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

Draft 2022 Scoping Plan RE:

Cindy Chavez Dear Ms. Randolph:

The Metropolitan Transportation Commission and the Association of Bay Area Governments (MTC/ABAG) congratulate CARB on the release of the Draft 2022 Scoping Plan. This plan, together with the Strategic Growth Council's recently released California Transportation Assessment and CARB's Draft SB 150 Report, represents a tremendous amount of work intended to better align state policy with climate and equity goals. In particular, MTC/ABAG appreciates the discussion of state actions that can support more sustainable and equitable communities, as detailed in Appendix E's four strategy areas. Further elaboration on how the actions would be carried out, such as timeline and lead agency, would strengthen the report and facilitate implementation.

Through multiple regional planning (RTP/SCS) cycles, California's metropolitan planning organizations (MPOs) have strengthened their expertise in developing innovative strategies for reducing greenhouse gas emissions. For example, Plan Bay Area 2050 introduced bold strategies ranging from all-lane freeway tolling to increased housing and job growth in transit-rich and high-resource areas. Regions currently face challenges in implementing their plans, such as inadequate financial resources, limited authority, and resource-intensive reviews of their board-approved regional plans. State action to bolster regional resources and authorities to implement the most effective strategies in their plans, while streamlining the SCS review process, would help enable regions to dedicate more energy to implementation and thereby help accelerate the most effective GHG reduction strategies. MTC/ABAG appreciates the opportunity to comment on the actions listed in Appendix E and Appendix F based upon our experience in planning, funding, and implementation.

Comments on Appendix E Strategy Area 1: Plan and Invest in a Sustainable **Transportation System**

The 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 VMT and emissions is a promising approach that would enable a more collaborative relationship with project sponsors.

Appendix E lists a number of ideas for changes to funding policy that would support more sustainable and equitable investments. MTC/ABAG supports the proposed changes to remove California Constitution Article XIX restrictions on using gas tax revenues to fund transit operations, implement mileage-based fee pilots, and lower the voter approval thresholds for sales tax measures that would exclusively fund investments in transit and/or active transportation. 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 as illustrated in Action C, the state should focus on lowering the voter threshold for sustainable investments first, before pursuing new requirements for climate and equity criteria, as the voter threshold change is likely to be more immediately impactful.

The Draft Scoping Plan 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 AHSC, ATP, TIRCP, and LCTOP, as recommended in the California Transportation Assessment. 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.

The Draft Scoping Plan discusses the need for large capital projects like the buildout of California High-Speed Rail and other investments summarized in the State Rail Plan, though there are no concrete actions recommended that are associated with this objective. Given that the total cost of these projects far exceeds available funds, MTC/ABAG encourages the use of criteria such as cost-effectiveness, equity, and alignment with adopted regional plans' transportation project lists to sequence investments in megaprojects. Furthermore, analysis for Plan Bay Area 2050 found that lower-cost projects like bus rapid transit and bicycle facilities tended to be more equitable and cost-effective than most megaprojects, and the state should increase its level of support for a range of project types beyond high-profile regional rail expansions.

Comments on Appendix E Strategy Area 2: Manage the Existing Transportation System to Advance Climate, Air Quality, and Equity Goals

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 permit the implementation of roadway pricing strategies from adopted regional plans and allow the conversion of general-purpose lanes to full facility tolling. Given that pricing strategies will negatively impact drivers with the fewest resources the most, equity-advancing considerations like reinvestment of revenues and targeted means-based discounts or exemptions must be included moving forward. Transit priority investments like transit-only lanes are a cornerstone of MTC/ABAG's Bay Area Transit Transformation Action Plan, and state action to expedite the conversion of general-purpose lanes to transit-only lanes would pave the way for future investments to expedite bus service on congested state-owned freeway and arterial corridors.

Research has shown that parking pricing is an effective way to shift travelers toward shared and active modes of transportation. While the Draft Scoping Plan identifies an action to end state subsidies for employee parking, MTC/ABAG encourages further state action in this area. For example, the state could provide more resources to support the development and enforcement of local travel demand management (TDM) ordinances. This could include requirements such as trip caps that incorporate parking pricing and other strategies at the local and regional level to reduce or eliminate residential and commercial minimum parking requirements which drive up the cost of housing and further encourage auto use.

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 such as through speed safety cameras.

Comments on Appendix E Strategy Area 4: Improve Alignment of Land Use Planning and Development with Climate and Equity Goals

SB 375's focus on aligning transportation and land use planning to achieve greenhouse gas emissions was a critical evolution in long-range regional planning. Regions throughout California could benefit from including more targeted land use strategies in their long-range plans that address region-specific issues such as affordability, jobs-housing balance, and resilience to natural hazards, as MTC/ABAG has increasingly done over its past three regional planning processes under SB 375. Appendix E recognizes the challenges MPOs face in implementing the housing and land use components of their long-range plans since they lack zoning authority and presents several strategies that could support implementation, with some minor changes.

The actions related to supporting housing growth in Appendix E represent a good start to address the housing crisis from a state perspective, though the actions should place a greater emphasis on housing affordability. This includes looking at a broader array of opportunity sites for affordable housing construction, expanding beyond the publicly owned lands that represent a small fraction of opportunity sites, and to incentivize innovative approaches like redevelopment of aging malls, office parks, and other major reuse sites. Additionally, the state should allocate resources for affordable housing construction alongside pre-development work and infrastructure.

Recent state action to streamline CEQA review for select housing projects is important to reduce the barriers to building housing, and MTC/ABAG supports additional state action to ensure that CEQA is not co-opted for goals outside of environmental protection. Further action to build on these recent gains by streamlining affordable housing development in climate-efficient places is needed to accelerate housing production in places most associated with lower VMT.

MTC/ABAG agrees with the importance of planning for open space and conservation, as well as for resilience to natural hazards like sea level rise. The RHNA objectives and statutory factors already address open space needs, so greater detail on additional goals that CARB wishes to accomplish through this action would be helpful. In the Bay Area, Plan Bay Area 2050 was used

as an input to the RHNA process, meaning that the identified conservation strategies and resilience investments featured in the long-range plan were woven into both the SCS and RHNA. Similarly, existing RHNA law already requires consistency between the near-term housing allocations and the long-range regional plan. Given local knowledge of development opportunities and constraints within each jurisdiction, we would discourage the state from adding prescriptive consistency requirements at the neighborhood or parcel level.

Comments on Appendix F: Building Decarbonization

MTC/ABAG concurs that building decarbonization is a critical piece of the greenhouse gas emissions puzzle, and we have taken steps to incorporate these approaches into our long-range plan. Plan Bay Area 2050 included two strategies to reduce building emissions, one focused on comprehensive upgrades to existing residential buildings with a focus on lower-income households, and another focused narrowly on the decarbonization of existing public and commercial buildings. Our work has focused on existing buildings with the expectation that the state will continue to update the building code to accelerate decarbonization of new buildings.

While building decarbonization retrofits and housing affordability may seem at odds, MTC/ABAG believes there are ways to advance both priorities simultaneously. Importantly, the state should provide funding to support decarbonization of existing and new affordable housing. State policy should be structured to ensure that building decarbonization efforts do not displace lower-income households. For instance, the state should link decarbonization efforts with preservation of existing affordable homes and further advance integrative efforts like the California Energy Commission's Affordable Mixed-Use Development in a Carbon-Constrained Future program (GFO-20-305), and the Strategic Growth Council's (SGC) Affordable Housing and Sustainable Communities program, in coordination with agencies like HCD.

In Section 4, Appendix F recommends that the state advance seismic and wildfire building upgrades as a form of building decarbonization, recognizing the promise of reducing embodied emissions and the co-benefits that these retrofits can have. Plan Bay Area 2050 included strategies that would support 195,000 seismic and 72,000 wildfire upgrades in older, at-risk homes. MTC/ABAG estimated an annual reduction of 225,000 metric tons of GHG emissions from not having to clear and rebuild destroyed homes due to the benefits of these strategies. Potential partners in these efforts include the California Earthquake Authority, California Office of Emergency Services, and California Department of Forestry and Fire Protection.

Thank you for your consideration of these comments. We look forward to continuing to partner with CARB to advance the implementation Plan Bay Area 2050 and regional plans statewide, 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 questions or wish to discuss any of the ideas in this letter.

Sincerely,

Therese W. McMillan Executive Director

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