PLANNING AND CONSERVATION LEAGUE

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California is Progressing, but We Can and Must Do Better

California has been a leader in the nation and the world in tackling the challenges posed by climate change. The state has enacted policies that not only set ambitious greenhouse gas (GHG) reduction targets, but also integrates solutions to the needs of public health, natural resource conservation, and particularly social equity. Yet, despite this progress, California's transportation investments and land use development patterns continue to remain substantially unaligned with the State's climate and equity goals.

Vehicle miles traveled (VMT) and economic disparity both continue to grow in California. VMT inducing highway expansion and peripheral greenfield development continue to be prioritized by state agencies, local governments and developers, under-cutting our ability to reach our greenhouse gas (GHG) reduction targets, and our ability to build more equitable and environmentally sustainable communities.

Highlights from 2017 legislative session and the "Housing Package" It was a big year in the California Capitol. Some major, (mostly) good, laws passed: the precedent setting Cap and Trade program was extended until 2030, a major transportation funding program was

What You Have Done (and Haven't Done)

Let's be honest. Many of you do not have the time to drive to the Capitol to attend rallies. You cannot spend hundreds or even thousands of hours in stakeholder processes.

Although you care deeply about a sustainable water future for California, your jobs or school schedules do not allow you to testify at important meetings.

But what you have done has made a real difference. As a financial member of PCL your contributions have allowed PCL to put the brakes on bad water projects. Perhaps even more importantly your funding has provided PCL the resources to advance positive programs.

The Delta Tunnels (misnamed the Water Fix) is one of the most visible projects that PCL is helping block. Early on PCL pointed out the flood risks to the originally proposed Peripheral Canal. It was PCL that showed that over half the right-of-way for the proposed canal was below sea level. That fact required the design to be changed to two massive and much more expensive tunnels.

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Dear Members,

I want to thank all our member organizations and allies that were instrumental in helping us pass the numerous bills we worked on this legislative year. It was a monumental feat to have so many coalition members working on housing, climate change, cap and trade, water and parks funding, and transportation issues. We did it together and it shows.

As you can see in this newsletter, we were busy this year on a wide variety of issue areas including critical land use and CEQA bills such as SB 35. However, we still have work to do in 2018 to clean up last minute amended language on several bills and continue advocating for our environmental objectives. Additionally, our involvement in the affordable housing legislation discussions uncovered several policy and research gaps that we are currently identifying as opportunities to resolve next year. The legislative article in this issue addresses the complexity of the policy challenges we have ahead of us.

This year highlighted the void of policy strategies that address the interconnectedness of transportation, housing, land use and our biggest challenge — climate change. California is falling short of our GHG goals in our transportation sector and changing the way we plan for future growth and housing is dire. The special interest groups in those sectors have deep pockets and will do what they need to confuse citizens and influence decision makers. We need your help and support

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passed (**SB 1**), as well as a major Parks bond (**SB 5**). And finally, a historic "Housing Package" including major funding for affordable housing to address the state's housing crisis also passed the legislature, after months of deliberation. None of this came easy, and there were gives-and-takes to all of these measures. By some accounts it was one of the heaviest legislative years in California ever.

A primary focus of PCL was the Housing Package of more than 15 bills to address CA's housing crisis. The package comprised a wide range of policy approaches, including multiple project-review "streamlining" options, and the largest housing funding actions taken since the end of redevelopment in California. While PCL strongly supported the package in total, we remain concerned with how California Environmental Quality Act (CEQA) streamlining was approached in a number of bills.

For decades PCL has been a defender of CEQA. Yet, in recognition of both our housing and climate problems, PCL has also become interested in exploring responsible CEQA incentives that promote the right things in the right places: development that simultaneously reduces VMT, conserves natural and agricultural resources, and builds healthy, inclusive communities with equitable access to multi-model transportation options and economic opportunity. For the past year, PCL worked with a coalition of diverse interests to identify options for housing policy, CEQA streamlining and financial incentives in order to accelerate production of housing that meets these goals in what became known as the "Housing Package."

Some of the more significant bills in the package include **SB 2** (Atkins), a long-sought after permanent source of funding for affordable housing, and **SB 3** (Beall), a bond for the 2018 ballot for further affordable housing funding. Though more is needed, these bills represent the most significant investment in housing since the dissolution of redevelopment. **AB 1505** (Bloom) is another long-sought win, clarifying a court decision to ensure that local inclusionary housing ordinances extend to rental housing. An important "no net loss" provision also passed, **SB 166** (Skinner), requiring jurisdictions make a new site available for affordable housing if a formerly identified site for affordable housing is changed to another use.

PCL worked closely with the Council of Infill Builders on the NIFTY Act, **AB 1568** (Bloom), establishing a unique financing district mechanism for jurisdictions to fund affordable infill housing and associated utility and transit infrastructure upgrades. The NIFTY Act could be a great tool to address infrastructure needs that have been a barrier to transit-oriented affordable development and densification. It can also be a model for how to ensure that these investments are

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Hall of Conservation Heroes

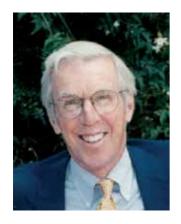


John Van de Kamp, 1936-2017

Former California Attorney General and PCL/PCLF Board Member

Growing up in Pasadena and Altadena, John Van De Kamp relished open spaces, mountains and streams. It was there that he developed his passion for protecting the natural world. John graduated from Stanford Law School. He worked in the United States Attorneys' Office and was the first Federal Public Defender in Los Angeles. John was later appointed as L.A. District Attorney, and elected as California Attorney General in 1986.

John was a long time PCL Board Member, Past President of the Board, and a current PCLF Board Member. His judgment and generosity will be greatly missed.



William ("Bill") Evers, 1927-2017

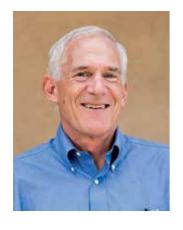
PCI Founder

In response to Bill's passing, his family offered the following perfect quote from former U.S. Supreme Court Justice, Oliver Wendell Holmes: "It is required of a man that he should take part in the action and passion of his time, at the peril of being judged not to have lived."

Bill graduated from Yale University and obtained his J.D. Degree from U.C. Berkeley School of Law. Bill was very proud of his deep involvement with civic and environmental organizations including founding the League to Save Lake Tahoe and the Planning and Conservation League. He was instrumental in the founding of the

Green Belt Alliance and served as President of SPUR (the San Francisco Bay Area Planning and Urban Research Association). He was on the board of the Yosemite Institute (Now Nature Bridge) and served on the council of the Wilderness Society for 12 years.

Thanks Bill for a job well done and a life well lived. And special thanks for starting PCL!



Bill Center, 1949-2017

PCL Secretary-Treasurer

Bill Center had a passion for rivers and the Sierra Nevadas. He attended Stanford for two years but dropped out to lead rafting trips. He co-founded Friends of the River to fight the New Melones Dam and they went on to win wilderness protection for hundreds of miles of rivers in California.

When sprawl threatened the foothills of El Dorado County, Bill successfully ran for County Supervisor. He lead efforts to enshrine planned growth policies and earned the respect of conservatives and liberals alike by working to find compromises. Bill dedicated himself to preserve the Sierras through the Sierra Nevada Alliance and

the Planning and Conservation League. Bill was Secretary-Treasurer of PCL at the time of his death. He spoke softly, but always thoughtfully, with wisdom and patience.

To read more on our heroes visit us at **pcl.org/heroes**. We have setup memorial funds in honor of these board members. Donations made in their names will be directed to the efforts they cared most about. Please make note of their name on any donations made.

indeed targeted for infill, which is where other bills fell somewhat short.

AB 73 (Chui) and SB 540 (Roth) established two slightly differing approaches for special districts where any locality can voluntarily establish a "Housing Sustainability District" (AB 73) or a "Workforce Opportunity Housing Zone" (SB 540) in which development meeting certain affordability criteria are allowed streamlined review and financial assistance after programmatic review of the district is approved. These districts could be effective tools to incentivize equitable housing, but we are concerned that they will also incentivize "greenfield" development due to the lack of strong infill requirements.

The challenge of SB 35

Similarly, a much further-reaching bill, **SB 35** (Wiener), was the centerpiece streamlining legislation for housing, and was considered a necessary condition to passage of the package. **SB 35** allows for "by-right" approval (a full CEQA review exemption) for housing projects that meet affordability criteria and a host of other requirements.

PCL worked very hard with our partners to ensure that **SB 35** incentivized truly equitable infill housing, without displacement, and without greenfield expansion. We applaud the efforts of Senator Wiener, yet, in the end we found that the final language did not fully meet the bill's intent. We changed our position to "Oppose unless amended," and it was not a decision made lightly. PCL did not want to in anyway obstruct the passage of the other very important bills in the package, but we hope that the statement of our concerns for the legislation can offer a constructive path forward for further needed action.

There are multiple parts of **SB 35** we were working to strengthen, including stronger affordability and anti-displacement provisions. Yet, PCL's primary concern in the end was the broadening of the infill definition originally in the bill to a project site criterion of 75% adjacency to existing urban uses.

While it sounds pretty strong, a 75% adjacency requirement allows by-right approval of edge-greenfield development that will inevitably result in high-VMT growth, impacts to endangered species habitat and important agriculture, as well as encourage the displacement of disadvantaged communities to the urban fringe.

Yes, there are properties that are horseshoed by existing development that would be appropriate for new building, but building on previously undeveloped land almost always entails some amount of natural or public health impact. There are provisions in the bill meant to prohibit development of land with such impacts,

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"to keep moving the ball forward and stop really bad things from happening" — as Bill Center, one of our recently deceased board members, used to tell me.

Lastly, as you can see from the three memorials we have in this issue, PCL has had significant loss this year within our family. One of our founders, Bill Evers, and two long time board members John Van de Kamp and Bill Center have passed. These individuals have helped guide and support the work PCL has done for decades with their steady and wise guidance. PCL would definitely not be where we are today had it not been for these great leaders. We will miss them...

Thank you for your support.

Howard Penn

Executive Director

Donation Information

PCL's success has been due to your unwavering support. You can visit PCL.org to learn about the many donation options available. Please consider contributing today to help ensure our environment is protected for humans, plants, and wildlife forever.

If you'd like, you can mail a donation to the address listed below. Please contact PCL at 916.822.5631 if you have any questions. Thank you very much.

Contact PCL

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Then PCL attacked the 50 year "Get Out of Jail Free" pass that would have been granted to the tunnels, no matter how environmentally destructive it could have been. To get that pass would have required the water districts to legally commit to fund a major ecosystem restoration project. With your support it was PCL that commissioned the Economic Analysis that showed the cost for the project would be \$67 billion. When that number was revealed the water districts abandoned the quest for that half century permit.

The significance of that action was that without that 50 year pass there would be no guarantee how much water the tunnels could divert from the Delta. Without that guarantee major water districts have backed away. A death blow to the project was when Westlands Water District Board of Directors agreed with our arguments by voting 7-2 to not fund their considerable share of the costs.

But like other zombies the Delta Tunnels persist. Now we must continue our vigilance to ensure that the next iteration (and there will be one) is put under the highest level of scrutiny. You may not be able to pour over the thousands of pages of documents and personally question the witnesses. However as a member of the PCL team your contributions will allow us to represent you. Thank you.

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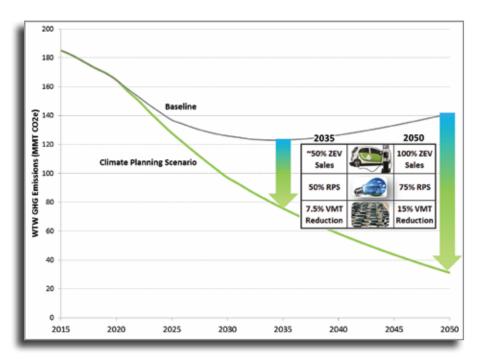
but it is uncertain how these provisions can be enforced in a byright process that allows full exemption from CEQA. There will be no "initial study" for the jurisdiction to be able to identify such impacts, and there is no required public process that would allow for a case to be made that there is such an impact.

PCL believes such extreme streamlining mechanisms must include some minimal back-stop process-point for decision makers and the public to be able to ensure critical environmental and public safety impacts are indeed being identified. No amount of edge-greenfield development should be afforded a full CEQA exemption. CEQA exemptions of this strength should require a site criteria of no less than 100% adjacency to existing or previous urban uses.

CEQA streamlining and financial incentives should be provided to projects that meet California's goals for climate, natural resource conservation, public health and social equity — and only projects that meet those goals. For PCL, the type of project that meets all of our goals is low-VMT, equitable infill, without displacement of existing disadvantaged communities.

The "VMT gap" and PCL's work moving forward

While California has made progress in shifting where and how we build since the passage of landmark legislation such as **AB 32** and **SB 375**, it has simply not been enough to get to where we need to be by 2050.



ARB Draft Scoping Plan, 2017

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The CA Air Resources Board (ARB) is currently finalizing its Scoping Plan Update outlining the State's strategy to meet GHG reduction goals mandated by **SB 32** (-80% of 1990 levels by 2050). As illustrated in the graph, even with 100% zero emission vehicles and 75% of energy production from renewable sources by 2050, we will still need 15% more VMT reduction beyond what our current Regional Transportation Plans/Sustainable Community Strategies (RTP/SCSs) project to provide.

In short, clean vehicles and clean energy will not achieve our goals alone, we must significantly change historic growth patterns to enable people to use their cars less as well. "VMT reduction" is the generic (but very good) proxy metric for GHG reduction from improved land use and transportation choices, but also for the many co-benefits to natural resource conservation, public health, and social equity that this improved land use can provide.

We must reduce VMT. We must focus our resources on more compact development that provides non-auto modes of transport, while ensuring disadvantaged communities are provided equal benefit from these investments.

Despite wide recognition of this need, California's transportation investments continue to largely prioritize highway expansion, and developers continue to prioritize low-density peripheral greenfield expansion. In the places where we are seeing increased investment in transit-oriented development, we are also seeing gentrification and displacement of low-income communities at a rate faster than the data can capture.

Lack of focus on VMT reduction is the missing link in the disparity between the State's goals and planning decisions on the ground, and is also where many of this year's incentive bills missed the mark. We need improved infill definitions that can appropriately address differing needs among urban, suburban, and rural communities, and we need improved review standards for streamlining that can incentivize development that meets our goals without missing serious impacts to the environment or public health and equity.

Bridging the VMT gap is our focus moving forward and PCL is committed to continue working with our partners and the legislature to develop incentive mechanisms that adequately pinpoint VMT reduction while meeting the needs of the environment and our communities.

California has made progress, but we can and must do better.

Save-the-Date! | California Environmental Assembly is February 24, 2018

Each year PCL focuses on policy topics that are relevant and current in the California legislature. We are planning to do so again this year with several important policy sessions as well as legal environmental issues and current court cases to watch. Our theme this year is **New Strategies for Chaotic Times** and we are expecting over 200 environmental leaders with over 100 organizations from around the state in Sacramento to address various environmental issues. The workshops will focus on an assessment of challenges ahead, the shared values among all of us, and a continued effort to include the younger generation in our advocacy work across the state. We want healthy communities and a sustainable quality of life for all Californians' to enjoy.

