potholes on their streets so that they can safely get to work, school, and doctor appointments. Road maintenance is also important for multimodal roadway safety and transit. While we understand action is needed, we also must address residents' existing needs while we plan for future transition.
- Economic development is another critical goal for the communities in the Valley. Historically, the Valley suffers high unemployment rate compared to the rest of the state. We need jobs so that residents of disadvantaged communities can have access to economic opportunity and to get out of poverty. If more jobs mean more VMT, we can work to make such VMT cleaner through vehicle electrification or reduce such VMT through TDM strategies such as car-pool/vanpool and transit services. The regions have goals that are aligned with the State goals, but local priorities of such great importance cannot be overshadowed. Let us meet the state's goals through the approaches that work for our communities. We are strongly opposed to having the legislature establish criteria that would further burden the region.

To help further implement our RTP/SCS and achieve the State's climate and housing goals, we would like to offer the following recommendations:

It has been proven by MPOs that the land use strategies in the RTP/SCS process have the largest impact on VMT/GHG emission reduction. The State needs to provide more incentives to encourage more efficient land use development. We understand that it is much more expensive to build housing on infill sites largely due to demolition costs, utilities, and small parcel size. Reinstating redevelopment dollars would be a good start for the State to help the regions incentivize infill housing.

In addition, it would be helpful if the State could provide the regions authority over some of the State funding programs such as the Infill Infrastructure Grant Program (IIG). Regions such as the San Joaquin Valley don't have enough density or quality transit to compete with other large metropolitan areas. If the regional agencies can have programming authority for funding programs such as IIG, then we can customize the criteria to incentivize infill/transit-oriented development in our communities.

Again, we appreciate the opportunity to comment on the Draft SB 150 Progress Report and look forward to continuing to work with CARB on our future SCS development and implementation. Should you have any question about this comment letter, please contact Kristine Cai, Deputy Director of Fresno COG at <u>kcai@fressnocog.org</u>.

Sincerely,

Diane Nguyen

Diane Nguyen Executive Director for the San Joaquin Council of Governments Chair of the San Joaquin Valley Regional Planning Agencies' Directors' Committee