

## **CALIFORNIA STATE SENATE BILL SB-375 SUMMARY (May 16, 2011)**

*\*\* Please note that this summary focuses on how SB-375 encourages development in Tam Valley and Almonte.*

### **Background Information about RHNA**

“Regional Housing Needs Allocation (RHNA) is a state mandated process for determining how many housing units, including affordable units, each community must plan to accommodate. The California Department of Housing and Community Development (HCD) determines the total housing need for a region, and it is the Association of Bay Area Government’s (ABAG’s) responsibility to distribute this need to local governments. Working with local governments, ABAG developed an allocation methodology for assigning units, by income category, to each city and county in the nine-county Bay Area. This allocation of need shows local governments the total number of housing units, by affordability, for which they must plan in their Housing Elements for each planning period. Allocations for each jurisdiction are published in the annual housing report.”  
(<http://www.abag.ca.gov/housing-top.html>)

### **Senate Bill (SB) 375**

#### **Overview**

California State Senate Bill (SB) 375 was signed into law in 2008. “SB 375 requires that our Regional Transportation Plan (RTP) contain a Sustainable Communities Strategy (SCS) that integrates land-use planning and transportation planning. For the 25-year period covered by the Regional Transportation Plan, the Sustainable Communities Strategy must identify areas within the nine-county Bay Area sufficient to house all of the region’s population, including all economic segments of the population. It must also attempt to coordinate the resulting land-use pattern with the transportation network so as to reduce per capita greenhouse-gas emissions from personal-use vehicles (automobiles and light trucks).” (Bay Area Plan – Initial Vision Plan 2011 by ABAG & MTC: Page 1)

SB 375 does not supersede local laws and local governments are explicitly not required to update their general plans in accordance with the law’s centerpiece, the Sustainable Communities Strategy (SCS). However, SB 375 uses incentives (i.e. transportation funding, etc.) and penalties (i.e. court sanctions; accelerated Housing Element update cycles, etc.) to entice local jurisdictions to follow the law.

Moreover, under the Regional Housing Needs Allocation (RHNA) state law, a local government is still required to amend its Housing Element and rezone its land in order to accommodate the quantity of housing it was assigned under the RHNA — and SB 375 requires that the RHNA be consistent with the Sustainable Communities Strategy (SCS). In that sense, local governments will still be called upon to implement major aspects of the SCS (via the RHNA), whether or not they want to.

As a result, when local governments select Regional Housing Needs Allocation (RHNA) sites, the sites should be close to mass transit. Furthermore, when local governments update their Housing Elements and zoning, these updates should allow for compact, high-density, mixed-use commercial and affordable residential development at the selected RHNA sites.

#### ABAG's & MTC's Implementation of the Sustainable Communities Strategy

Two major regional planning agencies – the Association of Bay Area Governments (ABAG) and Metropolitan Transportation Commission (MTC) are leading the Sustainable Communities Strategy process. In March 2011, they released the **Plan Bay Area - Initial Vision Scenario** that represents a starting point for implementing the Sustainable Communities Strategy (SCS) and making the Regional Housing Needs Allocation (RHNA) consistent with the Sustainable Communities Strategy. This Initial Vision Scenario will eventually develop into the final Plan Bay Area - Sustainable Communities Strategy. In Marin County, the Initial Vision Scenario focuses RHNA sites near transit hubs in City Centers and along the US Route 101 highway corridor.

The Plan Bay Area - Initial Vision Scenario incorporates Priority Development Areas (PDAs) and Growth Opportunity Areas (areas in close proximity to public transit). When selecting sites for RHNA residential units, local jurisdictions are encouraged to select sites that are located within PDAs or Growth Opportunity Areas.

“Priority Development Areas (PDAs) are locally-identified, infill development opportunity areas within existing communities. They are generally areas of at least 100 acres where there is local commitment to developing more housing along with amenities and services to meet the day-to-day needs of residents in a pedestrian-friendly environment served by transit. To be eligible to become a PDA, an area had to be within an existing community, near existing or planned fixed transit or served by comparable bus service, and planned for more housing.”  
(<http://www.bayareavision.org/initiatives/prioritydevelopmentareas.html>)

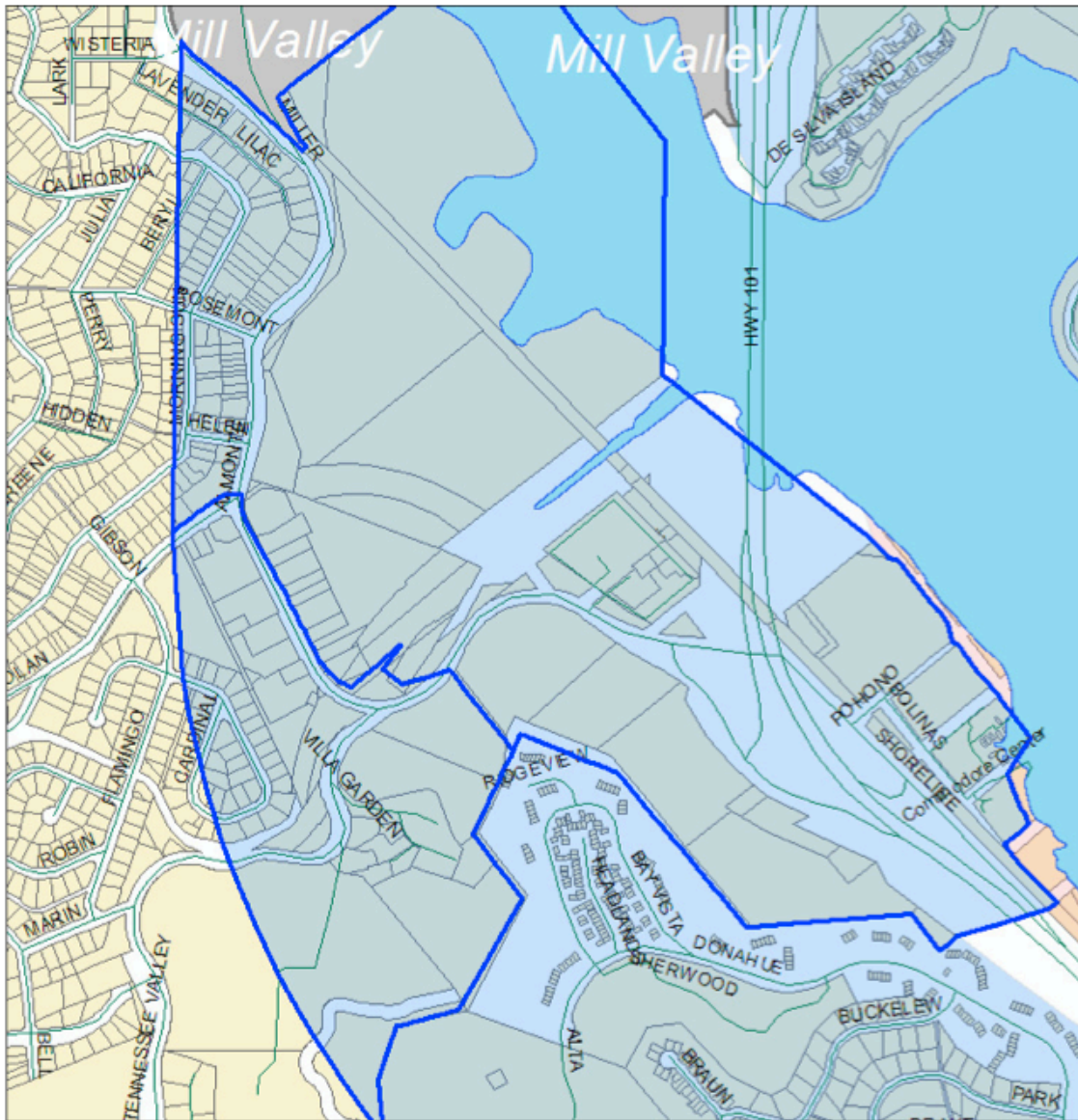
The Plan Bay Area - Initial Vision Scenario indicates that Unincorporated Marin County should plan for 2738 more RHNA housing units between YEARS 2010-2035 in Priority Development Areas and Growth Opportunity Areas.

Based on the Initial Vision Scenario map, the Almonte & Tam Valley lowlands that are within ½ mile from the freeway, are targeted for growth and have been designated part of the Hwy 101 Corridor Priority Development Area (PDA).

\*\*Please note that Priority Development Areas are re-evaluated every four years. So, the Tam Valley & Almonte lowlands will continue to be in the Priority Development Area for the next four years, unless the community convinces the Board of Supervisors to remove these lands from the PDA before the One Bay Area Plan is adopted, which will be in March/April 2013.

## Tam Valley & Almonte Parcels in the Priority Development Area

The blue outline & shaded area in the below area map shows the parcels of Tam Valley and Almonte that are included in the Hwy 101 Corridor Priority Development Area (PDA).



**SB-375 Incentives for Developers to Build the “Right” Type of Housing:**  
SB 375 includes specific incentives, including State and Federal funding, for developers that build the “right” type of housing.

### Streamlined CEQA Review and Total Exemption from CEQA for Projects Consistent with the Sustainable Communities Strategy (SCS)

The California Environmental Quality Act (CEQA) usually requires that the potentially significant impacts of a new development project be evaluated in an Environmental Impact Report (EIR), along with mitigation measures and potential alternatives that reduce the impact of the project. However, SB-375 streamlines and exempts from California Environment Quality Act (CEQA) categories of development that meet specific criteria.

“The California Environmental Quality Act (CEQA) has sometimes created a legal barrier to infill development. SB 375 adjusts CEQA and streamlines or exempts Environment Impact Reports (EIRs) for projects that are consistent with either an approved Sustainable Community Strategy (SCS) or, if the SCS does not meet its targets, an approved Alternative Planning Strategy (APS).” (SB 375 Fact Sheet by Stuart Cohen, Executive Director of Transform (a Bay Area transportation advocacy group) - <http://transformca.org/files/TRANSFORM-SB375-fact-sheet.pdf>)

Thus, SB 375 mandates local governments to plan for concentrated housing near transit hubs and then gives incentives to developers to construct the housing units in those areas.

### How this affects Tam Valley and Almonte

As Plan Bay Area implements SB 375's Sustainable Communities Strategy, it mandates Marin County to plan for concentrated housing in the PDAs and then gives incentives to developers to construct affordable housing in those PDAs. Therefore, as long as Tam Valley & Almonte remain in the Hwy 101 Corridor PDA, these districts will be targeted for accelerated development and growth.

### **Questions Regarding SB – 375 that Were Answered by Stacy Laumann (Marin County Planner) and Brian Crawford (Director of the Marin County Community Development Agency) on 8/1/11:**

QUESTION: In order to comply with SB-375, when local governments select RHNA sites, must all the sites be close to mass transit?(OR) Does the law simply encourage RHNA sites to be close to mass transit and a local jurisdiction can choose to ignore this preference? (OR) Does SB 375 require that a certain percentage be close to mass transit? [**Background:** SB 375 requires that the RHNA be consistent with the Sustainable Communities Strategy (SCS).]

ANSWER (Given by Stacy): *Housing element law (not SB 375 or RHNA statutes) specifies how a jurisdiction may satisfy its housing need (as identified by the RHNA). Housing element law does not specifically require proximity to any amenity, such as transit. However, it does require (Government Code Section 65583(a)(3)) “...an analysis of the relationship of zoning and public facilities and*

*services to these sites.” Energy conservation and efficient land use are considered in the certification of the housing element.*

*SB375 is intended to produce a regional plan (SCS) to reduce greenhouse gasses, and align transportation and land use planning. RHNA consistency with the SCS has to do with how the region’s projected growth is distributed to jurisdictions in the region. Although the SCS has no direct control over local land use decisions, SB375 and the SCS are intended to locate housing in proximity to transit and employment growth opportunities, retail centers and other amenities.*

**QUESTION:** Must all selected RHNA sites be zoned for compact, high-density, mixed use commercial and affordable residential development?

**ANSWER (Given by Stacy):** *No. The housing element’s site inventory must demonstrate opportunity for a range of housing types and income levels. A jurisdiction must also demonstrate that land use conditions exist to promote and facilitate lower income housing, including zoning for multi-family housing.*

**QUESTION:** If a local jurisdiction does **not** accept the incentives offered by SB 375, how much of the law may a local jurisdiction avoid? (E.g. If a local jurisdiction does not accept SB 375 incentives, may the local jurisdiction keep CEQA intact and require that all developments be evaluated by a full EIR?)

**ANSWER (Given by Stacy):** *Many incentives offered through SB375 are related to transportation infrastructure improvements. But it sounds like you are referring to CEQA incentives for new structures. If a development project is consistent with SCS and certain other criteria, then it could qualify for streamlined CEQA incentives. Please see the following website for information on SB375 CEQA incentives. <http://www.opr.ca.gov/ceqa/pdfs/SB375-Intro-Charts.pdf>*

**QUESTION:** Could the local jurisdiction ignore the law entirely, provided it did NOT accept any incentives? If not, what parts of the law must a jurisdiction adhere to and what may it ignore? -

**ANSWER (Given by Brian Crawford):** *The incentives of SB375 are basically access to regional transportation funding and the CEQA streamlining measures referred to above. We expect there to be a correlation between the amount of regional transportation funding a local jurisdiction receives and the amount of regional growth that is planned for the jurisdiction through the SCS. Based on the Initial Vision Scenario, Marin County has a very low percentage of the Bay Area’s projected growth over the next 30 years (I believe its somewhere around 1%). In that regard, Marin doesn’t appear to have much of the incentive as compared to other places in the Bay Area that have thus far been assigned much higher projected growth numbers in the vision scenario process and presumably will receive a larger share of the Bay Area’s regional transportation funds.*

*Although the SCS process is still in the planning stages, every county and city in the Bay Area should be assigned some portion of the total projected future*

*growth and the portions will vary, in some cases dramatically, based on the number of future households and jobs are assigned to specific jurisdictional areas through the final SCS. The growth projections will, in turn, affect the Regional Housing Needs Allocation (RHNA) each jurisdiction is responsible for in the next Housing Element update cycle (2014-2022), to what extent remains to be seen. A Housing Methodology Committee composed of officials from around the Bay Area is currently working on that issue. So while you may hear that local jurisdictions are not required to comply with SB 375, how the legislation is implemented through the SCS (i.e., how regional growth projections are allocated at the local level) will most likely affect their Housing Element update requirements for identifying housing opportunity sites (both market rate and affordable). I don't see that connection being avoidable. Also, I don't think the CEQA streamlining procedures are contingent upon the extent to which a local jurisdiction takes part in the SCS process. It's more likely a matter of whether a project is proposed that is consistent with the SCS and meets all of the other required criteria for streamlining.*