



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

A-18

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Submitted on:
(COB Stamp)

2009 FEB 19 PM 4:26

Department Name: Planning & Development
Department No.: 053
For Agenda Of: March 3, 2009
Placement: Administrative
Estimated Tme: 1 hour on March 17, 2009
Continued Item: No
If Yes, date from:
Vote Required: Majority

0303-09 09-00182

TO: Board of Supervisors
FROM: Department John Baker, Director, Planning & Development, 568-2085
Director(s)
Contact Info: John McInnes, Director, Office of Long Range Planning, 568-3552
SUBJECT: 2009-2010 Annual Work Program and Mid-Year Report for Land Use Planning Projects & Policy Initiatives

MAR 9 - 2009

County Counsel Concurrence

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence:

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

Set a hearing for March 17, 2009 to consider the *2009-2010 Annual Work Program and Mid-Year Report for Land Use Planning Projects and Policy Initiatives*.

On March 17, 2009 take the following actions:

- A. Receive and file the *2009-2010 Annual Work Program and Mid-Year Report for Land Use Planning Projects and Policy Initiatives*;
- B. Consider recommendations from the Planning Commission; and
- C. Direct staff to continue work on current projects, required services and operations management as well as initiate the Climate Action Strategy and any additional recommended new projects for the 2009-2010 Annual Work Program.

Background:

The *2009-2010 Annual Work Program and Mid-year Report for Land Use Planning Projects and Policy Initiatives* (Work Program) provides a summary of the various land use planning projects and policy initiatives proposed for the upcoming 2009-2010 fiscal year. The Work Program (included as Attachment A) provides a framework to consider and determine priority planning efforts and policy initiatives that improve and/or update the County's General Plan. The purpose of the Work Program is to provide the Planning Commission and Board of Supervisors with an opportunity to review current ongoing and new potential projects and select those that warrant general fund allocation and staff resources in the upcoming fiscal year. This is the tenth consecutive year that a Work Program has been prepared for consideration by the decision makers and the community.

The Work Program is organized by department/division beginning with the Planning & Development's Office of Long Range Planning. Section II discusses the Office of Long Range Planning's current and future work efforts that would update and improve the General Plan and its implementing programs. It also provides an overview of the structure of the General Plan, the organizational structure of the Office of Long Range Planning, a summary of both current and potential new projects, and a mid-year report on the status of current projects. Finally, Section II concludes with a discussion of potential new projects that have been identified for the short term (recommended to begin in 1-2 years), midterm (recommended to begin in 3-5 years) and long term (recommended to begin in 5-10 years).

Potential new short term projects reflect the highest priorities to the County because they are either time sensitive or necessary in order to anticipate and respond to new or developing statewide laws and requirements. The Climate Action Strategy would develop and implement a comprehensive strategy to manage the new statewide climate policy framework by building upon the County's existing efforts to reduce greenhouse gases (GHG). A Climate Action Strategy will position the County to coordinate a cost-effective response to existing mandates, capitalize on economic opportunities, prevent fragmented decision-making, and ensure informed public representation of local interests at the regional, state and federal levels. The Rural Region Plans would create area-specific plans, similar to community plans in urban areas, to reflect current community norms, values, trends, and conditions such as agricultural stewardship and sustainability, bio-regional planning, watershed protection, cultural resource preservation, design standards, public access, and scenic resources. The Montecito Growth Management Ordinance Extension would continue the existing ordinance that is set to sunset in December 2010. Other short term potential new projects, such as the Santa Ynez Transportation Improvement Plan, Mission Hills/Vandenberg Village Visioning, and Santa Claus Lane Streetscape Revitalization stem from ongoing community planning efforts or provide for the updating of existing land use policies.

Mid-term projects are recommended to begin in 3-5 years. Many, such as the Mission Canyon Scenic Corridor, Hollister/State Street Streetscape Improvement Program, Santa Ynez Valley Townships Design Guidelines, and Mission Canyon Post-Disaster Reconstruction Plan stem from current community planning efforts set to be completed in the next few years. The Comprehensive Plan Update to Reference the New Land Use Development Code will be necessary once California Coastal Commission approval occurs for the portions of the Code within their jurisdiction. Rural Region Plans for the Rural Regions not covered in short-term projects are also included as mid-term projects. Additionally, several projects have been identified as potential long-term projects, recommended to begin in 5-10 years. These include updates to outdated elements of the General Plan and aging Community Plans.

Sections III through V of the Work Program provide a discussion of the land use planning projects and policy initiatives being performed by the Planning & Development Department's Development Services and Agricultural Planning functions and the Public Works Department, respectively. Each section includes a discussion of the department's role in land use planning efforts and a summary of any current or new planning projects and policy initiatives.

Planning Commission Deliberations:

The Santa Barbara County Planning Commission considered the Work Program on January 21, January 28, and February 4, 2009. Following a staff presentation and public testimony on January 21, 2009, this item was continued to January 28, 2009 to allow the Planning Commission to receive a more detailed presentation on the proposed Climate Action Strategy. The January 23, 2009 Planning Commission memorandum titled *Supplemental Information Regarding the Proposed Climate Action Strategy* is included as Attachment B. Following a briefing on the Climate Action Strategy on January 28, 2009, the Planning Commission chair requested that Long Range Planning prepare a preliminary scope of work for an additional new potential project that would provide a County-wide analysis of agricultural lands in lieu of the regionally based Rural Region Plans proposed in the Work Program. The January 29, 2009 Planning Commission memorandum titled *Supplemental Information Regarding Rural Agricultural Diversification and Intensification Study* is included as Attachment C.

At the Planning Commission hearing on February 4, 2009, individual commissioners ranked their highest priority new projects for inclusion in the 2009-2010 Work Program and recommended that the entire rating sheet be forwarded to the Board of Supervisors. The projects considered for ranking included the original eight short term potential new projects in the Work Program along with the Rural Agricultural Diversification and Intensification Study and a significantly scaled back climate action project, entitled Greenhouse Gas Regulatory Review, that would focus solely on monitoring legislative changes related to climate change and greenhouse gas regulation rather than developing a comprehensive strategy inclusive of a prioritized implementation program. While the rating sheet reveals a wide range of project preferences, two projects emerge as priorities to a majority of Planning Commissioners: the Climate Action Strategy and the Gaviota Coast Rural Region Plan. This ranking is in concert with public comment on the Work Program which was dominated by letters, e-mails and oral testimony in support of these two projects.

At the Planning Commission hearing of February 4, 2009, Commissioner Brown moved, seconded by Commissioner Brooks and carried by a vote of 5-0 to:

1. Receive and review the 2009-2010 Annual Work Program and Mid-year Report for Land Use Planning Projects and Policy Initiatives; and
2. Direct staff to forward the Planning Commission New Project Rating Sheet for the 2009-2010 Annual Work Program for consideration by the Board of Supervisors.

The Planning Commission action letter and Planning Commission Rating Sheet are included as Attachment D.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund	\$ 3,311,169.00		
State			
Federal			
Fees			
Other:			
Total	\$ 3,311,169.00	\$ -	\$ -

Narrative: Funding for staff of the Office of Long Range Planning to complete the Fiscal Year 2009-2010 Work Program will be considered as part of the County budget process.

Staffing Impacts: _

Legal Positions:

FTEs:

18.5 in Office of Long
Range Planning

Special Instructions:

Please forward the minute order to the Office of Long Range Planning.

Attachments:

Attachment A: 2009-2010 Annual Work Program and Mid-year Report for Land Use Planning Projects and Policy Initiatives (February, 2009)

Attachment B: January 23, 2009 Planning Commission Memorandum

Attachment C: January 29, 2009 Planning Commission Memorandum

Attachment D: Action Letter from the Planning Commission Hearing of February 4, 2009

Authored by:

Joy Hufschmid, Deputy Director, 568-3373

Attachment A

2009-2010 Annual Work Program and Mid-year Report for Land Use Planning Projects and Policy Initiatives (February, 2009)

UNDER SEPARATE COVER

Attachment B

January 23, 2009 Planning Commission Memorandum
Supplemental Information Regarding the Proposed Climate Action Strategy

Attachment C

January 29, 2009 Planning Commission Memorandum
Supplemental Information Regarding Rural Agricultural Diversification and Intensification Study

Attachment D

**Action Letter from the February 4, 2009 Planning Commission Hearing
Including Planning Commission Rating Sheet**

2009-2010 Annual Work Program and Mid-year Report for Land Use Planning Projects and Policy Initiatives
March 17, 2009
Attachments

Attachment A

2009-2010 Annual Work Program and Mid-year Report for Land Use Planning Projects and Policy Initiatives (February, 2009)

UNDER SEPARATE COVER

Attachment B

January 23, 2009 Planning Commission Memorandum
Supplemental Information Regarding the Proposed Climate Action Strategy



**COUNTY OF SANTA BARBARA
PLANNING AND DEVELOPMENT**

MEMORANDUM

Date: January 23, 2009

To: Members of the Planning Commission

From: John McInnes, Long Range Planning Director

Subject: Supplemental Information Regarding the Proposed Climate Action Strategy

CC: John Baker, Assistant CEO/Planning Director
David Matson, Long Range Planning Deputy Director

On January 21, 2009, the Planning Commission considered the Long Range Planning 2009-2010 Work Program, which includes existing and proposed land use policy initiatives for the 2009-2010 fiscal year. The Planning Commission directed Long Range Planning to prepare supplemental information on the proposed Climate Action Strategy (CAS). Specifically, the Planning Commission requested 1) additional details concerning the CAS scope of work, 2) the full text of State climate change legislation, including Assembly Bill (AB) 32, Senate Bill (SB) 375, and SB 97, 3) a summarized matrix of the AB 32, SB 375 and SB 97, and 4) summaries of subsequent climate related legislation. These items have been provided as attachments to this memorandum, and the discussion below provides context to assist with decision-making relative to this project.

In November, the County Executive Office directed Long Range Planning to assess the implications of recent climate change legislation on the County and present this information to the Board of Supervisors on December 16, 2008. In recognition of the complexity of AB 32 and subsequent climate change legislation, Long Range Planning concluded that a comprehensive CAS should be proposed in the next Work Plan (see Attachment 1 for a detailed Scope of Work). A CAS will position the County to coordinate a cost-effective response to existing mandates, capitalize on economic opportunities, prevent fragmented decision-making, and ensure informed public representation of local interests at the regional, state and federal levels. As local governments begin to adapt to this new regulatory environment, it is clear that the County already will be required to spend resources to reduce GHG emissions. Yet, the decision remains as to whether Santa Barbara County will respond proactively or reactively to this climate change policy environment. Therefore, the adoption of the CAS involves a choice between two options: 1) act now by investing early to engage in the evolving regulatory environment and prepare for emerging opportunities and benefits, or 2) defer action by waiting to react to each mandate, thereby diminishing the County's ability to ensure that the benefits of GHG emission reduction actions outweigh the costs.

IMPLICATIONS OF RECENT CLIMATE CHANGE POLICIES

A growing legislative framework addressing climate change prompts local governments to act through both regulatory requirements and opportunities to attain incentives.

Regulatory Requirements

The regulatory environment related to climate change has been evolving since the adoption of AB 32 in 2006. AB 32 established specific benchmarks for GHG emission reductions and outlined a process to achieve these benchmarks, including implementation of an eighteen-point emission reduction plan, called the Scoping Plan, developed by the California Air Resources Board (CARB). Under this plan, local governments are expected to formulate a policy framework capable of reducing the local "fair share" of GHG emissions necessary to achieve the State target. CARB's Scoping Plan, adopted on December 11, 2008, recommends a 15% GHG reduction in local government operations and in communitywide emissions by 2020. While the Santa Barbara County Sustainability and Conservation Team is working to reduce GHG emissions related to County operations, the County has no comprehensive strategy in place to reduce communitywide GHG emissions. Over the coming year, the California Air Resources Board (CARB) will oversee a formal rule-making process that will impact how the County quantifies and attains credit for operational and communitywide emissions. Specific regulations applicable to local agencies are being drafted now and will be adopted by CARB during the second half of fiscal year 2009-2010.

While the adoption AB 32 did not operationalize a regulatory environment for local agencies, the CARB Scoping Plan does require local agencies to act. Representing one of the eighteen points in the Scoping Plan, SB 375 is the most significant local government mandate to follow the adoption of AB 32. SB 375 aligns the Regional Transportation Plan (RTP) and the Regional Housing Needs Allocation (RHNA) to reduce vehicle miles traveled, and in doing so, reduce GHG emissions. Implementation of the SB 375 mandate will occur next year with CARB's allocation of a GHG reduction target to SBCAG in September 2010. As demonstrated through the recently completed RHNA negotiating process, early and active County engagement is a fundamental component of protecting and promoting the County's preferences, values, and interests. By moving forward with a proactive CAS, the County will position itself to achieve a housing allocation that can be accommodated by the existing General Plan and ensure receipt of its fair share of regional transportation funds. In addition, SB 375 provides opportunities for the county to attain additional transportation funding to support the movement of goods, so long as County land use policies have been adopted to direct growth towards urban areas, while simultaneously enacting policies that protect open space and preserve agricultural viability. These are two key policy areas where the County becomes the primary responsible agency under the State's AB 32 and SB 375 framework to ensure that unincorporated areas are differentiated from the urban spheres of the city.

While not related specifically to the Scoping Plan, SB 97 directs the State's Office of Planning and Research to provide guidance on CEQA analysis to address GHG emissions, as required by AB 32. As responsible agencies, SB 97 forces local governments to account for and mitigate GHG emissions in their General Plans and related projects, or become vulnerable to litigation. Recently lawsuits brought by the State Attorney General's Office on municipalities (such as San Bernardino County and the City of Stockton) that have failed to adequately address GHG emissions in CEQA documents, have required local agencies to

develop climate action plans/strategies to specifically address and mitigate GHG emissions. Additionally, a recent comment by the State Attorney General to the City of Pleasanton communicates the strong recommendation that all local agencies in California must develop a climate action plan. The full text of AB 32, SB 375 and SB 97 is provided in Attachment 2 and a summary matrix is provided in Attachment 3.

Lastly, more than a dozen bills and executive orders provide additional direction regarding implementation of AB 32's goals. They range from public motor vehicle fleets (AB 236), to public water (AB 1560) and lighting efficiency (AB 1109). A summary of AB 32 related laws passed thereafter is provided in Attachment 4. Additional regulatory requirements are expected to be adopted in the coming legislative cycle at both the State and Federal levels that will require additional County preparation and response. Accordingly, strategic action via the CAS to identify opportunities to participate in this rulemaking process will position the county to proactively respond rather than react to new regulation.

Legislative Incentives

In addition to strengthening the regulatory environment related to climate change, recent legislation also presents new opportunities to stimulate the local economy and incentivize investments. For example, AB 811 has enabled the use of public financing to lower the up-front cost of building retrofits and solar systems. By helping to remove the financial barriers related to the installation of solar systems, this bill incentivizes the growth of new businesses, results in new jobs for workers in the construction industry. Energy savings also translate to lower out-of-pocket energy costs for households and firms, thereby generating a multiplier affect on discretionary spending and consumption of taxable goods.

Both the State and Federal governments have made it clear that local jurisdictions who are prepared to enact policies and undertake actions to reduce GHG emissions will stand to benefit economically. Emerging State and Federal legislation, including the proposed Federal Economic Stimulus Package, is poised to reward communities that incentivize investment in energy efficiency and infrastructure improvements. If prepared, the County would be competitive to attain State and Federal funding related to these improvements, such as alternative transportation projects, transit-oriented infill development, and utilities projects.

WHY ACT NOW?

While these regulatory requirements and opportunities could be approached incrementally, the benefits of addressing climate change through a comprehensive strategic plan are significant. As discussed below, the benefits of investing in a CAS now include:

Enhanced Local Economy

The upfront investment to develop a CAS will enable the County to take advantage of both short and long term opportunities to qualify and acquire funding available through Federal or State sources, such as \$6.9 billion proposed in the Federal Economic Stimulus Package to help state and local governments improve energy efficiency within their operations. Further, \$42 billion in funding is available through "smart growth" infrastructure bonds approved by California voters in 2006 to build California's roads, schools, parks, levees and housing.

A CAS also positions the County to acquire additional transportation funding through SB 375 in concert with other local agencies and SBCAG. While the current economic crisis significantly impacts budgetary decisions, both the regulatory and incentive components of climate change legislation provide an opportunity to generate revenue. AB 32 is expected to drive innovation, create thousands of new jobs, and provide a wealth of opportunities for California to export technology necessary to address global warming around the world. In fact, CARB's Scoping Plan notes that California currently receives 40% of the total public and private global investment in green technology venture capital. Given this extraordinary comparative advantage, coupled with local expertise such as UCSB's world renowned programs in applied physics, carbon-based engineering, nanotechnology research and green economics, Santa Barbara County is well positioned to facilitate incubation of investment in green technology by local business as well as work to attract new venture capital into the area. Similar opportunities may exist to leverage new partnerships with businesses positioned to support advanced low carbon technologies used by Vandenberg Air Force Base. A CAS positions the County to capture a share of growing statewide economic benefits. Lack of a CAS means the County may be too late to realize such benefits.

Increased Decision-Making Efficiency and Effectiveness

Given the multitude of state policies and individual methods to address climate change, a coordinated strategy is required to ensure that cost-effective choices are made to reduce emissions, while also producing economic benefits. Through interdepartmental planning and communication, a CAS will minimize any duplication of efforts to meet State mandates across the County, and assign the implementation of initiatives to the most appropriate departments. Lack of a CAS puts the County at risk of spending more money through duplicated efforts, and increases the risk of spending scarce resources on actions that produce minimal GHG emission reductions.

After a preliminary scan of best practices and related literature, LRP has already identified nearly 100 potential actions that the County could initiate under its three roles: 1) producer of GHG emissions, 2) regulator of GHG emitting activities, and 3) potential incentivizer of communitywide enhancements to reduce GHG emissions. Table A provides a brief sampling of these ideas. Undoubtedly, there are hundreds more techniques and measures that the County may identify to reduce GHG emissions. The challenge is in choosing actions that are best suited for the County, that operate well together, and that most cost-effectively reduce the County's collective GHG footprint, with a special focus on the many opportunities that can generate local revenue.

Table A.

Producer (Green Team)	Regulator	Incentivizer
1) Efforts to reduce energy consumption in County facilities <ul style="list-style-type: none"> ▪ Lighting ▪ Computing/office equipment ▪ Water 2) Sustainable public architecture directive (Architecture 2030) 3) Carbon Footprint analysis 4) Vehicle fleet requirements	1) New ordinances, zoning laws, and land use practices <ul style="list-style-type: none"> ▪ Green-building standards ▪ Night lighting standards ▪ Building retrofits ▪ Water/wastewater recovery ▪ Urban growth limits (Reduce VMTs) ▪ Create alternative energy overlay zone ▪ Fast-track "green" projects ▪ Regional plans (SB 375) ▪ Master GHG mitigation strategy ▪ Transit fees 	1) Support innovative programs: <ul style="list-style-type: none"> ▪ Emission cap and trade ▪ Public financing districts for solar and alternative energy ▪ Infrastructure projects to support alternative transportation and transit-oriented development ▪ Encourage conservation easements to sequester carbon ▪ Encourage composting facilities ▪ Encourage the production and use of biodiesel from Agricultural Waste

To illustrate the importance of the analytical decision-making process fundamental to the Climate Action Strategy, the following two potential actions are explored: 1) Solar Financing Districts, and 2) Green Building Standards.

- 1) A Solar Financing District is a program in which home and business owners could voluntarily tax themselves over a number of years to pay for the installation of solar panels. In the City of Berkeley, the annual tax is about the same or less than what the property owner would save on energy bills. In Santa Barbara County, a Solar Financing District program would help align the County with several of AB 32's 18 emission reduction measures, including the focus on renewable energy, energy efficiency and the Million Solar Roofs Program. It would also help the County meet the State's 15% emission reduction recommendation by reducing resident's dependence on traditional energy sources. However, there are important questions that must first be answered, such as:
 - a. Are residents and business owners willing to have solar panels install on their property?
 - b. Does any policy prohibit such a financing structure?
 - c. How much money upfront would be necessary to fund the solar panel installations?
 - d. Is it responsible and possible for the City to borrow that much money upfront? How long is the payback period?
 - e. How significant is the GHG emission reduction impact of a solar financing district?
 - f. What is the economic impact? Is there a net benefit?
 - g. Are there other financing sources possible, such as State funding through the Million Solar Roof Program or through the Federal Economic Stimulus Package?

- 2) Creating or adopting certified Green Building Standards has become an increasingly popular strategy for local governments to reduce GHG emissions from both their own internal facilities and operations, as well as from homes and residences within its jurisdiction. A Green Building Standard in Santa Barbara County would allow the County to address AB 32's emission reduction measures that focus on green building strategies, energy efficiency, waste and recycling and waste. Like the Solar Financing District, Green Building Standards would help the County meet the State's 15% emission reduction recommendation by reducing a resident's dependence on traditional energy sources. Similarly there are important questions that must first be answered, such as:
 - a. Is the community receptive to living and working in facilities with green amenities?
 - b. Does any policy limit the inclusion of green building code standards?
 - c. How much would it cost to develop Green Building Standards?
 - d. How much would it cost the County, its residents and the business community to incorporate Green Building Standards?
 - e. What is the best implementation/enforcement formula to elicit the most GHG reductions at the least cost? Incentives like permit fast-tracking, tax write-offs, rebates or grant funding? Or penalties such as fees?
 - f. How significant is the GHG emission reduction impact of a Green Building Standard?
 - g. What is the economic impact? Is there a net benefit?
 - h. What funding sources are available, such as State or Federal grants for local government green building practices?

These two options are not mutually exclusive, nor are they exhaustive. Both may be proposed in the CAS, but neither may be found to be appropriate or desirable. Each option must be analyzed and quantified in terms of costs and benefits of GHG emissions and economic impact, and evaluated in relation to the mix of other strategies available. Without this process proposed as a major component of the CAS, the County runs the risk of choosing GHG emission reduction strategies that are not well developed and do not elicit the highest payout of GHG reductions or revenue.

Ensured Compliance and Leadership

Consistent and focused staff analysis will ensure continuous compliance and understanding of growing regulatory environment and facilitate the sharing of pertinent, accurate, and timely information needed to meet state mandates. Such assessment is needed to prevent fragmented decision-making and encourage communication across departments. Furthermore, staff participation and engagement in regional and state decision-making will enable the County to voice preferences and influence the State rule-making process for AB 32, SB 97, SB 375 and subsequent legislation. Lack of a CAS means that the County will be less prepared than other jurisdictions when dealing with regional mandates, such as RHNA and SB 375. In addition, the County could be subject to litigation risk from the State Attorney General or other third parties, related to inadequate CEQA documents. Without question, the AG's office is serious about the need for local climate action implementation now. It is also important to point out that if the County chooses not to pursue the proposed CAS, the County will still need to devote considerable resources to prepare the analysis required to respond to the requirements of SB 375 and to addressing CEQA risks associate with SB 97 through a master mitigation strategy. The scope of work includes these tasks, which together approximate 1 FTE during FY 2009-2010.

Engaged Public Involvement

A CAS is the most effective and efficient way to ensure the solicitation of widespread community input and a transparent public process to identify and prioritize goals, policies, and actions to reduce GHG emissions. Lack of a CAS means the public will be involved in a piecemeal fashion that may lead to fragmented prioritization, inefficient expenditures of public resources and promulgation of imperfect information to decision makers.

CONCLUSION

Unquestionably, the County faces a new paradigm of both regulatory requirements and economic opportunities associated with recent climate change legislation. While specific rules and implications of state climate policy continue to emerge, it is clear that each jurisdiction has been summoned to act. This environment can be addressed now through a coordinated framework of goals, policies, and actions, or later through incremental reactions to a barrage of incoming requirements. Given the benefits of coordination and the risks of uncoordinated action, it is most prudent and proactive to engage in a decision-making process through a Climate Action Strategy.

The County has two choices. It can invest \$334,000 now to initiate a proactive and thoughtful decision-making process to reap the short and long-term economic, budgetary, compliance, leadership and public engagement benefits. Alternatively, the County can choose to spend resources reacting to state policy requirements in the near future, while reaping far fewer benefits. The next fiscal year will certainly hold a great deal of climate change related legislative activity and will require a significant level of work by staff regardless of approval of a climate action strategy.

In addition, this discussion cannot neglect to mention the fundamental case for climate action, which is to prevent the social, economic and environment costs associated with global warming. Growing public awareness signals a concern for climate change and a desire to act now. A recent Public Policy Institute survey found that 80% of Californians believe that climate change poses a significant threat to the State's economy and quality of life.

It is this confluence of events – the recognition of the impacts of global warming, the prioritization by state and national leaders, the implementation of GHG emission reduction actions and regulations, and the availability of funding, models and technology – that drive the timely development of the CAS.

Please contact me at 568-2068 with further questions.

Attachment 1

Climate Action Strategy

Scope of Work



PROJECT CHARTER

Climate Action Strategy

1. Project Goal

The primary goal of this project is to develop and implement a comprehensive strategy to engage and respond to the State of California's climate change policies by building upon the County's existing efforts to reduce greenhouse gases. Given the complexity of the climate change issue, a coordinated strategy is necessary to ensure cost-effective decision-making, prevent the duplication of efforts by County departments, and facilitate the sharing of pertinent, accurate, and timely information. Early action to develop a County Climate Action Strategy (CAS) will enable the County to execute its three interrelated roles as a producer of greenhouse gas (GHG) emissions, a regulator of GHG emitting activities, and an incentivizer of GHG reductions. The completed CAS will set forth a series of goals, policies and actions that will position the County to become a leader in the climate change discussion by balancing expressed local preferences with the fulfillment of state targets and mandates.

2. Project Overview

Growing public concern has been expressed regarding California's vulnerability to the effects of climate change. In fact, 80% of Californians believe that climate change poses a threat to the State's future economy and quality of life (Public Policy Institute of California survey, July 2008). Consequently, recent State legislation aimed at addressing climate change presents a new policy framework, in which all segments of California's economy will be required and encouraged to participate in reducing California's GHG emissions. The most comprehensive of these policies, Assembly Bill (AB) 32, established statewide benchmarks for GHG emission reductions and outlined a process to achieve prioritized reduction strategies, including implementation of an eighteen-point emission reduction plan. This plan calls for a recommended 15% reduction in GHG emissions from each local jurisdiction, and additional legislation has already established mandates for local agencies, using existing CEQA and regional transportation planning processes to identify and mitigate GHG emissions.

The County, however, has the opportunity to prepare for and thrive in this emerging regulatory environment by executing three key roles to achieve reductions related to operational and communitywide GHG emissions:

- As a **producer** of GHG emissions, the County can reduce its own internal production of greenhouse gas emissions related to operations. Numerous existing sustainability programs have already begun to quantify and minimize GHG emissions related to County operations. These and other ongoing early actions to minimize the County's energy consumption will help the County achieve State targets calling for a 15% reduction in emissions from local government operations, measured using statutory protocol. Coordination of future County

departmental efforts is needed to ensure that goals, policies, and actions are focused towards achieving these State targets, and to minimize the costs and duplication of efforts among County Departments.

- As a **regulator** of GHG emitting activities, the County can use new policies, ordinances, or standards to reduce GHG emissions within its jurisdiction. State law has recommended a 15% reduction in communitywide emissions, and many County departments such as Planning & Development and Public Works are involved in regulating land use and development activities, which constitute a significant portion of local GHG emissions. Given the State's emerging rulemaking process, it is important that the County engage in the development of emission measurement protocols and policies, coordinate County regulatory departments, and facilitate public input to identify goals, policies, and actions that will position the County to achieve the State's emissions reduction target. Examples of specific areas related to the County's regulatory role that address communitywide GHG emission reductions include green building requirements, mandated regional transportation planning, landfill or waste reduction policies, and residential retrofitting requirements.
- As a potential **incentivizer** of GHG reduction efforts, the County is well positioned to provide incentives for community and economic enhancement programs that will help achieve Santa Barbara County's local contribution to the State's 15% emissions reduction target. For example, solar roof financing districts, potential state and Federal "green infrastructure" legislative initiatives, and emissions cap-and-trade programs all provide pathways towards achieving emission reductions, while simultaneously stimulating local job creation. Developing a strategically advanced understanding of emerging opportunities, engaging in the State and Federal legislative process, and coordinating Countywide efforts among various governmental agencies, NGOs, and private-sector interests will position the County to meet State requirements, while simultaneously realizing supplemental local economic benefits.

Recognizing these three interrelated roles, this project uses a phased approach to develop and implement a CAS capable of achieving State emission reduction targets. The CAS will be a policy document that will facilitate efficient coordination of interrelated work efforts, prevent the duplication of tasks across County departments, and ensure the sharing of pertinent, accurate, and timely information so that the costs of achieving GHG emission reductions are minimized, while the level of quantified GHG reductions are maximized. The CAS will also help promote early implementation of internal actions already underway, while providing consistent goals, policies, and actions needed to avoid fragmented long term decision-making across the County. Ultimately, the CAS will position the County as a leader in the climate change discussion.

3. Project Scope and Approach

Using this "producer, regulator, and incentivizer" framework, the Office of Long Range Planning will assemble and facilitate a Climate Action Strategy Team (CAST), which will develop the overarching strategy, solicit meaningful public input, and help coordinate initiatives that can be implemented immediately to reduce GHG emissions. Phase 1 will include: 1) Executing research and coordinated project management, 2) Supporting the County Sustainability and Conservation Team's efforts to reduce GHG emissions produced by County operations, 3) Developing goals, policies, and actions capable of reducing communitywide GHG emissions by focusing on the County's roles as a regulator of GHG emitting activities and an incentivizer of GHG emission reductions, and 4) Holding public forums to review recommendations from the CAST. Following the development and adoption of the CAS, Phase II will involve continued monitoring and analysis of State and Federal legislation that could impact

implementation actions, along with coordinated reporting to decision-makers on implementation progress. In addition, mandated regional planning activities related to Senate Bill (SB) 375 will commence in 2010, providing an opportunity for the Office of Long Range Planning to implement goals, policies, and actions related to land use and transportation planning, as outlined in the CAS. A detailed scoping of the tasks associated with both phases is provided below.

PHASE 1: Strategic Planning and Countywide Coordination

Task 1: Execute research and coordinated project management necessary to develop a Climate Action Strategy.

1. Conduct legislative analysis and research:
 - a. Collect, analyze, and monitor a multitude of State and Federal legislation: AB 32, SB 375, SB 97 and subsequent regulations and policy.
 - b. Evaluate and engage in opportunities to inform the Statewide climate change rule-making process called for by AB 32 and described in the Air Resources Board Scoping Plan.
 - c. Share timely, accurate, and pertinent information with all CAS stakeholders.
2. Assemble Climate Action Strategy Taskforce (CAST).
 - a. CEO appoints CAST participants including County staff, NGOs, a liaison from the newly reconstituted County Sustainability and Conservation Team (SCT), and other stakeholders throughout the community (APCD, MTD, agricultural representatives, building industry representatives, CEC, AIA, and other interested community members).
 - b. Establish CAST subcommittees to address emission reduction opportunities related to topics such as: 1) Air / Energy, 2) Resource Conservation (water, waste, etc.), 3) Green Building, and 4) Land Use / Transportation (including SB 375).
3. Examine best practices and case studies:
 - a. Gather and evaluate local government case studies (i.e. Marin, Sonoma, etc).
 - b. Gather and evaluate local government Climate Programs (i.e. US Mayors Climate Protection, Cool Cities).
 - c. Gather and evaluate guides for local governments (i.e. CARB's Local Government Action Protocol).

Task 2: Support the County Sustainability and Conservation Team's efforts to reduce GHG emissions produced by County operations.

1. Collaborate with existing SCT.
 - a. Clarify organizational roles and responsibilities between SCT and CAST.
 - b. Establish communication protocols.
 - c. Support efforts to inventory existing organizational actions to reduce emissions.
 - d. Ensure the County won't be penalized for early implementation of identified actions.
2. Support SCT's work to establish an operational GHG emissions baseline and associated reduction strategies.
 - a. Assist as needed in analysis and implementation of Local Government Operations Protocol.
 - b. Report regularly and share information on emerging Statewide laws, policies, regulations, or strategies that could impact the SCT's efforts.

Task 3: Develop goals, policies and actions capable of reducing communitywide GHG emissions by focusing on the County’s roles as a regulator of GHG emitting activities and an incentivizer of GHG emission reductions.

1. Facilitate CAST Meetings.
 - a. Outline expectations, and clarify roles and responsibilities.
 - b. Develop ground rules for communication, collaboration, and decision-making.
 - c. Establish meeting schedules.
 - d. Establish subcommittee membership.

2. Measure Communitywide GHG Emissions Baseline.
 - a. Engage in the development of the State’s communitywide emissions measurement protocol.
 - b. Determine most effective method of implementing measurement protocol in Santa Barbara County.
 - c. Determine emissions “base year” and “base year” emission reductions necessary to address a 15% reduction to communitywide emissions, as outlined by AB 32.

3. Work with CAST to identify and analyze goals, policies, and actions for inclusion in the Climate Action Strategy.
 - a. Identify and analyze potential goals, policies, and actions for each of the topical areas examined by CAST Subcommittees, including cost-benefit relationships and likely early implementation actions that can begin before the CAS is completed. Potential areas of consideration include new zoning laws and land use practices; infrastructure projects supporting alternative transportation; water and energy conservation strategies; cap-and-trade market opportunities; fast-tracking “green” projects, and public financing districts that lower the up-front cost of building retrofits or solar systems.
 - b. Analyze cost-effectiveness of proposed actions and ensure the viability of achieving the 15% emission reduction target.
 - c. Create a strategy for ongoing performance management related to emissions reductions and progress towards meeting goals and policies.
 - d. Examples of potential actions to be reviewed include:

Producer (SCT)	Regulator	Incentivizer
1) Efforts to reduce energy consumption in County facilities <ul style="list-style-type: none"> ▪ Lighting ▪ Computing/office equipment ▪ Water 2) Sustainable public architecture directive (Architecture 2030) 3) Carbon footprint analysis 4) Vehicle fleet requirements	1) New ordinances, zoning laws, and land use practices <ul style="list-style-type: none"> ▪ Green-building standards ▪ Night lighting standards ▪ Building retrofits ▪ Water/wastewater recovery ▪ Urban growth limits (Reduce VMTs) ▪ Create alternative energy overlay zone ▪ Fast-track “green” projects ▪ Regional plans (SB 375) ▪ Master GHG mitigation strategy ▪ Transit fees 	1) Support innovative programs: <ul style="list-style-type: none"> ▪ Emission cap and trade ▪ Public financing districts for solar and alternative energy ▪ Infrastructure projects to support alternative transportation and transit-oriented development ▪ Encourage conservation easements to sequester carbon ▪ Encourage composting facilities ▪ Encourage the production and use of biodiesel from agricultural waste

Task 4: Hold public forums to review recommendations from the CAST.

1. Convene focus groups to consider the goals, policies, and actions proposed by the CAST, and provide perspectives on specific issues of interest.
 - a. Include key community stakeholder groups (i.e. NGOs).
 - b. Outreach to regional government agencies: SBCAG, special districts, etc.
2. Convene public workshops to gather input related to the goals, policies, and actions proposed by the CAST.
 - a. Hold four public workshops (two in South County and two in North County) to review the Draft CAS.
3. Provide public decision-maker briefings as requested.

Task 5: Develop Draft CAS

1. Synthesize information from research, CAST recommendations, and public input into a policy document outlining goals, policies, and actions, along with supporting narrative, diagrams, and technical appendixes.
2. Develop Draft CAS document.
3. Provide Draft CAS document to County executives and County Counsel for review.

Task 6: Bring CAS to Planning Commission and Board of Supervisors for adoption

1. Hold two Planning Commission hearings.
2. Hold two Board of Supervisor hearings.

PHASE 2: Implementation

Task 1: Implementation and coordination of actions identified in the CAS

1. Continue the monitoring and analysis of State and Federal legislation to identify issues or opportunities that could impact the implementation of goals, policies, and actions called for in the CAS.
2. Coordinate, monitor, and report to decision-makers on the implementation of actions identified in the CAS and assigned to County departments.

Task 2: Implement SB-375 actions

1. Prepare for and participate in state-mandated regional process that will commence in September 2010 with the assignment of a regional emissions reduction target to SBCAG. This GHG reduction target will be specific to the topic of land use and transportation, which accounts for only one of eighteen GHG emission categories identified by the State.

2. Engage in the development and analysis of social, economic, and environmental data that will serve as the baseline for multi-jurisdictional Regional Transportation Plan (RTP) and Regional Housing Needs Allocation (RHNA) negotiations occurring between 2011 and 2013.
3. Utilize the goals, policies, and actions developed through CAS to guide the County's participation in the SB 375 planning process.

4. Assumptions

- Preliminary efforts to inventory GHG emissions are in progress through the General Services Department and the Air Pollution Control District.
- County staff identified to participate in this project is available and committed to sharing expertise.
- Additional State and Federal policies will likely lead to mandated actions by local governments. Funding may be available through State or Federal sources to carryout mandates.
- The Sustainability and Conservation Team is reconstituted, meets regularly, and is working with the General Services Energy Manager to reduce GHG emissions produced by County operations.

5. Project Exclusions

The CAS is intended to address a reduction of GHG emissions in Santa Barbara County. As such, it will focus on strategies that produce a direct reduction of GHG emissions for the unincorporated areas of the County. The CAS may, but will not necessarily, reduce GHG emissions resulting from cities.

6. Project Risk /Constraints

- The specific level of emission reductions resulting from strategies in the CAS will be difficult to quantify.
- A full countywide GHG emission inventory has not yet been completed and preliminary efforts to inventory GHG emissions, while underway, could be halted, or may lack necessary information.
- The climate change regulatory environment may become more stringent, subject to additional targets or requirements set by the State and Federal government.

7. Project Responsibilities, Outcomes, and Deliverables

Roles and Responsibilities

The Office of Long Term Planning (OLRP) has been asked to lead the development of a Climate Action Strategy. In this role, OLRP will be responsible for project management, research, facilitation of the Climate Action Strategy Team, and staff-level responsibilities including facilitation of public workshops and meetings, the development of pertinent documents and materials.

The Climate Action Strategy Team will be appointed by the County Executive Officer. It will include County Departmental representatives, a liaison from the Sustainability and Conservation Team, representatives from non-governmental organizations (NGOs), and other stakeholders identified by the CEO. The CAST will serve as a steering committee responsible for the overall vision and leadership of the development of a Climate Action Strategy. The CAST will include topical subcommittees to address specific areas of concern such as: 1) Air / Energy, 2) Resource Conservation (water, waste, etc.), 3) Green Building, and 4) Land Use / Transportation (including SB 375). OLRP will participate in and facilitate the CAST as the Project Manager. Technical assistance will be provided by County departments, as requested by the CAST and the Project Manager.

The CAS will be a policy document; therefore, County departments identified in the CAS will be responsible for implementing the goals, policies, and actions. OLRP will be responsible for maintaining the CAS and reporting to decision-makers on progress in implementing identified actions.

Outcomes and Deliverables

This effort will culminate with the development of a policy document that recommends goals, policies, and actions intended to reduce GHG emissions and meet State targets by focusing on the County’s roles as 1) a producer of GHG emission, 2) a regulator of GHG-emitting activities, and 3) an incentiviser of GHG emission reductions.

8. Project Team

Team Member	Department	Phone
Executive Team		
Michael F. Brown	CEO	568-2243
John Baker	Assistant CEO / Planning and Development Director	568-2085
John McInnes	Office of Long Range Planning Director	568-3552
Climate Action Strategy Team (CAST)		
	TBD via appointment by Michael F Brown, CEO	
Project Manager		
David Matson	Office of Long Range Planning, Deputy Director	568-2068
Project Staff		
Chris Rich	Office of Long Range Planning, Supervising Planner	568-2060
Angela Hacker	Office of Long Range Planning, Associate Planner	568-2080

Technical Assistance		
Jerry McFerran	General Services, Energy Manager	568-3026
Others, as needed	County Departments	

Information Resources	Role (Type of Data)	Estimated Timing
TBD	Various data sets	

9. Project Budget, Funding Source & Resource Summary

Fiscal Year	Budget	Funding
2009 to 2010	Est. \$334,425	General Fund
	Resources: 5,000 staff hours, \$325,000 staff cost	

10. Project Schedule

Date	Task
July 2009, through August 2009	<ul style="list-style-type: none"> • Create webpage • Collect, analyze and monitor a multitude of State and Federal policies • Quantification and analysis of sources and levels of GHG emissions in the County • Review other jurisdiction's plans, synthesize for local applicability
August 2009, through January 2010	<ul style="list-style-type: none"> • Facilitated input from County Departments and the public to develop goals, policies and actions, including state and Federal legislative priorities
January 2010, through February 2010	<ul style="list-style-type: none"> • Production of Draft CAS
March 2010	<ul style="list-style-type: none"> • Series of public workshops to review and provide feedback on Draft CAS
March 2010, through April 2010	<ul style="list-style-type: none"> • Legal and executive Review
May 2010	<ul style="list-style-type: none"> • PC hearings (2)
June 2010	<ul style="list-style-type: none"> • BOS hearings (2) • Final CAS preparation and production
June 2010	<ul style="list-style-type: none"> • Produce and distribute Final CAS • Project completion de-briefing
June 2010, through June 2011	<ul style="list-style-type: none"> • Prioritization and Implementation of Action Items • Ongoing Monitoring and Administration • SB 375 Pre-planning

11. Reporting – Communications

Meeting/Report	Frequency	Coordinator	Content
Internal			
OLRP Staff Meetings	Bi-weekly	Staff	Project status, issue summary, timeline
PM Meetings with Staff	Weekly	Project Mgr.	Project status, progress/timeline, task assignments, budget vs. actual, report process
Sustainability and Conservation Team	As needed	General Services	Project status
Project Reporting Update	Monthly	Project Mgr.	Update schedule and financials,
Project Reporting Mtg.	As needed	Project Mgr.	Project status, issue summary, timeline, budget vs. actual
Public			
Web Page	Continuously updated throughout project.	Project Mgr.	Schedule, scope, final report
Climate Action Strategy Team (CAST)	Meetings as determined by CAST membership	Project Mgr.	Development of goals, policies, and actions
Public Workshops	Four meetings	Project Mgr.	Present Draft CAS
PC Briefings	Meetings as needed	Project Mgr.	Brief PC on status
BOS Briefings	Meetings as needed	Project Mgr.	Present BOS on status

12. Agreement

Accepted and agreed

Michael F. Brown

Date

John Baker

Date

John McInnes

Date

David Matson

Date

Attachment 2

Significant State of California Climate Change Legislation

AB 32, SB 97, SB 375

Assembly Bill 32

Assembly Bill No. 32

CHAPTER 488

An act to add Division 25.5 (commencing with Section 38500) to the Health and Safety Code, relating to air pollution.

[Approved by Governor September 27, 2006. Filed with
Secretary of State September 27, 2006.]

LEGISLATIVE COUNSEL'S DIGEST

AB 32, Nunez. Air pollution: greenhouse gases: California Global Warming Solutions Act of 2006.

Under existing law, the State Air Resources Board (state board), the State Energy Resources Conservation and Development Commission (Energy Commission), and the California Climate Action Registry all have responsibilities with respect to the control of emissions of greenhouse gases, as defined, and the Secretary for Environmental Protection is required to coordinate emission reductions of greenhouse gases and climate change activity in state government.

This bill would require the state board to adopt regulations to require the reporting and verification of statewide greenhouse gas emissions and to monitor and enforce compliance with this program, as specified. The bill would require the state board to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions levels in 1990 to be achieved by 2020, as specified. The bill would require the state board to adopt rules and regulations in an open public process to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions, as specified. The bill would authorize the state board to adopt market-based compliance mechanisms, as defined, meeting specified requirements. The bill would require the state board to monitor compliance with and enforce any rule, regulation, order, emission limitation, emissions reduction measure, or market-based compliance mechanism adopted by the state board, pursuant to specified provisions of existing law. The bill would authorize the state board to adopt a schedule of fees to be paid by regulated sources of greenhouse gas emissions, as specified.

Because the bill would require the state board to establish emissions limits and other requirements, the violation of which would be a crime, this bill would create a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The people of the State of California do enact as follows:

SECTION 1. Division 25.5 (commencing with Section 38500) is added to the Health and Safety Code, to read:

DIVISION 25.5. CALIFORNIA GLOBAL WARMING SOLUTIONS
ACT OF 2006

PART 1. GENERAL PROVISIONS

CHAPTER 1. TITLE OF DIVISION

38500. This division shall be known, and may be cited, as the California Global Warming Solutions Act of 2006.

CHAPTER 2. FINDINGS AND DECLARATIONS

38501. The Legislature finds and declares all of the following:

(a) Global warming poses a serious threat to the economic well-being, public health, natural resources, and the environment of California. The potential adverse impacts of global warming include the exacerbation of air quality problems, a reduction in the quality and supply of water to the state from the Sierra snowpack, a rise in sea levels resulting in the displacement of thousands of coastal businesses and residences, damage to marine ecosystems and the natural environment, and an increase in the incidences of infectious diseases, asthma, and other human health-related problems.

(b) Global warming will have detrimental effects on some of California's largest industries, including agriculture, wine, tourism, skiing, recreational and commercial fishing, and forestry. It will also increase the strain on electricity supplies necessary to meet the demand for summer air-conditioning in the hottest parts of the state.

(c) California has long been a national and international leader on energy conservation and environmental stewardship efforts, including the areas of air quality protections, energy efficiency requirements, renewable energy standards, natural resource conservation, and greenhouse gas emission standards for passenger vehicles. The program established by this division will continue this tradition of environmental leadership by placing California at the forefront of national and international efforts to reduce emissions of greenhouse gases.

(d) National and international actions are necessary to fully address the issue of global warming. However, action taken by California to reduce emissions of greenhouse gases will have far-reaching effects by encouraging other states, the federal government, and other countries to act.

(e) By exercising a global leadership role, California will also position its economy, technology centers, financial institutions, and businesses to benefit from national and international efforts to reduce emissions of greenhouse gases. More importantly, investing in the development of innovative and pioneering technologies will assist California in achieving the 2020 statewide limit on emissions of greenhouse gases established by this division and will provide an opportunity for the state to take a global economic and technological leadership role in reducing emissions of greenhouse gases.

(f) It is the intent of the Legislature that the State Air Resources Board coordinate with state agencies, as well as consult with the environmental justice community, industry sectors, business groups, academic institutions, environmental organizations, and other stakeholders in implementing this division.

(g) It is the intent of the Legislature that the State Air Resources Board consult with the Public Utilities Commission in the development of emissions reduction measures, including limits on emissions of greenhouse gases applied to electricity and natural gas providers regulated by the Public Utilities Commission in order to ensure that electricity and natural gas providers are not required to meet duplicative or inconsistent regulatory requirements.

(h) It is the intent of the Legislature that the State Air Resources Board design emissions reduction measures to meet the statewide emissions limits for greenhouse gases established pursuant to this division in a manner that minimizes costs and maximizes benefits for California's economy, improves and modernizes California's energy infrastructure and maintains electric system reliability, maximizes additional environmental and economic co-benefits for California, and complements the state's efforts to improve air quality.

(i) It is the intent of the Legislature that the Climate Action Team established by the Governor to coordinate the efforts set forth under Executive Order S-3-05 continue its role in coordinating overall climate policy.

CHAPTER 3. DEFINITIONS

38505. For the purposes of this division, the following terms have the following meanings:

(a) "Allowance" means an authorization to emit, during a specified year, up to one ton of carbon dioxide equivalent.

(b) "Alternative compliance mechanism" means an action undertaken by a greenhouse gas emission source that achieves the equivalent reduction of greenhouse gas emissions over the same time period as a direct emission reduction, and that is approved by the state board. "Alternative compliance mechanism" includes, but is not limited to, a

flexible compliance schedule, alternative control technology, a process change, or a product substitution.

(c) “Carbon dioxide equivalent” means the amount of carbon dioxide by weight that would produce the same global warming impact as a given weight of another greenhouse gas, based on the best available science, including from the Intergovernmental Panel on Climate Change.

(d) “Cost-effective” or “cost-effectiveness” means the cost per unit of reduced emissions of greenhouse gases adjusted for its global warming potential.

(e) “Direct emission reduction” means a greenhouse gas emission reduction action made by a greenhouse gas emission source at that source.

(f) “Emissions reduction measure” means programs, measures, standards, and alternative compliance mechanisms authorized pursuant to this division, applicable to sources or categories of sources, that are designed to reduce emissions of greenhouse gases.

(g) “Greenhouse gas” or “greenhouse gases” includes all of the following gases: carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.

(h) “Greenhouse gas emissions limit” means an authorization, during a specified year, to emit up to a level of greenhouse gases specified by the state board, expressed in tons of carbon dioxide equivalents.

(i) “Greenhouse gas emission source” or “source” means any source, or category of sources, of greenhouse gas emissions whose emissions are at a level of significance, as determined by the state board, that its participation in the program established under this division will enable the state board to effectively reduce greenhouse gas emissions and monitor compliance with the statewide greenhouse gas emissions limit.

(j) “Leakage” means a reduction in emissions of greenhouse gases within the state that is offset by an increase in emissions of greenhouse gases outside the state.

(k) “Market-based compliance mechanism” means either of the following:

(1) A system of market-based declining annual aggregate emissions limitations for sources or categories of sources that emit greenhouse gases.

(2) Greenhouse gas emissions exchanges, banking, credits, and other transactions, governed by rules and protocols established by the state board, that result in the same greenhouse gas emission reduction, over the same time period, as direct compliance with a greenhouse gas emission limit or emission reduction measure adopted by the state board pursuant to this division.

(l) “State board” means the State Air Resources Board.

(m) “Statewide greenhouse gas emissions” means the total annual emissions of greenhouse gases in the state, including all emissions of greenhouse gases from the generation of electricity delivered to and consumed in California, accounting for transmission and distribution line losses, whether the electricity is generated in state or imported. Statewide emissions shall be expressed in tons of carbon dioxide equivalents.

(n) “Statewide greenhouse gas emissions limit” or “statewide emissions limit” means the maximum allowable level of statewide greenhouse gas emissions in 2020, as determined by the state board pursuant to Part 3 (commencing with Section 38850).

CHAPTER 4. ROLE OF STATE BOARD

38510. The State Air Resources Board is the state agency charged with monitoring and regulating sources of emissions of greenhouse gases that cause global warming in order to reduce emissions of greenhouse gases.

PART 2. MANDATORY GREENHOUSE GAS EMISSIONS REPORTING

38530. (a) On or before January 1, 2008, the state board shall adopt regulations to require the reporting and verification of statewide greenhouse gas emissions and to monitor and enforce compliance with this program.

(b) The regulations shall do all of the following:

(1) Require the monitoring and annual reporting of greenhouse gas emissions from greenhouse gas emission sources beginning with the sources or categories of sources that contribute the most to statewide emissions.

(2) Account for greenhouse gas emissions from all electricity consumed in the state, including transmission and distribution line losses from electricity generated within the state or imported from outside the state. This requirement applies to all retail sellers of electricity, including load-serving entities as defined in subdivision (j) of Section 380 of the Public Utilities Code and local publicly owned electric utilities as defined in Section 9604 of the Public Utilities Code.

(3) Where appropriate and to the maximum extent feasible, incorporate the standards and protocols developed by the California Climate Action Registry, established pursuant to Chapter 6 (commencing with Section 42800) of Part 4 of Division 26. Entities that voluntarily participated in the California Climate Action Registry prior to December 31, 2006, and have developed a greenhouse gas emission reporting program, shall not be required to significantly alter their reporting or verification program except as necessary to ensure that reporting is complete and verifiable for the purposes of compliance with this division as determined by the state board.

(4) Ensure rigorous and consistent accounting of emissions, and provide reporting tools and formats to ensure collection of necessary data.

(5) Ensure that greenhouse gas emission sources maintain comprehensive records of all reported greenhouse gas emissions.

(c) The state board shall do both of the following:

(1) Periodically review and update its emission reporting requirements, as necessary.

(2) Review existing and proposed international, federal, and state greenhouse gas emission reporting programs and make reasonable efforts to promote consistency among the programs established pursuant to this part and other programs, and to streamline reporting requirements on greenhouse gas emission sources.

PART 3. STATEWIDE GREENHOUSE GAS EMISSIONS LIMIT

38550. By January 1, 2008, the state board shall, after one or more public workshops, with public notice, and an opportunity for all interested parties to comment, determine what the statewide greenhouse gas emissions level was in 1990, and approve in a public hearing, a statewide greenhouse gas emissions limit that is equivalent to that level, to be achieved by 2020. In order to ensure the most accurate determination feasible, the state board shall evaluate the best available scientific, technological, and economic information on greenhouse gas emissions to determine the 1990 level of greenhouse gas emissions.

38551. (a) The statewide greenhouse gas emissions limit shall remain in effect unless otherwise amended or repealed.

(b) It is the intent of the Legislature that the statewide greenhouse gas emissions limit continue in existence and be used to maintain and continue reductions in emissions of greenhouse gases beyond 2020.

(c) The state board shall make recommendations to the Governor and the Legislature on how to continue reductions of greenhouse gas emissions beyond 2020.

PART 4. GREENHOUSE GAS EMISSIONS REDUCTIONS

38560. The state board shall adopt rules and regulations in an open public process to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions from sources or categories of sources, subject to the criteria and schedules set forth in this part.

38560.5. (a) On or before June 30, 2007, the state board shall publish and make available to the public a list of discrete early action greenhouse gas emission reduction measures that can be implemented prior to the measures and limits adopted pursuant to Section 38562.

(b) On or before January 1, 2010, the state board shall adopt regulations to implement the measures identified on the list published pursuant to subdivision (a).

(c) The regulations adopted by the state board pursuant to this section shall achieve the maximum technologically feasible and cost-effective reductions in greenhouse gas emissions from those sources or categories of

sources, in furtherance of achieving the statewide greenhouse gas emissions limit.

(d) The regulations adopted pursuant to this section shall be enforceable no later than January 1, 2010.

38561. (a) On or before January 1, 2009, the state board shall prepare and approve a scoping plan, as that term is understood by the state board, for achieving the maximum technologically feasible and cost-effective reductions in greenhouse gas emissions from sources or categories of sources of greenhouse gases by 2020 under this division. The state board shall consult with all state agencies with jurisdiction over sources of greenhouse gases, including the Public Utilities Commission and the State Energy Resources Conservation and Development Commission, on all elements of its plan that pertain to energy related matters including, but not limited to, electrical generation, load based-standards or requirements, the provision of reliable and affordable electrical service, petroleum refining, and statewide fuel supplies to ensure the greenhouse gas emissions reduction activities to be adopted and implemented by the state board are complementary, nonduplicative, and can be implemented in an efficient and cost-effective manner.

(b) The plan shall identify and make recommendations on direct emission reduction measures, alternative compliance mechanisms, market-based compliance mechanisms, and potential monetary and nonmonetary incentives for sources and categories of sources that the state board finds are necessary or desirable to facilitate the achievement of the maximum feasible and cost-effective reductions of greenhouse gas emissions by 2020.

(c) In making the determinations required by subdivision (b), the state board shall consider all relevant information pertaining to greenhouse gas emissions reduction programs in other states, localities, and nations, including the northeastern states of the United States, Canada, and the European Union.

(d) The state board shall evaluate the total potential costs and total potential economic and noneconomic benefits of the plan for reducing greenhouse gases to California's economy, environment, and public health, using the best available economic models, emission estimation techniques, and other scientific methods.

(e) In developing its plan, the state board shall take into account the relative contribution of each source or source category to statewide greenhouse gas emissions, and the potential for adverse effects on small businesses, and shall recommend a de minimis threshold of greenhouse gas emissions below which emission reduction requirements will not apply.

(f) In developing its plan, the state board shall identify opportunities for emission reductions measures from all verifiable and enforceable voluntary actions, including, but not limited to, carbon sequestration projects and best management practices.

(g) The state board shall conduct a series of public workshops to give interested parties an opportunity to comment on the plan. The state board shall conduct a portion of these workshops in regions of the state that have the most significant exposure to air pollutants, including, but not limited to, communities with minority populations, communities with low-income populations, or both.

(h) The state board shall update its plan for achieving the maximum technologically feasible and cost-effective reductions of greenhouse gas emissions at least once every five years.

38562. (a) On or before January 1, 2011, the state board shall adopt greenhouse gas emission limits and emission reduction measures by regulation to achieve the maximum technologically feasible and cost-effective reductions in greenhouse gas emissions in furtherance of achieving the statewide greenhouse gas emissions limit, to become operative beginning on January 1, 2012.

(b) In adopting regulations pursuant to this section and Part 5 (commencing with Section 38570), to the extent feasible and in furtherance of achieving the statewide greenhouse gas emissions limit, the state board shall do all of the following:

(1) Design the regulations, including distribution of emissions allowances where appropriate, in a manner that is equitable, seeks to minimize costs and maximize the total benefits to California, and encourages early action to reduce greenhouse gas emissions.

(2) Ensure that activities undertaken to comply with the regulations do not disproportionately impact low-income communities.

(3) Ensure that entities that have voluntarily reduced their greenhouse gas emissions prior to the implementation of this section receive appropriate credit for early voluntary reductions.

(4) Ensure that activities undertaken pursuant to the regulations complement, and do not interfere with, efforts to achieve and maintain federal and state ambient air quality standards and to reduce toxic air contaminant emissions.

(5) Consider cost-effectiveness of these regulations.

(6) Consider overall societal benefits, including reductions in other air pollutants, diversification of energy sources, and other benefits to the economy, environment, and public health.

(7) Minimize the administrative burden of implementing and complying with these regulations.

(8) Minimize leakage.

(9) Consider the significance of the contribution of each source or category of sources to statewide emissions of greenhouse gases.

(c) In furtherance of achieving the statewide greenhouse gas emissions limit, by January 1, 2011, the state board may adopt a regulation that establishes a system of market-based declining annual aggregate emission limits for sources or categories of sources that emit greenhouse gas emissions, applicable from January 1, 2012, to December 31, 2020, inclusive, that the state board determines will achieve the maximum

technologically feasible and cost-effective reductions in greenhouse gas emissions, in the aggregate, from those sources or categories of sources.

(d) Any regulation adopted by the state board pursuant to this part or Part 5 (commencing with Section 38570) shall ensure all of the following:

(1) The greenhouse gas emission reductions achieved are real, permanent, quantifiable, verifiable, and enforceable by the state board.

(2) For regulations pursuant to Part 5 (commencing with Section 38570), the reduction is in addition to any greenhouse gas emission reduction otherwise required by law or regulation, and any other greenhouse gas emission reduction that otherwise would occur.

(3) If applicable, the greenhouse gas emission reduction occurs over the same time period and is equivalent in amount to any direct emission reduction required pursuant to this division.

(e) The state board shall rely upon the best available economic and scientific information and its assessment of existing and projected technological capabilities when adopting the regulations required by this section.

(f) The state board shall consult with the Public Utilities Commission in the development of the regulations as they affect electricity and natural gas providers in order to minimize duplicative or inconsistent regulatory requirements.

(g) After January 1, 2011, the state board may revise regulations adopted pursuant to this section and adopt additional regulations to further the provisions of this division.

38563. Nothing in this division restricts the state board from adopting greenhouse gas emission limits or emission reduction measures prior to January 1, 2011, imposing those limits or measures prior to January 1, 2012, or providing early reduction credit where appropriate.

38564. The state board shall consult with other states, and the federal government, and other nations to identify the most effective strategies and methods to reduce greenhouse gases, manage greenhouse gas control programs, and to facilitate the development of integrated and cost-effective regional, national, and international greenhouse gas reduction programs.

38565. The state board shall ensure that the greenhouse gas emission reduction rules, regulations, programs, mechanisms, and incentives under its jurisdiction, where applicable and to the extent feasible, direct public and private investment toward the most disadvantaged communities in California and provide an opportunity for small businesses, schools, affordable housing associations, and other community institutions to participate in and benefit from statewide efforts to reduce greenhouse gas emissions.

PART 5. MARKET-BASED COMPLIANCE MECHANISMS

38570. (a) The state board may include in the regulations adopted pursuant to Section 38562 the use of market-based compliance mechanisms to comply with the regulations.

(b) Prior to the inclusion of any market-based compliance mechanism in the regulations, to the extent feasible and in furtherance of achieving the statewide greenhouse gas emissions limit, the state board shall do all of the following:

(1) Consider the potential for direct, indirect, and cumulative emission impacts from these mechanisms, including localized impacts in communities that are already adversely impacted by air pollution.

(2) Design any market-based compliance mechanism to prevent any increase in the emissions of toxic air contaminants or criteria air pollutants.

(3) Maximize additional environmental and economic benefits for California, as appropriate.

(c) The state board shall adopt regulations governing how market-based compliance mechanisms may be used by regulated entities subject to greenhouse gas emission limits and mandatory emission reporting requirements to achieve compliance with their greenhouse gas emissions limits.

38571. The state board shall adopt methodologies for the quantification of voluntary greenhouse gas emission reductions. The state board shall adopt regulations to verify and enforce any voluntary greenhouse gas emission reductions that are authorized by the state board for use to comply with greenhouse gas emission limits established by the state board. The adoption of methodologies is exempt from the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

38574. Nothing in this part or Part 4 (commencing with Section 38560) confers any authority on the state board to alter any programs administered by other state agencies for the reduction of greenhouse gas emissions.

PART 6. ENFORCEMENT

38580. (a) The state board shall monitor compliance with and enforce any rule, regulation, order, emission limitation, emissions reduction measure, or market-based compliance mechanism adopted by the state board pursuant to this division.

(b) (1) Any violation of any rule, regulation, order, emission limitation, emissions reduction measure, or other measure adopted by the state board pursuant to this division may be enjoined pursuant to Section 41513, and the violation is subject to those penalties set forth in Article 3 (commencing with Section 42400) of Chapter 4 of Part 4 of, and Chapter 1.5 (commencing with Section 43025) of Part 5 of, Division 26.

(2) Any violation of any rule, regulation, order, emission limitation, emissions reduction measure, or other measure adopted by the state board pursuant to this division shall be deemed to result in an emission of an air contaminant for the purposes of the penalty provisions of Article 3 (commencing with Section 42400) of Chapter 4 of Part 4 of, and Chapter 1.5 (commencing with Section 43025) of Part 5 of, Division 26.

(3) The state board may develop a method to convert a violation of any rule, regulation, order, emission limitation, or other emissions reduction measure adopted by the state board pursuant to this division into the number of days in violation, where appropriate, for the purposes of the penalty provisions of Article 3 (commencing with Section 42400) of Chapter 4 of Part 4 of, and Chapter 1.5 (commencing with Section 43025) of Part 5 of, Division 26.

(c) Section 42407 and subdivision (i) of Section 42410 shall not apply to this part.

PART 7. MISCELLANEOUS PROVISIONS

38590. If the regulations adopted pursuant to Section 43018.5 do not remain in effect, the state board shall implement alternative regulations to control mobile sources of greenhouse gas emissions to achieve equivalent or greater reductions.

38591. (a) The state board, by July 1, 2007, shall convene an environmental justice advisory committee, of at least three members, to advise it in developing the scoping plan pursuant to Section 38561 and any other pertinent matter in implementing this division. The advisory committee shall be comprised of representatives from communities in the state with the most significant exposure to air pollution, including, but not limited to, communities with minority populations or low-income populations, or both.

(b) The state board shall appoint the advisory committee members from nominations received from environmental justice organizations and community groups.

(c) The state board shall provide reasonable per diem for attendance at advisory committee meetings by advisory committee members from nonprofit organizations.

(d) The state board shall appoint an Economic and Technology Advancement Advisory Committee to advise the state board on activities that will facilitate investment in and implementation of technological research and development opportunities, including, but not limited to, identifying new technologies, research, demonstration projects, funding opportunities, developing state, national, and international partnerships and technology transfer opportunities, and identifying and assessing research and advanced technology investment and incentive opportunities that will assist in the reduction of greenhouse gas emissions. The committee may also advise the state board on state, regional, national, and

international economic and technological developments related to greenhouse gas emission reductions.

38592. (a) All state agencies shall consider and implement strategies to reduce their greenhouse gas emissions.

(b) Nothing in this division shall relieve any person, entity, or public agency of compliance with other applicable federal, state, or local laws or regulations, including state air and water quality requirements, and other requirements for protecting public health or the environment.

38593. (a) Nothing in this division affects the authority of the Public Utilities Commission.

(b) Nothing in this division affects the obligation of an electrical corporation to provide customers with safe and reliable electric service.

38594. Nothing in this division shall limit or expand the existing authority of any district, as defined in Section 39025.

38595. Nothing in this division shall preclude, prohibit, or restrict the construction of any new facility or the expansion of an existing facility subject to regulation under this division, if all applicable requirements are met and the facility is in compliance with regulations adopted pursuant to this division.

38596. The provisions of this division are severable. If any provision of this division or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

38597. The state board may adopt by regulation, after a public workshop, a schedule of fees to be paid by the sources of greenhouse gas emissions regulated pursuant to this division, consistent with Section 57001. The revenues collected pursuant to this section, shall be deposited into the Air Pollution Control Fund and are available upon appropriation, by the Legislature, for purposes of carrying out this division.

38598. (a) Nothing in this division shall limit the existing authority of a state entity to adopt and implement greenhouse gas emissions reduction measures.

(b) Nothing in this division shall relieve any state entity of its legal obligations to comply with existing law or regulation.

38599. (a) In the event of extraordinary circumstances, catastrophic events, or threat of significant economic harm, the Governor may adjust the applicable deadlines for individual regulations, or for the state in the aggregate, to the earliest feasible date after that deadline.

(b) The adjustment period may not exceed one year unless the Governor makes an additional adjustment pursuant to subdivision (a).

(c) Nothing in this section affects the powers and duties established in the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code).

(d) The Governor shall, within 10 days of invoking subdivision (a), provide written notification to the Legislature of the action undertaken.

SEC. 2 No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that

may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

O

Senate Bill 97

Senate Bill No. 97

CHAPTER 185

An act to add Section 21083.05 to, and to add and repeal Section 21097 of, the Public Resources Code, relating to the California Environmental Quality Act.

[Approved by Governor August 24, 2007. Filed with
Secretary of State August 24, 2007.]

LEGISLATIVE COUNSEL'S DIGEST

SB 97, Dutton. CEQA: greenhouse gas emissions.

The California Environmental Quality Act (CEQA) requires a lead agency to prepare, or cause to be prepared, and certify the completion of, an environmental impact report on a project, as defined, that it proposes to carry out or approve that may have a significant effect on the environment, or to adopt a negative declaration if it finds that the project will not have that effect. CEQA requires the Office of Planning and Research (OPR) to prepare and develop proposed guidelines for the implementation of CEQA by public agencies.

The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases that cause global warming in order to reduce emissions of greenhouse gases.

The bill would require the OPR, by July 1, 2009, to prepare, develop, and transmit to the Resources Agency guidelines for the feasible mitigation of greenhouse gas emissions or the effects of greenhouse gas emissions, as required by CEQA, including, but not limited to, effects associated with transportation or energy consumption. The Resources Agency would be required to certify and adopt those guidelines by January 1, 2010. The OPR would be required to periodically update the guidelines to incorporate new information or criteria established by the State Air Resources Board pursuant to the California Global Warming Solutions Act of 2006.

This bill would provide that in an environmental impact report, negative declaration, mitigated negative declaration, or other document required by CEQA for either transportation projects funded under the Highway Safety, Traffic Reduction, Air Quality and Port Security Bond Act of 2006, or projects funded under the Disaster Preparedness and Flood Prevention Bond Act of 2006, the failure to analyze adequately the effects of greenhouse gas emissions otherwise required to be reduced pursuant to regulations adopted under the Global Warming Solutions Act of 2006 does not create a cause of action for a violation of CEQA. The bill would provide that this provision shall apply retroactively for any of the above documents that are not final and shall be repealed on January 1, 2010.

The people of the State of California do enact as follows:

SECTION 1. Section 21083.05 is added to the Public Resources Code, to read:

21083.05. (a) On or before July 1, 2009, the Office of Planning and Research shall prepare, develop, and transmit to the Resources Agency guidelines for the mitigation of greenhouse gas emissions or the effects of greenhouse gas emissions as required by this division, including, but not limited to, effects associated with transportation or energy consumption.

(b) On or before January 1, 2010, the Resources Agency shall certify and adopt guidelines prepared and developed by the Office of Planning and Research pursuant to subdivision (a).

(c) The Office of Planning and Research and the Resources Agency shall periodically update the guidelines to incorporate new information or criteria established by the State Air Resources Board pursuant to Division 25.5 (commencing with Section 38500) of the Health and Safety Code.

SEC. 2. Section 21097 is added to the Public Resources Code, to read:

21097. (a) The failure to analyze adequately the effects of greenhouse gas emissions otherwise required to be reduced pursuant to regulations adopted by the State Air Resources Board under Division 25.5 (commencing with Section 38500) of the Health and Safety Code in an environmental impact report, negative declaration, mitigated negative declaration, or other document required pursuant to this division for either a transportation project funded under the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Chapter 12.49 (commencing with Section 8879.20) of Division 1 of Title 2 of the Government Code), or a project funded under the Disaster Preparedness and Flood Prevention Bond Act of 2006 (Chapter 1.699 (commencing with Section 5096.800) of Division 5), does not create a cause of action for a violation of this division.

(b) Nothing in this section shall be construed as a limitation to comply with any other requirement of this division or any other provision of law.

(c) This section shall apply retroactively to an environmental impact report, negative declaration, mitigated negative declaration, or other document required pursuant to this division that has not become final.

(d) This section shall remain in effect only until January 1, 2010, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2010, deletes or extends that date.

Senate Bill 375

Senate Bill No. 375

CHAPTER 728

An act to amend Sections 65080, 65400, 65583, 65584.01, 65584.02, 65584.04, 65587, and 65588 of, and to add Sections 14522.1, 14522.2, and 65080.01 to, the Government Code, and to amend Section 21061.3 of, to add Section 21159.28 to, and to add Chapter 4.2 (commencing with Section 21155) to Division 13 of, the Public Resources Code, relating to environmental quality.

[Approved by Governor September 30, 2008. Filed with
Secretary of State September 30, 2008.]

LEGISLATIVE COUNSEL'S DIGEST

SB 375, Steinberg. Transportation planning: travel demand models: sustainable communities strategy: environmental review.

(1) Existing law requires certain transportation planning activities by the Department of Transportation and by designated regional transportation planning agencies, including development of a regional transportation plan. Certain of these agencies are designated under federal law as metropolitan planning organizations. Existing law authorizes the California Transportation Commission, in cooperation with the regional agencies, to prescribe study areas for analysis and evaluation.

This bill would require the commission to maintain guidelines, as specified, for travel demand models used in the development of regional transportation plans by metropolitan planning organizations. The bill would require the commission to consult with various agencies in this regard, and to form an advisory committee and to hold workshops before amending the guidelines.

This bill would also require the regional transportation plan for regions of the state with a metropolitan planning organization to adopt a sustainable communities strategy, as part of its regional transportation plan, as specified, designed to achieve certain goals for the reduction of greenhouse gas emissions from automobiles and light trucks in a region. The bill would require the State Air Resources Board, working in consultation with the metropolitan planning organizations, to provide each affected region with greenhouse gas emission reduction targets for the automobile and light truck sector for 2020 and 2035 by September 30, 2010, to appoint a Regional Targets Advisory Committee to recommend factors and methodologies for setting those targets, and to update those targets every 8 years. The bill would require certain transportation planning and programming activities by the metropolitan planning organizations to be consistent with the sustainable communities strategy contained in the regional transportation plan, but would state that certain transportation projects programmed for

funding on or before December 31, 2011, are not required to be consistent with the sustainable communities strategy process. To the extent the sustainable communities strategy is unable to achieve the greenhouse gas emission reduction targets, the bill would require affected metropolitan planning organizations to prepare an alternative planning strategy to the sustainable communities strategy showing how the targets would be achieved through alternative development patterns, infrastructure, or additional transportation measures or policies. The bill would require the State Air Resources Board to review each metropolitan planning organization's sustainable communities strategy and alternative planning strategy to determine whether the strategy, if implemented, would achieve the greenhouse gas emission reduction targets. The bill would require a strategy that is found to be insufficient by the state board to be revised by the metropolitan planning organization, with a minimum requirement that the metropolitan planning organization must obtain state board acceptance that an alternative planning strategy, if implemented, would achieve the targets. The bill would state that the adopted strategies do not regulate the use of land and are not subject to state approval, and that city or county land use policies, including the general plan, are not required to be consistent with the regional transportation plan, which would include the sustainable growth strategy, or the alternative planning strategy. The bill would also require the metropolitan planning organization to hold specified informational meetings in this regard with local elected officials and would require a public participation program with workshops and public hearings for the public, among other things. The bill would enact other related provisions.

Because the bill would impose additional duties on local agencies, it would impose a state-mandated local program.

(2) The Planning and Zoning Law requires each city, county, or city and county to prepare and adopt a general plan for its jurisdiction that contains certain mandatory elements, including a housing element. Existing law requires the housing element to identify the existing and projected housing needs of all economic segments of the community.

Existing law requires the housing element, among other things, to contain a program which sets forth a 5-year schedule of actions of the local government to implement the goals and objectives of the housing element. Existing law requires the program to identify actions that will be undertaken to make sites available to accommodate various housing needs, including, in certain cases, the rezoning of sites to accommodate 100% of the need for housing for very low and low-income households.

This bill would instead require the program to set forth a schedule of actions during the planning period, as defined, and require each action to have a timetable for implementation. The bill would generally require rezoning of certain sites to accommodate certain housing needs within specified times, with an opportunity for an extension time in certain cases, and would require the local government to hold a noticed public hearing within 30 days after the deadline for compliance expires. The bill would, under certain conditions, prohibit a local government that fails to complete

a required rezoning within the timeframe required from disapproving a housing development project, as defined, or from taking various other actions that would render the project infeasible, and would allow the project applicant or any interested person to bring an action to enforce these provisions. The bill would also allow a court to compel a local government to complete the rezoning within specified times and to impose sanctions on the local government if the court order or judgment is not carried out, and would provide that in certain cases the local government shall bear the burden of proof relative to actions brought to compel compliance with specified deadlines and requirements.

Existing law requires each local government to review and revise its housing element as frequently as appropriate, but not less than every 5 years.

This bill would extend that time period to 8 years for those local governments that are located within a region covered by a metropolitan planning organization in a nonattainment region or by a metropolitan planning organization or regional transportation planning agency that meets certain requirements. The bill would also provide that, in certain cases, the time period would be reduced to 4 years or other periods, as specified.

The bill would enact other related provisions. Because the bill would impose additional duties on local governments relative to the housing element of the general plan, it would thereby impose a state-mandated local program.

(3) The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report (EIR) on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment.

This bill would exempt from CEQA a transit priority project, as defined, that meets certain requirements and that is declared by the legislative body of a local jurisdiction to be a sustainable communities project. The transit priority project would need to be consistent with a metropolitan planning organization's sustainable communities strategy or an alternative planning strategy that has been determined by the State Air Resources Board to achieve the greenhouse gas emission reductions targets. The bill would provide for limited CEQA review of various other transit priority projects.

The bill, with respect to other residential or mixed-use residential projects meeting certain requirements, would exempt the environmental documents for those projects from being required to include certain information regarding growth inducing impacts or impacts from certain vehicle trips.

The bill would also authorize the legislative body of a local jurisdiction to adopt traffic mitigation measures for transit priority projects. The bill would exempt a transit priority project seeking a land use approval from

compliance with additional measures for traffic impacts, if the local jurisdiction has adopted those traffic mitigation measures.

(4) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

(a) The transportation sector contributes over 40 percent of the greenhouse gas emissions in the State of California; automobiles and light trucks alone contribute almost 30 percent. The transportation sector is the single largest contributor of greenhouse gases of any sector.

(b) In 2006, the Legislature passed and the Governor signed Assembly Bill 32 (Chapter 488 of the Statutes of 2006; hereafter AB 32), which requires the State of California to reduce its greenhouse gas emissions to 1990 levels no later than 2020. According to the State Air Resources Board, in 1990 greenhouse gas emissions from automobiles and light trucks were 108 million metric tons, but by 2004 these emissions had increased to 135 million metric tons.

(c) Greenhouse gas emissions from automobiles and light trucks can be substantially reduced by new vehicle technology and by the increased use of low carbon fuel. However, even taking these measures into account, it will be necessary to achieve significant additional greenhouse gas reductions from changed land use patterns and improved transportation. Without improved land use and transportation policy, California will not be able to achieve the goals of AB 32.

(d) In addition, automobiles and light trucks account for 50 percent of air pollution in California and 70 percent of its consumption of petroleum. Changes in land use and transportation policy, based upon established modeling methodology, will provide significant assistance to California's goals to implement the federal and state Clean Air Acts and to reduce its dependence on petroleum.

(e) Current federal law requires regional transportation planning agencies to include a land use allocation in the regional transportation plan. Some regions have engaged in a regional "blueprint" process to prepare the land use allocation. This process has been open and transparent. The Legislature intends, by this act, to build upon that successful process by requiring metropolitan planning organizations to develop and incorporate a sustainable communities strategy which will be the land use allocation in the regional transportation plan.

(f) The California Environmental Quality Act (CEQA) is California's premier environmental statute. New provisions of CEQA should be enacted

so that the statute encourages developers to submit applications and local governments to make land use decisions that will help the state achieve its climate goals under AB 32, assist in the achievement of state and federal air quality standards, and increase petroleum conservation.

(g) Current planning models and analytical techniques used for making transportation infrastructure decisions and for air quality planning should be able to assess the effects of policy choices, such as residential development patterns, expanded transit service and accessibility, the walkability of communities, and the use of economic incentives and disincentives.

(h) The California Transportation Commission has developed guidelines for travel demand models used in the development of regional transportation plans. This act assures the commission's continued oversight of the guidelines, as the commission may update them as needed from time to time.

(i) California local governments need a sustainable source of funding to be able to accommodate patterns of growth consistent with the state's climate, air quality, and energy conservation goals.

SEC. 2. Section 14522.1 is added to the Government Code, to read:

14522.1. (a) (1) The commission, in consultation with the department and the State Air Resources Board, shall maintain guidelines for travel demand models used in the development of regional transportation plans by federally designated metropolitan planning organizations.

(2) Any revision of the guidelines shall include the formation of an advisory committee that shall include representatives of the metropolitan planning organizations, the department, organizations knowledgeable in the creation and use of travel demand models, local governments, and organizations concerned with the impacts of transportation investments on communities and the environment. Before amending the guidelines, the commission shall hold two workshops on the guidelines, one in northern California and one in southern California. The workshops shall be incorporated into regular commission meetings.

(b) The guidelines shall, at a minimum and to the extent practicable, taking into account such factors as the size and available resources of the metropolitan planning organization, account for all of the following:

(1) The relationship between land use density and household vehicle ownership and vehicle miles traveled in a way that is consistent with statistical research.

(2) The impact of enhanced transit service levels on household vehicle ownership and vehicle miles traveled.

(3) Changes in travel and land development likely to result from highway or passenger rail expansion.

(4) Mode splitting that allocates trips between automobile, transit, carpool, and bicycle and pedestrian trips. If a travel demand model is unable to forecast bicycle and pedestrian trips, another means may be used to estimate those trips.

(5) Speed and frequency, days, and hours of operation of transit service.

SEC. 3. Section 14522.2 is added to the Government Code, to read:

14522.2. (a) A metropolitan planning organization shall disseminate the methodology, results, and key assumptions of whichever travel demand models it uses in a way that would be useable and understandable to the public.

(b) Transportation planning agencies other than those identified in paragraph (1) of subdivision (a) of Section 14522.1, cities, and counties are encouraged, but not required, to utilize travel demand models that are consistent with the guidelines in the development of their regional transportation plans.

SEC. 4. Section 65080 of the Government Code is amended to read:

65080. (a) Each transportation planning agency designated under Section 29532 or 29532.1 shall prepare and adopt a regional transportation plan directed at achieving a coordinated and balanced regional transportation system, including, but not limited to, mass transportation, highway, railroad, maritime, bicycle, pedestrian, goods movement, and aviation facilities and services. The plan shall be action-oriented and pragmatic, considering both the short-term and long-term future, and shall present clear, concise policy guidance to local and state officials. The regional transportation plan shall consider factors specified in Section 134 of Title 23 of the United States Code. Each transportation planning agency shall consider and incorporate, as appropriate, the transportation plans of cities, counties, districts, private organizations, and state and federal agencies.

(b) The regional transportation plan shall be an internally consistent document and shall include all of the following:

(1) A policy element that describes the transportation issues in the region, identifies and quantifies regional needs, and describes the desired short-range and long-range transportation goals, and pragmatic objective and policy statements. The objective and policy statements shall be consistent with the funding estimates of the financial element. The policy element of transportation planning agencies with populations that exceed 200,000 persons may quantify a set of indicators including, but not limited to, all of the following:

(A) Measures of mobility and traffic congestion, including, but not limited to, daily vehicle hours of delay per capita and vehicle miles traveled per capita.

(B) Measures of road and bridge maintenance and rehabilitation needs, including, but not limited to, roadway pavement and bridge conditions.

(C) Measures of means of travel, including, but not limited to, percentage share of all trips (work and nonwork) made by all of the following:

- (i) Single occupant vehicle.
- (ii) Multiple occupant vehicle or carpool.
- (iii) Public transit including commuter rail and intercity rail.
- (iv) Walking.
- (v) Bicycling.

(D) Measures of safety and security, including, but not limited to, total injuries and fatalities assigned to each of the modes set forth in subparagraph (C).

(E) Measures of equity and accessibility, including, but not limited to, percentage of the population served by frequent and reliable public transit, with a breakdown by income bracket, and percentage of all jobs accessible by frequent and reliable public transit service, with a breakdown by income bracket.

(F) The requirements of this section may be met utilizing existing sources of information. No additional traffic counts, household surveys, or other sources of data shall be required.

(2) A sustainable communities strategy prepared by each metropolitan planning organization as follows:

(A) No later than September 30, 2010, the State Air Resources Board shall provide each affected region with greenhouse gas emission reduction targets for the automobile and light truck sector for 2020 and 2035, respectively.

(i) No later than January 31, 2009, the state board shall appoint a Regional Targets Advisory Committee to recommend factors to be considered and methodologies to be used for setting greenhouse gas emission reduction targets for the affected regions. The committee shall be composed of representatives of the metropolitan planning organizations, affected air districts, the League of California Cities, the California State Association of Counties, local transportation agencies, and members of the public, including homebuilders, environmental organizations, planning organizations, environmental justice organizations, affordable housing organizations, and others. The advisory committee shall transmit a report with its recommendations to the state board no later than September 30, 2009. In recommending factors to be considered and methodologies to be used, the advisory committee may consider any relevant issues, including, but not limited to, data needs, modeling techniques, growth forecasts, the impacts of regional jobs-housing balance on interregional travel and greenhouse gas emissions, economic and demographic trends, the magnitude of greenhouse gas reduction benefits from a variety of land use and transportation strategies, and appropriate methods to describe regional targets and to monitor performance in attaining those targets. The state board shall consider the report prior to setting the targets.

(ii) Prior to setting the targets for a region, the state board shall exchange technical information with the metropolitan planning organization and the affected air district. The metropolitan planning organization may recommend a target for the region. The metropolitan planning organization shall hold at least one public workshop within the region after receipt of the report from the advisory committee. The state board shall release draft targets for each region no later than June 30, 2010.

(iii) In establishing these targets, the state board shall take into account greenhouse gas emission reductions that will be achieved by improved vehicle emission standards, changes in fuel composition, and other measures

it has approved that will reduce greenhouse gas emissions in the affected regions, and prospective measures the state board plans to adopt to reduce greenhouse gas emissions from other greenhouse gas emission sources as that term is defined in subdivision (i) of Section 38505 of the Health and Safety Code and consistent with the regulations promulgated pursuant to the California Global Warming Solutions Act of 2006 (Division 12.5 (commencing with Section 38500) of the Health and Safety Code).

(iv) The state board shall update the regional greenhouse gas emission reduction targets every eight years consistent with each metropolitan planning organization's timeframe for updating its regional transportation plan under federal law until 2050. The state board may revise the targets every four years based on changes in the factors considered under clause (iii) above. The state board shall exchange technical information with the Department of Transportation, metropolitan planning organizations, local governments, and affected air districts and engage in a consultative process with public and private stakeholders prior to updating these targets.

(v) The greenhouse gas emission reduction targets may be expressed in gross tons, tons per capita, tons per household, or in any other metric deemed appropriate by the state board.

(B) Each metropolitan planning organization shall prepare a sustainable communities strategy, subject to the requirements of Part 450 of Title 23 of, and Part 93 of Title 40 of, the Code of Federal Regulations, including the requirement to utilize the most recent planning assumptions considering local general plans and other factors. The sustainable communities strategy shall (i) identify the general location of uses, residential densities, and building intensities within the region; (ii) identify areas within the region sufficient to house all the population of the region, including all economic segments of the population, over the course of the planning period of the regional transportation plan taking into account net migration into the region, population growth, household formation and employment growth; (iii) identify areas within the region sufficient to house an eight-year projection of the regional housing need for the region pursuant to Section 65584; (iv) identify a transportation network to service the transportation needs of the region; (v) gather and consider the best practically available scientific information regarding resource areas and farmland in the region as defined in subdivisions (a) and (b) of Section 65080.01; (vi) consider the state housing goals specified in Sections 65580 and 65581; (vii) 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 state board; and (viii) allow the regional transportation plan to comply with Section 176 of the federal Clean Air Act (42 U.S.C. Sec. 7506). Within the jurisdiction of the Metropolitan Transportation Commission, as defined by Section 66502, the Association of Bay Area Governments shall be responsible for clauses (i), (ii), (iii), (v), and (vi), the Metropolitan Transportation Commission shall be responsible

for clauses (iv) and (viii); and the Association of Bay Area Governments and the Metropolitan Transportation Commission shall jointly be responsible for clause (vii).

(C) In the region served by the multicounty transportation planning agency described in Section 130004 of the Public Utilities Code, a subregional council of governments and the county transportation commission may work together to propose the sustainable communities strategy and an alternative planning strategy, if one is prepared pursuant to subparagraph (H), for that subregional area. The metropolitan planning organization may adopt a framework for a subregional sustainable communities strategy or a subregional alternative planning strategy to address the intraregional land use, transportation, economic, air quality, and climate policy relationships. The metropolitan planning organization shall include the subregional sustainable communities strategy for that subregion in the regional sustainable communities strategy to the extent consistent with this section and federal law and approve the subregional alternative planning strategy, if one is prepared pursuant to subparagraph (H), for that subregional area to the extent consistent with this section. The metropolitan planning organization shall develop overall guidelines, create public participation plans pursuant to subparagraph (E), ensure coordination, resolve conflicts, make sure that the overall plan complies with applicable legal requirements, and adopt the plan for the region.

(D) The metropolitan planning organization shall conduct at least two informational meetings in each county within the region for members of the board of supervisors and city councils on the sustainable communities strategy and alternative planning strategy, if any. The metropolitan planning organization may conduct only one informational meeting if it is attended by representatives of the county board of supervisors and city council members representing a majority of the cities representing a majority of the population in the incorporated areas of that county. Notice of the meeting shall be sent to the clerk of the board of supervisors and to each city clerk. The purpose of the meeting shall be to present a draft of the sustainable communities strategy to the members of the board of supervisors and the city council members in that county and to solicit and consider their input and recommendations.

(E) Each metropolitan planning organization shall adopt a public participation plan, for development of the sustainable communities strategy and an alternative planning strategy, if any, that includes all of the following:

(i) Outreach efforts to encourage the active participation of a broad range of stakeholder groups in the planning process, consistent with the agency's adopted Federal Public Participation Plan, including, but not limited to, affordable housing advocates, transportation advocates, neighborhood and community groups, environmental advocates, home builder representatives, broad-based business organizations, landowners, commercial property interests, and homeowner associations.

(ii) Consultation with congestion management agencies, transportation agencies, and transportation commissions.

(iii) Workshops throughout the region to provide the public with the information and tools necessary to provide a clear understanding of the issues and policy choices. At least one workshop shall be held in each county in the region. For counties with a population greater than 500,000, at least three workshops shall be held. Each workshop, to the extent practicable, shall include urban simulation computer modeling to create visual representations of the sustainable communities strategy and the alternative planning strategy.

(iv) Preparation and circulation of a draft sustainable communities strategy and an alternative planning strategy, if one is prepared, not less than 55 days before adoption of a final regional transportation plan.

(v) At least three public hearings on the draft sustainable communities strategy in the regional transportation plan and alternative planning strategy, if one is prepared. If the metropolitan transportation organization consists of a single county, at least two public hearings shall be held. To the maximum extent feasible, the hearings shall be in different parts of the region to maximize the opportunity for participation by members of the public throughout the region.

(vi) A process for enabling members of the public to provide a single request to receive notices, information, and updates.

(F) In preparing a sustainable communities strategy, the metropolitan planning organization shall consider spheres of influence that have been adopted by the local agency formation commissions within its region.

(G) Prior to adopting a sustainable communities strategy, the metropolitan planning organization shall quantify the reduction in greenhouse gas emissions projected to be achieved by the sustainable communities strategy and set forth the difference, if any, between the amount of that reduction and the target for the region established by the state board.

(H) If the sustainable communities strategy, prepared in compliance with subparagraph (B) or (C), is unable to reduce greenhouse gas emissions to achieve the greenhouse gas emission reduction targets established by the state board, the metropolitan planning organization shall prepare an alternative planning strategy to the sustainable communities strategy showing how those greenhouse gas emission targets would be achieved through alternative development patterns, infrastructure, or additional transportation measures or policies. The alternative planning strategy shall be a separate document from the regional transportation plan, but it may be adopted concurrently with the regional transportation plan. In preparing the alternative planning strategy, the metropolitan planning organization:

(i) Shall identify the principal impediments to achieving the targets within the sustainable communities strategy.

(ii) May include an alternative development pattern for the region pursuant to subparagraphs (B) to (F), inclusive.

(iii) Shall describe how the greenhouse gas emission reduction targets would be achieved by the alternative planning strategy, and why the development pattern, measures, and policies in the alternative planning

strategy are the most practicable choices for achievement of the greenhouse gas emission reduction targets.

(iv) An alternative development pattern set forth in the alternative planning strategy shall comply with Part 450 of Title 23 of, and Part 93 of Title 40 of, the Code of Federal Regulations, except to the extent that compliance will prevent achievement of the greenhouse gas emission reduction targets approved by the state board.

(v) For purposes of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code), an alternative planning strategy shall not constitute a land use plan, policy, or regulation, and the inconsistency of a project with an alternative planning strategy shall not be a consideration in determining whether a project may have an environmental effect.

(I) (i) Prior to starting the public participation process adopted pursuant to subparagraph (E) of paragraph (2) of subdivision (b) of Section 65080, the metropolitan planning organization shall submit a description to the state board of the technical methodology it intends to use to estimate the greenhouse gas emissions from its sustainable communities strategy and, if appropriate, its alternative planning strategy. The state board shall respond to the metropolitan planning organization in a timely manner with written comments about the technical methodology, including specifically describing any aspects of that methodology it concludes will not yield accurate estimates of greenhouse gas emissions, and suggested remedies. The metropolitan planning organization is encouraged to work with the state board until the state board concludes that the technical methodology operates accurately.

(ii) After adoption, a metropolitan planning organization shall submit a sustainable communities strategy or an alternative planning strategy, if one has been adopted, to the state board for review, including the quantification of the greenhouse gas emission reductions the strategy would achieve and a description of the technical methodology used to obtain that result. Review by the state board shall be limited to acceptance or rejection of the metropolitan planning organization's determination that the strategy submitted would, if implemented, achieve the greenhouse gas emission reduction targets established by the state board. The state board shall complete its review within 60 days.

(iii) If the state board determines that the strategy submitted would not, if implemented, achieve the greenhouse gas emission reduction targets, the metropolitan planning organization shall revise its strategy or adopt an alternative planning strategy, if not previously adopted, and submit the strategy for review pursuant to clause (ii). At a minimum, the metropolitan planning organization must obtain state board acceptance that an alternative planning strategy would, if implemented, achieve the greenhouse gas emission reduction targets established for that region by the state board.

(J) Neither a sustainable communities strategy nor an alternative planning strategy regulates the use of land, nor, except as provided by subparagraph (I), shall either one be subject to any state approval. Nothing in a sustainable communities strategy shall be interpreted as superseding the exercise of the

land use authority of cities and counties within the region. Nothing in this section shall be interpreted to limit the state board's authority under any other provision of law. Nothing in this section shall be interpreted to authorize the abrogation of any vested right whether created by statute or by common law. Nothing in this section shall require a city's or county's land use policies and regulations, including its general plan, to be consistent with the regional transportation plan or an alternative planning strategy. Nothing in this section requires a metropolitan planning organization to approve a sustainable communities strategy that would be inconsistent with Part 450 of Title 23 of, or Part 93 of Title 40 of, the Code of Federal Regulations and any administrative guidance under those regulations. Nothing in this section relieves a public or private entity or any person from compliance with any other local, state, or federal law.

(K) Nothing in this section requires projects programmed for funding on or before December 31, 2011, to be subject to the provisions of this paragraph if they (i) are contained in the 2007 or 2009 Federal Statewide Transportation Improvement Program, (ii) are funded pursuant to Chapter 12.49 (commencing with Section 8879.20) of Division 1 of Title 2, or (iii) were specifically listed in a ballot measure prior to December 31, 2008, approving a sales tax increase for transportation projects. Nothing in this section shall require a transportation sales tax authority to change the funding allocations approved by the voters for categories of transportation projects in a sales tax measure adopted prior to December 31, 2010. For purposes of this subparagraph, a transportation sales tax authority is a district, as defined in Section 7252 of the Revenue and Taxation Code, that is authorized to impose a sales tax for transportation purposes.

(L) A metropolitan planning organization, or a regional transportation planning agency not within a metropolitan planning organization, that is required to adopt a regional transportation plan not less than every five years, may elect to adopt the plan not less than every four years. This election shall be made by the board of directors of the metropolitan planning organization or regional transportation planning agency no later than June 1, 2009, or thereafter 54 months prior to the statutory deadline for the adoption of housing elements for the local jurisdictions within the region, after a public hearing at which comments are accepted from members of the public and representatives of cities and counties within the region covered by the metropolitan planning organization or regional transportation planning agency. Notice of the public hearing shall be given to the general public and by mail to cities and counties within the region no later than 30 days prior to the date of the public hearing. Notice of election shall be promptly given to the Department of Housing and Community Development. The metropolitan planning organization or the regional transportation planning agency shall complete its next regional transportation plan within three years of the notice of election.

(M) Two or more of the metropolitan planning organizations for Fresno County, Kern County, Kings County, Madera County, Merced County, San Joaquin County, Stanislaus County, and Tulare County may work together

to develop and adopt multiregional goals and policies that may address interregional land use, transportation, economic, air quality, and climate relationships. The participating metropolitan planning organizations may also develop a multiregional sustainable communities strategy, to the extent consistent with federal law, or an alternative planning strategy for adoption by the metropolitan planning organizations. Each participating metropolitan planning organization shall consider any adopted multiregional goals and policies in the development of a sustainable communities strategy and, if applicable, an alternative planning strategy for its region.

(3) An action element that describes the programs and actions necessary to implement the plan and assigns implementation responsibilities. The action element may describe all transportation projects proposed for development during the 20-year or greater life of the plan. The action element shall consider congestion management programming activities carried out within the region.

(4) (A) A financial element that summarizes the cost of plan implementation constrained by a realistic projection of available revenues. The financial element shall also contain recommendations for allocation of funds. A county transportation commission created pursuant to Section 130000 of the Public Utilities Code shall be responsible for recommending projects to be funded with regional improvement funds, if the project is consistent with the regional transportation plan. The first five years of the financial element shall be based on the five-year estimate of funds developed pursuant to Section 14524. The financial element may recommend the development of specified new sources of revenue, consistent with the policy element and action element.

(B) The financial element of transportation planning agencies with populations that exceed 200,000 persons may include a project cost breakdown for all projects proposed for development during the 20-year life of the plan that includes total expenditures and related percentages of total expenditures for all of the following:

- (i) State highway expansion.
- (ii) State highway rehabilitation, maintenance, and operations.
- (iii) Local road and street expansion.
- (iv) Local road and street rehabilitation, maintenance, and operation.
- (v) Mass transit, commuter rail, and intercity rail expansion.
- (vi) Mass transit, commuter rail, and intercity rail rehabilitation, maintenance, and operations.
- (vii) Pedestrian and bicycle facilities.
- (viii) Environmental enhancements and mitigation.
- (ix) Research and planning.
- (x) Other categories.

(C) The metropolitan planning organization or county transportation agency, whichever entity is appropriate, shall consider financial incentives for cities and counties that have resource areas or farmland, as defined in Section 65080.01, for the purposes of, for example, transportation investments for the preservation and safety of the city street or county road

system and farm to market and interconnectivity transportation needs. The metropolitan planning organization or county transportation agency, whichever entity is appropriate, shall also consider financial assistance for counties to address countywide service responsibilities in counties that contribute towards the greenhouse gas emission reduction targets by implementing policies for growth to occur within their cities.

(c) Each transportation planning agency may also include other factors of local significance as an element of the regional transportation plan, including, but not limited to, issues of mobility for specific sectors of the community, including, but not limited to, senior citizens.

(d) Except as otherwise provided in this subdivision, each transportation planning agency shall adopt and submit, every four years, an updated regional transportation plan to the California Transportation Commission and the Department of Transportation. A transportation planning agency located in a federally designated air quality attainment area or that does not contain an urbanized area may at its option adopt and submit a regional transportation plan every five years. When applicable, the plan shall be consistent with federal planning and programming requirements and shall conform to the regional transportation plan guidelines adopted by the California Transportation Commission. Prior to adoption of the regional transportation plan, a public hearing shall be held after the giving of notice of the hearing by publication in the affected county or counties pursuant to Section 6061.

SEC. 5. Section 65080.01 is added to the Government Code, to read:

65080.01. The following definitions apply to terms used in Section 65080:

(a) "Resource areas" include (1) all publicly owned parks and open space; (2) open space or habitat areas protected by natural community conservation plans, habitat conservation plans, and other adopted natural resource protection plans; (3) habitat for species identified as candidate, fully protected, sensitive, or species of special status by local, state, or federal agencies or protected by the federal Endangered Species Act of 1973, the California Endangered Species Act, or the Native Plant Protection Act; (4) lands subject to conservation or agricultural easements for conservation or agricultural purposes by local governments, special districts, or nonprofit 501(c)(3) organizations, areas of the state designated by the State Mining and Geology Board as areas of statewide or regional significance pursuant to Section 2790 of the Public Resources Code, and lands under Williamson Act contracts; (5) areas designated for open-space or agricultural uses in adopted open-space elements or agricultural elements of the local general plan or by local ordinance; (6) areas containing biological resources as described in Appendix G of the CEQA Guidelines that may be significantly affected by the sustainable communities strategy or the alternative planning strategy; and (7) an area subject to flooding where a development project would not, at the time of development in the judgment of the agency, meet the requirements of the National Flood Insurance Program or where the area is subject to more protective provisions of state law or local ordinance.

(b) “Farmland” means farmland that is outside all existing city spheres of influence or city limits as of January 1, 2008, and is one of the following:

(1) Classified as prime or unique farmland or farmland of statewide importance.

(2) Farmland classified by a local agency in its general plan that meets or exceeds the standards for prime or unique farmland or farmland of statewide importance.

(c) “Feasible” means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social, and technological factors.

(d) “Consistent” shall have the same meaning as that term is used in Section 134 of Title 23 of the United States Code.

(e) “Internally consistent” means that the contents of the elements of the regional transportation plan must be consistent with each other.

SEC. 6. Section 65400 of the Government Code is amended to read:

65400. (a) After the legislative body has adopted all or part of a general plan, the planning agency shall do both of the following:

(1) Investigate and make recommendations to the legislative body regarding reasonable and practical means for implementing the general plan or element of the general plan, so that it will serve as an effective guide for orderly growth and development, preservation and conservation of open-space land and natural resources, and the efficient expenditure of public funds relating to the subjects addressed in the general plan.

(2) Provide by April 1 of each year an annual report to the legislative body, the Office of Planning and Research, and the Department of Housing and Community Development that includes all of the following:

(A) The status of the plan and progress in its implementation.

(B) The progress in meeting its share of regional housing needs determined pursuant to Section 65584 and local efforts to remove governmental constraints to the maintenance, improvement, and development of housing pursuant to paragraph (3) of subdivision (c) of Section 65583.

The housing element portion of the annual report, as required by this paragraph, shall be prepared through the use of forms and definitions adopted by the Department of Housing and Community Development pursuant to the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2). Prior to and after adoption of the forms, the housing element portion of the annual report shall include a section that describes the actions taken by the local government towards completion of the programs and status of the local government’s compliance with the deadlines in its housing element. That report shall be considered at an annual public meeting before the legislative body where members of the public shall be allowed to provide oral testimony and written comments.

(C) The degree to which its approved general plan complies with the guidelines developed and adopted pursuant to Section 65040.2 and the date of the last revision to the general plan.

(b) If a court finds, upon a motion to that effect, that a city, county, or city and county failed to submit, within 60 days of the deadline established in this section, the housing element portion of the report required pursuant to subparagraph (B) of paragraph (2) of subdivision (a) that substantially complies with the requirements of this section, the court shall issue an order or judgment compelling compliance with this section within 60 days. If the city, county, or city and county fails to comply with the court's order within 60 days, the plaintiff or petitioner may move for sanctions, and the court may, upon that motion, grant appropriate sanctions. The court shall retain jurisdiction to ensure that its order or judgment is carried out. If the court determines that its order or judgment is not carried out within 60 days, the court may issue further orders as provided by law to ensure that the purposes and policies of this section are fulfilled. This subdivision applies to proceedings initiated on or after the first day of October following the adoption of forms and definitions by the Department of Housing and Community Development pursuant to paragraph (2) of subdivision (a), but no sooner than six months following that adoption.

SEC. 7. Section 65583 of the Government Code is amended to read:

65583. The housing element shall consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing. The housing element shall identify adequate sites for housing, including rental housing, factory-built housing, mobilehomes, and emergency shelters, and shall make adequate provision for the existing and projected needs of all economic segments of the community. The element shall contain all of the following:

(a) An assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs. The assessment and inventory shall include all of the following:

(1) An analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projected housing needs for all income levels, including extremely low income households, as defined in subdivision (b) of Section 50105 and Section 50106 of the Health and Safety Code. These existing and projected needs shall include the locality's share of the regional housing need in accordance with Section 65584. Local agencies shall calculate the subset of very low income households allotted under Section 65584 that qualify as extremely low income households. The local agency may either use available census data to calculate the percentage of very low income households that qualify as extremely low income households or presume that 50 percent of the very low income households qualify as extremely low income households. The number of extremely low income households and very low income households shall equal the jurisdiction's allocation of very low income households pursuant to Section 65584.

(2) An analysis and documentation of household characteristics, including level of payment compared to ability to pay, housing characteristics, including overcrowding, and housing stock condition.

(3) An inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites.

(4) (A) The identification of a zone or zones where emergency shelters are allowed as a permitted use without a conditional use or other discretionary permit. The identified zone or zones shall include sufficient capacity to accommodate the need for emergency shelter identified in paragraph (7), except that each local government shall identify a zone or zones that can accommodate at least one year-round emergency shelter. If the local government cannot identify a zone or zones with sufficient capacity, the local government shall include a program to amend its zoning ordinance to meet the requirements of this paragraph within one year of the adoption of the housing element. The local government may identify additional zones where emergency shelters are permitted with a conditional use permit. The local government shall also demonstrate that existing or proposed permit processing, development, and management standards are objective and encourage and facilitate the development of, or conversion to, emergency shelters. Emergency shelters may only be subject to those development and management standards that apply to residential or commercial development within the same zone except that a local government may apply written, objective standards that include all of the following:

(i) The maximum number of beds or persons permitted to be served nightly by the facility.

(ii) Off-street parking based upon demonstrated need, provided that the standards do not require more parking for emergency shelters than for other residential or commercial uses within the same zone.

(iii) The size and location of exterior and interior onsite waiting and client intake areas.

(iv) The provision of onsite management.

(v) The proximity to other emergency shelters, provided that emergency shelters are not required to be more than 300 feet apart.

(vi) The length of stay.

(vii) Lighting.

(viii) Security during hours that the emergency shelter is in operation.

(B) The permit processing, development, and management standards applied under this paragraph shall not be deemed to be discretionary acts within the meaning of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

(C) A local government that can demonstrate to the satisfaction of the department the existence of one or more emergency shelters either within its jurisdiction or pursuant to a multijurisdictional agreement that can accommodate that jurisdiction's need for emergency shelter identified in paragraph (7) may comply with the zoning requirements of subparagraph (A) by identifying a zone or zones where new emergency shelters are allowed with a conditional use permit.

(D) A local government with an existing ordinance or ordinances that comply with this paragraph shall not be required to take additional action

to identify zones for emergency shelters. The housing element must only describe how existing ordinances, policies, and standards are consistent with the requirements of this paragraph.

(5) An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the types of housing identified in paragraph (1) of subdivision (c), and for persons with disabilities as identified in the analysis pursuant to paragraph (7), including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Section 65584 and from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters identified pursuant to paragraph (7). Transitional housing and supportive housing shall be considered a residential use of property, and shall be subject only to those restrictions that apply to other residential dwellings of the same type in the same zone.

(6) An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, and the cost of construction.

(7) An analysis of any special housing needs, such as those of the elderly, persons with disabilities, large families, farmworkers, families with female heads of households, and families and persons in need of emergency shelter. The need for emergency shelter shall be assessed based on annual and seasonal need. The need for emergency shelter may be reduced by the number of supportive housing units that are identified in an adopted 10-year plan to end chronic homelessness and that are either vacant or for which funding has been identified to allow construction during the planning period.

(8) An analysis of opportunities for energy conservation with respect to residential development.

(9) An analysis of existing assisted housing developments that are eligible to change from low-income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of restrictions on use. "Assisted housing developments," for the purpose of this section, shall mean multifamily rental housing that receives governmental assistance under federal programs listed in subdivision (a) of Section 65863.10, state and local multifamily revenue bond programs, local redevelopment programs, the federal Community Development Block Grant Program, or local in-lieu fees. "Assisted housing developments" shall also include multifamily rental units that were developed pursuant to a local inclusionary housing program or used to qualify for a density bonus pursuant to Section 65916.

(A) The analysis shall include a listing of each development by project name and address, the type of governmental assistance received, the earliest possible date of change from low-income use and the total number of elderly

and nonelderly units that could be lost from the locality's low-income housing stock in each year during the 10-year period. For purposes of state and federally funded projects, the analysis required by this subparagraph need only contain information available on a statewide basis.

(B) The analysis shall estimate the total cost of producing new rental housing that is comparable in size and rent levels, to replace the units that could change from low-income use, and an estimated cost of preserving the assisted housing developments. This cost analysis for replacement housing may be done aggregately for each five-year period and does not have to contain a project-by-project cost estimate.

(C) The analysis shall identify public and private nonprofit corporations known to the local government which have legal and managerial capacity to acquire and manage these housing developments.

(D) The analysis shall identify and consider the use of all federal, state, and local financing and subsidy programs which can be used to preserve, for lower income households, the assisted housing developments, identified in this paragraph, including, but not limited to, federal Community Development Block Grant Program funds, tax increment funds received by a redevelopment agency of the community, and administrative fees received by a housing authority operating within the community. In considering the use of these financing and subsidy programs, the analysis shall identify the amounts of funds under each available program which have not been legally obligated for other purposes and which could be available for use in preserving assisted housing developments.

(b) (1) A statement of the community's goals, quantified objectives, and policies relative to the maintenance, preservation, improvement, and development of housing.

(2) It is recognized that the total housing needs identified pursuant to subdivision (a) may exceed available resources and the community's ability to satisfy this need within the content of the general plan requirements outlined in Article 5 (commencing with Section 65300). Under these circumstances, the quantified objectives need not be identical to the total housing needs. The quantified objectives shall establish the maximum number of housing units by income category, including extremely low income, that can be constructed, rehabilitated, and conserved over a five-year time period.

(c) A program which sets forth a schedule of actions during the planning period, each with a timeline for implementation, which may recognize that certain programs are ongoing, such that there will be beneficial impacts of the programs within the planning period, that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element through the administration of land use and development controls, the provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy programs when available and the utilization of moneys in a low- and moderate-income housing fund of an agency if the locality has established a redevelopment project area pursuant to the Community

Redevelopment Law (Division 24 (commencing with Section 33000) of the Health and Safety Code). In order to make adequate provision for the housing needs of all economic segments of the community, the program shall do all of the following:

(1) Identify actions that will be taken to make sites available during the planning period of the general plan with appropriate zoning and development standards and with services and facilities to accommodate that portion of the city's or county's share of the regional housing need for each income level that could not be accommodated on sites identified in the inventory completed pursuant to paragraph (3) of subdivision (a) without rezoning, and to comply with the requirements of Section 65584.09. Sites shall be identified as needed to facilitate and encourage the development of a variety of types of housing for all income levels, including multifamily rental housing, factory-built housing, mobilehomes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing.

(A) Where the inventory of sites, pursuant to paragraph (3) of subdivision (a), does not identify adequate sites to accommodate the need for groups of all household income levels pursuant to Section 65584, rezoning of those sites, including adoption of minimum density and development standards, for jurisdictions with an eight-year housing element planning period pursuant to Section 65588, shall be completed no later than three years after either the date the housing element is adopted pursuant to subdivision (f) of Section 65585 or the date that is 90 days after receipt of comments from the department pursuant to subdivision (b) of Section 65585, whichever is earlier, unless the deadline is extended pursuant to subdivision (f). Notwithstanding the foregoing, for a local government that fails to adopt a housing element within 120 days of the statutory deadline in Section 65588 for adoption of the housing element, rezoning of those sites, including adoption of minimum density and development standards, shall be completed no later than three years and 120 days from the statutory deadline in Section 65588 for adoption of the housing element.

(B) Where the inventory of sites, pursuant to paragraph (3) of subdivision (a), does not identify adequate sites to accommodate the need for groups of all household income levels pursuant to Section 65584, the program shall identify sites that can be developed for housing within the planning period pursuant to subdivision (h) of Section 65583.2. The identification of sites shall include all components specified in subdivision (b) of Section 65583.2.

(C) Where the inventory of sites pursuant to paragraph (3) of subdivision (a) does not identify adequate sites to accommodate the need for farmworker housing, the program shall provide for sufficient sites to meet the need with zoning that permits farmworker housing use by right, including density and development standards that could accommodate and facilitate the feasibility of the development of farmworker housing for low- and very low income households.

(2) Assist in the development of adequate housing to meet the needs of extremely low, very low, low-, and moderate-income households.

(3) Address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities. The program shall remove constraints to, and provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities.

(4) Conserve and improve the condition of the existing affordable housing stock, which may include addressing ways to mitigate the loss of dwelling units demolished by public or private action.

(5) Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability.

(6) Preserve for lower income households the assisted housing developments identified pursuant to paragraph (9) of subdivision (a). The program for preservation of the assisted housing developments shall utilize, to the extent necessary, all available federal, state, and local financing and subsidy programs identified in paragraph (9) of subdivision (a), except where a community has other urgent needs for which alternative funding sources are not available. The program may include strategies that involve local regulation and technical assistance.

(7) The program shall include an identification of the agencies and officials responsible for the implementation of the various actions and the means by which consistency will be achieved with other general plan elements and community goals. The local government shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort.

(d) (1) A local government may satisfy all or part of its requirement to identify a zone or zones suitable for the development of emergency shelters pursuant to paragraph (4) of subdivision (a) by adopting and implementing a multijurisdictional agreement, with a maximum of two other adjacent communities, that requires the participating jurisdictions to develop at least one year-round emergency shelter within two years of the beginning of the planning period.

(2) The agreement shall allocate a portion of the new shelter capacity to each jurisdiction as credit towards its emergency shelter need, and each jurisdiction shall describe how the capacity was allocated as part of its housing element.

(3) Each member jurisdiction of a multijurisdictional agreement shall describe in its housing element all of the following:

(A) How the joint facility will meet the jurisdiction's emergency shelter need.

(B) The jurisdiction's contribution to the facility for both the development and ongoing operation and management of the facility.

(C) The amount and source of the funding that the jurisdiction contributes to the facility.

(4) The aggregate capacity claimed by the participating jurisdictions in their housing elements shall not exceed the actual capacity of the shelter.

(e) Except as otherwise provided in this article, amendments to this article that alter the required content of a housing element shall apply to both of the following:

(1) A housing element or housing element amendment prepared pursuant to subdivision (e) of Section 65588 or Section 65584.02, when a city, county, or city and county submits a draft to the department for review pursuant to Section 65585 more than 90 days after the effective date of the amendment to this section.

(2) Any housing element or housing element amendment prepared pursuant to subdivision (e) of Section 65588 or Section 65584.02, when the city, county, or city and county fails to submit the first draft to the department before the due date specified in Section 65588 or 65584.02.

(f) The deadline for completing required rezoning pursuant to subparagraph (A) of paragraph (1) of subdivision (c) shall be extended by one year if the local government has completed the rezoning at densities sufficient to accommodate at least 75 percent of the sites for low- and very low income households and if the legislative body at the conclusion of a public hearing determines, based upon substantial evidence, that any of the following circumstances exist:

(1) The local government has been unable to complete the rezoning because of the action or inaction beyond the control of the local government of any other state federal or local agency.

(2) The local government is unable to complete the rezoning because of infrastructure deficiencies due to fiscal or regulatory constraints.

(3) The local government must undertake a major revision to its general plan in order to accommodate the housing related policies of a sustainable communities strategy or an alternative planning strategy adopted pursuant to Section 65080.

The resolution and the findings shall be transmitted to the department together with a detailed budget and schedule for preparation and adoption of the required rezonings, including plans for citizen participation and expected interim action. The schedule shall provide for adoption of the required rezoning within one year of the adoption of the resolution.

(g) (1) If a local government fails to complete the rezoning by the deadline provided in subparagraph (A) of paragraph (1) of subdivision (c), as it may be extended pursuant to subdivision (f), except as provided in paragraph (2), a local government may not disapprove a housing development project, nor require a conditional use permit, planned unit development permit, or other locally imposed discretionary permit, or impose a condition that would render the project infeasible, if the housing development project (A) is proposed to be located on a site required to be rezoned pursuant to the program action required by that subparagraph; and (B) complies with applicable, objective general plan and zoning standards and criteria, including design review standards, described in the program action required by that subparagraph. Any subdivision of sites shall be

subject to the Subdivision Map Act. Design review shall not constitute a “project” for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code.

(2) A local government may disapprove a housing development described in paragraph (1) if it makes written findings supported by substantial evidence on the record that both of the following conditions exist:

(A) The housing development project would have a specific, adverse impact upon the public health or safety unless the project is disapproved or approved upon the condition that the project be developed at a lower density. As used in this paragraph, a “specific, adverse impact” means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.

(B) There is no feasible method to satisfactorily mitigate or avoid the adverse impact identified pursuant to paragraph (1), other than the disapproval of the housing development project or the approval of the project upon the condition that it be developed at a lower density.

(3) The applicant or any interested person may bring an action to enforce this subdivision. If a court finds that the local agency disapproved a project or conditioned its approval in violation of this subdivision, the court shall issue an order or judgment compelling compliance within 60 days. The court shall retain jurisdiction to ensure that its order or judgment is carried out. If the court determines that its order or judgment has not been carried out within 60 days, the court may issue further orders to ensure that the purposes and policies of this subdivision are fulfilled. In any such action, the city, county, or city and county shall bear the burden of proof.

(4) For purposes of this subdivision, “housing development project” means a project to construct residential units for which the project developer provides sufficient legal commitments to the appropriate local agency to ensure the continued availability and use of at least 49 percent of the housing units for very low, low-, and moderate-income households with an affordable housing cost or affordable rent, as defined in Section 50052.5 or 50053 of the Health and Safety Code, respectively, for the period required by the applicable financing.

(h) An action to enforce the program actions of the housing element shall be brought pursuant to Section 1085 of the Code of Civil Procedure.

SEC. 8. Section 65584.01 of the Government Code is amended to read:

65584.01. (a) For the fourth and subsequent revision of the housing element pursuant to Section 65588, the department, in consultation with each council of governments, where applicable, shall determine the existing and projected need for housing for each region in the following manner:

(b) The department’s determination shall be based upon population projections produced by the Department of Finance and regional population forecasts used in preparing regional transportation plans, in consultation with each council of governments. If the total regional population forecast for the planning period, developed by the council of governments and used for the preparation of the regional transportation plan, is within a range of

3 percent of the total regional population forecast for the planning period over the same time period by the Department of Finance, then the population forecast developed by the council of governments shall be the basis from which the department determines the existing and projected need for housing in the region. If the difference between the total population growth projected by the council of governments and the total population growth projected for the region by the Department of Finance is greater than 3 percent, then the department and the council of governments shall meet to discuss variances in methodology used for population projections and seek agreement on a population projection for the region to be used as a basis for determining the existing and projected housing need for the region. If no agreement is reached, then the population projection for the region shall be the population projection for the region prepared by the Department of Finance as may be modified by the department as a result of discussions with the council of governments.

(c) (1) At least 26 months prior to the scheduled revision pursuant to Section 65588 and prior to developing the existing and projected housing need for a region, the department shall meet and consult with the council of governments regarding the assumptions and methodology to be used by the department to determine the region's housing needs. The council of governments shall provide data assumptions from the council's projections, including, if available, the following data for the region:

(A) Anticipated household growth associated with projected population increases.

(B) Household size data and trends in household size.

(C) The rate of household formation, or headship rates, based on age, gender, ethnicity, or other established demographic measures.

(D) The vacancy rates in existing housing stock, and the vacancy rates for healthy housing market functioning and regional mobility, as well as housing replacement needs.

(E) Other characteristics of the composition of the projected population.

(F) The relationship between jobs and housing, including any imbalance between jobs and housing.

(2) The department may accept or reject the information provided by the council of governments or modify its own assumptions or methodology based on this information. After consultation with the council of governments, the department shall make determinations in writing on the assumptions for each of the factors listed in subparagraphs (A) to (F), inclusive, of paragraph (1) and the methodology it shall use and shall provide these determinations to the council of governments.

(d) (1) After consultation with the council of governments, the department shall make a determination of the region's existing and projected housing need based upon the assumptions and methodology determined pursuant to subdivision (c). The region's existing and projected housing need shall reflect the achievement of a feasible balance between jobs and housing within the region using the regional employment projections in the applicable regional transportation plan. Within 30 days following notice of

the determination from the department, the council of governments may file an objection to the department's determination of the region's existing and projected housing need with the department.

(2) The objection shall be based on and substantiate either of the following:

(A) The department failed to base its determination on the population projection for the region established pursuant to subdivision (b), and shall identify the population projection which the council of governments believes should instead be used for the determination and explain the basis for its rationale.

(B) The regional housing need determined by the department is not a reasonable application of the methodology and assumptions determined pursuant to subdivision (c). The objection shall include a proposed alternative determination of its regional housing need based upon the determinations made in subdivision (c), including analysis of why the proposed alternative would be a more reasonable application of the methodology and assumptions determined pursuant to subdivision (c).

(3) If a council of governments files an objection pursuant to this subdivision and includes with the objection a proposed alternative determination of its regional housing need, it shall also include documentation of its basis for the alternative determination. Within 45 days of receiving an objection filed pursuant to this section, the department shall consider the objection and make a final written determination of the region's existing and projected housing need that includes an explanation of the information upon which the determination was made.

SEC. 9. Section 65584.02 of the Government Code is amended to read:

65584.02. (a) For the fourth and subsequent revisions of the housing element pursuant to Section 65588, the existing and projected need for housing may be determined for each region by the department as follows, as an alternative to the process pursuant to Section 65584.01:

(1) In a region in which at least one subregion has accepted delegated authority pursuant to Section 65584.03, the region's housing need shall be determined at least 26 months prior to the housing element update deadline pursuant to Section 65588. In a region in which no subregion has accepted delegation pursuant to Section 65584.03, the region's housing need shall be determined at least 24 months prior to the housing element deadline.

(2) At least six months prior to the department's determination of regional housing need pursuant to paragraph (1), a council of governments may request the use of population and household forecast assumptions used in the regional transportation plan. This request shall include all of the following:

(A) Proposed data and assumptions for factors contributing to housing need beyond household growth identified in the forecast. These factors shall include allowance for vacant or replacement units, and may include other adjustment factors.

(B) A proposed planning period that is not longer than the period of time covered by the regional transportation improvement plan or plans of the

region pursuant to Section 14527, but a period not less than five years, and not longer than six years.

(C) A comparison between the population and household assumptions used for the Regional Transportation Plan with population and household estimates and projections of the Department of Finance.

(b) The department shall consult with the council of governments regarding requests submitted pursuant to paragraph (2) of subdivision (a). The department may seek advice and consult with the Demographic Research Unit of the Department of Finance, the State Department of Transportation, a representative of a contiguous council of governments, and any other party as deemed necessary. The department may request that the council of governments revise data, assumptions, or methodology to be used for the determination of regional housing need, or may reject the request submitted pursuant to paragraph (2) of subdivision (a). Subsequent to consultation with the council of governments, the department will respond in writing to requests submitted pursuant to paragraph (1) of subdivision (a).

(c) If the council of governments does not submit a request pursuant to subdivision (a), or if the department rejects the request of the council of governments, the determination for the region shall be made pursuant to Sections 65584 and 65584.01.

SEC. 10. Section 65584.04 of the Government Code is amended to read:

65584.04. (a) At least two years prior to a scheduled revision required by Section 65588, each council of governments, or delegate subregion as applicable, shall develop a proposed methodology for distributing the existing and projected regional housing need to cities, counties, and cities and counties within the region or within the subregion, where applicable pursuant to this section. The methodology shall be consistent with the objectives listed in subdivision (d) of Section 65584.

(b) (1) No more than six months prior to the development of a proposed methodology for distributing the existing and projected housing need, each council of governments shall survey each of its member jurisdictions to request, at a minimum, information regarding the factors listed in subdivision (d) that will allow the development of a methodology based upon the factors established in subdivision (d).

(2) The council of governments shall seek to obtain the information in a manner and format that is comparable throughout the region and utilize readily available data to the extent possible.

(3) The information provided by a local government pursuant to this section shall be used, to the extent possible, by the council of governments, or delegate subregion as applicable, as source information for the methodology developed pursuant to this section. The survey shall state that none of the information received may be used as a basis for reducing the total housing need established for the region pursuant to Section 65584.01.

(4) If the council of governments fails to conduct a survey pursuant to this subdivision, a city, county, or city and county may submit information related to the items listed in subdivision (d) prior to the public comment period provided for in subdivision (c).

(c) Public participation and access shall be required in the development of the methodology and in the process of drafting and adoption of the allocation of the regional housing needs. Participation by organizations other than local jurisdictions and councils of governments shall be solicited in a diligent effort to achieve public participation of all economic segments of the community. The proposed methodology, along with any relevant underlying data and assumptions, and an explanation of how information about local government conditions gathered pursuant to subdivision (b) has been used to develop the proposed methodology, and how each of the factors listed in subdivision (d) is incorporated into the methodology, shall be distributed to all cities, counties, any subregions, and members of the public who have made a written request for the proposed methodology. The council of governments, or delegate subregion, as applicable, shall conduct at least one public hearing to receive oral and written comments on the proposed methodology.

(d) To the extent that sufficient data is available from local governments pursuant to subdivision (b) or other sources, each council of governments, or delegate subregion as applicable, shall include the following factors to develop the methodology that allocates regional housing needs:

(1) Each member jurisdiction's existing and projected jobs and housing relationship.

(2) The opportunities and constraints to development of additional housing in each member jurisdiction, including all of the following:

(A) Lack of capacity for sewer or water service due to federal or state laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer or water service provider other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period.

(B) The availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities. The council of governments may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions. The determination of available land suitable for urban development may exclude lands where the Federal Emergency Management Agency (FEMA) or the Department of Water Resources has determined that the flood management infrastructure designed to protect that land is not adequate to avoid the risk of flooding.

(C) Lands preserved or protected from urban development under existing federal or state programs, or both, designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis.

(D) County policies to preserve prime agricultural land, as defined pursuant to Section 56064, within an unincorporated area.

(3) The distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to

maximize the use of public transportation and existing transportation infrastructure.

(4) The market demand for housing.

(5) Agreements between a county and cities in a county to direct growth toward incorporated areas of the county.

(6) The loss of units contained in assisted housing developments, as defined in paragraph (9) of subdivision (a) of Section 65583, that changed to non-low-income use through mortgage prepayment, subsidy contract expirations, or termination of use restrictions.

(7) High-housing cost burdens.

(8) The housing needs of farmworkers.

(9) The housing needs generated by the presence of a private university or a campus of the California State University or the University of California within any member jurisdiction.

(10) Any other factors adopted by the council of governments.

(e) The council of governments, or delegate subregion, as applicable, shall explain in writing how each of the factors described in subdivision (d) was incorporated into the methodology and how the methodology is consistent with subdivision (d) of Section 65584. The methodology may include numerical weighting.

(f) Any ordinance, policy, voter-approved measure, or standard of a city or county that directly or indirectly limits the number of residential building permits issued by a city or county shall not be a justification for a determination or a reduction in the share of a city or county of the regional housing need.

(g) In addition to the factors identified pursuant to subdivision (d), the council of governments, or delegate subregion, as applicable, shall identify any existing local, regional, or state incentives, such as a priority for funding or other incentives available to those local governments that are willing to accept a higher share than proposed in the draft allocation to those local governments by the council of governments or delegate subregion pursuant to Section 65584.05.

(h) Following the conclusion of the 60-day public comment period described in subdivision (c) on the proposed allocation methodology, and after making any revisions deemed appropriate by the council of governments, or delegate subregion, as applicable, as a result of comments received during the public comment period, each council of governments, or delegate subregion, as applicable, shall adopt a final regional, or subregional, housing need allocation methodology and provide notice of the adoption of the methodology to the jurisdictions within the region, or delegate subregion as applicable, and to the department.

(i) (1) It is the intent of the Legislature that housing planning be coordinated and integrated with the regional transportation plan. To achieve this goal, the allocation plan shall allocate housing units within the region consistent with the development pattern included in the sustainable communities strategy.

(2) The final allocation plan shall ensure that the total regional housing need, by income category, as determined under Section 65584, is maintained, and that each jurisdiction in the region receive an allocation of units for low- and very low income households.

(3) The resolution approving the final housing need allocation plan shall demonstrate that the plan is consistent with the sustainable communities strategy in the regional transportation plan.

SEC. 11. Section 65587 of the Government Code is amended to read:

65587. (a) Each city, county, or city and county shall bring its housing element, as required by subdivision (c) of Section 65302, into conformity with the requirements of this article on or before October 1, 1981, and the deadlines set by Section 65588. Except as specifically provided in subdivision (b) of Section 65361, the Director of Planning and Research shall not grant an extension of time from these requirements.

(b) Any action brought by any interested party to review the conformity with the provisions of this article of any housing element or portion thereof or revision thereto shall be brought pursuant to Section 1085 of the Code of Civil Procedure; the court's review of compliance with the provisions of this article shall extend to whether the housing element or portion thereof or revision thereto substantially complies with the requirements of this article.

(c) If a court finds that an action of a city, county, or city and county, which is required to be consistent with its general plan, does not comply with its housing element, the city, county, or city and county shall bring its action into compliance within 60 days. However, the court shall retain jurisdiction throughout the period for compliance to enforce its decision. Upon the court's determination that the 60-day period for compliance would place an undue hardship on the city, county, or city and county, the court may extend the time period for compliance by an additional 60 days.

(d) (1) If a court finds that a city, county, or city and county failed to complete the rezoning required by subparagraph (A) of paragraph (1) of subdivision (c) of Section 65583, as that deadline may be modified by the extension provided for in subdivision (f) of that section, the court shall issue an order or judgment, after considering the equities of the circumstances presented by all parties, compelling the local government to complete the rezoning within 60 days or the earliest time consistent with public hearing notice requirements in existence at the time the action was filed. The court shall retain jurisdiction to ensure that its order or judgment is carried out. If the court determines that its order or judgment is not carried out, the court shall issue further orders to ensure that the purposes and policies of this article are fulfilled, including ordering, after considering the equities of the circumstances presented by all parties, that any rezoning required by subparagraph (A) of paragraph (1) of subdivision (c) of Section 65583 be completed within 60 days or the earliest time consistent with public hearing notice requirements in existence at the time the action was filed and may impose sanctions on the city, county, or city and county.

(2) Any interested person may bring an action to compel compliance with the deadlines and requirements of paragraphs (1), (2), and (3) of subdivision (c) of Section 65583. The action shall be brought pursuant to Section 1085 of the Code of Civil Procedure. An action may be brought pursuant to the notice and accrual provisions of subdivision (d) of Section 65009. In any such action, the city, county, or city and county shall bear the burden of proof.

SEC. 12. Section 65588 of the Government Code is amended to read:

65588. (a) Each local government shall review its housing element as frequently as appropriate to evaluate all of the following:

(1) The appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the state housing goal.

(2) The effectiveness of the housing element in attainment of the community's housing goals and objectives.

(3) The progress of the city, county, or city and county in implementation of the housing element.

(b) Except as provided in paragraph (7) of subdivision (e), the housing element shall be revised as appropriate, but not less than every eight years, to reflect the results of this periodic review, by those local governments that are located within a region covered by (1) a metropolitan planning organization in a region classified as nonattainment for one or more pollutants regulated by the federal Clean Air Act or (2) a metropolitan planning organization or regional transportation planning agency that is required, or has elected pursuant to subparagraph (L) of paragraph (2) of subdivision (b) of Section 65080, to adopt a regional transportation plan not less than every four years, except that a local government that does not adopt a housing element within 120 days of the statutory deadline for adoption of the housing element shall revise its housing element as appropriate, but not less than every four years. The housing element shall be revised, as appropriate, but not less than every five years by those local governments that are located within a region covered by a metropolitan planning organization or regional transportation planning agency that is required to adopt a regional transportation plan not less than every five years, to reflect the results of this periodic review. Nothing in this section shall be construed to excuse the obligations of the local government to adopt a revised housing element no later than the date specified in this section.

(c) The review and revision of housing elements required by this section shall take into account any low- or moderate-income housing provided or required pursuant to Section 65590.

(d) The review pursuant to subdivision (c) shall include, but need not be limited to, the following:

(1) The number of new housing units approved for construction within the coastal zone after January 1, 1982.

(2) The number of housing units for persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code, required to be provided in new housing developments either within

the coastal zone or within three miles of the coastal zone pursuant to Section 65590.

(3) The number of existing residential dwelling units occupied by persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code, that have been authorized to be demolished or converted since January 1, 1982, in the coastal zone.

(4) The number of residential dwelling units for persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code, that have been required for replacement or authorized to be converted or demolished as identified in paragraph (3). The location of the replacement units, either onsite, elsewhere within the locality's jurisdiction within the coastal zone, or within three miles of the coastal zone within the locality's jurisdiction, shall be designated in the review.

(e) Notwithstanding subdivision (b) or the date of adoption of the housing elements previously in existence, each city, county, and city and county shall revise its housing element according to the following schedule:

(1) Local governments within the regional jurisdiction of the Southern California Association of Governments: June 30, 2006, for the fourth revision.

(2) Local governments within the regional jurisdiction of the Association of Bay Area Governments: June 30, 2007, for the fourth revision.

(3) Local governments within the regional jurisdiction of the Council of Fresno County Governments, the Kern County Council of Governments, and the Sacramento Area Council of Governments: June 30, 2002, for the third revision, and June 30, 2008, for the fourth revision.

(4) Local governments within the regional jurisdiction of the Association of Monterey Bay Area Governments: December 31, 2002, for the third revision, and June 30, 2009, for the fourth revision.

(5) Local governments within the regional jurisdiction of the San Diego Association of Governments: June 30, 2005, for the fourth revision.

(6) All other local governments: December 31, 2003, for the third revision, and June 30, 2009, for the fourth revision.

(7) (A) All local governments within a metropolitan planning organization in a region classified as nonattainment for one or more pollutants regulated by the federal Clean Air Act (42 U.S.C. Sec. 7506), except those within the regional jurisdiction of the San Diego Association of Governments, shall adopt the fifth revision of the housing element no later than 18 months after adoption of the first regional transportation plan to be adopted after September 30, 2010.

(B) All local governments within the regional jurisdiction of the San Diego Association of Governments shall adopt their fifth revision no more than five years from the fourth revision and their sixth revision no later than 18 months after adoption of the first regional transportation plan to be adopted after the fifth revision due date.

(C) All local governments within the regional jurisdiction of a metropolitan planning organization or a regional transportation planning agency that has made an election pursuant to subparagraph (L) of paragraph

(2) of subdivision (b) of Section 65080 shall be subject to the eight-year planning period pursuant to subdivision (b) of Section 65588 and shall adopt its next housing element 18 months after adoption of the first regional transportation plan following the election.

(f) For purposes of this article, “planning period” shall be the time period for periodic revision of the housing element pursuant to this section.

SEC. 13. Section 21061.3 of the Public Resources Code is amended to read:

21061.3. “Infill site” means a site in an urbanized area that meets either of the following criteria:

(a) The site has not been previously developed for urban uses and both of the following apply:

(1) The site is immediately adjacent to parcels that are developed with qualified urban uses, or at least 75 percent of the perimeter of the site adjoins parcels that are developed with qualified urban uses, and the remaining 25 percent of the site adjoins parcels that have previously been developed for qualified urban uses.

(2) No parcel within the site has been created within the past 10 years unless the parcel was created as a result of the plan of a redevelopment agency.

(b) The site has been previously developed for qualified urban uses.

SEC. 14. Chapter 4.2 (commencing with Section 21155) is added to Division 13 of the Public Resources Code, to read:

CHAPTER 4.2. IMPLEMENTATION OF THE SUSTAINABLE COMMUNITIES STRATEGY

21155. (a) This chapter applies only to a transit priority project that is consistent with the general use designation, density, building intensity, and applicable policies specified for the project area in either a sustainable communities strategy or an alternative planning strategy, for which the State Air Resources Board, pursuant to subparagraph (H) of paragraph (2) of subdivision (b) of Section 65080 of the Government Code, has accepted a metropolitan planning organization’s determination that the sustainable communities strategy or the alternative planning strategy would, if implemented, achieve the greenhouse gas emission reduction targets.

(b) For purposes of this chapter, a transit priority project shall (1) contain at least 50 percent residential use, based on total building square footage and, if the project contains between 26 percent and 50 percent nonresidential uses, a floor area ratio of not less than 0.75; (2) provide a minimum net density of at least 20 dwelling units per acre; and (3) be within one-half mile of a major transit stop or high-quality transit corridor included in a regional transportation plan. A major transit stop is as defined in Section 21064.3, except that, for purposes of this section, it also includes major transit stops that are included in the applicable regional transportation plan. For purposes of this section, a high-quality transit corridor means a corridor

with fixed route bus service with service intervals no longer than 15 minutes during peak commute hours. A project shall be considered to be within one-half mile of a major transit stop or high-quality transit corridor if all parcels within the project have no more than 25 percent of their area farther than one-half mile from the stop or corridor and if not more than 10 percent of the residential units or 100 units, whichever is less, in the project are farther than one-half mile from the stop or corridor.

21155.1. If the legislative body finds, after conducting a public hearing, that a transit priority project meets all of the requirements of subdivisions (a) and (b) and one of the requirements of subdivision (c), the transit priority project is declared to be a sustainable communities project and shall be exempt from this division.

(a) The transit priority project complies with all of the following environmental criteria:

(1) The transit priority project and other projects approved prior to the approval of the transit priority project but not yet built can be adequately served by existing utilities, and the transit priority project applicant has paid, or has committed to pay, all applicable in-lieu or development fees.

(2) (A) The site of the transit priority project does not contain wetlands or riparian areas and does not have significant value as a wildlife habitat, and the transit priority project does not harm any species protected by the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.), the Native Plant Protection Act (Chapter 10 (commencing with Section 1900) of Division 2 of the Fish and Game Code), or the California Endangered Species Act (Chapter 1.5 (commencing with Section 2050) of Division 3 of the Fish and Game Code), and the project does not cause the destruction or removal of any species protected by a local ordinance in effect at the time the application for the project was deemed complete.

(B) For the purposes of this paragraph, “wetlands” has the same meaning as in the United States Fish and Wildlife Service Manual, Part 660 FW 2 (June 21, 1993).

(C) For the purposes of this paragraph:

(i) “Riparian areas” means those areas transitional between terrestrial and aquatic ecosystems and that are distinguished by gradients in biophysical conditions, ecological processes, and biota. A riparian area is an area through which surface and subsurface hydrology connect waterbodies with their adjacent uplands. A riparian area includes those portions of terrestrial ecosystems that significantly influence exchanges of energy and matter with aquatic ecosystems. A riparian area is adjacent to perennial, intermittent, and ephemeral streams, lakes, and estuarine-marine shorelines.

(ii) “Wildlife habitat” means the ecological communities upon which wild animals, birds, plants, fish, amphibians, and invertebrates depend for their conservation and protection.

(iii) Habitat of “significant value” includes wildlife habitat of national, statewide, regional, or local importance; habitat for species protected by the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531, et seq.), the California Endangered Species Act (Chapter 1.5 (commencing with

Section 2050) of Division 3 of the Fish and Game Code), or the Native Plant Protection Act (Chapter 10 (commencing with Section 1900) of Division 2 of the Fish and Game Code); habitat identified as candidate, fully protected, sensitive, or species of special status by local, state, or federal agencies; or habitat essential to the movement of resident or migratory wildlife.

(3) The site of the transit priority project is not included on any list of facilities and sites compiled pursuant to Section 65962.5 of the Government Code.

(4) The site of the transit priority project is subject to a preliminary endangerment assessment prepared by a registered environmental assessor to determine the existence of any release of a hazardous substance on the site and to determine the potential for exposure of future occupants to significant health hazards from any nearby property or activity.

(A) If a release of a hazardous substance is found to exist on the site, the release shall be removed or any significant effects of the release shall be mitigated to a level of insignificance in compliance with state and federal requirements.

(B) If a potential for exposure to significant hazards from surrounding properties or activities is found to exist, the effects of the potential exposure shall be mitigated to a level of insignificance in compliance with state and federal requirements.

(5) The transit priority project does not have a significant effect on historical resources pursuant to Section 21084.1.

(6) The transit priority project site is not subject to any of the following:

(A) A wildland fire hazard, as determined by the Department of Forestry and Fire Protection, unless the applicable general plan or zoning ordinance contains provisions to mitigate the risk of a wildland fire hazard.

(B) An unusually high risk of fire or explosion from materials stored or used on nearby properties.

(C) Risk of a public health exposure at a level that would exceed the standards established by any state or federal agency.

(D) Seismic risk as a result of being within a delineated earthquake fault zone, as determined pursuant to Section 2622, or a seismic hazard zone, as determined pursuant to Section 2696, unless the applicable general plan or zoning ordinance contains provisions to mitigate the risk of an earthquake fault or seismic hazard zone.

(E) Landslide hazard, flood plain, flood way, or restriction zone, unless the applicable general plan or zoning ordinance contains provisions to mitigate the risk of a landslide or flood.

(7) The transit priority project site is not located on developed open space.

(A) For the purposes of this paragraph, “developed open space” means land that meets all of the following criteria:

(i) Is publicly owned, or financed in whole or in part by public funds.

(ii) Is generally open to, and available for use by, the public.

(iii) Is predominantly lacking in structural development other than structures associated with open spaces, including, but not limited to,

playgrounds, swimming pools, ballfields, enclosed child play areas, and picnic facilities.

(B) For the purposes of this paragraph, “developed open space” includes land that has been designated for acquisition by a public agency for developed open space, but does not include lands acquired with public funds dedicated to the acquisition of land for housing purposes.

(8) The buildings in the transit priority project are 15 percent more energy efficient than required by Chapter 6 of Title 24 of the California Code of Regulations and the buildings and landscaping are designed to achieve 25 percent less water usage than the average household use in the region.

(b) The transit priority project meets all of the following land use criteria:

(1) The site of the transit priority project is not more than eight acres in total area.

(2) The transit priority project does not contain more than 200 residential units.

(3) The transit priority project does not result in any net loss in the number of affordable housing units within the project area.

(4) The transit priority project does not include any single level building that exceeds 75,000 square feet.

(5) Any applicable mitigation measures or performance standards or criteria set forth in the prior environmental impact reports, and adopted in findings, have been or will be incorporated into the transit priority project.

(6) The transit priority project is determined not to conflict with nearby operating industrial uses.

(7) The transit priority project is located within one-half mile of a rail transit station or a ferry terminal included in a regional transportation plan or within one-quarter mile of a high-quality transit corridor included in a regional transportation plan.

(c) The transit priority project meets at least one of the following three criteria:

(1) The transit priority project meets both of the following:

(A) At least 20 percent of the housing will be sold to families of moderate income, or not less than 10 percent of the housing will be rented to families of low income, or not less than 5 percent of the housing is rented to families of very low income.

(B) The transit priority project developer provides sufficient legal commitments to the appropriate local agency to ensure the continued availability and use of the housing units for very low, low-, and moderate-income households at monthly housing costs with an affordable housing cost or affordable rent, as defined in Section 50052.5 or 50053 of the Health and Safety Code, respectively, for the period required by the applicable financing. Rental units shall be affordable for at least 55 years. Ownership units shall be subject to resale restrictions or equity sharing requirements for at least 30 years.

(2) The transit priority project developer has paid or will pay in-lieu fees pursuant to a local ordinance in an amount sufficient to result in the

development of an equivalent number of units that would otherwise be required pursuant to paragraph (1).

(3) The transit priority project provides public open space equal to or greater than five acres per 1,000 residents of the project.

21155.2. (a) A transit priority project that has incorporated all feasible mitigation measures, performance standards, or criteria set forth in the prior applicable environmental impact reports and adopted in findings made pursuant to Section 21081, shall be eligible for either the provisions of subdivision (b) or (c).

(b) A transit priority project that satisfies the requirements of subdivision (a) may be reviewed through a sustainable communities environmental assessment as follows:

(1) An initial study shall be prepared to identify all significant or potentially significant impacts of the transit priority project, other than those which do not need to be reviewed pursuant to Section 21159.28 based on substantial evidence in light of the whole record. The initial study shall identify any cumulative effects that have been adequately addressed and mitigated pursuant to the requirements of this division in prior applicable certified environmental impact reports. Where the lead agency determines that a cumulative effect has been adequately addressed and mitigated, that cumulative effect shall not be treated as cumulatively considerable for the purposes of this subdivision.

(2) The sustainable communities environmental assessment shall contain measures that either avoid or mitigate to a level of insignificance all potentially significant or significant effects of the project required to be identified in the initial study.

(3) A draft of the sustainable communities environmental assessment shall be circulated for public comment for a period of not less than 30 days. Notice shall be provided in the same manner as required for an environmental impact report pursuant to Section 21092.

(4) Prior to acting on the sustainable communities environmental assessment, the lead agency shall consider all comments received.

(5) A sustainable communities environmental assessment may be approved by the lead agency after conducting a public hearing, reviewing the comments received, and finding that:

(A) All potentially significant or significant effects required to be identified in the initial study have been identified and analyzed.

(B) With respect to each significant effect on the environment required to be identified in the initial study, either of the following apply:

(i) Changes or alterations have been required in or incorporated into the project that avoid or mitigate the significant effects to a level of insignificance.

(ii) Those changes or alterations are within the responsibility and jurisdiction of another public agency and have been, or can and should be, adopted by that other agency.

(6) The legislative body of the lead agency shall conduct the public hearing or a planning commission may conduct the public hearing if local

ordinances allow a direct appeal of approval of a document prepared pursuant to this division to the legislative body subject to a fee not to exceed five hundred dollars (\$500).

(7) The lead agency's decision to review and approve a transit priority project with a sustainable communities environmental assessment shall be reviewed under the substantial evidence standard.

(c) A transit priority project that satisfies the requirements of subdivision (a) may be reviewed by an environmental impact report that complies with all of the following:

(1) An initial study shall be prepared to identify all significant or potentially significant effects of the transit priority project other than those that do not need to be reviewed pursuant to Section 21159.28 based upon substantial evidence in light of the whole record. The initial study shall identify any cumulative effects that have been adequately addressed and mitigated pursuant to the requirements of this division in prior applicable certified environmental impact reports. Where the lead agency determines that a cumulative effect has been adequately addressed and mitigated, that cumulative effect shall not be treated as cumulatively considerable for the purposes of this subdivision.

(2) An environmental impact report prepared pursuant to this subdivision need only address the significant or potentially significant effects of the transit priority project on the environment identified pursuant to paragraph (1). It is not required to analyze off-site alternatives to the transit priority project. It shall otherwise comply with the requirements of this division.

21155.3. (a) The legislative body of a local jurisdiction may adopt traffic mitigation measures that would apply to transit priority projects. These measures shall be adopted or amended after a public hearing and may include requirements for the installation of traffic control improvements, street or road improvements, and contributions to road improvement or transit funds, transit passes for future residents, or other measures that will avoid or mitigate the traffic impacts of those transit priority projects.

(b) (1) A transit priority project that is seeking a discretionary approval is not required to comply with any additional mitigation measures required by paragraph (1) or (2) of subdivision (a) of Section 21081, for the traffic impacts of that project on intersections, streets, highways, freeways, or mass transit, if the local jurisdiction issuing that discretionary approval has adopted traffic mitigation measures in accordance with this section.

(2) Paragraph (1) does not restrict the authority of a local jurisdiction to adopt feasible mitigation measures with respect to the effects of a project on public health or on pedestrian or bicycle safety.

(c) The legislative body shall review its traffic mitigation measures and update them as needed at least every five years.

SEC. 15. Section 21159.28 is added to the Public Resources Code, to read:

21159.28. (a) If a residential or mixed-use residential project is consistent with the use designation, density, building intensity, and applicable policies specified for the project area in either a sustainable communities

strategy or an alternative planning strategy, for which the State Air Resources Board pursuant to subparagraph (I) of paragraph (2) of subdivision (b) of Section 65080 of the Government Code has accepted the metropolitan planning organization's determination that the sustainable communities strategy or the alternative planning strategy would, if implemented, achieve the greenhouse gas emission reduction targets and if the project incorporates the mitigation measures required by an applicable prior environmental document, then any findings or other determinations for an exemption, a negative declaration, a mitigated negative declaration, a sustainable communities environmental assessment, an environmental impact report, or addenda prepared or adopted for the project pursuant to this division shall not be required to reference, describe, or discuss (1) growth inducing impacts; or (2) any project specific or cumulative impacts from cars and light-duty truck trips generated by the project on global warming or the regional transportation network.

(b) Any environmental impact report prepared for a project described in subdivision (a) shall not be required to reference, describe, or discuss a reduced residential density alternative to address the effects of car and light-duty truck trips generated by the project.

(c) "Regional transportation network," for purposes of this section, means all existing and proposed transportation system improvements, including the state transportation system, that were included in the transportation and air quality conformity modeling, including congestion modeling, for the final regional transportation plan adopted by the metropolitan planning organization, but shall not include local streets and roads. Nothing in the foregoing relieves any project from a requirement to comply with any conditions, exactions, or fees for the mitigation of the project's impacts on the structure, safety, or operations of the regional transportation network or local streets and roads.

(d) A residential or mixed-use residential project is a project where at least 75 percent of the total building square footage of the project consists of residential use or a project that is a transit priority project as defined in Section 21155.

SEC. 16. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

Attachment 3

Significant State of California Climate Change Legislation – Matrix

AB 32, SB 97, SB 375

Significant State of California Climate Change Legislation

This matrix discusses recent statewide climate change legislation. While other topic-specific bills have been adopted by the State legislature, the three discussed here present the most immediate impacts and opportunities for local agencies.

State Legislation	Year Approved	Summary	Implementation Milestones	Oversight Agency
<p>AB 32 Sets target to reduce GHG emissions</p>	<p>2006</p>	<p>AB 32 requires the California Air Resources Board (CARB) to develop regulations and market mechanisms to reduce California's greenhouse gas (GHG) emissions back to 1990 levels by 2020. Mandatory caps on GHG emissions will begin in 2012 to achieve reduction targets.</p> <p><i>County Impacts:</i> Specific requirements for local agencies as well as impacts associated with noncompliance are already under development and will be completed by 2012.</p>	<p>2008 – Baseline for mandatory GHG emissions and 2020 statewide cap adopted by CARB.</p> <p>2009 – CARB adopts Scoping Plan indicating how emission reductions will be achieved from significant sources.</p> <p>2012 – GHG rules and market mechanisms adopted by CARB take effect and are legally enforceable.</p> <p>2020 – Deadline for emission reduction target.</p>	<p>CARB OPR</p>
<p>SB 97 Ties GHG analysis to CEQA</p>	<p>2007</p>	<p>SB 97 requires the State Office of Planning and Research (OPR) to develop legal guidelines for analysis and mitigation of GHG emissions, pursuant to CEQA.</p> <p><i>County Impacts:</i> CEQA documents, including negative declarations, mitigated negative declarations, and environmental impact reports are required to address GHG emissions.</p>	<p>2009 – Preparation of guidelines for the feasible mitigation of greenhouse gas emissions or the effects of greenhouse gas emissions, as required by CEQA.</p> <p>2010 – Certification and adoption of guidelines.</p>	<p>OPR</p>
<p>SB 375 Implements one portion of AB 32</p>	<p>2008</p>	<p>SB 375 addresses one of the eighteen implementation measures called for by AB 32 through alignment of the Regional Housing Needs Allocation (RHNA) and the Regional Transportation Plan. This includes development of a Sustainable Communities Strategy (SCS) that would be adopted by SBCAG. Certain types of infill projects that are consistent with the SCS would receive CEQA exemptions and/or streamlining under SB 375.</p> <p><i>County Impacts:</i> SB 375 calls for a new regional planning process, new requirements for environmental analysis, and strengthens the Housing Element rezoning mandate overseen by the State Housing and Community Development Department (SHCD).</p>	<p>2010 – GHG reduction targets related to SB 375 are established by CARB and assigned to Metropolitan Planning Organizations (such as SBCAG).</p> <p>2013 – Local Regional Transportation Plan updates, including adoption of the SCS & RHNA.</p> <p>2015-2023 – Housing Element updates.</p>	<p>CARB SHCD SBCAG</p>

Attachment 4

Additional State of California Climate Change Legislation – Summarized

AB 1925, AB 2021, SB 1686, SB 1, SB 107, AB 662, AB 1560, AB 1103, AB 1109, AB 1470, AB 236, AB 532, AB 1613, AB 118, AB 811, AB 3018; Executive Orders: S-03-05, S-20-06, S-06-06, S-01-07, S-17-08, S-13-08

Additional State of California Climate Change Legislation

Assembly and Senate Bills

AB 1925, Blakeslee. Energy: Electricity: Carbon Dioxide.

Requires the State Energy Resources Conservation and Development Commission on or before November 1, 2007, submit a report to the Legislature containing recommendations for how the state can develop parameters to accelerate the adoption of cost-effective geologic sequestration strategies for the long-term management of industrial carbon dioxide. The bill would require the commission to include the report in its 2007 integrated energy policy report and to support specified research and development efforts concerning storage, capture, and sequestration of carbon dioxide.

http://www.climatechange.ca.gov/publications/legislation/ab_1925_bill_20060926_chaptered.pdf

AB 2021, Levine. Public Utilities: Energy Efficiency.

Requires the State Energy Resources Conservation and Development Commission (Energy Commission), on or before November 1, 2007, and every 3 years thereafter, to develop a statewide estimate of all potentially achievable cost-effective electricity and natural gas efficiency savings and establish statewide annual targets for energy efficiency savings and demand reduction over 10 years.

Requires a local publicly owned electric utility, on or before June 1, 2007, and every 3 years thereafter, to identify all potentially achievable cost-effective electricity efficiency savings and to establish annual targets for energy efficiency savings and demand reduction over 10 years.

http://info.sen.ca.gov/pub/05-06/bill/asm/ab_2001-2050/ab_2021_bill_20060929_chaptered.pdf

SB 1686, Kuehl. Wildlife Conservation: Project Impact on Greenhouse Gases.

Authorizes the Wildlife Conservation Board, when it prioritizes the use of available funds for proposed acquisitions, with regard to the priority of a proposal to acquire forestland, to consider and take into account the potential of that proposed acquisition to beneficially reduce or sequester greenhouse gas emissions. The bill would authorize the board to use information developed by the California Climate Action Registry as a basis for determining a project's potential to reduce or sequester greenhouse gas emissions.

http://info.sen.ca.gov/pub/05-06/bill/sen/sb_1651-1700/sb_1686_bill_20060926_chaptered.pdf

SB 1, Murray. Electricity: Solar Energy: Net Metering

Enacts Governor Schwarzenegger's Million Solar Roofs Initiative and expands upon the current California Solar Initiative (CSI) and the Energy Commission's New Solar Homes Partnership (NSHP).

The statute adds sections to the Public Resource Code that require building projects applying for ratepayer-funded incentives for photovoltaic (PV) systems to meet minimum energy efficiency levels and recommends that PV system components and installations meet rating standards and specific performance requirements.

Ratepayer-funded incentives are available for: High-quality, solar energy systems with maximum system performance to promote the highest energy production per ratepayer dollar; Optimal system performance during periods of peak demand; Appropriate energy efficiency

improvements in new and existing homes, or in commercial structures where solar energy systems are installed.

http://info.sen.ca.gov/pub/05-06/bill/sen/sb_0001-0050/sb_1_bill_20060821_chaptered.pdf

SB 107, Simitian. Renewable energy: Public Interest Energy Research, Demonstration, and Development Program.

The bill accelerates California Renewables Portfolio Standard (RPS) to require retail sellers of electricity to procure at least 20% of their retail sales from renewable power by 2010 instead of 2017. The bill clarifies existing rules to allow renewable power to count toward a retail seller's RPS even if the associated electricity is not delivered to the retail seller. Allows retail sellers to purchase Renewable Energy Credits (RECs) to comply with the RPS.

http://info.sen.ca.gov/pub/05-06/bill/sen/sb_0101-0150/sb_107_bill_20060926_chaptered.pdf

AB 662, Ruskin. Water Conservation.

Requires that the standards for minimum levels of operating efficiency for appliances established by State Energy Resources Conservation and Development Commission (Energy Commission) be based on those efficiencies that will reduce the energy or water consumption growth rates, and that do not result in any added total costs over the designed life of the appliances concerned.

http://www.climatechange.ca.gov/publications/legislation/ab_662_bill_20071012_chaptered.pdf

AB 1560, Huffman. Public Resources: Building Standards.

Requires the State Energy Resources Conservation and Development Commission (Energy Commission) to prescribe, by regulation, water efficiency and energy conservation design standards for new residential and new nonresidential buildings.

http://www.climatechange.ca.gov/publications/legislation/ab_1560_bill_20071012_chaptered.pdf

AB 1103, Saldana. Energy: Commercial Buildings: Consumption.

Requires electric and gas utilities, as defined, on and after January 1, 2009, to maintain records of the energy consumption data of all nonresidential buildings to which they provide service, in a format compatible for uploading to the United States Environmental Protection Agency's Energy Star Portfolio Manager (Energy Star Portfolio Manager), for at least the most recent 12 months.

http://www.climatechange.ca.gov/publications/legislation/ab_1103_bill_20071012_chaptered.pdf

AB 1109, Huffman. Energy Resources: Lighting Efficiency: Hazardous Waste.

Enacts the California Lighting Efficiency and Toxics Reduction Act and would prohibit, on and after January 1, 2010, a person from manufacturing for sale in the state specified general purpose lights that contain levels of hazardous substances prohibited by the European Union pursuant to the RoHS Directive.

On or before December 31, 2008, requires the State Energy Resources Conservation and Development Commission to adopt minimum energy efficiency standards for all general purpose lights on a schedule specified in regulations. The regulations, in combination with other programs and activities affecting lighting use in the state, would be structured to reduce average statewide electrical energy consumption by not less than 50% from the 2007 levels for indoor residential lighting and not less than 25% from the 2007 levels for indoor commercial and outdoor lighting by 2018.

http://www.climatechange.ca.gov/publications/legislation/ab_1109_bill_20071012_chaptered.pdf

AB 1470, Huffman. Solar energy: Solar Water Heating and Efficiency Act of 2007.

Establishes the Solar Water Heating and Efficiency Act of 2007. It directs the Public Utilities Commission to establish a 10-year, statewide incentive program to encourage the installation of 500,000 solar water heating systems to offset natural gas usage for water and space heating in homes and businesses throughout the state by 2017.

http://www.climatechange.ca.gov/publications/legislation/ab_1470_bill_20071012_chaptered.pdf

AB 236, Lieu. Public resources: State and Local Motor Vehicle Fleets.

Requires the Department of General Services, in conjunction with the board and the Energy Resources Conservation and Development Commission (Energy Commission), by December 31, 2008, to amend and revise existing purchasing methodology to rank environmental and energy benefits, and costs of motor vehicles for potential procurement by state and local governments and to develop vehicle ranking containing specified criteria.

http://www.climatechange.ca.gov/publications/legislation/ab_236_bill_20071013_chaptered.pdf

AB 532, Wolk. State Property: Solar Energy.

Requires the Department of General Services to ensure that solar energy equipment is installed on all state buildings and state parking facilities, as well as state-owned swimming pools that are heated with fossil fuels or electricity, where feasible no later than January 1, 2009.

http://www.climatechange.ca.gov/publications/legislation/ab_532_bill_20071013_chaptered.pdf

AB 1613, Blakeslee. Energy: Waste Heat and Carbon Emissions Reduction Act.

Enacts the Waste Heat and Carbon Emissions Reduction Act. The bill would state the intent of the Legislature: (A) to dramatically advance the efficiency of the state's use of natural gas by capturing unused waste heat, (B) to reduce wasteful consumption of energy through improved residential, commercial, institutional, industrial, and manufacturer utilization of waste heat whenever it is cost effective, technologically feasible, and environmentally beneficial, particularly when this reduces emissions of carbon dioxide and other carbon-based greenhouse gases, and (C) to support and facilitate both customer- and utility-owned combined heat and power systems.

Requires the State Energy Resources Conservation and Development Commission (Energy Commission), by January 1, 2010, to adopt guidelines that require combined heat and power systems be designed to reduce waste energy, be sized to meet the eligible customer-generator's thermal load, operate continuously in a manner that meets the expected thermal load and optimizes the efficient use of waste heat, and are cost effective, technologically feasible, and environmentally beneficial.

Requires that a combined heat and power system comply with the greenhouse gases emission performance standard established by the Public Utilities Commission.

http://www.climatechange.ca.gov/publications/legislation/ab_1613_bill_20071014_chaptered.pdf

AB 118, Nunez. Alternative Fuels and Vehicle Technologies: Funding Programs.

The bill would create the Alternative and Renewable Fuel and Vehicle Technology Program, to be administered by the State Energy Resources Conservation and Development Commission (Energy Commission), to provide, upon appropriation by the Legislature, grants, loans, loan guarantees, revolving loans, or other appropriate measures, to public agencies, businesses and projects, public-private partnerships, vehicle and technology consortia, workforce training partnerships and collaboratives, fleet owners, consumers, recreational boaters, and academic

institutions to develop and deploy innovative technologies that transform California's fuel and vehicle types to help attain the state's climate change policies.

http://www.climatechange.ca.gov/publications/legislation/ab_118_bill_20071014_chaptered.pdf

AB 811, Levine. Contractual Assessments: Energy Efficiency Improvements

This bill would authorize a legislative body to determine that it would be in the public interest to designate an area within which authorized city officials and free and willing property owners may enter into contractual assessments to finance the installation of distributed generation renewable energy sources or energy efficiency improvements that are permanently fixed to real property, as specified. The bill would require the resolution of intention to include, among other things, the kinds of distributed generation renewable energy sources or energy efficiency improvements that may be financed as well as a statement specifying that it is in the public interest to finance those distributed generation renewable energy sources or energy efficiency improvements.

http://www.leginfo.ca.gov/pub/0708/bill/asm/ab_08010850/ab_811_bill_20080721_chaptered.pdf

AB 3018, Nunez. California Green Collar Jobs Act of 2008: Green Jobs.

Existing law contains various programs for job training and employment investment. The bill sets forth legislative findings and declarations relating to the state's green economy and the increasing demand for a highly skilled and well-trained green collar workforce, and would enact the California Green Collar Jobs Act of 2008 requiring the California Workforce Investment Board to establish the Green Collar Jobs Council that shall, in consultation with representatives from various public and private groups, develop a comprehensive array of programs, strategies, and resources to address the workforce needs that accompany California's growing green economy and to establish, among other programs, green job training programs for eligible individuals, as provided.

http://info.sen.ca.gov/pub/07-08/bill/asm/ab_3001-3050/ab_3018_bill_20080926_chaptered.pdf

Office of the Governor-Executive Orders

Executive Order S-03-05

Establishes Greenhouse Gas (GHG) emission reduction targets for California. By 2010, reduce GHG emissions to 2000 levels; by 2020, reduce GHG emissions to 1990 levels; by 2050, reduce GHG emissions to 80 percent below 1990 levels.

<http://www.gov.ca.gov/executive-order/1861/>

Executive Order S-20-06

Establishes the Secretary for Environmental Protection as the statewide leader for California's greenhouse gas emission reduction programs. Creates a Market Advisory Committee of national and international experts to recommend to the State Air Resources Board (ARB) designs for a market-based compliance program. Requires the ARB collaborate with the Secretary for Environmental Protection and the Climate Action Team to develop a market-based compliance program with the goal of creating a system that allows trading with the European Union, the Regional Greenhouse Gas Initiative, and other jurisdictions with cap and trade programs.

<http://www.gov.ca.gov/executive-order/4484/>

Executive Order S-06-06

Sets the targets to increase the production and use of bioenergy, including ethanol and bio-diesel fuels made from renewable resources. Requires state produce a minimum of 20 percent of its biofuels within California by 2010, 40 percent by 2020, and 75 percent by 2050; requires the state meet a 20 percent target within the established state goals for renewable generation for 2010 and 2020.

<http://www.gov.ca.gov/executive-order/183/>

Executive Order S-01-07

Establishes a statewide goal to reduce the carbon intensity of California's transportation fuels by at least 10 percent by 2020 ("2020 Target") and establishes a Low Carbon Fuel Standard ("LCFS") for transportation fuels.

<http://www.gov.ca.gov/executive-order/5172/>

Executive Order S-17-08

Extends timeframe for the California Partnership for the San Joaquin Valley to continue development of the Strategic Action Proposal which identified six initiatives focused on a the "3Es" of sustainable growth--a Prosperous Economy, Quality Environment, and Social Equity in the San Joaquin Valley.

<http://www.gov.ca.gov/executive-order/11336/>

Executive Order S-13-08

Requires preparation of a Sea Level Rise Assessment Report by December 2010. In the interim, all state agencies planning construction projects in vulnerable areas must consider "a range of sea level rise scenarios for 2050 to 2100." The vulnerability of a project must be assessed, and the agency must reduce risks and increase resiliency to sea level rise to the extent feasible¹.

By June 30, 2009, the California Resources Agency, through the Climate Action Team, shall coordinate with local, regional, state and federal public and private entities to develop a state Climate Adaptation Strategy. The strategy will summarize the best known science on climate change impacts to California (led by CEC's PIER program), assess California's vulnerability to the identified impacts and outline solutions that can be implemented within and across state agencies to promote resiliency.

<http://www.gov.ca.gov/executive-order/11036/>

¹ All projects that have filed a Notice of Preparation, and/or are programmed for construction funding the next five years, or are routine maintenance projects as of the date of this Order may, but are not required to, account for these planning guidelines.

Attachment C

January 29, 2009 Planning Commission Memorandum
Supplemental Information Regarding Rural Agricultural Diversification and Intensification Study




**COUNTY OF SANTA BARBARA
PLANNING AND DEVELOPMENT**

MEMORANDUM

Date: January 29, 2009

To: Members of the Planning Commission

From: John McInnes, Long Range Planning Director 

Subject: Supplemental Information Regarding Rural Agricultural Diversification and Intensification Study

CC: John Baker, Assistant CEO/Planning Director
David Matson, Long Range Planning Deputy Director

On January 28, 2009, the Planning Commission considered the Long Range Planning 2009-2010 Work Program, which includes existing and proposed land use policy initiatives for the 2009-2010 fiscal year. The Planning Commission Chair requested Long Range Planning to prepare a preliminary scope of work for a Countywide analysis of agricultural lands. This analysis would include development of a methodology and criteria to examine all agriculturally zoned parcels in the County for the purpose of identifying opportunities for diversification and intensification consistent with the adopted General Plan Agricultural Element and identification of alternate land uses more appropriate for agricultural parcels.

Based on the conceptual direction provided, staff developed the attached potential project summary describing this Rural Agricultural Diversification and Intensification Study. This study would include individual site analysis of all agriculturally zoned lands in the County to examine such factors as slope, water availability, accessibility, climate, crop viability, and economic feasibility for the purpose of identifying opportunities to increase agricultural diversification and intensification. This project would be administered in two phases. Phase I would involve completion of the study inclusive of a criteria for analysis, evaluation of agriculturally zoned parcels and conclusions and recommendations. The first phase of the project would conclude with a presentation of analysis and findings to County decision makers for further direction.

Please contact David Matson at 568-2068 should you have any questions.

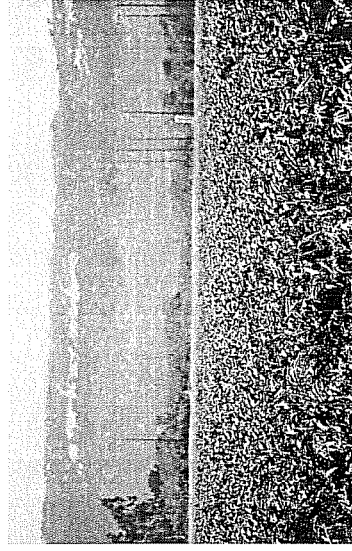


**Potential
Project**

Rural Agricultural Diversification and Intensification Study

Office of Long Range Planning

*Goal: Evaluate the viability of agricultural diversification
and intensification within rural agricultural areas of the County*



Background & Description

The last Agricultural Census reported 57% of County farms had net losses. The number of farms in the county has been reported as down 18%. In an effort to identify a wider range of agricultural opportunities for rural areas of the County this project will produce a Rural Agricultural Diversification and Intensification Study. The goal of the study is to evaluate all agriculturally zoned lands in the County to determine agricultural viability, opportunities for diversification, intensification, and identification of alternate land uses more appropriate for agricultural parcels. Building off of the analysis from the 2007 Agricultural Resources Environmental/Economic Assessment Area Study, which examined agriculture as an environmental and economic resource, identified challenges to expansion and intensification, and identified agricultural land availability, this study will examine environmental factors impacting agricultural lands in greater detail. This study will include individual site analysis of all agriculturally zoned lands in the County to examine such factors as slope, water availability, accessibility, climate, crop viability, and economic feasibility for the purpose of identifying opportunities to increase agricultural diversification and intensification.

The proposed study supports Goal I of the General Plan Agricultural Element to assure and enhance the continuation of agriculture as a major viable production industry; encourage agriculture; and where conditions allow, (taking into account environmental impacts) support expansion and intensification. This project will be administered in two phases. Phase I will involve completion of the Rural Agricultural Diversification and Intensification Study, inclusive of a criteria for analysis, evaluation of agriculturally zoned parcels and conclusions and recommendations. The first phase of the project will conclude with a presentation of analysis and findings to County decision makers for further direction.

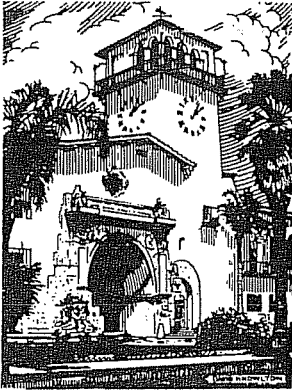
ESTIMATED FY 09-10		ESTIMATED FY 10-11		PROJECTED TOTAL	
FTE	Consultant & Dept. Support	FTE	Consultant & Dept. Support	FTE	Consultant & Dept. Support
2.05	\$81,450	0.25	\$3,900	2.30	\$85,350
	Total		Total		Total
	\$320,950		\$33,900		\$354,850

Rural Agricultural Diversification and Intensification Study

<i>TASK</i>	<i>STAFF HRS</i>	<i>DEPT. HRS</i>	<i>START DATE</i>	<i>FINISH DATE</i>	<i>TOTAL COST</i>	<i>STAFF COST</i>	<i>CONSULTANT FEES</i>	<i>DEPT. SUPPORT</i>	<i>FTE</i>
Project Initiation and Preparation of Project Charter	292	8	Jul-09	Aug-09	\$19,500	\$19,000		\$500	0.16
Policy and Consistency Analysis	200	8	Sep-09	Oct-09	\$13,500	\$13,000		\$500	0.11
Outside Jurisdiction Case Studies, Strategy and Scope Refinement	254	0	Nov-09	Dec-09	\$16,500	\$16,500			0.14
Data Compilation, Synthesis and Preliminary Analysis	1000	31	Jan-10	Mar-10	\$137,000	\$65,000	\$70,000.00	\$2,000	0.56
Prepare Draft Studies/Maps/Analysis	308	31	Mar-10	Apr-10	\$23,000	\$20,000		\$3,000	0.17
Outreach, and Public Meetings	1046	46	Apr-10	Jun-10	\$71,000	\$68,000		\$3,000	0.58
Final Rural Agricultural Diversification and Intensification Study	231	46	Jun-10	Jun-10	\$15,500	\$15,000		\$500	0.13
Planning Commission Hearings (Review & Adoption)	354	30	Jun-10	Jun-10	\$24,950	\$23,000		\$1,950	0.20
Board of Supervisor Hearings (Review & Adoption)	308	20	Jul-10	Aug-10	\$21,300	\$20,000		\$1,300	0.17
Implementation	154	40	Aug-10		\$12,600	\$10,000		\$2,600	0.09
Total:	4,146	259	Jul-09	Aug-10	\$354,850	\$269,500	\$70,000	\$15,350	2.30

Attachment D

**Action Letter from the February 4, 2009 Planning Commission Hearing
Including Planning Commission Rating Sheet**



COUNTY OF SANTA BARBARA CALIFORNIA

PLANNING COMMISSION

COUNTY ENGINEERING BUILDING
123 E. ANAPAMU ST.
SANTA BARBARA, CALIF. 93101-2058
PHONE: (805) 568-2000
FAX: (805) 568-2030

TO THE HONORABLE BOARD OF SUPERVISORS
COUNTY OF SANTA BARBARA, CALIFORNIA

PLANNING COMMISSION
HEARING OF FEBRUARY 4, 2009

RE: 2009-2010 Annual Work Program for Land Use Planning Projects and Policy Initiatives

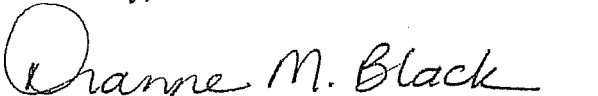
Hearing on the request of the Office of Long Range Planning that the Planning Commission receive and review the *2009-2010 Annual Work Program and Mid-Year Report for Land Use Planning Projects and Policy Initiatives* and direct staff to forward any comments to the Board of Supervisors.

Dear Honorable Members of the Board of Supervisors:

At the Planning Commission hearing of February 4, 2009, Commissioner Brown moved, seconded by Commissioner Brooks and carried by a vote of 5-0 to:

1. Receive and review the *2009-2010 Annual Work Program and Mid-year Report for Land Use Planning Projects and Policy Initiatives*; and
2. Direct staff to forward the Planning Commission New Project Rating Sheet for the 2009-2010 Annual Work Program (attached) for consideration by the Board of Supervisors.

Sincerely,



Dianne M. Black
Secretary Planning Commission

cc: Case File
Planning Commission File
Dianne M. Black, Director Development Review
Rachel Van Mullem, Deputy County Counsel
John McInnes, Director, Long Range Planning
Joy Hufschmid, Deputy Director, Long Range Planning

RECEIVED

FEB 10 2009

S.B. COUNTY
LONG RANGE PLANNING

Derek Johnson, Deputy Director, Long Range Planning
David Matson, Deputy Director, Long Range Planning

Attachments: **Attachment A - Planning Commission New Project Rating Sheet: Annual
Work Program (February 4, 2009)**

DMB/jao

G:\GROUP\COMP\Action Letters\2009\02-04-09actltr.doc

Planning Commission New Project Rating Sheet: 2009-2010 Annual Work Program (February 4, 2009)

POTENTIAL PROJECTS, FTE and Consultant Costs		District						
		1st District	2nd District	3rd District	4th District	5th District		
1	Climate Action Strategy	2	1	2				
2	Climate Action Strategy (modified scope)				3	2		
3	Rural Region Plan - Gaviota Coast	1	2	1	5			
4	Rural Region Plan - Santa Ynez Valley				4			
5	Montecito Growth Management Ordinance Extension	3						
6	Santa Claus Lane Streetscape Revitalization	5						
7	Santa Ynez Valley Transportation Improvement Plan			4				
8	Mission Hills/Mandenberg Village Visioning	4		3	1			
9	Rural Region Plan - Lompoc Valley				2			
10	Rural Agricultural Diversification Study		3			1		
TOTAL		14.49	\$260,000	7.12	7.13	6.42	8.44	3.05
Remaining Available		6.81	\$30,000					