

## **SB 375 Fact Sheet** *Maximizing Economic Growth*

### **SB 375 Supports Market Demand for Walkable, Mixed-Use Neighborhoods**

- The number and type of housing units delivered to market in California over the past 20 years have not kept up with demand or population growth rates. Compact developments can provide the type of units that appeal to first-time renters and buyers and empty nesters, who are currently underserved. (*SB 375 Impacts Analysis Report*, Urban Land Institute, June 2010)
- Market trends show that people want and are willing to pay more for homes where they can walk or take public transit. A 2007 survey from the National Association of Realtors shows that 83 percent of Americans support building communities where people can walk places and use their cars less.
- According to a 2009 study, homes that are located in more walkable neighborhoods – those with a mix of common daily shopping and social destinations within a short distance – command a premium of about \$4,000 to \$34,000 over homes in neighborhoods with just average walkability. (*Walking the Walk*, Joe Cortwright for CEO's for Cities, 2009).

### **Thoughtful Development Patterns Attract Investment and Spur Economic Recovery**

- A national study concludes that mixed use, walkable communities attract private investment and increase municipal revenues through real estate taxes. (*Cost-Effective GHG Reductions through Smart Growth & Improved Transportation Choices*, Center for Clean Air Policy, 2009)
- The Center for Transit Oriented Development reports that \$73 million invested in the Portland Streetcar helped attract \$2.3 billion in private investment within two blocks of the line.
- By demonstrating more coordination, SB 375 enhances California's eligibility for Federal transportation funding, thus enhancing California's ability to invest in new infrastructure. (*SB 375 Impacts Analysis Report*, Urban Land Institute, June 2010)

### **SB 375 Provides Certainty and Financial Incentives for Builders**

- The California Building Industry Association (CBIA) supports SB 375 in part because it allows builders to save considerable time and expense with a streamlined permitting process for residential developments that are built close to jobs and transit. (CBIA press release, October 2, 2008)
- The Urban Land Institute concluded 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)

### **Building Mixed-Use, Compact Developments Saves Tax Dollars**

- 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*, Calthorpe Associates, June 2010)
- SB 375 will result in long-term savings in municipal service costs, as the initial higher capital costs of supporting infill development are outweighed by the long-term per capita savings in maintenance costs, municipal services, and infrastructure. (*SB 375 Impacts Analysis Report*, Urban Land Institute, June 2010)
- The Sacramento region estimates that cities and counties will save \$16 billion by focusing new growth in existing communities. (*Sacramento Area Council of Governments*)

### **SB 375 Will Result in Savings for California Households**

- 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, by 2050 California households could spend \$6,400 less per year on auto-related costs and utility bills.
- Residents in the state's four largest regions — Southern California, San Francisco Bay Area, San Diego and Sacramento — with good access to public transportation (20% of the state's population) spend much less on transportation each year than the average Californian. A recent statewide analysis finds that if the other 80% of California residents had similar access to public transit, they could save a total of \$31 billion each year -- or \$3,850 per average household. (*Windfall for All*, TransForm, 2009)