



SB 375 and Cities:

Creating Choices for Your Community, Improving Health, Spurring Economic Recovery

Some cities are concerned with SB 375 implementation. Working together, we can resolve concerns, ensure that local governments have the resources to carry out SB 375, and move our communities and state forward.

No Immediate Costs for Cities

- The League of Cities staff analysis states that SB 375 creates “no direct planning costs for cities” because the law's new planning requirements apply only to MPOs, not cities and counties. In fact, SB 375 may actually reduce some city planning costs because it provides CEQA streamlining for development projects that are consistent with an adopted regional plan.
- The cost to develop an SCS and/or APS will be borne by California's MPOs, who receive \$54 million each year from the federal government for planning. Further, the Strategic Growth Council has \$10 million available for MPOs to implement SB 375.

SB 375 Makes Cities More Competitive for New Funding Opportunities

- New state and federal funds for transportation and urban development are increasingly aligned with efficient growth and regional planning. In the San Joaquin Valley, local leaders working together in efforts like the Valley Blueprint have had greater access to state and federal dollars. SB 375 offers another way for communities to work together to position themselves for state and federal funding.
- A number of funding sources have been identified to assist local governments and MPOs with the implementation costs of SB 375. Over the next three years, California's Strategic Growth Council will allocate \$60 million in grants to cities, counties and MPOs for planning activities that are consistent with SB 375. Funding is also currently available at the federal level. The new Office of Sustainable Communities at HUD is offering \$100 million in Sustainable Communities Planning Grants.

SB 375 Will Save Municipal Tax Dollars

- A report funded by the California Strategic Growth Council finds that focusing new residential development in areas that are already close to jobs, services, and amenities, could save California taxpayers more than \$194 billion in capital infrastructure costs by 2050. (*Vision California Statewide Scenarios Report*, www.visioncalifornia.org, June 2010)
- The Sacramento region estimates that its cities and counties will save \$16 billion by focusing new growth in existing communities. (source: Sacramento Area Council of Governments)

SB 375 Will Help Build Healthier Communities

- Air pollution related illnesses lead to thousands of hospitalizations, emergency room visits and premature deaths every year in California. A 2008 Southern California Children's Health Study report found a 30 percent increased risk for new asthma cases in children living in communities with higher levels of traffic-related air pollution. More compact and walkable communities have been found to help reduce air pollution and improve resident health. (*Journal of the American Planning Association*, 2006)
- More than half of Californians fail to meet recommended guidelines for physical activity, putting them at high risk obesity, diabetes, cancers and other chronic illnesses and premature death, but people living in highly

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walkable, mixed-use communities are more than twice as likely to get the recommended 30 minutes of daily exercise as those living in auto-oriented areas. (CDC 2003, *American Journal of Preventative Medicine*, 2005)

- Planning for complete streets provides a safer atmosphere for active transportation. A 2009 study in the journal *Environmental Health* found that on-road bicycle lanes reduce injury rate, collision frequency or crash rates by about half compared to roads without designated lanes.

SB 375 Supports Market Demand for Well-Planned and Walkable Communities

- A recent Urban Land Institute report finds that: “Economically, SB 375 will help the state, communities, and developers meet the shifting market demand for housing, diversify the housing offerings on the market, allocate public resources more efficiently, and ensure a better quality of life.” (*SB 375 Impacts Analysis Report*, Urban Land Institute, June 2010)
- A July 2010 Public Policy Institute of California poll demonstrates strong support for smart growth, with 77% of Californians in favor of encouraging local governments to change land use and transportation planning to reduce driving. SB 375 provides more certainty and stronger incentives for developers looking to take advantage of this trend.
- A comparison of 155 metropolitan areas finds that, over a ten-year period, areas with careful growth policies generated nearly \$100,000 more per new resident in construction activity. (*The Jobs are Back in Town: Urban Smart Growth and Construction Employment*, Good Jobs First, 2003)

SB 375 Will Stimulate New Construction, Job Creation, and Economic Investment

- Construction and homebuilding are two of the hardest hit sectors in this economic downturn. Through SB 375, developers can take advantage of a streamlined environmental review process – saving thousands of dollars per project – by building projects along transportation corridors and near existing neighborhoods.
- A recent Urban Land Institute report concludes that “the overarching anticipated benefit of SB 375 is its ability to provide more consistency, coordination, and clarity to the development process, which the land use industry needs to start recovering from the recession.” (*SB 375 Impacts Analysis Report*, Urban Land Institute, June 2010)
- The 30/10 Initiative in Los Angeles County, a plan to accelerate construction of new transit lines, will create an estimated 160,000 new jobs. This initiative is exactly the kind of plan that SB 375 will support. (source: Los Angeles Metro)
- The Center for Transit Oriented Development reports that \$73 million invested in the Portland Streetcar helped attract \$3.6 billion in private investment within two blocks of the line.

SB 375 Will Save Families Money

- A report funded by the California Strategic Growth Council finds that more centrally located homes can dramatically reduce household driving and utility costs. By building new homes in areas that are already close to jobs, services, and amenities, California households could spend \$6,400 less per year on auto-related costs and utility bills by 2050. (*Vision California Statewide Scenarios Report*, www.visioncalifornia.org, June 2010)
- The Southern California Association of Governments (SCAG) estimates that with a reasonably ambitious approach to SB 375, its residents would save 1.7 million hours that would otherwise be spent in traffic. That translates into \$7.7 billion in annual cost savings. (SCAG staff memo – *SB 375 Final Draft Regional Targets*, September 2, 2010)