

Fight Over Redevelopment Funds Not Over Yet

Passage Of Prop. 22 Offers Little Comfort To Struggling Agencies

BY JOSH STEPHENS

When 5.7 million people say they want to shield local funding from grabbing hands – as they did in November – that should be the end of the story. At least, that’s what California’s redevelopment agencies would hope after this annus horribilis in the redevelopment world.

First the State Legislature ordered the transfer of \$2.05 billion in tax increment, with the majority paid this past May and the balance due this coming May. As a result, redevelopment staff were laid off, projects went dormant, and agencies are wallowing in debt.

“In three or four years we’ll be in a very good financial position,” said Harry Mavrogenes, Executive Director of the San Jose Redevelopment Agency. “But surviving the next year or two is going to be the challenge.” “Surviving” is how just about every other redevelopment official describes the coming year.

The passage of Proposition 22, the Local Taxpayer, Public Safety, and Transportation Protection Act, has pulled redevelopment away from the brink of a nervous breakdown. It forbids any further transfers

like this year’s State’s Supplemental Educational Revenue Augmentation Fund (SERAF) payment, which was earmarked last year for school use and next year for funding trial courts. But members of the redevelopment community, especially those at the California Redevelopment Association, are not yet ready to let down their guard.

“Do I think people in the Capitol try to find ways around Prop 22? Certainly I do,” said CRA Executive Director John Shirey. “There’s no end of creativity under the dome. I am sure there are people both in the Legislature and in the Department of Finance to get around it.”

Agencies are not resting easy either.

“It is a weight off our shoulders, but I am not comfortable that it’s going to remain in place for more than a few years,” said Long Beach Redevelopment Director Amy Bodek. “The way the California Legislature is dealing with the budget is pretty abysmal, and they’re going to look for band-aid approaches in the future.”

On the one hand, the CRA has appealed – CONTINUED ON PAGE 10

California’s Top Planning Stories Of 2010

top 10.2010

BY STAFF

In Year Three of the Great Recession, it’s comforting to think that California has heard all the bad news it’s going to hear. Or at least we’re so accustomed to bad news, that we’ve stopped getting depressed by it. As a result, many of this year’s top stories come with silver linings.

The no-growth vs. slow-growth vs. build-everything debate has become a faint murmur, since not much of anything is getting built anyway. What is getting built, though, is generally pleasing to the smart growth crowd.

Fans of infrastructure development have surely cheered the prog- – CONTINUED ON PAGE 8

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The California Department of Housing and Community Development (HCD) today announced the conditional designation for three Enterprise Zones statewide. The zones are Anaheim, Harbor Gateway and Santa Clarita Valley. The new designations will take the place of the zones set out in statute, which expired in 2010. Each zone designation is in effect for 15 years. HCD also announces the release of the Request for Proposals (RFP) in January 2011 for the next two Enterprise Zones expiring in early 2012, with conditional awards being announced in August 2011. There will be a strong emphasis on renewable energy (wind, solar, etc.) in this round of applications with an additional 100 bonus points being awarded for applications that demonstrate that commitment. "The Schwarzenegger Administration has approved 36 Enterprise Zones in the last 4 years, the first new designations in the program since it was started in 1986. This program is vital in being able to compete in the global market to attract and retain businesses in California, while at the same time increasing the number of jobs with state and local incentives," said HCD Director Lynn L. Jacobs in a statement.

Apple, Inc. has enlisted Pritzker-Prize winning architect Lord Norman Foster to design its new corporate headquarters two miles from their famous One Infinite Loop address in the city of Cupertino. The new location is the site of a former HP office, purchased at a rumored price of \$300 million. A key part of the project's philosophy will be a design that will discourage the use of cars to get around the campus. Like some of Foster's other projects, high efficiency technologies embedded in the plans include materials and equipment that cut down on energy consumption, as well as some that generate it, like solar panels.

The Calico Solar electricity generation project, near Barstow, hit a procedural glitch when the California Energy Commission failed to release its environmental findings following its approval of the project. Commission Chair Karen Douglas had to revise her announcement of the projects approval, which had been "effective immediately," to allow for the release of the documents. The change follows complaints from the California Unions for

Reliable Energy, a coalition of unions representing the renewable energy building, maintenance, and operations trades. Despite the hiccup, the developer intends to move forward and begin construction by the end of the year, thus making it available for federal stimulus funds covering up to 30% of the costs of building the solar array. Ironically, this renewable energy project could hit a roadblock from an environmental group. A lawsuit from the Sierra Club could be on the horizon, because the group objects to the project's location on the habitat of the endangered Desert Tortoise.

Mint Plaza, a tiny but vibrant new public space in the City of San Francisco, has received one of five 2010 Smart Growth Achievement Awards from the U.S. Environmental Protection Agency. The awards recognize exceptional approaches to development that respect the environment, foster economic vitality, and enhance quality of life; Mint Plaza was the sole awardee in the "Civic Places" category. Formerly a neglected alleyway named Jessie Street, Mint Plaza was revitalized by the city and private partners in 2008. The award commends its promotion of pedestrian life, its revitalization of nearby historic structures, and its hosting of events such as concerts and farmers markets. Located near the decommissioned U.S. Mint building in southwest of the Financial District, Mint Plaza has been called an "outdoor living room."

Los Angeles County Metro has given the OK to a project that will implement peak-hour bus lanes on nearly eight miles of Wilshire Boulevard, the region's busiest corridor that connects Downtown Los Angeles to Santa Monica. With the subway to Westwood still decades away, the \$30 million project is intended to provide a crucial transit link for 80,000 daily passengers. \$20 million in funding came from in part from a Federal Transit Authority "Very Small Starts" grant. The approval was not without controversy and included a big caveat that had transit advocacy groups voicing their consternation. At the behest of some Wilshire-adjacent residents, a one-mile stretch of bus lane between UCLA and Beverly Hills was removed from the project. Several activist groups, and some Metro staff, opposed the removal on the grounds that allowing residents to shoot down transit improvements in their neighborhoods would set a bad precedent

for future expansion of bus lanes in the region. Construction will likely start within the year with completion expected in early 2013.

A California Appeals Court has issued a stay of transaction on Governor Schwarzenegger's controversial plan to sell off two dozen state-owned buildings. The stay temporarily halts the ruling of a Superior Court judge in San Francisco who had allowed the sale to proceed. The sale is intended to help plug a hole in the state budget with a one-time infusion of cash. Under the plan, the state would agree to lease back office space from the new owners. The proposal has come under fire for being a shortsighted budgetary gimmick whose long term costs far outweigh the short-term gain. The state's own independent Legislative Analyst found that the sale would cost the state almost \$1.5 billion over the next 35 years and would prove more costly than if the state had merely borrowed the money at present interest rates. Two former state officials had brought a lawsuit to try to stop a sale they argue violates the California Constitution's separation of powers. The legal argument against the sale was founded on the idea that the governor does not have the authority to sell buildings ostensibly owned by the California Judiciary, which occupy some of the buildings in question.

The Bay Area city of Martinez has decided to keep moving forward with its plans to annex 400 acres of nearby Alhambra Valley. Over the protest of Alhambra Valley residents, the City Council passed a resolution that will change land-use and zoning policies in the area, clearing the way for the controversial acquisition. When the gated housing developments of Alhambra Valley were built decades ago, the deeds explicitly said that the community would eventually become part of Martinez, which already provides water services to those residents. The city's move comes following a vote by residents to annex Alhambra Valley and at the urging of the Contra Costa County LAFCO. Immediately following the annexation, Martinez would stand to lose money on the deal, as it would have to pay for fire and police services to the new area. But as further development in the area ramps up, increased property tax revenues are likely to offset that. Those homeowners who are against the annexation do have one final option — CONTINUED ON PAGE 3



is published semi-monthly by

Solimar Research Group
Post Office Box 24618
Ventura, California 93002

Telephone: 805/701-CPDR (2737)
Facsimile: 805/643-7782

Subscription Price: \$238 per year

ISSN No. 0891-382X

Visit our website:
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to stop the process. If 25% of homeowners file a protest, Martinez would have to vote again on the proposal.

A judge in the Central Coast has approved a UC Santa Cruz request to receive additional city water resources for the building of student housing on the campus. However, the decision is likely to be appealed in State Court by those who oppose the project. Fundamentally, this is not a water issue; the discussion really comes down to whether or not the university should be allowed to expand housing. Under a consent agreement with the city, the university is required to house two-thirds of new students on campus. UCSC administrators argue that allowing the university to fulfill that agreement requires them to build on an undeveloped part of the campus.

San Jose is considering all its options in a potential annexation of 103 acres of neighboring unincorporated Santa Clara County. However, the community has expressed its desire to be a part of the city of Campbell. The plan to incorporate the community, which has been on the books since the mid-1970s, would help facilitate the supply of municipal services and potentially bring San Jose \$200,000 to \$300,000 in additional revenues. Ultimately, a compromise solution may be in the works, whereby both San Jose and Campbell would exchange some amount of residential and commercial property. However, Vice Mayor Judy Chirco of San Jose insisted that any transaction would have to be “revenue neutral” for her city.

Conservationists scored a victory for the Santa Ana River sucker, an algae-eating fish indigenous to four Southern California counties. A U.S. Fish and Wildlife designation of 9,331 acres as “critical habitat” will restrict the amount and types of development in the protected area. Some local officials worry that this decision could potentially scuttle large infrastructure investments in the area, including water and transportation projects. Indeed, this appears to be a case where competing environmental goals are pitted against one another. In San Bernardino, a project that diverts river water to recharge local aquifers may fail to comply with requirements under this new provision. Going forward, the water district will have to work with Fish and Wildlife to make sure enough water is left in the river to support the threatened species.

The oversight board for the California High-Speed Rail Program recently aired concerns about the way the project has been managed thus far. In particular, they cited concerns with the amount of staff dedicated to the project and the lack of sufficient financial planning. Additionally, the panel points out that CAHSR does not have a cogent business plan for who will build and operate the system. Just days after the oversight committee’s announcement,

the high-speed rail project received a large infusion of capital from the U.S. Department of Transportation. Some \$600 million of the HSR monies that had been refused by the governors of Wisconsin and Ohio were directed to California to increase work on building tracks through the Central Valley. The new federal funds – which were redistributed from other states that returned federal high-speed rail support – will now be coupled with state matching dollars, bringing the total available funds to begin construction to \$5.5 billion. This may allow HSR to plan for as many as 120 miles of the project’s 520-mile first phase, and incorporate the Valley’s largest urban centers, Bakersfield and Fresno. Project engineers also looked at the option of extending construction north toward Merced, but recommended against it until a final alignment is chosen. Depending on which alignment is ultimately selected – a decision that will not be made until all applicable environmental work is done – the initial section may stretch nearly 120 miles, from a railhead near Madera to the northernmost part of Bakersfield.

L.A. developer Rick Caruso has plans to expand his destination mall, Americana at Brand, in Glendale. He has his eyes on two properties that sit adjacent to his project, one of which is a 55-room hotel. However, at present the hotel’s owner is not interested in selling to his bigger neighbor, with whom relations have been tense since the initial construction of the project began. Setting the stage for Caruso to get his way, the City of Glendale has stepped in and forced the two property owners to negotiate with Caruso, provide their own redevelopment plans, or face having their property seized by eminent domain. If the two properties are merged into the Americana, Caruso plans to add over 100,000 square feet of retail space, plazas, and other amenities.

After over a year of speculation, sports and entertainment giant AEG has announced plans to

build an NFL football stadium in downtown Los Angeles. The stadium would be built on the site of the aging West Hall of the Los Angeles Convention Center, next to Staples Center arena, which AEG owns. The \$1 billion stadium would be privately funded and has the support of the city’s powerful Central City Association. AEG hopes to have a deal in place by March. The speed of the deal has led to renewed speculation that AEG would pursue a CEQA exemption – like the one awarded for a possible stadium in the City of Industry – in order to speed planning and construction. In August AEG officials told *CP&DR* that no such exemption was in the works. AEG has also released renderings of the stadium by three architecture firms in the running for the contract, Gensler, HNTB, and HKS. AEG has yet to secure a team for the planned stadium.

A group called L.A. Neighbors United has filed suit against the City of Los Angeles to halt the implementation of a new zoning code that it claims could lead to rampant, unregulated development. The Community Plan Implementation Overlay District Ordinance (CPIO), a complex ordinance designed to streamline the development process and, say city planners, facilitate greater density – up to 20% – where appropriate. The group alleges, however, that CPIO districts could be implemented anywhere in the city, thus inviting greater density in arbitrary locations (without, for instance, abundant transit) and undermining the city’s 35 Community Plans. The suit was filed in Superior Court under the contention that the city is in violation of the California Environmental Quality Act for not conducting an environmental review on the ordinance. In a statement, the plaintiffs said, “We are afraid that the ordinance, if it is allowed to stand, will mark the beginning of the end of real community planning in Los Angeles. Slicing and dicing Community Plan areas into hundreds of overlay districts to expedite approvals is not comprehensive planning.” ■

Mapping This Week’s InBriefs

legal digest

Court Rules For Developer's Water Estimate

Beaumont Housing Development's EIR Upheld

BY WILLIAM ABBOTT

An environmental impact report for a 560-housing unit specific plan in the Riverside County city of Beaumont has been upheld by the Fourth District Court of Appeal. The court approved the city's use of a baseline for examining water usage that was favorable to the developer, accepted the city's determination that loss of farmland could not be mitigated, and upheld the city's statement of overriding consideration for approving a project with significant environmental impacts.

The City of Beaumont approved the 560-unit Sunny-Cal specific plan for 200 acres in unincorporated Cherry Valley in August 2007. The city also certified an environmental impact report and approved an annexation plan. The core of the specific plan site had been egg farm from the 1960's to 2005. Sunny-Cal Egg & Poultry Company closed the operation because of declining economics of the egg industry. In addition, the San Geronio Pass area along Interstate 10, in which the farm is located, is rapidly urbanizing and has been for a number of years (see *CP&DR Local Watch*, April 2008 [↗]). As a result, historic agricultural activities are subject to constant pressure.

Cherry Valley residents challenged the EIR and lost in Riverside County Superior Court. On appeal, the Fourth District, in a very fact-rich decision, addressed three common areas of California Environmental Quality Act (CEQA) litigation: water supply analysis/assessment, agricultural lands mitigation and statements of overriding considerations.

Beaumont and the surrounding area sits atop a groundwater basin known as the Beaumont Basin. In 2004, as a result of litigation to adjudicate groundwater rights, the safe

yield of groundwater for the basin was set at 8,650 acre feet per annum (afa), with 1,784 afa allocated to the Sunny-Cal property. This number was based upon the egg farm's historic groundwater pumping.

The water supply assessment in the EIR used 1,484 afa – Sunny-Cal's rights minus 300 afa that Sunny-Cal assigned to a neighboring property – as the baseline for measuring water impacts. The EIR did not use the amount of water used on the site during post-egg agricultural activities, which was estimated at only 50 afa.

Although the court's decision discusses a variety of water supply planning efforts by affected water agencies, the key legal question was whether the most recent use (50 afa), or the adjudicated amount minus the assignment (1,484 afa), was the appropriate baseline. The California Environmental Quality Act generally directs lead agencies to use existing physical conditions when preparing environmental review documents. However, as court recognized, CEQA Guidelines § 15125 leaves room for the lead agency to utilize an alternative baseline. Here, the appellate court determined the 1,484 afa was appropriate in light of the earlier groundwater adjudication.

"Sunny-Cal's right to use 1,484 afa on the project site was unaffected by its cessation of the egg farm operations in late 2005, and the 1,484 afa figure closely approximated Sunny-Cal's historic water usage on the project site while the egg farm was operating," Justice Jeffrey King wrote for the unanimous three-judge panel.

Notably, in upholding the city's baseline, the court ruled that the appropriate judicial review was the more deferential substantial evidence test, rather than the "fair argument" test that favor plaintiffs, because the agency had the discretion to choose, and because the issue was not purely a question of law. Thus,

although there may have been other evidence regarding groundwater issues in the basin, there was an adequate basis to support the recognition of Sunny-Cal's rights, the court ruled.

The issue of agricultural land mitigation is of continuing debate in courts throughout California. Beaumont had concluded that long-term trends made it infeasible to offset the conversion of 200 acres of prime agricultural soils to urban use. Project opponents argued the EIR was defective because it did not consider off-site mitigation measures, such as acquisition of land for long-term farming or the acquisition of agricultural conservation easements.

In ruling for the city, the court recited the evidence in the administrative record supporting the conclusion that the historic and expected land use and economic trends would eventually result in decreased agricultural operations in the area, if for no other reason than farmers are selling their land for urban development. The appellate court cited *Defend the Bay v. City of Irvine*, (2004) 119 Cal.App.4th 1261 (see *CP&DR Legal Digest*, Vol. 19, No. 8 Aug. 2004 [↗]), in which the court also upheld a city's decision not to mitigate the loss of agricultural land because of negative farm economics. The lesson to be learned here is obvious: Whether the issue involves agricultural land or other natural resources, the lead agency, landowner or developer needs to develop an appropriate level of evidentiary support to defend a determination that a mitigation measure is infeasible.

With respect the statement of overriding considerations, the city had identified eight separate benefits to justify approval of the project notwithstanding the significant unmitigated impacts. Tactically, the city's findings took the approach that each of the eight reasons independently supported project approval, thus forcing the oppo- – CONTINUED ON PAGE 5

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nents to overturn all eight benefits, a significant undertaking. These benefits in many cases were broadly stated, and, although the opponents argued that some of benefits were nothing more than stated characteristics of the project, the appellate court said that it could not substitute

its judgment for that of the City Council. ■

■ The Case:

Cherry Valley Pass Acres and Neighbors v. City of Beaumont, No. E049651, 2010 DJDAR 17640. Filed November 22, 2010.

■ The Lawyers:

For Cherry Valley Pass Acres and Neighbors: Robert

C. Goodman, Ann M. Blessing, Rogers, Joseph, O'Donnell, (415) 956-2828.

For the city: Joseph S. Aklufi, Aklufi & Wysocki, (951) 682-5480.

For Sunny-Cal Egg & Poultry Company: Michelle Ouellette and Fernando Avila, Best, Best & Krieger, (951) 686-1450.

historic preservation

Ruling Thwarts Redevelopment Of Historic Apartments for Religious Use

BY GLEN HANSEN

A Santa Monica apartment complex owned by a religious group did not fall within a statutory exemption from local historic preservation regulations because the property has always been a commercial enterprise, the Second District Court of Appeal has ruled.

Designed by architect Stanford Kent and built in 1949 and 1950, the Teriton Apartments consist of a 28-unit, rent-controlled garden-style apartment complex in a single two- and three-story structure, arranged in a pinwheel around landscaped courtyards. The complex is one of the few other examples of this pinwheel design remaining in the Los Angeles area.

The owner of the property, Or Khaim Hashalom, filed an application with the City of Santa Monica in 2006 to demolish the complex and construct a new building. When the application triggered a review by a city's Landmarks Commission on the issue of historic preservation, the owner withdrew the application and re-formed itself into a not-for-profit religious corporation. Or Khaim then restated its intention to demolish and rebuild. Or Khaim said that it planned to use the property to house Jewish refugees from Iran and Iraq, but it refused to answer questions as to whether it was operating as a synagogue.

The property owner then submitted a "notice of exemption" from the city's landmarks ordinance pursuant to Government Code § 37361. Nevertheless, the city designated the complex as a historic landmark in late 2006. Or Khaim then filed a lawsuit seeking an order compelling the city to set

aside its designation. The owner contended the property was "noncommercial" and qualified for the statutory exemption from local historic preservation contained in § 37361, subdivision (c). A Los Angeles County Superior Court judge disagreed with Or Khaim Hashalom and denied the petition. The Court of Appeal affirmed that decision.

Government Code § 37361 governs cities' ability to preserve historic landmarks. Subdivision (c) of the section permits religiously affiliated organizations to exempt their "noncommercial" property from local historic preservation laws – an exemption the state Supreme Court ruled was constitutional in the pivotal case *East Bay Asian Local Development Corp v. State of California*, (2000) 24 Cal.4th 693 (see *CP&DR Legal Digest*, January 2001 [1]).

For a property to qualify as "noncommercial" under the exemption in § 37361, subdivision (c), the Court of Appeal explained, the property's use must be related to the religious owner's fulfillment of its religious mission. The property may not be used for profit-making. In addition, the noncommercial use must predate the landmark designation and the exemption application.

Here, the court held that the Teriton Apartments did not qualify for the exemption in § 37361, subdivision (c), because the property had been a commercial and for-profit apartment building since it was built; because the property had never been used for a religious entity's mission and has never been a non-profit concern; because the owner had no religious purpose either at the time it purchased

the property or when it initially sought to demolish the building; and because even the newly created religious corporation was no more than a landlord of a conventional, commercial apartment building that has no purpose related to any religious mission.

The Court explained that its holding – that noncommercial use must predate the exemption application – is intended to avoid two kinds of manipulation by property owners: First, without this rule, a nonsectarian owner could thwart a landmark designation merely by incorporating as a religious association and declaring an exemption on its commercial property. Second, if this rule did not exist, a religious entity could trump a historic preservation determination by purchasing a landmark and later declaring the exemption so as to demolish the landmark and erect a commercial building for financial advantage.

"Under either scenario, the exemption would eviscerate the historic preservation statutes," Justice Richard Aldrich wrote for the unanimous three-judge panel.

In an unpublished portion of the decision, the court upheld the validity of Santa Monica's landmark ordinance and the city's decision to designate the Teriton Apartments as a historic landmark. ■

■ The Case:

Or Khaim Hashalom v. City of Santa Monica, No. B212733, 2010 DJDAR 17625. Filed November 22, 2010.

■ The Lawyers:

For Or Khaim Hashalom: Rosario Perry, (310) 394-9831.

For the city: Alan Seltzer, city attorney's office, (310) 458-8691.

While AB 32 and SB 375 have garnered attention for their efforts to limit California's greenhouse gas emissions, even the most ardent supporters of those measures admit that they are small pieces of a much larger puzzle. For the past year, the California Climate Adaptation Task Force has been trying to figure out what some of the other pieces should look like. Convened by the Pacific Council on International Policy, the task force was invited by Gov. Schwarzenegger to make official recommendations about how the state can adapt to, rather than mitigate, climate change. This focus implies that, despite attempts to mitigate greenhouse gas emissions, the state will indeed be facing threats ranging from changing weather patterns to rising seas to more rampant wildfires in the coming century.

The task force published its findings in a recent report <http://www.pacificcouncil.org/climatechange>, which calls for the state to invest in intensive research and establish a Climate Risk Council to serve as a clearinghouse for statewide climate change research and policy development. CP&DR spoke with Dan Mazmanian, the task force's chair and professor of public policy at USC, about these findings.

CP&DR: What do we know about climate change in California now that we didn't know prior to the drafting of this report?

MAZMANIAN: We don't know anything more about climate change per se. This hasn't been a scientific assessment. This has been an assessment of the policy needs given the science that we already have.

CP&DR: What are the threats the state is facing?

MAZMANIAN: There's a whole host of threats that have been identified in the science, and people are reflecting on what that implies with respect to land use patterns, water availability, water use, health hazards, environmental and ecological changes.

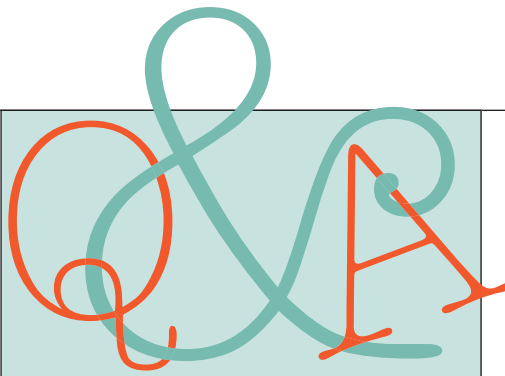
As far as the task force, in thinking about this at the outset the decision was to hone in on three specific threats:

1. The projections of sea-level rise and how it is going to affect California's coastline, bays, and inlets. Particularly the SF Bay Area but other areas as well.
2. The ramifications of the projected temperature rise and its effect on snowpack and precipitation.
3. Related to the temperature rise, and especially looking at Northern California, the elevated risk of very severe wildfire.

Those three were chosen for some practical reasons and some scientific reasons. The scientific reasons are that we have a fairly good sense of the science in these three areas. The second is a practical one: We're a small group; we gave ourselves 12 months and decided to focus on these three as illustrative because they are important and they will be widely appreciated.

CP&DR: Does California face unique threats to climate change that other states don't?

MAZMANIAN: The broadest answer is that all of the effects of climate change are ultimately going to affect people on the ground where they live. Californians are going to be affected by climate change in some ways just as people in Nevada will, though Nevada has no sea level rise challenge.



DAN MAZMANIAN



CHAIR,
CALIFORNIA CLIMATE
ADAPTATION TASK FORCE

Californians need to talk about it in some detail and in the context of where you live in California. Every state needs to think about this. California's challenges are going to be similar in some ways – for instance in terms of the heat and effects on precipitation. There's a model of this for the whole Southwest. It doesn't stop at state borders. But California is going to have its own version of these things and we need to think about them as they affect us.

CP&DR: What are the policy recommendations that the task force has made, and is the state equipped to adopt those recommendations?

MAZMANIAN: One of the things that became very evident during our deliberations is that we need increased monitoring and data-gathering in anticipating climate change and in thinking more systematically and coordinated across the state. We're not the first to do this, but we're underscoring the importance of California doing this in a more systematic fashion.

Second, where we found some of the more menacing challenges are anticipating what these climate changes will look like on the ground, not just today but over decades. While the science is growing in this area – and it's built from the global models of the Intergovernmental Panel on Climate Change – the

science hasn't developed to the degree that we can [dictate policies] to people on the ground who have to make decisions about infrastructure, about major planning and development strategies. Nor do we yet dictate guidance and advice to people along the CA coast...or in the Central Valley and elsewhere and will be affected by heat rise. We don't have that level of sophistication. It doesn't exist. We are suggesting that California invest in developing the climate science that will be applicable on the ground in California.

That involves both bringing the science itself down to a scale that's useable, both in the public and private arena, to compile and organize the scientific info that's relevant to CA. We are recommending that, given the evolving nature of this science, this council be responsible for doing the state-of-the-art updating and upgrading to make it available to all of us who have to use it on the ground: city, county, regional, and state level.

The Climate Risk Council would be responsible for developing ways to think about cost-effective options. It wouldn't make those choices, but it would develop the methodology and attempt to array them from the most cost-effective to the least-cost effective strategies. Some of those on the high end generate a net gain to society. At the planning and application level, there seems to be a need for improved communication and especially coordination.

One area in which task-force members were not able to reach a consensus [is] on how one should directly pay for these issues. There is a strong sense that it needs to be embedded in the normal operations and decision-making at all levels. There isn't going to be a special fund for adaptation distinct from thinking about infrastructure investment.

CP&DR: This report focuses on adaptation. Are we beyond mitigation? Are we going to face these effects no matter what, and if so, what does that mean for laws like AB 32 and SB 375?

MAZMANIAN: I don't think that anybody on the task force felt that adaptation alone was what we should be thinking about in California or anywhere. Mitigation needs to go forward. No one's arguing with that. But, if California was to succeed in reaching its very ambitious mitigation goals, the analysis we were given suggests that that would be 1.5 percent of the globe's mitigation challenge.

Given that we didn't see, in the United States or – CONTINUED ON PAGE 7



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around the globe, an aggressive strategy being launched to deal with mitigation, there are going to be inevitable adaptation challenges. Both deal with the quality of life, to prepare ourselves thoughtfully, to make the most cost-effective investments we can going forward.

CP&DR: Does SB 375 have some adaptive elements to it?

MAZMANIAN: We had a number of conversations with people involved in the development and implementation of SB 375. Of course, if that's done wisely and with an eye towards the climate science effects, it has a central place. In the actual conversations we had with people involved, they felt they were currently burdened with the enormous challenges of simply developing SB 375 plans, so they were not enthusiastic about having an explicit requirement that they build in adaptation. I think all those involved are aware of the looming effects and I will be personally surprised if we don't see the SB 375 anticipating some level of climate change.

CP&DR: Are some places going to become less inhabitable? Is this a major thing that developers and planners are going to have to consider as the state grows?

MAZMANIAN: They're quite real for all of us. We worked around a somewhat artificial but useful framing of the discussion: if in fact there are going to be some significant climate change effects that are going to affect land or resources, you can develop resilience or you can retreat. The preponderance of folks was on resilience as a first strategy. But if we're going to actually do well over time resilience is probably a better strategy. And only after the resilience strategies are not feasible do we want to worry about retreat as a society.

If you have a sea level rise of anywhere between three and six feet....it may not

be feasible to sustain some of the beachfront dwellings we have up and down our coast without doing something quite dramatic. Those people may have to face retreat. But that's over the course of many decades, so I think we have time to adjust.

CP&DR: Are there any statistics that surprised you?

MAZMANIAN: Personally, I was not as aware of the extent of major forest fires, especially in Northern California, that are projected to occur unless we deal with vegetation management and forestry management in a more thoughtful way. Those fire threats are quite dramatic in the second half of the century. People have an intuitive sense of sea level rise and snowpack depletion today. But the fire threat came as a bit of a surprise.

CP&DR: How is the work of planners going to change based on the task force's findings and further research such as this?

MAZMANIAN: A simplified way of planning historically is to look at the environment and the resources available retrospectively and see them as fairly stable. I think that's for all of us, not just planners. But planners have developed capacities to develop what we might talk about as a steady-state system and then modify it depending on what we want to do.

What the climate change phenomenon is telling us is that that's no longer enough. We have to simultaneously anticipate the changing environment in ecology, and landscapes, and land uses and, therefore, plan in a more complex, dynamic way. It's not easy, but that's what we're calling for, and we're calling for the Climate Risk Council to begin developing ways of thinking and doing this analysis. ■

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ress on projects like High Speed Rail and Los Angeles Metro's 30/10 Initiative. Then again, skeptics may be assuring themselves that these projects will never get built.

The impacts of SB 375 are a long way off, but the Air Resources Board managed to set targets that many consider to be attainable and reasonable. The movement to mitigate climate change survived a scare from Prop. 23, which would have curtailed SB 375's sister legislation, AB 32: The Global Warming Solutions Act of 2006.

Redevelopment took perhaps the biggest hit this year, with a court ruling in favor of a \$2.05 billion funding transfer and some scathing reports and news stories about inefficiency and alleged misuse of affordable housing funds. Then again, voters approved Prop. 22, thus protecting local funds and affirming their distaste for Sacramento's use of local governments as piggy banks.

With that, here are the *California Planning & Development Report's* Ten Most Important Land Use Stories of 2010:

High Speed Rail

It's been slow-going for High Speed Rail. While nary an inch of track has yet to be laid, high speed rail has spread its tentacles across the state, into places that are dying to welcome it (Fresno, Bakersfield, the rest of the Central Valley) to places that would prefer that travel be replaced by iPhone video conference (Menlo Park, Atherton, Palo Alto). Where it will go, what it will cost, and how to pay for it – even with billions in federal stimulus funds – have dominated conversations in both land use and transportation planning circles. Locally, cities have begun to plan for downtown stations that would serve as catalysts for development. But for all that \$40 billion worth of talk, some say we're going to end up going from nowhere to nowhere – fast. [↗]

Redevelopment Funding Raid/Proposition 22

According to many in the redevelopment community, the Legislature signed the death warrant for many redevelopment agencies in 2009, and this year a judge refused to grant a stay of execution. In May, Judge Lloyd Connelly ruled that ABX 4-26, the budget trailer bill that authorized the transfer, was in fact legal and that the Legislature could order the transfer of \$2.05 billion from local redevelopment agencies to the state. Most agencies delivered the payment by the May 10 due date. Many of them had to summarily halt all activities requiring public funds that were not already budgeted with the funding take in mind. The California Redevelopment Association battled back by successfully prompting Prop. 22, and it has taken its suit to stop the take to the Third District Court of Appeals. Until that court rules, many agencies feel like they are on Death Row.

Los Angeles County 30/10 Transportation Funding Initiative

So little development is going on in California's cities these days that you can probably rent a crane and cement mixer for about the price of a ham sandwich. That's one of the many reasons why folks in Los Angeles County are excited about the so-called "30/10" plan that's been promoted by Los Angeles Mayor Antonio Villaraigosa. 30/10 seeks to complete 30 years' worth of transportation projects in just a decade, financed by an up-front \$40 billion loan from the federal government using the county's Measure R sales tax to repay the loan over time. The plan would initiate miles of subway, light rail, and freeway construction all at once, with the intent of giving county residents easier ways to move around and promoting transit-oriented development along high-

traffic corridors. Many say that it might even turn Los Angeles into a more "urban" city [↗]. Embattled Mayor Villaraigosa also hopes that it will resurrect a legacy that is otherwise full of charm, enthusiasm, and unfulfilled promises.

Proposition 26

Will it kill cities' ability to raise funds through fees, or won't it? That debate will continue as local officials and lawyers sort out all the implications of Prop. 26, but the voters' intent seems clear: now, as ever, they are skeptical of any kind of new tax. It's likely, however, that a slew of exemptions [↗] will lessen Prop. 26's impact on land use.

Slow Housing Development

The crater in residential development isn't so much a story as it is a way of life at this point. Nevertheless, anyone who was expecting a boom has been disappointed. Construction remains anemic, and developers [↗] remain anxious. At least, the ones who are still developers are scared. Many have left the business entirely. Infill development, however, may be a saving grace for those developers who already have a toehold in center cities or who are nimble enough to change their business model. Beyond the developers' plight, many are concerned that in some areas – notably the Central Valley and Inland Empire – anemic development means that SB 375 and local plans oriented towards smart growth will never make it off the drawing board.

SB 375 Targets

Two years ago, the passage of SB 375 was *CP&DR's* top story of 2008 [↗]. It marked a fundamental shift in the way that the state approached regional planning and promised to offer profound co-benefits relating to both greenhouse gas emissions and livability. But it takes a while to turn principle into policy. This September the California Air Resources Board finally announced its regional greenhouse gas targets [↗], thus initiating the actual implementation of SB 375. Some environmentalists felt that the targets – 7% in San Diego, Sacramento, and the Bay Area, and 8% in the five-county Los Angeles area – did too little, and noted that a per capita reduction in greenhouse gas emissions still could lead to an overall increase in emissions [↗]. Others feared that SB 375 would stifle developers or require Soviet-style urban relocation programs. The overwhelming consensus, however, was that the targets came from an unusually rigorous vetting process, marking a new day for regional planning in the state, if not the country.

Governor-Elect Jerry Brown

When former Governor Jerry Brown first came to office, in the midst of a punishing recession, Californians were enveloped in a new environmental ethos and concerned about everything from gas-guzzling cars to emerging solar power technologies. They lived in cities that were imperfect but vibrant places and the suburbs were still developing their identities. He acquired a funny nickname. When Governor-elect Jerry Brown comes to office, in the mist of a punishing recession, Californians will be enveloped in a new environmental ethos and concerned about everything from gas-guzzling cars to emerging solar power technologies. They live in cities that are imperfect but vibrant places and the suburbs that are still developing their identities. He succeeds a governor with a funny nickname. One major difference that may give planners pause is that for all the things that have stayed the same, Brown now arrives with local govern- – CONTINUED ON PAGE 9

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ment experience. Credited by many with stoking a modest revival in Oakland, Californians have reason to believe that the new old governor [🖱] will pay more attention to cities than ever before.

Gail Goldberg Steps Down in L.A.

The departure of a single city's planning director doesn't usually have statewide implications, except when it reflects the zeitgeist of an entire profession. Gail Goldberg stepped down [🖱] from the top post at the Los Angeles Department of City Planning in July, thus ending a four-year run that began with nearly infinite promise. One of several star female hires by Mayor Antonio Villaraigosa, Goldberg arrived in L.A. with a promise to "do real planning." She saw promise in the city's neighborhoods and never once succumbed to the cliché that L.A. is an unplannable mess. The real mess, she found, was in the department itself, which was rife with inefficiency and a bland spirit. Goldberg was succeeded by department insider Michael LoGrande [🖱], who has promised to make the department more user-friendly, according to a business-inspired model. Meanwhile, Goldberg's energy, optimism, and visions for a "city of villages" appear to have been put on the shelf.

Walkscore and Web-Based Planning

The capacities of websites have advanced so quickly that terminol-

ogy like "Web 2.0" (or is it 3.0?) or "mashup" now seem hopelessly quaint. Even urban planners should simply expect that the next great advance will happen any day now. In fact, it just did. While the popularity of the Walkscore city-rating website – a mashup of urban data with a metric for assessing pedestrian-friendliness – is not a story per se, planners cannot ignore its influence. Case in point: Publisher Bill Fulton's blog about Walkscore was the single most-read story [🖱] on *CP&DR* all year. Walkscore uses both sophisticated data and appealing graphics to put into layman's terms many things that planners have struggled to articulate. And in case you thought Walkscore was cool back in February, check out the new neighborhood-level ratings [🖱] that came out last month.

Planning Department Budget Cuts

On the plus side, there's not much development for planning departments [🖱] to worry about. On the negative side, revenues are down, from both fees and general funds, and planning departments have had to let go of enormous fractions of their workforces, through everything from early retirement to outright layoffs. Some departments see this lull as a good chance to work on long-term plans, while others find little solace in reductions of up to 40 percent of their planning capacity. ■

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Delinquent Agencies Go About Business As Usual

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the May court ruling by Sacramento Superior Court Judge Lloyd Connelly that affirmed the legality of Assembly trailer bill ABX 426 and hopes that a victory will lead to a wholesale refund. On the other hand, the CRA has told its members to prepare to pay up in May, especially because nobody knows when the ruling will come out. And the later it comes out, the more the situation turns in favor of the state.

“My sense is the state’s going to drag this on,” said Mavrogenes. “Because once we send the money over there, it’s going to be very hard to get it back.”

If the 2011 payment goes through, it will be a symbol of what Shirey considers the dysfunction of the State Legislature. ABX 426 was passed under the premise that redevelopment funds would at least be earmarked for local schools, but in designating the next payment for trial courts, it has become all the more evident that the funding take was simply a matter of offsetting the state’s enormous general fund deficit.

“It was clear all along that the reason they took redevelopment money was to simply balance the state budget,” said Shirey. “It didn’t have anything to do with some motive to help education.”

That analysis gets little argument from officials in Sacramento.

“Everyone understands the financial implications of the financial shift,” said Marianne O’Malley, director of General Government at the California Legislative Analyst’s Office. “No one is pretending that the transaction occurred for reasons other than to offset state General Fund costs.”

Nonetheless, this year’s payment has already set up what some in the redevelopment community are saying could turn into a showdown between redevelopment and education interests in the state. In a Dec. 13 update on the CRA website, Shirey noted that the California Teachers Association, which opposed Prop. 22, may be mounting a campaign to once again make redevelopment monies available for schools.

CTA spokesperson Sandra Jackson said that the CTA board has not met since October and therefore has come out with no official statement on Prop. 22’s passage. Redevelopment officials say, though, that given the state’s fiscal situation, all interest groups should be seeking a long-term solution from Sacramento.

“If all we’re going to do is fight like wild dogs over the same small bone, I don’t think that anyone’s going to be getting ahead,” said Scott Ochoa, city manager and redevelopment director of Monrovia.

Even aside from a fight to get around Prop. 22, Shirey said that this year will be “a very difficult year legislatively.” He said that the scandal in the City of Bell, an unfavorable audit of the use of housing funds, and unflattering stories in the Los Angeles Times have put a target on redevelopment. He said that the CRA will likely introduce its own legislation designed to acknowledge problems such as misuse of housing funds.

“We intend to have our own reform legislation introduced in January because we just simply think that we should take seriously the issues that are laid out in that report. We can make some changes in law that might encourage our agencies to do a better job. We can’t defend agencies that are spending 50-100 percent on planning and admin.”

He also said that CRA will try to revive AB 2531 which was vetoed by Gov. Schwarzenegger. That bill was designed to broaden the abilities of the Los Angeles Community Redevelopment Agency to aid job creation and undertake other economic development activities not directly related to land use.

Until those solutions arise, many agencies remain in dire straits. Perhaps surprisingly, some of the least desperate agencies are those few that refused to make their SERAF payment this year. ABX 426 imposes

a so-called “death penalty” on agencies that do not pay, meaning that they are not allowed to embark on any new projects. However, agencies – including those in Monrovia, Placentia, and Richmond – that are in violation, say that the state has yet to take any action and that it’s largely business as usual.

“As we moved forward throughout the year and nothing happened to us, the state didn’t contact us...we became less concerned,” said Placentia City Administrator Troy Butzlaff. “Maybe this whole thing would be reversed and we wouldn’t have to make this payment at all.” Butzlaff noted that his agency has had to cut back on acquisitions and may not be able to assemble parcels for a planned commuter rail station.

However, by proceeding with current projects – and not going into debt – these agencies hope to raise enough new funds that they will be able to make their 2011 SERAF payment in due time. Thus, they hope to clear themselves before the “death penalty” would even become a factor.

“I think, at the end of the day, what the state wants is money,” said Ochoa. “When we get ours, you’ll get yours. And I think that’s probably good enough.”

While other agencies have had to pay tens of millions of dollars, Ochoa said that his city’s refusal to pay was not influenced by peer pressure, nor has it prompted any.

“It was kind of a novelty when the story first broke,” said Ochoa. “I don’t think that anyone begrudges us. I don’t know that anybody admires us. People do what they have to do when they’re in crisis.”

For those agencies that did abide by ABX 426, the year ahead looks only marginally brighter than the one now ending. One of the more common methods of paying their SERAF payments was for agencies to borrow against their affordable housing set-aside funds. These “loans” have to be repaid within five years, meaning that even if Prop. 22 prevents further takes, the SERAF has become more than a two-year issue.

“While the budget impact was over two years, the effective impact for us is going to be over 7 years,” said Long Beach’s Bodek.

In some parts of the state where economic fundamentals are looking weak, redevelopment agencies are expecting neither to increase their revenues nor embark on the sort of projects that, proponents say, enables redevelopment to spur local economies. In some places, agencies are focusing on job-creation and not even on development or infrastructure. Private developers are, officials say, essentially on their own.

“If we do anything, it’s going to be strictly private financing without any redevelopment assistance” said Gus Duran, Interim Director of the Stockton Redevelopment Agency.

The Central Valley has been hit especially hard. Duran said that his agency wants to rehabilitate some historic hotels in the city’s downtown, but that doing so is a long way off.

“I think it’s going to be five to ten years, especially for Stockton,” said Duran. “It costs us just as much to rehab a building here as it would in the Bay Area, but the incomes are not here for people to buy or rent those apartments.” ■

■ Contacts & Resources

Amy Bodek, Executive Director, Long Beach Redevelopment Agency, (562) 570-6615.

Gus Duran, Interim Director, Stockton Redevelopment Department, (209) 937-8539.

Harry Mavrogenes, Executive Director, San Jose Redevelopment Agency, (408) 535-8500.

Scott Ochoa, City Manager, City of Monrovia, (626) 932-5501.

Marianne O’Malley, Director of General Government, California Legislative Analyst’s Office (916) 319-8315.

John Shirey, Executive Director, California Redevelopment Association, (916) 448-8760, www.calredevelop.org

Subway Controversy Offers Beverly Hills A Lesson In Planning

As its location suggests, Beverly Hills High School enjoys its share of amenities: a gym that converts to an indoor pool; a planetarium; a professional-quality theater. But, like most high schools, it does not have a class in urban planning or transportation. Except now that the Los Angeles Metropolitan Transportation Authority has proposed extending the Purple Line subway under school grounds, Beverly High is getting a serious lesson in planning.

On its way from downtown Los Angeles to Westwood [↖], the alignment that would pass under the high school would lead to a station in the middle of Century City, a location that Metro planners favor for its centrality. A less expensive alternative would follow Santa Monica Boulevard but arrive at a station that some contend would be less convenient for commuters. The debate over these two alignments has brought out an array of concerned citizens. Some of them express informed, nuanced opinions about cost, walkability, and local control. Others fear for high schoolers' lives.

The latest voice to pick up the children's crusade is Lisa Korbato, the incoming president of the Beverly Hills Unified School District Board of Education. Incongruously, Korbato said that her "first priority" as board president would be "fighting the MTA's plan to possibly tunnel under the high school."

"If the tunnel is built under the high school," Korbato told the Beverly Hills Patch last week, "there will be interruptions in education from noise, pollution, traffic and other factors – and both the quality of our education and our property values will suffer."

As if all that weren't enough, she nearly invites nefarious forces to

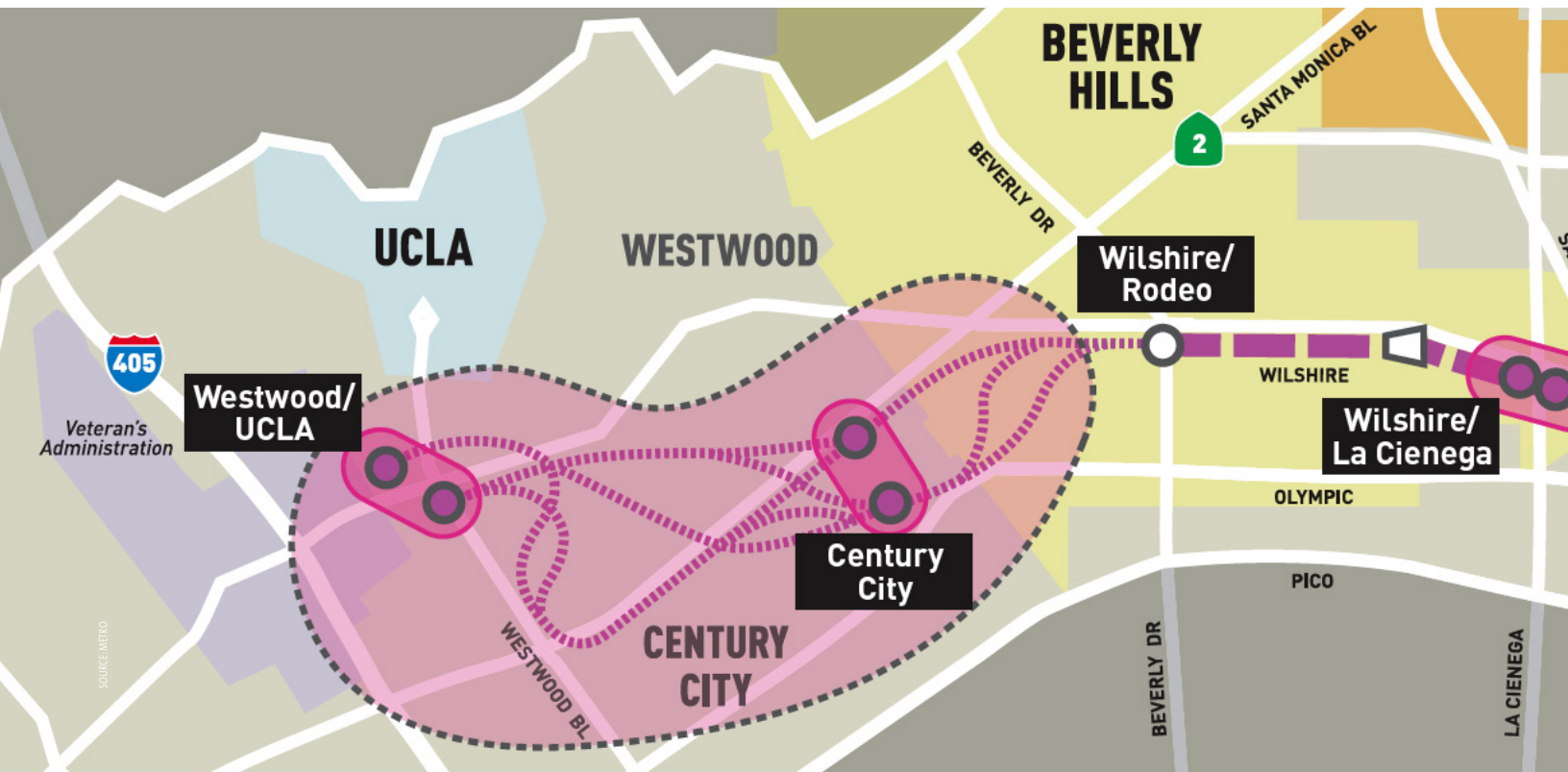
marshal against Beverly Hills: "I am also very worried about the high school being the subject of a terrorist attack. Terrorists have bombed subway lines in Madrid and London. Our high school, with its reputation as having affluent and Jewish students, would make a good target." (I'm sure she didn't really mean to say "good.")

If this world hasn't figured out how to get along with itself in the 20 years that it will take for the subway to reach Beverly Hills, then we have a lot more to worry about than a subway route. Moreover, they would have to be some very patient terrorists who would wait that long rather than drive on to campus tomorrow. I don't mean to scare anyone – I just mean to point out the absurdity of stoking unnecessary fears.

Where's steely-eyed Dylan McKay when we need him?

As for those "other factors," presumably they include everything from underground vibrations to the possibility that the tunnel could collapse and swallow the school whole. If this comes to pass, it would be, as far as I know, the first such instance of a subway with such a large appetite for teenagers. But this gruesome, if incredibly unlikely, prospect must be what Korbato means when she says, "everything I do will be for naught if there are subway tunnels under the high school." In other words, the mere presence of the subway could obliterate every new hire, every tough budget decision, every ounce of learning, every essay, every math problem, every drama production, every athletic contest, every eager freshman, and every proud graduate.

Good planning is supposed to be built on research and, whenever possible, on data and valid analysis, plenty of which is right there in Metro's draft EIR/EIS [↖]. These methods have – CONTINUED ON PAGE 12



Stakeholders in Beverly Hills are concerned about a possible subway alignment that would pass under Beverly Hills High School en route to the more southerly portal in Century City.

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their limits, but planners have reasonably effective, though not fool-proof, tools to quantify the danger posed by a subway. And they have other tools to determine the relative efficacy and cost effectiveness of one alignment over another.

I don't actually have a position on the subway alignment, but I do have a position on the uphill battle that planners have to fight despite, or perhaps because of, these quantitative methods. For better or worse, planning has embraced metrics and objective measurements of everything from walkability to regional planning (see *CP&DR* Vol. 25, No. 14 July 2010 [1]). The principles that planners learn everywhere from Harvard and MIT to UCLA and Cal Poly somehow go out the window when they are pit against a public figure like Korbatorov – someone at the heart of this country's education crisis – and the public at large. So passion, not planning, still rules the day.

Korbatorov did not respond to repeated interview requests, so neither

I nor her constituents may ever know the basis of her concerns. But in her published statements she cites no data, no studies, and no statistics. She does not even present discursive arguments to support her doomsday claims.

For a few years, I taught high school and coached debate not far from Beverly Hills High. As an educator, I know what grade I would have given to a student who presented an incendiary, hyperbolic argument with no research or analysis to back it up. But we all deserve a rewrite now and again. So I hope opponents of the high school alignment come out with more measured arguments to explain their opposition to the proposed alignment – if not for the gratification of planners and the elevation of public discourse, then at least to set an example for the very students that they hope to save.

– JOSH STEPHENS | DECEMBER 15, 2010 ■

'Train To Nowhere' Might Derail High-Speed Dreams

Twenty years from now, while we scoot up and down the state on 200 mph trains, we could look back on the current "train to nowhere" episode and laugh at the furor over the project's starting point.

Or, twenty years from now, as we crawl up and down Interstate 5 and Highway 99 in bumper-to-bumper traffic, we could look back on the "train to nowhere" episode and cry over a decision that killed high-speed rail's chance of ever succeeding.

Or, twenty years from now, we may simply look back at the "train to nowhere" episode and smile, comfortable that we never sent tens of billions of dollars down that rat hole.

As you probably know, the California High-Speed Rail Authority board last week decided to build the first section of the proposed 800-mile system on a 65-mile stretch from the outskirts of Madera to Corcoran. The appointed state board was under pressure from the Obama Administration and Congress to start building ASAP in the Central Valley or face losing nearly \$3 billion in federal funding.

The authority has received harsh criticism for the decision, and the authority's defense has not helped reduce the vitriol and confusion. On one hand, officials say the 65-mile stretch is nothing more than an easy place to start building and will never be a stand-alone route.

"It's not about the first 100 yards, the first mile or even the first 50

miles," said Roelof van Ark, the authority's CEO. "It's about the finish line – building the nation's first true high-speed rail system, connecting California's great cities."

On the other hand, authority board members and some locals have protested that a line connecting Madera and Tulare counties with stops in downtown Fresno and Hanford does go somewhere.

"The Central Valley is not nowhere," board member Lynn Schenk told Greenwire. What's more, the authority is working on a federally mandated backup plan, in which the new tracks could be used for conventional Amtrak service if the high-speed system never materials – a move that further undercuts the first argument.

It's true that the state has to start building the proposed, 800-mile, high-speed train route somewhere. But even pretending that the 65-mile line through farm fields could provide legitimate service is problematic. It is a train to nowhere, and high-speed rail proponents know it.

"The decision to spend \$4.3 billion on an isolated 65-mile stretch of track in the sparsely populated Central Valley, far removed from any large population concentration, could instead become a huge embarrassment for the [Obama] Administration," wrote Ken Orski, editor and publisher of Innovation NewsBriefs and a high-speed rail believer. "If Congress fails to authorize further funds to – CONTINUED ON PAGE 13

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extend the line – a highly likely possibility in a Republican-controlled House of Representatives – the project will end up truly as ‘a high-speed train to nowhere.’ Like Alaska’s ‘bridge to nowhere,’ the Central Valley rail line will become a target of jokes and ridicule, and a symbol of wasteful government spending on a project that makes little common sense to the average citizen.”

Orski is saying that the California board’s decision could be so bad that it forces a premature end to the federal government’s high-speed rail initiative.

Richard Tolmach, president of the nonprofit California Rail Foundation, has been a frequent critic of the authority despite his support of high-speed rail. During a hearing before the authority board formally chose the Madera to Corcoran segment, Tolmach told the board it would become “a laughingstock in Congress.”

If this is what high-speed rail advocates are saying, it’s no wonder that project skeptics and opponents are beside themselves. The Sacramento Bee’s Dan Walters, who has never jumped aboard the high-speed rail plan, called the train to nowhere a crazy, pork-barrel project intended to bolster the re-election bid Fresno Congressman Jim Costa (he barely won).

High-ranking House Republicans from California who have opposed the project from the outset are not laughing. Rather, they are demanding the federal government get back its money before it’s spent.

The authority might be in a no-win situation. If it doesn’t start building the project somewhere by 2012, it could lose \$2 billion in economic stimulus money from the federal government. And if it doesn’t start building in the Central Valley, it could lose another \$715 million federal grant. Furthermore, Central Valley segments will be the easiest to build because they traverse mostly wide-open spaces.

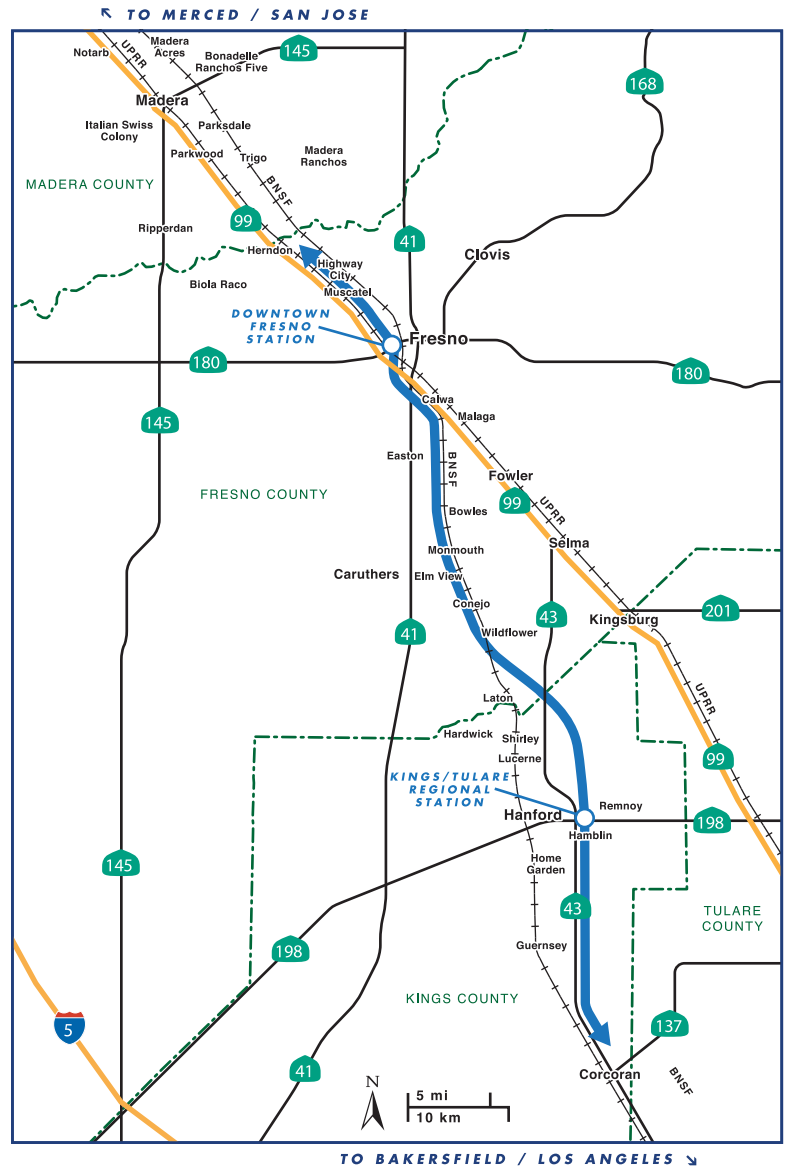
But when California voters approved a \$9.95 billion bond for the project in 2008, I’m quite sure were not envisioning a system that serves the farm towns or even the mid-sized cities of the San Joaquin Valley. During the campaign, the project was presented as a way to move people quickly between the Bay Area and Metropolitan Southern California. If the authority had chosen Merced to San Jose, or Bakersfield to Burbank as the first segment, there would be no discussion of a train to nowhere. The short first segment could provide legitimate service to housing and employment centers, and function as an advertisement for the rest of the project.

Since the 2008 campaign, we have learned that the High-Speed Rail Authority’s passenger forecasts were inflated and that project construction will cost a great deal more than earlier estimated. In addition, residents of cities on the Peninsula have raised hard questions about the impact of bullet trains flying through the middle of their communities.

In other words, California’s high-speed rail project could use bolstering right about now. Building the first segment from a dairy to a state prison doesn’t help at all.

– PAUL SHIGLEY | DECEMBER 12, 2010 ■

BAY AREA TO LOS ANGELES: STARTING IN THE CENTRAL VALLEY



LEGEND

- Planned Station
- High-Speed Rail Track
- Major Highways
- Minor Highways
- +— Other Railroads
- - - County Boundaries



The California High Speed Rail Authority is eyeing an initial segment through a relatively sparsely populated part of the Central Valley.

