# CLIMATE CHANGE, ECONOMY, AND INFRASTRUCTURE

Wednesday, April 1st, 2009 Ontario, California

### Summary

#### Session 1 -

Southern California, Climate Change, and the Federal Stimulus: What's Behind SB 375?

#### Introduction:

Hasan Ikhrata, Southern California Association of Governments (SCAG)

- We shouldn't need SB 375.
- Make land use and transportation linkages to meet growth needs.
- SB 375 is not seen as a planning bill but an environmental bill; it's not written well, it's confusing. Fix-it legislation is coming and will help improve the ability regional agencies to respond constructively.

### Gary Gallegos, San Diego Association of Governments (SANDAG)

• Is SB 375 a GHG bill, or a VMT bill? It's a GHG bill. It doesn't have to be just about VMT. It really can help to better align economic, environmental and other policy goals for the region.

# Rick Bishop, Western Riverside Council of Governments (WRCOG)

- Sustainability is something that we all want for our communities.
- It is a a logical premise to improve land use and link them to transportation systems.
- WRCOG has been working with SANDAG on the Inter-Regional Partnership to improve strategies for reducing inter-regional trips.

### State Panel:

#### Jim Bourgart, California Business, Transportation, and Housing Agency

- We need to take a lesson from the depression-era WPA and build projects with lasting benefit.
- Environmental opportunities that help the economy will take priority.
- California is well positioned to receive a large portion of the \$8 billion high speed rail
  funds. We need to collaborate on a Regional Economic Plan to better compete for federal
  funds and show why our region is the most qualified for funds

### Lynn Jacobs, California Department of Housing and Community Development

- Blueprint laid the groundwork for SB 375 and is doing something very important in our communities bringing people together to plan for the future.
- Jobs/housing balance is the key to economic success

### Session 2 -

A Regional Wake-up Call: Where is SB 375 Taking Us?

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## Steve Messner, Science Applications International Corporation (SAIC)

- Climate change is the challenge of our lifetime
- California is on the leading edge of efforts to address climate change
- There are 2 sides to addressing climate change: mitigation of greenhouse gases, and adaptation to climate change impacts
- The San Diego region is uniquely at risk because of temperature and geography
- The San Diego Foundation commissioned a science-based report to identify climate risks, develop a vision, and generate a sense of urgency
- Primary question of this Focus 2050 Study: What will our region look like in 2050 due to climate change, if current trends continue?
- Major findings in 2050, if current trends continue:
  - San Diego's climate will be hotter and drier
  - Sea level will be 12-18 inches higher
  - We will face a severe water shortage
  - Wildfires will be more frequent and intense
  - o Public health will be at risk, especially among our elderly and children
  - Native plant and animal species will be lost forever
  - We will not be able to meet our energy needs
  - Full summary report, technical assessment, and other relevant information is available at the San Diego Foundation website: <a href="https://www.sdfoundation.org">www.sdfoundation.org</a>

## Bob Leiter, San Diego Association of Governments (SANDAG)

- California legislation at the forefront of the climate change discussion
  - Executive Order S-3-05
  - o AB 32 (Global Warming Solutions Act of 2006)
  - o SB 375 (2008)
- SB 375 is an extension or formalization of the long-range regional planning we've been doing in the SANDAG region for some time
- In San Diego, about 40% of regional greenhouse gas emissions come from transportation sector (cars and light trucks)
- Three main strategies for reducing greenhouse gas emissions from the transportation sector and corresponding related legislation:
  - Vehicle Technology AB 1493/Pavley Standard
  - o Fuels Low Carbon Fuel Standard
  - Vehicle Use /Vehicle Miles Traveled (VMT) SB 375
- SB 375 5 main provisions
  - Creates regional targets for greenhouse gas emissions
  - Requires regional planning agencies create Sustainable Communities Strategy

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- Connects regional housing allocation planning with Regional Transportation Plan (RTP)
- Requires regional transportation funding decisions be consistent with RTP
- o Streamlines and creates new CEQA exemptions for certain projects
- SANDAG will be the first MPO in the state to implement an RTP update consistent with SB 375

## Michael Woo, City of Los Angeles Planning Commission

- This is a global issue that's coming home.
- There are things we can do better. Our Commission could reduce VMT more, e.g., through reducing parking for discretionary projects
- Use SB 375 for more sustainable communities in Southern California. Local government retains land use decisions. There is no one-size-fits-all.
- We need to link climate policy to economic recovery, social justice and local aspirations.
- AB 32 and SB 375: "What you need to know"
  - Emissions measured in MMTCO₂E, or million metric tons of carbon dioxide equivalent
  - 2020 target for emissions (1990 levels) = 427 MMTCO₂E
  - o 2020 emissions based on "business as usual" = 596 MMTCO₂E
  - o Transport sector is largest single source of GHG emissions
  - Total reduction target for this sector ("Regional transportation-related GHG targets) = 5 MMTCO₂E
- City Planning in LA
  - Legacy of a weak department beset by politicized process; today, a department in resurgence
  - Strategy is to concentrate new density near transit stations and corridors, sparing existing low-density neighborhoods
- Climate Plan partnership http://www.climateplanca.org

#### Session 3 -

## Economic Development and the Future of So California: Housing, Infrastructure, and Business

### Mary Lee, PolicyLink

- "Equity" is not the same as "equality"
- SB 375 provides an opportunity to address regional equity
- Use a regional equity framework to make EJ and social justice central to regional development

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- We can do good while doing well by promoting housing development that meets a range of needs, preventing displacement and connecting jobs with housing
- Mixed-income development received a favorable response during a PolicyLink listening session
- Engage the community and avoid jargon
- Maximize development near transit
- Link SB 375 with other initiatives
- Integrate transit, affordable housing, open space access

### Wallace Walrod, Orange County Business Council

- Missing piece of SB 375 analysis of economic impacts of the bill
- Do we have the right tools to assess benefits and costs of SB 375 decisions?
- Potential for unintended consequences; economic competitiveness must remain at center of discussion
- How do we use SB 375 to create jobs? What kind of jobs to we want to create?
- Is there the political will for more housing? (i.e., Irvine and Anaheim have the will)
- Market forces and political will are both needed to inject more housing in key areas

### Steve Doyle, Brookfield Homes

- The biggest issue for developers is understanding and measuring risk.
- Positives of SB 375 (reducing risk):
  - Brings together major land use policy processes (RTP, RHNA, comprehensive plans, zoning)
  - Extends anti-NIMBY protections for affordable housing and high-density development
  - Brings zoning and general plans into consistency
  - CEQA streamlining
  - Big concern infrastructure deficiencies in older neighborhoods that will be densified
  - Infrastructure is a big concern; it will create problems to increase density on transit corridors that have aging, deficient infrastructure
  - There's a shift in buyer acceptance, a change in housing desires, toward more attached product.
  - Master Plan communities are now probably passé. Include commercial, industrial, city uses.
  - SB 375 has benefits.
  - SB 375 looks at land use plans for the next 30-50 years, well beyond the current economic cycle.

Andrew Poat, San Diego Regional Economic Development Corporation

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- We are in the 3<sup>rd</sup> generation of planning that focuses on communities
- Infrastructure funding can help create political will for land use/development changes
- Plans need to harness and capitalize on market forces
- The housing solution will be a private sector solution
- The power of market forces trumps good planning
- SB 375 needs to add certainty to the development process

### Steve PonTell, La Jolla Institute

- Things to consider when addressing SB 375:
  - (1) Fiscalization of land use need to understand the local fiscal structure and dynamics of local government operations
  - (2) How local economic areas interact with each other and with the region; county boundaries versus logical regional areas
  - (3) Market forces are important: % of housing that is high density varies by region (65% in LA, 50% in OC, 35% Inland Empire)
  - (4) Local diversification of communities must be maintained communities with the most life stage choices and opportunities will be most complete
  - (5) Until 2006, liability for construction defects was a disincentive for attached housing products—lawsuits were the mechanism. As of 2006, developers can address construction defects of attached products through settlements before going to trial.

#### Session 4 -

## Southern California's Local Government Response to AB 32 and SB 375

Richard Katz, Board Member, Los Angeles County Metropolitan Transportation Authority

- Commuters understand the issues, they voted for Measure R
- We need to move beyond parochial winners and losers
- Jobs-housing balance is not attainable; need to look at the regional nature of solutions
- Prop 13 (caps taxes at 1% of property's assessed value) and Prop 98 (dedicates 40% of state general fund to schools) need to be on the table

## Mayor Lori Holt Pfeiler, City of Escondido

- Visions are hard to come by and progress takes time, but regional comprehensive planning in the San Diego region is making real progress
- Elected officials need to sit at the table and take the time to get it

### Bob Johnson, Assistant City Manager, City of Temecula

- SB 375 is a gift; embrace it and take advantage of it
- There are opportunities for affordable housing that are part of SB 375

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- During an economic downturn, NIMBYism goes away
- There are a lot of dollars out there, but we need to coordinate and re-focus
- Identify goals and priorities, consolidate and work as a unit

## Supervisor Linda Parks, Ventura County

- Citizens get it, elected officials take more time
- SB 375 forces us to think regionally and can get COGs and regional transportation agencies working together
- We need to focus on cities, nodes, and food security protect the open spaces and agricultural lands
- Ventura County has an urban growth boundary to help use land use patterns to reduce GHG emissions

## Mayor Ron Loveridge, City of Riverside

- The 21<sup>st</sup> century is the century of regions
- We need to change our mental map of the U.S. consider as a "metro nation"
- AB 32/SB 375 ask us to integrate planning areas that have always operated separately on parallel tracks
- Embrace SB 375 as an opportunity and as a process for a conversation
- Read the CARB AB 32 Scoping Plan: http://www.arb.ca.gov/cc/scopingplan/document/psp.pdf
- Read Changing Metropolitan America (Hudnut 2009)
- We need to leverage economic stimulus funds to do good, coordinated planning
- Success will be measured by what happens on the streets

## Session 5 -

### **Luncheon Speaker and Audience Response**

Dr. Kofi Sefa-Boakye, City of Compton Redevelopment Agency

- Sudden economic resurgence in central cities
- Internal institutional transformation part of the solution

### Councilmember Carl Morehouse, City of Ventura

- Ballot initiatives are often a reaction to issues not addressed by government
- Housing is not built by cities because it doesn't generate enough funding via sales sax
- Why do we continue to waste taxpayer dollars on wildfires and other national disaster rescue for unsustainable, high-risk land use development patterns?
- In order to get people interested in any endeavor, you first have to identify the incentives for them to participate