



April 15, 2021

The Honorable Ben Allen  
California State Senate  
State Capitol, Room 4076  
Sacramento, CA 95814

**RE: SB 261 (Allen): Regional Planning – Sustainable Communities Strategies  
As introduced January 27, 2021 – Notice of Opposition  
Pending hearing in the Senate Transportation Committee**

Dear Senator Allen:

The California State Association of Counties (CSAC), the Urban Counties of California (UCC), and the Rural County Representatives of California (RCRC) are respectfully opposed to your Senate Bill 261, which would, among other changes, amend provisions of SB 375 (Steinberg, 2008) to require the California Air Resources Board to set regional targets for reductions in vehicle miles travelled (VMT) by 2035 in addition to the existing 2035 targets for regional greenhouse gas (GHG) emissions reductions from transportation and land use. SB 261 would also require additional target-setting for regional reductions in both VMT and GHG emissions for 2045 and 2050. Our organizations have significant concerns and many unanswered questions regarding the far-reaching impacts of the bill for both transportation investments and land use planning in the unincorporated areas of the 37 California counties located within a metropolitan planning organization.

We join other stakeholders in urging you to make SB 261 a two-year bill. This would provide time for all affected entities to convene and resolve issues presented by the bill. Among the issues especially significant to counties are: 1) the implications of a new VMT reduction metric for regional transportation investments in unincorporated areas, which tend to be more rural in nature, have higher average VMT, and experience higher rates of collisions and traffic fatalities than more urban areas; 2) the significant changes your bill proposes in the relationships between and authority of the California Air Resources Board, metropolitan planning organizations, and local governments; 3) the implications to housing production in unincorporated areas from layering a VMT reduction target on top of existing GHG reduction goals, including the ability of counties to comply with regional housing needs allocation planning requirements if infrastructure funding is increasingly or exclusively directed to lower-VMT areas; and 4) achieving a better understanding of the need for additional statewide policy changes to realize GHG reductions goals through fiscally-constrained transportation plans, and whether and how to reflect or incorporate such policy changes within the bill. This final consideration is especially important given California's current reliance on fuel-related taxes to fund transportation infrastructure—revenue streams which are projected to decline as zero emissions vehicles proliferate.

Counties are concerned that layering additional VMT reduction targets onto fiscally-constrained sustainable communities strategies could have negative implications for funding transportation projects

in unincorporated areas. This impact could be compounded as zero emissions vehicle technology improves, thereby lowering the cost of driving such vehicles, weakening the current linkage between GHG emissions and VMT, and reducing available transportation revenues. Funding limitations have consistently been cited by both the state and regional agencies as a barrier to achieving further GHG reductions from transportation and land use sectors via sustainable communities strategies. Adding an explicit VMT reduction target in addition to existing GHG emissions reduction goals without a commensurate increase in transportation funding would likely have negative implications for the ability of regions to fund even VMT-neutral projects in unincorporated areas outside of urban cores, including safety improvements and fix-it-first projects to address deferred road and bridge maintenance.

We are also concerned by changes SB 261 would make to the roles and relationships between the California Air Resources Board, metropolitan planning agencies and local governments. In particular, SB 261 would require detailed, costly, and ongoing biannual reporting of specified land use, employment and transportation information by local entities to metropolitan planning agencies. While coordination and information sharing between local and regional agencies is clearly an important component of successfully developing a sustainable communities strategy, the bill's approach is too prescriptive in terms of both frequency and content, fails to draw from the existing and extensive local-to-state reporting in housing element annual progress reports, and would likely require local governments to develop new tools to collect and track employment data at significant local cost.

As related to the state-regional relationship, SB 261 would provide CARB with broad authority to reject a region's sustainable communities strategy with seemingly limited due process. Such an action would preclude a jurisdiction within the region from accessing some of the competitive funding programs best suited to reducing GHG emissions from transportation, including the Solutions for Congested Corridors Program, SB 1 Sustainable Transportation Planning Grant Program, and the Trade Corridors Enhancement Program.

A core goal of SB 375 was to better align regional transportation and housing planning processes. Like cities, counties are required to plan for a share of the regional housing need within unincorporated areas. While some counties have highly urban unincorporated communities—such as unincorporated island within cities—much of the unincorporated area in California is more rural in nature, with less-developed transportation infrastructure and limited or absent public transportation options. Recent regulatory changes are already poised to increase the cost and complexity of housing development in such contexts and our organizations note that the Legislature has directed the Office of Planning and Research and the Department of Housing and Community Development to return to the Legislature with recommendations to better align the regional housing needs allocation process with statewide environmental goals by December 31, 2022. In the interim, we are concerned that overlaying new VMT reduction targets on top of GHG emissions reduction targets will only make it more difficult for counties to successfully plan for development to accommodate their share of the regional housing need.

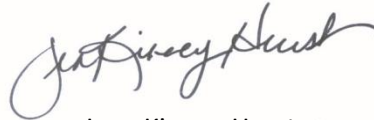
CSAC, UCC and RCRC share the concerns the metropolitan planning organizations have identified with regard to additional state policies and strategies necessary to achieve 2035 GHG emissions goals—specifically the gap between overall emissions reductions from needed from the transportation sector and those reductions attributable to sustainable communities strategies at the regional level. SB 261 does not address this gap, nor does it consider how the lack of such state-level strategies constrains options available to regions to achieve additional emissions. In addition, we share the practical concerns that regional agencies have expressed with regard to SB 261's timeframes for the additional GHG emissions and VMT reduction targets in 2045 and 2050, which depart from the current planning horizons.

Finally, SB 261 would dramatically reshape land use and transportation planning at a time when local government officials—especially county supervisors—continue to be overwhelmed with response to the COVID-19 pandemic. We reiterate our request for SB 261 to become a two-year bill. While we have taken an oppose position on the bill as introduced, counties are committed to partnering in good faith to discuss and resolve the significant issues that SB 261 currently presents for counties. If you need additional information about our position, please contact Chris Lee (CSAC) at [clee@counties.org](mailto:clee@counties.org), Jean Hurst (UCC) at [jkh@hbeadvocacy.com](mailto:jkh@hbeadvocacy.com), or John Kennedy (RCRC) at [jkennedy@rcrcnet.org](mailto:jkennedy@rcrcnet.org).

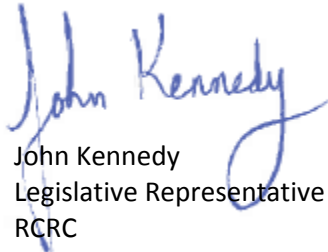
Sincerely,



Christopher Lee  
Legislative Representative  
CSAC



Jean Kinney Hurst  
Legislative Advocate  
UCC



John Kennedy  
Legislative Representative  
RCRC

cc: The Honorable Lena Gonzalez, Chair, Senate Transportation Committee  
Honorable Members, Senate Transportation Committee  
Melissa White, Consultant, Senate Transportation Committee  
Ted Morley, Consultant, Senate Republican Caucus