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VIA E-MAIL

Mr. Panama Bartholomy
Land Use Subgroup of the Climate Action Team (LUSCAT)
1516 Ninth Street, MS33
Sacramento, CA 95814

Re: Comments on LUSCAT Submission to CARB Scoping Plan on Local
Government, Land Use and Transportation (4/8/08)

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Dear Mr. Bartholomy:

Thank you for the opportunity to provide comments to the Land Use Subgroup of the Climate Action Team (LUSCAT) on the LUSCAT Submission to CARB Scoping Plan on Local Government, Land Use and Transportation (4/8/08). We understand the LUSCAT report was issued as a consensus document on what state agencies can do to achieve the state's goals of reducing greenhouse gas emissions to 1990 levels by 2020, and towards greater reductions of 80 percent below 1990 levels by 2050. BART believes that transit is vital to reducing greenhouse gas (GHG) emissions, while at the same time providing Californians with more travel choices, expanding our economy, reducing our energy dependence, and fostering more compact and livable regions.

We are submitting the following comments for your consideration:

Content

1) Cap and Trade. Section 4.4.1 discusses land use strategies, with pp. 61-62 providing more detailed recommendations with respect to cap and trade. In reference to earlier comments submitted by BART, we wanted to ensure that transit would be an eligible recipient of auction allocations, as is the approach taken in the current version of the Lieberman-Warner bill (S2191) being discussed in the United States Senate. In that bill, transit is proposed to have a one percent share of allocation from auction proceeds, and supporters of transit and more compact development are currently advocating that the share be revised and expanded to include a 10 percent share for metropolitan accessibility (broken down to 6 percent for transit, and 4 percent as incentives for supporting land use strategies). It is worth noting that at the federal level, transportation emissions account for roughly one-third of GHG emissions, while ARB has indicated in California, transportation is at almost 40 percent.

As identified in many of the regional Blueprint processes in the state, transit and local governments require additional resources to reduce growth in vehicle miles traveled by

supplying the needed infrastructure, planning and zoning, and in some cases affordable housing. These investments in proven VMT reduction strategies could mitigate the inefficiencies in the marketplace not directly influenced by a cap and trade system. Providing additional funding to reduce vehicle miles traveled per capita will be a critical strategy to reduce emissions from the transportation sector, or all of the burden in transportation will fall on vehicles and fuels to provide the reductions.

2) Offset Provider. In the case that a cap and trade market system includes the “transportation sector,” it is our understanding that transit, or land use changes that lead to reduced vehicle miles traveled per capita, would not be eligible as an offset provider due to double-counting issues. If that is not the case, or if the transportation sector is not capped, we would like to see transit investments and implementation of compact land use strategies to be eligible as an offset provider. We look forward to working with ARB should they decide to pursue a market system.

3) Temperature Gradient. It is worth noting in the report that there is a significant temperature gradient in the state, with temperatures typically more temperate near the coasts, and more extreme inland. This gradient may be even more dramatic if temperatures warm in coming decades. The State should acknowledge this, and consider land use and transportation investment strategies to mitigate as it pertains to additional energy needed for building heating and cooling requirements. This is a land use issue within regions and between regions.

4) Current Budget Deficit. LUSCAT should do what it can to identify key short-term issues in the state budget that would set the state down the wrong path on reducing emissions. For example, transit agencies would lose significant operating funds under the current budget proposal. Another issue could be the sale of State land. There may be to sell excess State land to help balance the budget. Without some analysis, the State may end up promoting sprawl development by selling land to balance a budget.

5) Value Capture. Land economists indicate that transportation costs and accessibility have a role in determining land values. If fossil fuel costs, and driving costs, rise significantly over time due to climate policy, these policy driven cost increases could have an impact on land values in a region and/or the state. Locations with higher accessibility (such as urban core areas, inner suburbs or regional transit nodes) will become more valuable over time. The state should investigate mechanisms for the public to capture a portion of this increase in value, as it is the policy change which may lead to land value increase in certain strategic locations. Would there be a significant increase over time? If so, what tools are currently available, and what additional tools are needed by local governments for value capture in order to implement more compact development?

One modest example of this is the proposed AB 1221 (Ma), which seeks to direct the tax increment in a defined area near a transit node to pay for affordable housing and infrastructure in support of higher-intensity development. This proposal does not create new revenues, but seeks to provide local jurisdictions with the option of using a financing tool to advance transit-oriented development projects. Perhaps this is what is referenced on p. 72, item 6.1. If so, please be more specific on your recommendation.

6) Environmental Justice Impacts of Increased Transport Costs. Strategies to reduce emissions of the transportation sector could lead to increased travel costs, and increased land values for locations with good regional accessibility. Unless mitigated, this

increased land values in highly accessible locations (such as urban core, inner suburbs or regional transit nodes) could have substantial negative consequences on low income residents. The State should consider strategies to address this impact.

7) Growth's Impact on Sequestration in Forests, Ag Lands and Open Space. In addition the identified benefits that compact development and transit investment have on reducing transportation emissions and building energy use, an additional potential co-benefit that compact development has is on carbon sequestration from forest, agriculture lands, and open space, as compared to business as usual development pattern. Perhaps this is what is suggested under Sequestration on p. 61? Growing Cooler identifies this issue, but does not quantify, this potential co-benefit. The State should analyze if there are any significant carbon sequestration co-benefits of preserving forest, agriculture lands, and open space by encouraging more compact development. If there are co-benefits, regions that preserve these natural features should be rewarded.

8) Performance Measures. In addition to the land use and transportation performance measures identified on pp. 79-80, to ensure a healthy economy and reduce transportation emissions, consider a measure on regional accessibility via non-auto modes. It is important to provide accessibility to a wide variety of regional destinations, but for simplicity, it may be best to focus on access to jobs. Employers want access to a large pool of skilled workers, so regional job accessibility is important for a vibrant economy. In addition, MTC reports that 40 percent of household VMT is due to the journey to work, so while only 20 percent of overall household trips, it is significant. The accessibility measure would take into account both transportation infrastructure and regional structure (land use, "centeredness"). Prof. Robert Cervero of UC Berkeley has done a substantial amount of research on this topic. One example of an accessibility performance measure, perhaps under Prosperity Indicators (or Transportation Choices), could be:

- X percent of population should have non-auto access within Y (60 ?) minute travel time to Z (500,000 ??) jobs

The State could also consider stronger policy links to existing fund sources. For infrastructure investment, such as for transit corridors, policies should promote appropriate land use decisions by local jurisdictions. Please reference BART's system extension policy, or MTC's Transit Oriented Development Policy for transit extensions.

9) Other State Resources. Local jurisdictions face a variety of challenges when seeking public support for more compact development. Some of these relate to transportation, building scale and massing, open space, and/or housing affordability. In some cases, deficiencies in local school systems is a key issue. The State should assess opportunities to align existing state resources (including education funds) more systematically to achieve key state goals, such as reducing GHG emissions and moderating VMT growth. The State of Massachusetts, and formerly under the direction of Douglas Foy, have taken this approach to advance compact development.

Editorial

A) The overall report is extremely dense, long on background, short on specifics, and could use some additional editing. One suggestion is to recast the report as more of an overview of topics and responsibilities using bullets as frequently as possible. Details could be shifted to an appendix. For example:

Planning to Reduce GHG Emissions:

- All levels of government need to refocus their efforts
- Greater coordination is needed
- Cannot lose sight of need to address resource conservation, improved health, affordable housing and better access to services and recreation

B) p. 64 - Transportation (4.4.3), under transit considerations – For the first statement on transit research, we would suggest the following: “Research land use, site design, parking and other transportation demand management strategies and policies that would enable transit, walking and bicycling to be more competitive in suburban centers, and identify best practices to reduce transportation emissions in these important regional destinations. As applicable, revise state policies to ensure state and regional transportation and land use investments are consistent with best practices.”

C) p. 65 – Transportation (4.4.3), under transit considerations - For the third bullet, please remove “(including BART)” as “public transit” is already included in the statement.

D) p. 63 – Location Efficient Mortgage – Re-examine this suggestion. Not aware of any real success with the LEM, notwithstanding the fact it’s been around for roughly 10 years.

E) p. 72, item 6.2 – Oakland’s S-15 Overlay Zone, requiring only 0.5 parking spaces per unit, is a good example to be promoted. What about zoning changes to promote infill?

F) p. 72, item 6.3 – Streamline local approval processes and improve CEQA? Easy to say, hard to do. Specifics? Incentives?

G) p. 72, item 6.4 – Whose criteria would be followed? Improve modeling to what end? What type of improvements are needed?

H) p. 72, item 6.5 – Loan fund? How repaid? Why not grants?

I) p. 73, item 6.7 –What about reducing employer-provided parking, not just cash out? What about enabling cities within corridors to share tax revenue such that land use decisions promoting transit are made on a corridor basis (per Will Fleissig)?

Thank you again for considering these comments. If you have any questions, please contact me at 510.287.4794 or by email at vmenott@bart.gov.

Best Regards,



Val Menotti
Deputy Planning Manager