

# Second-Generation Sustainability Plans Focus On Incremental Changes

BY JOSH STEPHENS

Five years ago, metropolitan regions across California started implementing what is arguably the most significant statewide land-use and transportation policy to come along in generations: Senate Bill 375.

Each of the “big four” MPOs — covering Sacramento, San Diego, Southern California, and the Bay Area — adopted Sustainable Communities Strategies (SCS), which complemented their respective regional transportation plans and sought to guide land use planning in a way that would make efficient use of transportation plans and, ultimately, reduce greenhouse gas emissions.

Each region must achieve targets for the year 2035 set

by the Air Resources Board, with a certain percentage of GHG reductions in each region coming from changes in land use.

Under SB 375, SCS’s must be updated every four years, along with their respective RTPs. With the advent of the second generation of SCS, SB 375 has gone from being a radical innovation to a workaday element of regional planning. For all the fanfare surrounding SCSs, though, SCSs can be a little hard to find.

Thus far, three MPOs have adopted SCS updates: the San Diego Association of Governments in October, the Sacramento Council of Governments in February, and the

– CONTINUED ON PAGE 11

**insight**  
WILLIAM  
FULTON

## Forward Into the Past

Writing recently in *Voice of San Diego*, Maya Srikrishnan has documented what might be called – at least from my wizened perspective – the return of the coastal Southern California anti-growth initiative. In Del Mar, Costa Mesa, and Santa Monica – one coastal town in each SoCal coastal

county – citizens have placed initiatives on this fall’s ballot to slow down growth or at least require that major projects must go before voters.

“Major projects” meaning anything 32 feet or higher in Santa Monica, any change to existing density rules in Del Mar, and

– CONTINUED ON PAGE 15

IN BRIEF:..... Page 2

LEGAL DIGEST:

- CEQA urban decay boundaries limited by court..... Page 6  
- SCS does not need to take state mandates into account..... Page 9

FROM THE BLOG:

- Planners in an age of globalization..... Page 17

inside

## November Ballot to Include Major Measures Related to Land Use

The November statewide ballot, to be finalized this week, will likely include several measures related to land use. California lawmakers proposed a \$3.12 billion [bond](#) for the November ballot that would pay for parks, water and climate change actions; 20 percent of the bond must assist disadvantaged communities. Tens of millions of dollars are for specific programs in San Diego, Ventura County, Central Valley and the High Desert/Coachella area. The improvements in state and local parks would improve public safety, health and air quality through added green space. The state parks have maintenance backlog of over \$1 billion. The measure was approved in the Assembly, 55-14, and must now go to the senate for a vote. Another [measure](#) slated for the ballot is a “No Blank Checks Initiative” which would require a public vote for any state project that spends more than \$2 billion in revenue bonds. This initiative could apply to many infrastructure projects, including high speed rail and a plan to construct water tunnels in the Sacramento Bay-Delta. Finally, a measure to legalize recreational marijuana is

sure to raise local zoning questions about dispensaries and commercial growing facilities. (See prior [CP&DR coverage](#).)

## CTC Developing Guidelines For Regional Plans

The California Transportation Commission is [developing](#) guidelines for the preparation of Regional Transportation Plans (RTPs) and the California Transportation Plan (CTP). The RTP Guidelines were last updated in 2010 and the CTP Guidelines is being prepared for the first time. While the commission will adopt the Guidelines, Caltrans prepares both documents. Updates to the RTP Guidelines are necessary because of changes in state statute, final rule-making and recent passage of the Fixing America’s Surface Transportation (FAST) Act of 2015. The CTP is a long-range plan to provide policy framework to guide transportation investments and decision by all levels of government, private sector and transportation stakeholders. The workgroups include a variety of topics ranging from public health to modeling to freight. The kick-off meeting was June 30 in Sacramento but the first draft of the RTP and CTP Guidelines will be released early July for

stakeholder comment with a meeting July 13 and 14. In September the Final draft will be released and few months later the Guidelines finalized. The Commission will consider the two documents late this year or early 2017.

## Los Angeles Adopts \$2 Billion Plan for L.A. River

The Los Angeles City Council voted unanimously to [approve](#) a long-sought restoration plan for 11 miles of the Los Angeles River from Griffith Park to Downtown. The approved plan, Alternative 20, was the most ambitious of three plans proposed to the council by the Army Corps of Engineers, which oversees the river’s infrastructure. The city and federal government will share the almost \$2 billion cost, with the city contribution estimated to be around \$980 million. Most of the cost goes to acquiring land for ecosystem restoration projects. The plan will be carried out on a project-by-project basis meaning the city can prioritize projects that are less costly. The plan excludes renowned architect Frank Gehry, who had been approached by the city to design some elements of the restoration. Gehry’s involvement had been scorned by some longtime river advocates; he does not have a

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reputation for working on landscape.

### Los Angeles Ethics Commission Tallies Developer Lobbyist Expenditures

According to the city's Ethics Commission, developers [spent](#) a record amount on lobbying in the first quarter of 2015: \$13.5 million. Nearly half of the money was spent on ten lobbying firms, most of which are involved with securing entitlements and general plan amendments for proposed developments. Nine of the top ten spent combined \$1.4 million for various building projects and the tenth, Clear Channel (a billboard company) was fifth and spent \$155,000 in the first few months of the year. This money goes to council members, commissioners or city staff. Some projects include the Palladium Residence in Hollywood or the new stadium for Major League Soccer stadium in Exposition Park. The biggest spender was CRE-HAR Crossroads SPV LLC with \$220,660 in pursuit of approvals for hotels, shops, homes and offices surrounding the Crossroads of the World shops in Hollywood. Spending on billboard-related lobbying was around \$545,000 because of a recent ordinance about digital billboards. The flurry of lobbying comes in advance of the March 2017 vote on the Neighborhood Integrity Initiative, which could freeze all development that does not conform with existing zoning. (See prior [CP&DR coverage](#).)

### Southern California Ill-Prepared for Earthquake Risk

According to a [report](#) published by the Southern California Disaster Risk Initiative Committee, the region is not prepared for the inevitable disaster of the next large earthquake. The committee is comprised of business, public policy and utility leaders in Southern California. One of the areas that needs immediate attention is Cajon Pass, located on the San Andreas fault, with multiple combustible natural gas and petroleum pipelines electrical transmission lines, train tracks and Interstate 15. Fixing this is a daunting task, pushing for change is Southern California Edison, Southern California Gas Co., Walt Disney Company and Wells Fargo. The report contends that having the entire region prepared for an earthquake is impossible, however small but meaningful steps can be taken. For instance for Cajon Pass, creating shutoff valves on both sides of the fault to automatically turn off during an earthquake. Other areas that must be fixed are water pipes and natural gas lines throughout Southern California and retrofitting collapse-prone buildings. The report contends that many large businesses and local politicians are unaware of the worst-case scenario for the next earthquake, in which water and power could be off for weeks and tens of thousands could be out of housing. Additionally many Californians don't know their neighbors, which will hurt

neighborhoods' ability to recover.

### San Diego Adopts Downtown Mobility Plan

The San Diego City Council unanimously adopted a revised Downtown [Mobility Plan](#) (pdf). The \$63 million plan [seeks](#) to further the transportation goals laid out in the city's recent Climate Action Plan. The plan includes the addition of nine miles of bike lanes and more than five miles of widened sidewalks. It will add multiple protected bike lanes, many of which will be converted traffic and parking lanes, and other "road diets" to increase the number of people who walk and bike downtown. It also increases curbside parking by converting many parallel spaces into angled spaces. The plan addresses complete streets, pedestrian movement, bicycling, transit, vehicular traffic, transportation demand management, parking, intelligent transportation systems, airports, stormwater, and implementation. One of the most notable goals is that of increasing bicycle commuting from 2 percent of downtown workers to 6 percent by 2020.

### New State Transportation Plan Takes 'Holistic' Approach

Caltrans [released](#) the California Transportation Plan 2040, a long-range integrated approach to transportation planning that is multimodal, sustainable and environmentally responsible. Caltrans describes the plan as taking

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a «whole system» approach toward the state's transportation system that integrates statewide long-range modal plans and programs with the latest technology and tools to articulate the State's broad vision for a single, seamless transportation system that complements regional transportation plans, sustainable communities strategies and land-use visions for greater mobility choices. The plan included input from governmental agencies, tribal governments, advocacy groups, public stakeholders, elected and appointed officials, and community-based organizations from around the state. The CTP includes recommendations and goals for meeting greenhouse gas reduction targets and how to make transportation in California more sustainable and integrated. More information is available at [www.californiatransportationplan2040.org](http://www.californiatransportationplan2040.org).

### **Airbnb Files Suit Against San Francisco**

Airbnb is [suing](#) its hometown, San Francisco, for its decision to fine the company \$1,000 a day for unregistered hosts. The fine is intended to compel hosts to register, and may transient occupancy taxes, in accordance with city regulations adopted in early 2015. San Francisco affordable housing advocates have pushed Airbnb to cap its short-term rentals and required hosts to register with the city. However, reports indicate that only 20 percent of the 7,000 hosts registered and Airbnb

has not assisted the city. Airbnb is combating the suit by claiming that the city's regulation violates the Communications Decency Act, a federal law that shields websites from the actions of contributors. Airbnb claims that it is not responsible for content posted by unregistered hosts.

### **San Jose Sharks Sue City Over Downtown Development**

Sharks Sports & Entertainment, parent company of the San Jose Sharks hockey team, [issuing](#) the City of San Jose over Diridon Station, a \$600 million development that, the suit says, will severely impact parking downtown near the San Jose Sharks arena. The suit, filed under the California Environmental Quality Acts, contends that the environmental study was completed years ago when the city experienced different conditions. The Trammell Crow project would convert Diridon Station's massive parking lot into a 1 million-square-foot high-rise office building with 325 apartments and 30,000 square feet of retail. The Sharks are concerned about 800 parking spaces that would be removed from the vicinity around their SAP Center and say that the removal would violate a contract between the team and the city ensuring that at least 6,350 spaces are within a half-mile for attendees.

### **ARB Proposes Extension of Cap-and-Trade Program**

The California Air Resources Board [released](#) a plan that would

continue the cap-and-trade program past the 2020 expiration date to 2050. The program has been instrumental in Gov. Jerry Brown's plan to cut emissions by major companies. Money from the program pays for the high-speed rail, electric car subsidies, the sustainable communities programs by the Strategic Growth Council, and many programs in disadvantaged communities. The new plan would provide links with a similar program in Canada, align with federal clean power standards, and be a mechanism to meet Brown's aggressive GHG reduction targets through 2030. The cap-and-trade program is currently facing many political and legal challenges: such as the argument that it is an unconstitutional tax because it passed in 2006 with a majority vote and not two-thirds. The new plan would increase allowance prices, to push companies to become more innovative and environmentally friendly. The vote by the ARB is scheduled for March 2017.

### **Los Angeles Launches Tenants' Rights Campaign**

Amid the City of Los Angeles' housing affordability crisis, Mayor Eric Garcetti [launched](#) a campaign to make tenants living under the city's Rent Stabilization Ordinance aware of their rights. Called Home for Renters, the campaign is organized through the L.A. Housing and Community Investment Department (HCIDLA). There are around 624,000 units in L.A. that are covered by rent stabilization, meaning the rent can

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only increase 3 percent each year. While one in two L.A. families lives in an apartment subject to RSO, only a third of those families understand the ordinance. This new campaign will close the information gap by reaching out to vulnerable neighborhoods with advertisements, door-hangers, informational pamphlets, and online resources to tenants and landlords. The campaign was designed by Garcetti's Innovation Team and funded by Bloomberg Philanthropies which helps to find new, innovative approaches to growing concerns in L.A. communities.

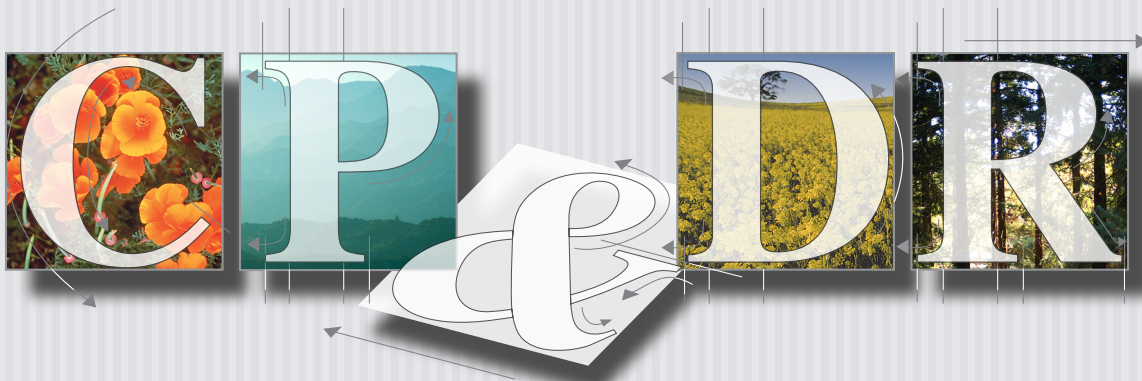
**Lawsuits Piling Up Against Coastal Commission**

The California Coastal Commission is facing four separate lawsuits

for allegedly illegal secret communications between developers and Coastal Commissioners. The cases, each brought by different individuals and advocacy groups, include a 1950s-era resort in Aliso Canyon, the South Silver Shoals housing project in Pismo Beach, work-live rental units for artists in Laguna Beach, and a storage facility for radioactive waste at San Onofre nuclear plant. These all involve ex-parte communications -- third-party communications between developers and commissioners that are supposed to be revealed publicly. Commissioner Wendy Mitchell allegedly had coaching sessions and private emails with the Aliso Canyon project developer. Coastal Commission attorneys

say the emails were forwarded by Mitchell to the rest of the staff and therefore were properly disclosed. A similar situation occurred in Pismo Beach and Laguna Beach, with commissioners being accused of not reporting meetings with developers correctly. The San Onofre lawsuit involved 15 ex-parte communications between commissioners and Southern California Edison on location to store the radioactive fuel pellets. These cases are occurring while a law banning ex-parte communications makes its way through the legislature. ■

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# legal digest

## Appellate Case Boxes In CEQA Analysis of Urban Decay

BY WILLIAM FULTON

For 10 years now, cities and counties have struggled with the question of how to deal with the potential for “urban decay” in an environmental analysis under the California Environmental Quality Act. But a new appellate ruling involving a Dollar General store in the unincorporated community of Joshua Tree appears to take the pressure off the CEQA analysis of urban decay somewhat – especially if the only evidence for urban decay is the speculative musings of business owners afraid of losing business.

Way back in 2004 – when Wal-Mart battles were first heating up in California – Wal-Mart opponents won [an appellate ruling](#) from Bakersfield by arguing that if big-box retailers could harm existing downtowns and, in the process, affect the physical environment, then CEQA analyses had to take those impacts into account. Wrote Justice Timothy Buckley: “[W]hen there is evidence suggesting that the economic and social effects caused by the proposed shopping center ultimately could result in urban decay or deterioration,

then the lead agency is obligated to assess this indirect impact.”

CEQA practitioners have been puzzled ever since as to how to approach this question, especially since urban decay is not contained in the Appendix G checklist of the CEQA Guidelines. But the new ruling by the Fourth District Court of Appeal in San Bernardino – which overturned a Superior Court judge’s ruling that the urban decay question should have triggered an environmental impact report – really boxes in the urban decay topic and makes it clear that only unequivocal proof of physical decay triggers an EIR. The ruling also made it clear that when the main issue is that a particular new retailer might disrupt the business of existing retailers, that’s a political issue to be dealt with in the planning process, not an environmental issue that’s fair game under CEQA.

The lawsuit was brought by the Joshua Tree Downtown Business Alliance, which challenged San Bernardino County’s approval of a 9,100-square foot Dollar General store in unincorporated Joshua

Tree, about five miles east of Yucca Valley and some 70 miles east of San Bernardino. Downtown property owners consistently told the county that the Dollar General store would be “out of character and scale with the small business rural desert family-owned [and] operated business community in Joshua Tree.”

The county approved Dynamic Development’s request for a conditional use permit while certifying a mitigated negative declaration under CEQA. The Downtown Business Alliance then sued, claiming, among other things, that the project raised urban decay questions that required an EIR.

In 2014, San Bernardino County Judge Donald Alvarez ruled in favor of the Alliance, saying an EIR should have been prepared because there was substantial evidence that a fair argument could be made that urban decay could occur. The county argued that it had considered the question of urban decay by stating that the project would not result in any adverse economic impacts, thus implying that urban decay would not be a problem.

– CONTINUED ON PAGE 7

## >>> Appellate Case Boxes In CEQA Analysis of Urban Decay

– CONTINUED FROM PAGE 6

Among other things, the Alliance argued that the county had not dealt with the issue deeply enough, simply concluding that because Dollar General is not a “big box” store, urban decay could not occur. Judge Alvarez ruled that even though the county had examined urban decay, enough evidence existed on the urban decay question that an EIR should have been prepared.

Much of the evidence Alvarez cited, however, came from the public comments of Celeste Doyle, a lawyer and owner of Joshua Tree Outfitters, who has been one of the leading organizers of the opposition to Dollar General. A former deputy attorney general in Oregon who had worked on land use issues, Doyle commented during the CEQA process:

“A Dollar General store will . . . take sales away from existing, locally-owned businesses and our non-profit [t]hrift stores. This shift will lead some of these local stores and businesses to close: They will no longer pay sales taxes, they will lay-off their employees, and they will empty their buildings. Net retail sales in Joshua Tree will not increase and the net number of jobs in Joshua Tree will not increase, but the number of empty storefronts likely will increase. “. . . Furthermore, the closed storefronts will likely stand empty for a very long time, degrading the town’s appearance and vitality, inviting vandalism and leading to urban blight.”

**Ramirez said that, although the idea that Dollar General might harm existing businesses would seem self-evident, there was no guarantee that this was true.**

Alvarez relied on Doyle’s comments in finding that substantial evidence existed to make a fair argument that significant impacts on urban decay may arise, which is the standard required to prepare an EIR. He wrote: “While Ms. Doyle may not be an expert in a traditional sense, her experience and observations regarding the local business community and retail markets demonstrate sufficient relevant personal observations that consist of facts and reasonable assumptions predicated upon such facts.”

But the Fourth District panel reversed Alvarez and criticized his use of Doyle as an expert. Writing for the court, Justice Manuel Ramirez

wrote: Here, Doyle was not an expert in any relevant area. Indeed, the trial court acknowledged this (in a backhanded way) by conceding that she “may not be an expert in a traditional sense . . . .” She was a business owner and a lawyer. She was not an economist; she did not claim so much as an MBA. Thus, she was not qualified to opine on whether the Project would cause urban decay. In addition, she did not offer any particular factual basis for her opinions. She did not claim that her business or any other business in Joshua Tree had ever actually suffered from competition with a national chain; she had not taken any surveys or done any studies. Thus, whether viewed as lay or expert opinions, her conclusions were speculative.”

In addition, Ramirez said that, although the idea that Dollar General might harm existing businesses would seem self-evident, there was no guarantee that this was true. It might seem to be only a matter of common sense that a new store would reduce the sales of nearby stores selling similar goods. However, it is also possible that a new store would draw more shoppers into the area, and that some of them would make a purchase at an established local store — either instead of or in addition to a purchase at a Dollar General. There are sound reasons why otherwise competing businesses would choose to locate near each other.

– CONTINUED ON PAGE 8

## >>> Appellate Case Boxes In CEQA Analysis of Urban Decay

– CONTINUED FROM PAGE 7

“Even more important, the mere fact that a new store might cannibalize part of other stores’ sales does not mean that urban decay would result. Common sense alone tells us nothing about the *magnitude* of this effect. The other stores might be able to continue in business. If worse came to worst and they went out of business, a more efficiently run store of the same type or a different type of store might move in. The property might be turned to an entirely different use, such as office or residential. And even if a handful of properties were to remain permanently vacant, the result would not necessarily be the kind of

change to the physical environment that implicates CEQA.”

In other words, speculation about urban decay is just that – speculation. One could argue, of course, that the purpose of an EIR is to investigate speculation in much more detail than a mitigated negative dec. But to Ramirez, the case turned on Doyle. “Here, at a minimum, there were legitimate issues regarding the credibility of Doyle’s opinions,” he wrote. “Hence, the County could deem them not substantial evidence.”

The case was originally issued in unpublished form in mid-June but published in late July. ■

### The Case:

*Joshua Tree Downtown Business Alliance v. County of San Bernardino*, No. E062479

### The Lawyers:

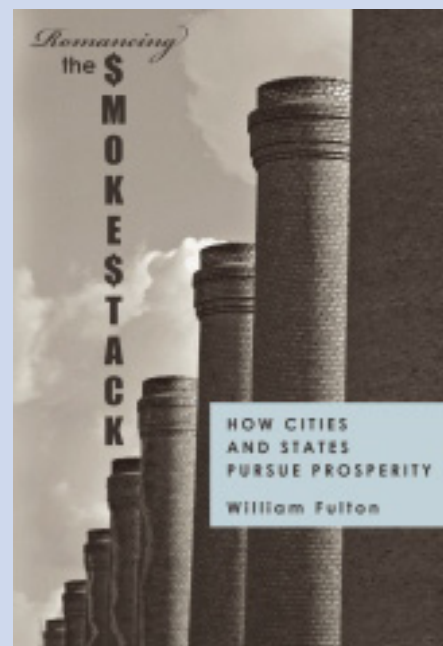
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## Romancing the \$Smoke \$tack How Cities And States Pursue Prosperity

*Bill Fulton’s Book On Economic  
Development*



# SCS Doesn't Have to Take State Mandates Into Account

BY WILLIAM FULTON

Of all the sustainable communities strategies adopted under SB 375, none has been so contentious in court as “Plan Bay Area,” the regional plan for the Bay Area devised by the Association of Bay Area Governments and the Bay Area Air Quality Management District.

It was attacked on all sides in court, and ABAG has been gradually resolving all the cases – for example [settling a lawsuit](#) with the Building Industry Association in 2014. Among other things, the Pacific Legal Foundation and others hammered the ABAG in court – unsuccessfully, as it turned out – for not considering their preferred scenario, which would have allowed much more traditional auto-oriented development than Plan Bay Area did.

Now, however, ABAG has scored a clean victory in the appellate court. Knocking down arguments put forth by, among others, the Pacific Legal Foundation, the First District Court of Appeal has ruled that the ABAG didn't have to count greenhouse gas emissions reductions from state-mandated actions in doing the GHG reduction calculations on the regional plan.

Essentially, what PLF and the property-rights-oriented plaintiffs argued was that when the Air Resources Board gave the Bay Area its GHG reduction targets – a 7% per-capita reduction by 2020 and a 15% per-capita reduction by 2035 – the

ARB actually intended for the ABAG to be able to use state-mandated GHG reductions from the state's fuel efficiency and low-carbon fuel laws in making its calculations to meet the goal.

Though clever, this argument would seem to fly in the face of [the political discussion at the time](#) that SB 375 was passed, which consistently discussed the “three-legged stool” of fuel efficiency, low-carbon fuel, and land use/transportation changes that would be required to meet the GHG emission reduction targets contained in AB 32, the 2006 climate change law. And, the First District concluded, the PLF argument flies in the face of the intent of SB 375 and the way it was implemented by the ARB.

Writing for a unanimous three-judge panel, Justice Theresa Stewart said: “We conclude, as did the trial court, that the relevant agencies correctly declined to count statewide emissions reductions in developing their regional plan because doing so would have been inconsistent with the statute, including as interpreted by the state agency responsible for implementing California's greenhouse gas emission laws.”

The plaintiffs made a series of arguments about a variety of aspects of the plan, including the environmental analysis and the agencies's decision not to consider the plaintiffs' alternative plan. But all of this legal maneuvering boiled

down to the same idea: that the ABAG should have been able to count the state-mandated GHG reductions from greater fuel efficiency and low-carbon fuel toward meeting the regional GHG reduction goal, in which case no land use changes in the Bay Area would have been needed.

“Citizens relies on the premise that the Legislature, via SB 375, launched a major new climate protection initiative requiring regional agencies to develop regional land use and transportation strategies through an elaborate planning process that in the end would be superfluous because the agencies could meet the Board's regional emissions reduction targets simply by invoking reductions already expected from pre-existing statewide mandates,” Justice Stewart wrote. “This interpretation makes no sense.”

In an opinion almost 60 pages long, Stewart relied on two basic conclusions. First, she concluded that in passing SB 375, the legislature did not intend for fuel efficiency and low-carbon fuels to be counted toward GHG emissions reduction. And second, she concluded that even if that was not the legislature's position, it was well within the ARB's discretion to interpret SB 375 in that manner.

On the first argument, Stewart wrote: “SB 375's plain language, the Legislature's express declarations and findings, and the Board's

## >>> SCS Doesn't Have to Take State Mandates Into Account

– CONTINUED FROM PAGE 9

contemporaneous administrative construction of it make clear that Citizens' construction of SB 375 is incorrect. The only legally tenable interpretation of SB 375 is that it requires the Board to set targets for, and the Agencies to strive to meet these targets by, emissions reductions resulting from regionally developed land use and transportation strategies, and that it requires these reductions be in addition to those expected from the statewide mandates."

Among other things, she noted: "SB 375 instructs each MPO to prepare a sustainable communities strategy that, among other things "shall . . . set forth a forecasted development pattern for the region, which, when integrated with the transportation network, and other transportation measures and policies, will reduce the greenhouse gas emissions from automobiles and light trucks to achieve, if there is a feasible way to do so, the greenhouse gas emission reduction targets approved by the [Board]." That's a pretty clear indication of legislative intent.

Stewart also relied heavily on the ARB's scoping plan, which called set

**"The First District Court of Appeal has ruled that the ABAG didn't have to count greenhouse gas emissions reductions from state-mandated actions in doing the GHG reduction calculations on the regional plan."**

per-capita targets for each regional SCS. She wrote: "The Board . . . made clear in its Scoping Plan, in a section entitled, 'Regional Transportation-Related Greenhouse Gas Targets,' that SB 375 called for greenhouse gas emissions reductions to be achieved through regional land use and transportation strategies that were in

addition to statewide mandates." She noted that the regional SCS's called for by the board were focused on reducing vehicle miles traveled as a way of reducing GHGs – a different method of reducing GHGs than fuel efficiency or low-carbon fuel.

She concluded: "[I]n aiming at an overall reduction in greenhouse gas emissions, the Board necessarily took into account the statewide mandates and the reductions it anticipated they would produce in determining how much more would need to be accomplished through the regional strategies developed pursuant to SB 375." ■

### The Case:

[Bay Area Citizens v. Association of Bay Area Governments](#), NO. A153058,

### The Lawyers:

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**CALIFORNIA PLANNING**  
4th  
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## >>> Second-Generation Sustainability Plans Focus On Incremental Changes

– CONTINUED FROM PAGE 1

Southern California Association of Governments, in April. (A legal challenge to SANDAG’s first SCS is still pending before the California Supreme Court.) The Metropolitan Transportation Commission and Association of Bay Area Governments are due to release a draft for the Bay Area in 2017. The new plans respond to new transportation priorities and infrastructure investments. They also respond to changes in demographic patterns, technological trends, and, in some cases, methodologies for evaluating GHG impacts and vehicle miles traveled.

For all of these changes, none of the new RTP/SCS documents enumerates differences between the originals and their respective updates. In fact, only San Diego’s RPT/SCS, branded as San Diego Forward, dedicates a discrete chapter to the SCS. The other two refer to the requirements of SB 375 but essentially sprinkle elements of the SCS throughout the RTP documents.

Cities and regions thus may have to hope that they some day become more palpable on the ground than they are on paper.

Regional highlights include the following:

-- While SANDAG is formulating a \$200 billion long-term transportation plan, the SCS accounts for several programs that are to be implemented before 2019, when the next RTP/SCS comes out. These programs include a regional complete streets policy that was adopted countywide in 2014 and the development of Regional Mobility Hubs, which serve as multi-modal

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transportation nodes.

-- SACOG’s SCS notes that the base year for the first SCS, 2008, was a recession year and that conditions have changed dramatically since then. The new SCS uses 2012 as a base year, thus reflecting far greater travel and economic activity in the region. SACOG’s SCS is based on its regional Blueprint Plan, which debuted in 2004. The new SCS highlights new metrics and research methods that have emerged since then on the connection between land use and transportation. The SACOG board was adamant, according to Chief Executive Officer Mike McKeever, about pursuing a “fix it first” approach to transportation investments.

-- SCAG’s SCS highlights changes that have already occurred in land use in the five-county region. An increasing percentage of new homes are being built on relatively small lots. 45 percent of dwelling units were multifamily in 2008, while 66 percent of the units built between 2012 and 2040 are expected to be multifamily, thus reflecting a shift towards greater density. The SCAG SCS focuses on “high-quality transit areas.” It calls for 46 percent of new housing and 55 percent of new employment locations developed between 2012 and 2040 to be located in a HQT, which represents 3 percent of the region’s land area. The SCS also calls for cities to replace strip retail with mixed-use development along “livable corridors,” encourages complete streets, and supports new means of transportation within neighborhoods.

Aside from some of these marquee projects and policies, much of the work that went into the updates may prove

## >>> Second-Generation Sustainability Plans Focus On Incremental Changes

– CONTINUED FROM PAGE 11

invisible — if still important. Much of that work revolves around measurement and modeling.

“I think the members were really trying to solidify their plans,” said Bill Higgins, executive director of the California Association of Councils of Government. “What the MPOs are trying to do is to be more consistent in their assumptions. We are a state of regions, and each of those regions are behaving differently in terms of economic growth,” said Higgins.

To an extent, the lack of dramatic changes is by design.

“Every eight years we do sort of a bottom-up holistic rework.....during the four-year interim, it’s more of a sharpen the saw and work on ways to improve implementation of the plan we did four years prior,” said SACOG Executive Director Mike McKeever. “On the land use side, what we were really focused on was implementation, implementation, implementation in the second round.”

“I don’t want to signal that we’ve conquered that problem,” McKeever added.

Now, as ever, even the most well-meaning, well-crafted SCSs rely largely on the willingness of local jurisdictions to craft their general plans and development agreements in accord with SCSs. MPOs have no power to force jurisdictions to do so, and they have scant financial resources to give them incentives.

“Land use decisions still lie with local cities. I’m not complaining about that. We respect that,” said SCAG Executive Director Hassan Ikhata. “The toughest part is to make sure that there’s coordination between the land use

**“Just to meet the same greenhouse gas emission results that we achieved in the first round plans, we have to make significant improvements in both our land use pattern and our transportation investment portfolio,” said SACOG’s Mike McKeever.**

decision made at the city level and those that are made at the county level and....those that are made at the state level. That coordination is elusive. Some of the cities, rightly so, control their land use and want to do it their way.”

For example, even though Expo Line Phase 2 just opened from Culver City to Santa Monica, a ballot measure in Santa Monica this fall will subject all development over 32 feet to a vote. The initiative emerged out from a major fight over a multi-story, mixed-use project at

the Bergamot Expo Line station, [approval of which was rescinded](#) by the Santa Monica City Council in 2014.

“Some MPOs are hoping that if they just put more money into transit, land use will follow,” said Elisa Barbour, a post-doctoral research fellow at UC-Berkeley who has studied SCSs. “But that’s not a guarantee.”

Barbour praised MTC’s One Bay Area Grant Program, which provides localities with performance-based grants to support projects that fulfill SCS goals, for linking funding to SB 375’s goals. “I think they ought to be thinking about how they can learn from and also utilize the OBAG model,” she said.

Likewise, there is lingering frustration in some regions about financial assistance provided by the state, particularly the [Affordable Housing and Sustainable Communities grant program](#) run by the Strategic Growth Council and funded by state cap-and-trade program. Officials in the SCAG region were concerned that \$120 million in grants awarded in 2015 did not reflect regional needs.

“The biggest mistake I think was done on the part of the state was that they didn’t make their cap-and-trade funding linked to the success of the SCS’s,” said Ikhata. “If you want the SCS’s to mean something, you have to put the

– CONTINUED ON PAGE 13

## >>> Second-Generation Sustainability Plans Focus On Incremental Changes

– CONTINUED FROM PAGE 12

money behind implementing them.”

The regions reflect different strategies and priorities in part because the update, and the entire SCS process, is meant to give regions the freedom to achieve targets as they see fit.

“I think the challenge of SB 375 has always been that it’s just vague enough to be a collective Rorschach test about how people think we should develop,” said Higgins. “People have seen different visions of it. That’s not a bad thing. It’s led to robust conversation.”

If there is any consensus among stakeholders, it is that the SCS process has vastly increased public participation in regional planning. That’s especially true of the updates.

“If you’re looking at the second-generation SCSs, the amount of comment letters, the amount of engagement, particularly from low-income communities, has been astounding,” said Channel Fletcher, associate director at advocacy group Climate Plan. “People are still interested in and excited about and want to weigh in on and shape these plans.”

The plans have also taken on greater meaning as stakeholders and the MPOs themselves have seen the results of the first-round plans.

“Since we adopted the SCS in 2012....we had \$400 million of active transportation. We have also the opening of few transit lines in LA, we have some statistics about the kind of housing,” said Ikhata. “It made it more real the second time around.”

The SCS updates come against the backdrop of several complications and challenges, including new GHG targets and an executive order last year by Gov. Jerry Brown for state

**“We basically treated it (Gov. Brown’s executive order) as (a threshold) in the EIR for the 2015 plan,..... because we don’t know the outcome of the litigation,” said SANDAG’s Muggs Stoll. “We definitely upgraded our analysis that we put into the EIR.”**

agencies to pursue a 50 percent reduction in GHG emissions by 2030. That executive order does not explicitly influence SCSs yet (ARB sets SB 375 targets), but MPOs are aware that they may eventually have to ratchet up the plans to achieve more ambitious goals. That ratcheting up may prove more challenging as regions implement obvious, more effective measures and must do more to achieve further gains.

“Just to meet the same greenhouse gas emission results that we achieved in the first round

plans, we have to make significant improvements in both our land use pattern and our transportation investment portfolio,” said McKeever. McKeever noted that the current low price of gas has complicated MPOs’ efforts.

Several groups in the San Diego area sued SANDAG, claiming that previous Gov. Arnold Schwarzenegger’s 2005 executive order, which called for 80 percent reduction by 2050, set a threshold that the environmental impact report for its SCS failed to heed. That suit, filed under the California Environmental Quality Act, is currently being heard by the California Supreme Court.

With the case pending, SANDAG has adjusted its SCS update.

“We basically treated it as (a threshold) in the EIR for the 2015 plan,..... because we don’t know the outcome of the litigation,” said Muggs Stoll, director of Land Use and Transportation Planning at the San Diego Association of Governments. “We definitely upgraded our analysis that we put into the EIR. We believe that all of the issues that were brought forward in the litigation on the 2011 EIR were fully addressed in the 2015 EIR. As it turns out...the 2015 EIR was not challenged.”

Stoll said the Supreme Court’s ruling will essentially be

– CONTINUED ON PAGE 14

## >>> Second-Generation Sustainability Plans Focus On Incremental Changes

– CONTINUED FROM PAGE 13

moot with regard to SANDAG’s plan, though it may yet bear on other SCSs’ EIRs. Stoll noted that the 2015 EIR faced no litigation.

Whether or not a governor’s executive order matters, MPO officials are expecting ARB to set even more stringent targets for the next update.

“ARB senior staff is sending messages a lot of not-very-difficult to understand messages that they’re likely to make the targets tougher on all of us in the third round,” said McKeever.

Ironically, one of the biggest challenges to the SCS updates — a challenge that is likely to get bigger still in coming years — is also one of the biggest successes of climate change mitigation.

“Vehicles are getting much cleaner...so it’s going to be much harder to duplicate what we did in the last plan,” said Ikhata. “If everybody drove electric vehicles, you’d get zero greenhouse gas reduction.”

Even as these innovations seize the public imagination and, in the case of ride-hailing services, become ubiquitous, some say the SCS updates do not take full stock of new transportation methods.

Even as these trends and technologies are still evolving, SANDAG’s Stoll characterizes his agency’s attitude as progressive.

“There is definitely more of a focus in this plan that are approved in late 2015 on trying to set ourselves up for emerging technologies more,” said Stoll. “I don’t think we’re unique in that regard...every planning agency across the country if not the world are trying to get a better handle on the fast-changing technological world.”

A new app is not likely to solve one of the most intractable problems that California’s urban regions face: social and economic inequity. While SB 375 was intended to address climate change, stakeholders are now looking to SCSs to provide myriad co-benefits, including the provision of housing, transportation, and economic opportunity for low-income populations.

“If we’re thinking about transportation and land use in a holistic sense, to me there’s no way we can...not think about who lives there and who is getting displaced,” said Fletcher. “Those questions feel intrinsic to what 375 is doing on incentivizing bringing homes closer to transportation.”

Fletcher praised MTC’s analysis of gentrification and displacement, saying that it is the only MPO that even includes such analysis in its regional planning. She said, though, that none of the MPOs is making significant efforts to prevent displacement.

Others say that SCSs inherently serve poor populations.

“I think we all believe that social equity is important,” said Higgins. “If you look at the core of our transit programs, they are serving and trying to link people in those communities to services and jobs.”

### Contacts & Resources

About SB 375 / SCS <http://www.arb.ca.gov/cc/sb375/sb375.htm>

SACOG MTP / SCS <http://www.sacog.org/2016-plan>

San Diego Forward <http://www.sdfoward.com/>

SGAC SCS/RTP <http://scagrtpscs.net/Pages/default.aspx>

Plan Bay Area <http://planbayarea.org/>

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Hassan Ikhata, Executive Director, Southern California Association of Governments

Muggs Stoll, Director of Land Use and Transportation Planning, San Diego Association of Governments

## >>> Forward Into the Past

– CONTINUED FROM PAGE 1

more or less everything in Costa Mesa. Meanwhile, a renewal of the 20-year-old SOAR initiatives in Ventura County – requiring voter approval to flip agriculturally zoned land to urban use – is also on the ballot. And the “[Neighborhood Integrity](#)” initiative in the City of Los Angeles – which would make it very difficult to increase density around transit stations – will be on the ballot next spring.

Everywhere in Southern California, it seems, there is local voter resistance to growth. And if you’ve been around a while, like I have, it has a familiar ring to it. As *CP&DR* and Solimar Research Group [reported way back when](#), back in the late ‘80s and ‘90s there were hundreds of land-use measures on local ballots around the state. The measures focused mostly on requiring voter approach for developments that were either big or required general plan amendments and they were focused in large part on small cities in coastal California. For whatever reason, small coastal cities in Orange and San Diego counties have always been hotbeds for such ballot measures despite their conservative reputation, though in the old days Bay Area cities and inland college towns (like Davis) and upscale suburbs (like Lodi and Redlands) also had a lot of ballot activity.

So with a new boom in development – and especially development that is denser and much more mixed-use by historical standards – it’s not surprising that the voter-approval requirement is back. And it’s likely that such measures will pass. After all, nobody ever votes against being able to vote on things. And such measures are much more likely to pass in small cities, where citizen footpower

**Over the past 15 years California has created an enormous policy apparatus designed to encourage the very type of development that these ballot measures are meant to kill.**

can have an enormous impact and big campaign spending by developers and backfire.

What’s different is the context. Unlike in the ‘80s and ‘90s, the slow-growth ballot measures are taking place at a time when there is a lot of transit investment, especially in L.A. It’s also taking place at a time when the median home price in California is \$440,000 – more than double the national average and almost eight times the median household income – and millennials are on the verge of revolt over it, especially in the Bay Area.

But more important, over the past 15 years California has created an enormous policy apparatus designed to encourage the very type of development that these ballot measures are meant to kill.

The new policy regime began with SB 857 in 2002, which called for all state actions to promote infill development, compact greenfield development, and protection of agricultural and natural resources land. Then came SB 32, the climate change law, and its offspring, SB 375, which requires metropolitan planning organizations to devise “sustainable communities strategies” as part of their regional transportation plan that reduces greenhouse gas emissions, presumably by transit-oriented, mixed-use, and dense development – though the League of California Cities made sure that the SCS’s were not binding on local general plans. Then came a variety of changes to the California Environmental Quality Act intended to come the Strategic Growth Council, which has doled out Proposition 84 money for planning and cap-and-trade money for development that’s consistent with the climate change law.

– CONTINUED ON PAGE 16

## >>> Forward Into the Past

– CONTINUED FROM PAGE 15

And recently Gov. Jerry Brown has called for legislation to permit some affordable housing projects as-of-right – although practically everybody from NIMBYs to labor unions are against it.

Mostly unimpeded, however, is the right of local governments to adopt any land-use policies they choose and, for the most part, not needing to conform to any state policy associated with climate change, sustainable development, greater density, and so on. Yes, cities have to find a few high-density sites to stick in the housing element. And yes, they have to address greenhouse gas emissions in the environmental impact report for the general plan. By and large, however, these requirements have not blocked any local government in the state from lowering densities and keeping them low.

I've written before that the most one can expect of state policy – and especially SB 375 – is nudge local governments into creating more compact and concentrated communities. And the ability of local governments to adopt ballot measures – to allow voters to vote on whether to vote on future development projects – is a pretty strong pushback to a nudge. Even in a presidential election year, we're not likely to see droves of Millennials going to the polls in Costa Mesa and Del Mar to vote against voting on future projects. What we're likely to see is longtime homeowners who don't want more traffic taking the bat out of their elected officials' hands, as has been going on in California for decades.

I don't know what the answer to this is. How can you reassure older homeowners more than multi-story, mixed-use development projects on commercial strips near their homes will not destroy the world as they know it? Or, how can you tip the scales at the state level so that developers will be able to build more housing and a wider variety of housing types so that another generation of Californians will be able to buy homes?

I don't know. But I do know this: A lot of cities that pass this kind of ballot measure get left behind or wind up with things they don't want, especially in the long run. Because the decision to turn down new development is simply a decision to freeze-dry the housing that's already there, no matter what it is. Take, for example, Alameda, the island city in the San Francisco Bay near Oakland. More than 40 years ago, voters banned multi-family dwellings. The result, decades later, is a city with a beautiful and very expensive stock of single-family homes – and lots of crappy apartment buildings from the '60s and '70s that will never be torn down because you can't build anything to replace them.

To me, that's always been the tragedy of the slow-growth impulse. It's rooted in the assumption that whatever's already there is better than whatever might get built in the future. CEQA tends to reinforce that idea. But we're not likely to see state policy anytime soon that will force a rethinking of this basic premise. ■



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## Planners in An Age of Globalization

For all the strife and division that peoples and countries are enduring around the world today, author Parag Khanna insists that the process of globalization is proceeding apace and that its effects are overwhelmingly positive. In his new book [Connectography](#), Khanna claims that “connectivity, not geography,” is destiny. The ability to send goods, money, and information around the world will, he argues, drive the global economy and global culture.

And yet, “connection” still entails end points. In the age of globalization, the end points of almost any transaction are likely to be cities. And it is within cities that the local influences the global. *CP&DR*'s Josh Stephens caught up with Khanna at the [Milken Institute Global Conference](#) to talk about how city form – and the people who guide it – in California and elsewhere can contribute to these global connections.

### What roles do cities play in global connectivity?

We're moving towards what I call the “global, urban, network civilization.” Each of those words means something.



It's global in the sense that we now have very large cities in every continent of the world. It is urban: the world population is urbanizing; cities in a way supersede national economies, or they drive national economies and the international economy. The projections are that even more

of the world's population will live in cities in the coming decades. It's a network because these cities are connected to each other, and you cannot even calculate the value of any one city without understanding the role of the flows and connections between them. They depend on each other in ways that we don't traditionally understand countries depending on each other. And it's a civilization because we are becoming perhaps a more connected and perhaps conscious civilization with a collective fate if you think about the ways in which shocks are amplified through the system. We share vulnerabilities and economic volatility and so forth. Cities and connectivity are the twin driving forces of this trend.

**We've been talking about globalization about a generation or so. What does the future of globalization look like?**

A lot of people use this phrase hyper-globalization. To me, it's all additive. It's not substitutive. One era does not displace another. Cities are our oldest social creation; then come empires and modern states. We now have layering of all those things. When it comes to globalization, we have the foundations of transportation systems, energy systems, communications systems, etc. We layer all those on top of each other, spread them around the world, and wind up with the potential to have a hyper-acceleration of globalization.

Already we see that the value of global trade and services is greater than the global trade in goods. Things get zapped rather than shipped. That is one indication of where globalization is going. It's also a very human story. The number of migrants, the number of expatriates, the number of business travelers and tourists – that's up to one billion people a year. It used to be that only the top 1 or 2 percent of a national population could ever afford to cross borders. In every conceivable way we are internationalizing and therefore globalizing.

Presumably some cities are going to fare better and others will fare worse in this coming era. What's the hallmark of cities that are well positioned?

First, cities that are well positioned have sufficient infrastructure to cope with their populations. This is

## Planners in An Age of Globalization

– CONTINUED FROM PAGE 17

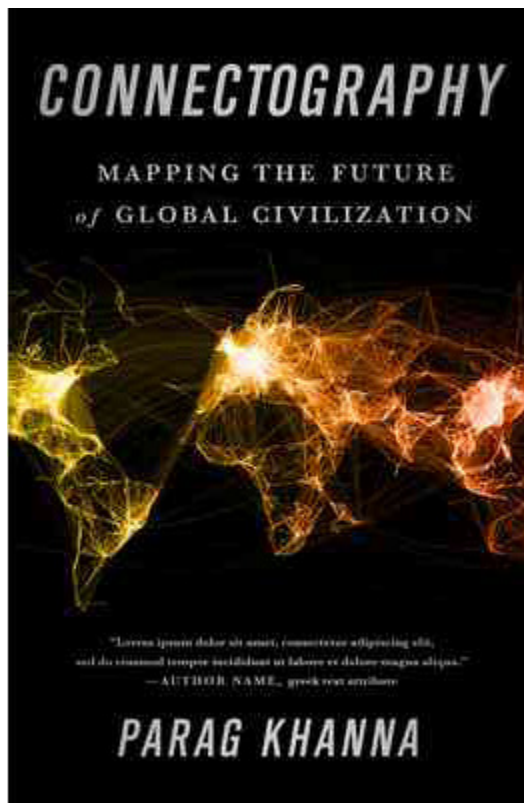
a big problem because we are an overcrowded planet in many geographies. Cities have not built sufficient infrastructure investment in the last 40-50 years to cope with growing populations.

Second is of course sustainability. I do say that sustainable urbanization is the number-one priority of the 21<sup>st</sup> century. We have pollution effects that wind up undercutting economic growth and human potential. In and of itself, there's a reason to attack that problem. The network helps to solve that through the sharing of technologies and practices.

Then there's inequality. The larger the city is, the more it contains many worlds and many cities in one. There's very extreme inequality. You have coexisting urban forms in one geography. You have medieval stratification: industrial factory towns, financial capitalism, service economies. And there's extreme inequality. We see protest movements already emerging against domestic and urban inequality, in Turkey, in Brazil, in India, and around the world. Occupy Wall Street. These are a signs of things to come if we don't focus on those issues.

**What about the form of cities. Is there a certain layout – be it a European form, a Chinese form, an American form, etc – that fosters global connectivity?**

High-density, pedestrian-friendly cities with good public transportation systems are going to fare very well. There's a resilience, if you will, in this whole idea of moving beyond the car. It's a lot easier if you're structured more like Amsterdam and less like Los Angeles. I think the European



cities as a whole have an edge. And of course they're very connected to each other through high speed rail networks, airlines, and so forth. Their economies may be weak at the moment, but that has a lot to do with structural labor market issues and demographic issues.

Generally speaking, the European form of cities is the one that we should want to emulate. None of them are too big, but they're connected to each other such that they don't have to be 5, 6, 7 million people to be internally resilient. They can trade so much with each other. That's something we should be thinking about for rising or aspiring cities. What should they model themselves after? It's not necessarily Chongching, an area of 100 million people. That's not a dream city by any stretch. China just happens to be very big, so everything they do is bigger. But it's not a role model for emerging societies.

**Are there any particular cities that we wouldn't necessarily think of as being precarious or promising in California or the United States generally?**

I think there's a big problem with water supply in California, so I'm not so confident that efforts around conservation are going to succeed because it's just not in the culture. I worry that there's not enough effort going in to technological solutions that are going to be necessary to overcome our culture, if you will. I'm a believer in high speed rail and of better public transportation. In Los Angeles you could have a lot more of it to disincentivize the automobile. Those are big interventions, but if you can accomplish them you can also do what Saskia Sassen and

– CONTINUED ON PAGE 19

## Planners in An Age of Globalization

– CONTINUED FROM PAGE 18

Jaime Lerner of Brazil call urban acupuncture. What are the release values? How do you release the pressure and stress and congestion? Los Angeles has the capacity and the money – it can do these things.

**What do you advise urban planners who typically focus on minutiae but ought to be aware of the global issues?**

Leverage all the technologies. Whether it's Uber and Lyft and ridesharing, or whether it's promoting entrepreneurship by allowing people's (online) profiles to be visible and then to connect with people in like-minded areas. People are working more locally. Encourage telecommuting. Workplace culture is still designed around driving and parking your car and going to the office. But we have research that shows that the broadband penetration rate is high enough to justify a far higher rate of telecommuting

than people presently do. Planners should leverage all the technologies that we have at our disposal rather than treating them as piecemeal things.

**What metrics should planners be aware of?**

There's metrics for everything. God knows, I have a book full of statistics. So it's hard to be terribly specific about that. I don't like these very subjective rankings of "livable cities," "smart cities" -- that's nonsense.

*Conducted in May, this interview has been edited and condensed.*

*Photo credit: Arenda Ooman.*

– JOSH STEPHENS | JULY 19, 2016 ■

