MEMO

DATE: June 7, 2007

TO: Energy and Environment Committee

FROM: Jacob Lieb, Acting Manager of Environmental Planning, (213) 236-1921, lieb@scag.ca.gov

SUBJECT: SB 375 (Steinberg)

BACKGROUND:
SB 375 by Senator Darrell Steinberg would create a streamlined CEQA process for projects consistent with regional growth and resource plans (analogous to SCAG's Regional Comprehensive Plan). As such, SCAG has, preliminarily, taken a support position on the bill, consistent with policy established by the Regional Council in July 2005. SCAG's support letter is attached, along with the text of the bill.

Subsequent to SCAG's sending a support letter, the bill was amended. While the bill is still consistent with concepts sought by the region for CEQA streamlining, the bill has several other elements that could potentially affect SCAG planning efforts. Specifically of note, it would:

- Create new modeling requirements for the Regional Transportation Plan (RTP), such that the transportation model could account for impacts of growth and development patterns on transportation performance
- Require the inclusion of a preferred growth scenarios in RTPs, and
- Direct the California Air Resources Board to create targets for Greenhouse Gas Reductions for regional Councils of Governments.
- Allocate specified bond funds to regions for planning.

A separate discussion on the transportation planning ramifications of the bill will be held in the Transportation and Communications Committee (TCC). At this time, SCAG staff has concluded that the bill is consistent with established regional policy priorities, but requires technical amendments to make the legislation workable. Staff is working with the bill author and with the California Association of Councils of Governments (CALCOG) to pursue these amendments.

Staff is seeking discussion and input on the bill from the Committee at this time.

FISCAL IMPACT:
Work associated with implementation of the Regional Comprehensive Plan is included in the current SCAG Overall Work Program (07-035.scgs1)

Reviewed by:

Division Manager

SOUTHERN CALIFORNIA ASSOCIATION of GOVERNMENTS

135819/EEC
June 2007
Lieb, 5/17/07

MEMO

Reviewed by:

Department Director

Reviewed by:

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Orange County Transportation Authority: Art Brown, Buena Park

Riverside County Transportation Commission: Robin Lowe, Hemet

Ventura County Transportation Commission: Keith Millhouse, Moorpark

April 19, 2007

The Honorable Joe Simitian, Chair
Senate Environmental Quality Committee
State Capitol, Room 2205
Sacramento, California 98514

SB 375 (Steinberg) – Transportation Planning: Improved Travel Models: Preferred Growth Scenarios: Environment Review – SUPPORT

Dear Senator Simitian:

The Southern California Association of Governments supports SB 375 (Steinberg), as amended on April 17, scheduled for hearing before the Senate Committee on Environmental Quality on Monday, April 23, 2007.

SB 375 provides for the integration of transportation and land-use planning. It requires the California Transportation Commission to adopt guidelines for travel demand models used in the development of Regional Transportation Plans (RTPs) by regional transportation agencies. These guidelines require that the travel demand models more accurately account for land use impacts on transportation according to specified criteria. The bill also requires that RTPs for large regions include a preferred growth scenario that identify housing locations for the entire region's population growth, including all economic segments of the population, and excludes farmland and habitat to the greatest extent feasible. The preferred growth scenario will achieve a reduction in vehicle miles traveled per household in the region to be established by the Air Resources Board, through a combination of identification of housing, employment, and commercial centers and transit projects. Funding for transportation projects must be consistent with the preferred growth scenario.

SB 375 also provides for streamlined CEQA requirements for local governments that conform their land use plans to a preferred growth scenario. The bill specifies that an Environmental Impact Report on a project would only be required to address the project specific impacts, and that local governments can rely on the EIR on the regional transport plan and on the general plan amendment if one has been certified. The bill authorizes a local government to find that sustainable communities' projects comply with CEQA without further documentation if the project meets certain criteria, and authorizes local governments to establish traffic mitigation programs in advance for projects and provides that there would not be additional traffic mitigation required as a result of the CEQA process.

SB 375 would provide transportation and CEQA incentives to achieve greater housing choices, shorter commutes, reduced climate emissions, less air pollution and fossil fuel consumption, and greater conservation of farmlands and habitat. Its provisions are consistent with long standing SCAG policies and the 2007 SCAG Legislative Program to integrate transportation and land-use planning, and to streamline CEQA compliance measures for projects that contribute to preferred environmental outcomes.

For these reasons, we urge your support for the passage of SB 375 from the Senate Committee on Environmental Quality.

Sincerely,

Yvonne B. Burke

YVONNE B. BURKE
President
Supervisor, County of Los Angeles

cc: Members, Senate Committee on Environmental Quality
Senator Darrel Steinberg

AMENDED IN SENATE MAY 2, 2007

AMENDED IN SENATE APRIL 17, 2007

SENATE BILL **No. 375**

Introduced by Senator Steinberg

February 21, 2007

An act to amend Sections 65070,~~ 65072,~~ 65074, 65080, 65080.5, 65081.3, 65082,~~ 65086.5,~~ 65088.1, and 65088.4 of, *and* to add Sections 14522.1, 14522.2,~~ 14522.3, 14522.4,~~ 14522.5, and 65086.6 to~~, and to add Chapter 2.68 (commencing with Section 65089.60) to Division 1 of Title 7 of,~~ the Government Code, and to add Chapter 4.2 (commencing with Section 21155) to Division 13 of the Public Resources Code, relating to environmental quality.

LEGISLATIVE COUNSEL'S DIGEST

SB 375, as amended, Steinberg. Transportation planning:~~ improved~~ travel *demand* models: preferred growth scenarios: 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. 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, by April 1, 2008, to adopt guidelines~~ related to the~~ *for the use of* travel demand models used in the development of regional transportation plans by regional transportation planning agencies. The bill would require a regional transportation planning agency for a region with a population of 800,000 or more to use those guidelines.~~ The bill would specify certain policy~~

~~choices that a travel demand model shall be capable of evaluating.~~ The bill would require the Department of Transportation to assist the commission, on request, in this regard, and would impose other related requirements.

This bill would also require the regional transportation plan to include a preferred growth scenario, as specified, designed to achieve certain goals for the reduction of vehicle miles traveled in a region. *The bill would require the State Air Resources Board to provide each region with greenhouse gas emission reduction targets for 2020 and 2050 by an unspecified date, and would require the preferred growth scenario to inventory the region's emission of those gasses and establish measures to reduce those emissions consistent with the targets.* The bill would require certain transportation planning and programming activities by regional agencies ~~and the department~~ to be consistent with the preferred growth scenario, including the programming of transportation projects in the regional transportation improvement program ~~and the federal transportation improvement program, the preparation of project study reports for projects not included in the state transportation improvement program,~~ and the implementation of ~~urban~~ *infill* opportunity zones, among other things.

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

(2) 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 require the environmental document prepared pursuant to CEQA to only examine the significant or potentially significant project specific impacts of a project located in a local jurisdiction that has amended its general plan so that the land use, circulation, housing, and open-space elements of the general plan are consistent with the preferred growth scenario most recently adopted by the metropolitan planning organization, pursuant to the requirements specified in the

bill, if the project is a residential project or a residential or mixed use project, ~~an infill~~ *a* project *on an infill site*, and located within an urbanized area.

~~The bill would authorize a city or county that is in a jurisdiction that has amended its general plan, as provided above, if the plan meets certain requirements and the plan is adopted using a specified planning process.~~

The bill would provide that no additional review is required pursuant to CEQA for a project if the legislative body of a local jurisdiction that has amended its general plan, as provided above, finds, after conducting a public hearing, that the project meets certain criteria and is declared to be a sustainable communities project.

The bill would also authorize the legislative body of such a local jurisdiction within an urbanized area to adopt traffic mitigation policies for future residential projects. The bill would exempt a residential project seeking a land use approval from compliance with additional mitigation measures for traffic impacts, if the local jurisdiction that has adopted that traffic mitigation policies.

~~(3) The Housing and Emergency Shelter Trust Fund Act of 2006, approved by the voters as Proposition 1C in the November 2006 general election, authorizes the issuance of $2.85 billion in general obligation bonds for various existing housing programs, capital outlay related to infill development, and other purposes. The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, approved by the voters as Proposition 84 in the November 2006 general election, authorizes the issuance of $5.388 billion in general obligation bonds for various public resources projects, including $90,000,000 for planning grants and planning incentives for the development of regional and local land use plans that are designed to promote water conservation, reduce automobile use and fuel consumption, encourage greater infill and compact development, protect natural resources and agricultural lands, and revitalize urban and community centers.~~

~~This bill would provide that up to $20 million available from these bonds for smart growth planning and incentives shall be made available, upon appropriation by the Legislature, as grants to transportation planning agencies for transportation planning model improvements, for allocation by the California Transportation Commission in consultation with the Department of Transportation.~~

~~(4)~~

(3) 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.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

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

1 SECTION 1. The Legislature finds and declares all of the
2 following:
3 (a) The transportation sector contributes over 40 percent of the
4 greenhouse gas emissions in the State of California; vehicles alone
5 contribute 35 percent. The transportation sector is the single largest
6 contributor of greenhouse gases of any sector.
7 (b) In 2006, the Legislature passed and the Governor signed
8 Assembly Bill 32 (Chapter 488 of the Statutes of 2006; hereafter
9 AB 32), which requires the State of California to reduce its
10 greenhouse gas emissions to 1990 levels no later than 2020. In
11 1990, greenhouse gas emissions from vehicles were approximately
12 73 million metric tons, but by 2006 these emissions had increased
13 to approximately 100 million metric tons.
14 (c) Greenhouse gas emissions from vehicles can be substantially
15 reduced by ~~the AB 32 vehicle standards and by the adoption~~ *new*
16 *vehicle technology and by the increased use* of low carbon fuel
17 ~~standards~~. However, even taking these measures into account, it
18 will be necessary to achieve significant additional greenhouse gas
19 reductions from changed land use patterns and improved
20 transportation. Without significant changes in land use and
21 transportation policy, California will not be able to achieve the
22 goals of AB 32.
23 (d) In addition, vehicles account for 50 percent of air pollution
24 in California and __ percent of its consumption of petroleum.
25 Changes in land use and transportation policy will provide
26 significant assistance to California's goals to implement the federal
27 and state Clean Air Acts and to reduce its dependence on
28 petroleum.

~~(c) It is essential that transportation planning and environmental review processes under the California Environmental Quality Act reflect the environmental necessity to change land use and transportation policies to encourage reductions in greenhouse gas emissions, air pollution, and petroleum consumption.~~

~~(f) The recently enacted federal Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) requires the evaluation of the economic development impacts of transportation plans by the Department of Transportation and regional transportation planning agencies.~~

~~(g) Current planning models and analytical techniques used for making transportation infrastructure decisions and for air quality planning should be enhanced to better assess the effects of policy choices, such as encouraging more compact residential development patterns, expanding transit service and accessibility, creating more walkable communities with housing, retail, and commercial development, and implementing economic incentives and disincentives such as tolls, transit pricing, and parking charges.~~

(e) 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 such as tolls, transit pricing, and parking charges.

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

14522.1. (a) The commission, *in consultation with the State Air Resources Board,* shall adopt guidelines for th~~e disbursement of state transportation funding related to the travel~~ *use of travel* demand models used in the development of regional transportation plans by regional transportation planning agencies designated pursuant to Section 29532. The preparation of the guidelines shall include the formation of an advisory committee that shall include representatives of the regional transportation planning agencies, the department, organizations knowledgeable in the creation and use of travel demand models, and organizations concerned with the impacts of transportation investments on communities and the environment. 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 department shall assist the commission in the preparation of the guidelines, if requested to do so by the commission.

(c) The guidelines shall, at a minimum and to the extent practicable, require that the models do all of the following:

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

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

(3) Account for induced travel and induced land development resulting from highway or passenger rail expansion.

(4) Include mode split models that allocate 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.

~~(c)~~

(d) The guidelines shall be adopted on or before April 1, 2008.

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

14522.2. (a) The guidelines adopted pursuant to Section 14522.1 shall apply to a regional transportation planning agency for a region with a population of 800,000 or more as of the most recent decennial census. In the Counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura, that agency shall be the agency described in Section 130004 of the Public Utilities Code.

(b) A regional transportation planning agency for a region with a population of less than 800,000 as of the most recent decennial census may, at its discretion, follow the guidelines.

(c) A regional transportation planning agency shall disseminate the methodology, results, and key assumptions of whichever travel demand model it uses in a way that would be useable and understandable to the public.

~~SEC. 4. Section 14522.3 is added to the Government Code, to read:~~

~~14522.3. The commission guidelines shall require, at a minimum, that the travel demand models described in Section~~

~~14522.1 shall be capable, to the extent practicable, of evaluating at least the following policy choices:~~

~~(a) Account for travel demands during at least four time intervals during the day.~~

~~(b) Account for induced travel and induced land development resulting from highway or passenger rail expansion.~~

~~(c) Include mode split models that allocate 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.~~

~~(d) Residential land use densification.~~

~~(e) Proximity of residential areas to centers of employment.~~

~~(f) Account for the relationship between land use density and household motor vehicle ownership and vehicle miles traveled in a way that is consistent with statistical research.~~

~~(g) Account for the impact of enhanced transit service levels on reducing overall vehicular travel and car ownership.~~

~~(h) Mixed land uses.~~

~~(i) Parking charges and parking cashout.~~

~~(j) Peak period freeway tolls.~~

~~(k) Twenty-four hour freeway tolls.~~

~~(*l*) A freight travel model and a commodity flows travel model may be included in the travel models, if those models are appropriate to the region.~~

~~SEC. 5. Section 14522.4 is added to the Government Code, to read:~~

~~14522.4. A regional transportation planning agency described in subdivision (a) of Section 14522.2 shall demonstrate in its regional transportation plan the extent to which its regional travel demand models assist other public agencies to evaluate large private and public land development projects, including accounting for the impacts of density and mixed land uses on travel.~~

~~SEC. 6.~~

SEC. 4. Section 14522.5 is added to the Government Code, to read:

14522.5. A regional transportation planning agency described in subdivision (a) of Section 14522.2 shall report to the commission on how the regional travel demand model supports corridor planning and small area planning, at the time the regional

transportation plan is submitted to the commission and department pursuant to Section 65080.

~~SEC. 7.~~

SEC. 5. Section 65070 of the Government Code is amended to read:

65070. (a) The Legislature finds and declares, consistent with Section 65088, that it is in the interest of the State of California to have an integrated state and regional transportation planning process. It further finds that federal law mandates the development of a state and regional long-range transportation plan as a prerequisite for receipt of federal transportation funds. It is the intent of the Legislature that the preparation of these plans shall be a cooperative process involving local and regional government, members of the public, transit operators, congestion management agencies, and the goods movement industry and that the process be a continuation of activities performed by each entity and be performed without any additional cost.

(b) The Legislature further finds and declares that the last attempt to prepare a California Transportation Plan occurred between 1973 and 1977 and resulted in the expenditure of over eighty million dollars ($80,000,000) in public funds and did not produce a usable document. As a consequence of that, the Legislature delegated responsibility for long-range transportation planning to the regional planning agencies and adopted a seven-year programming cycle instead of a longer range planning process for the state.

(c) The Legislature further finds and declares that the Transportation Blueprint for the Twenty-First Century (Chapters 105 and 106 of the Statutes of 1989) is a long-range state transportation plan that includes a financial plan and a continuing planning process through the preparation of congestion management plans and regional transportation plans, and identifies major interregional road networks and passenger rail corridors for the state.

~~SEC. 8. Section 65072 of the Government Code is amended to read:~~

~~65072. The California Transportation Plan shall include all of the following:~~

~~(a) A policy element that describes the state's transportation policies and system performance objectives. These policies and~~

~~objectives shall be consistent with legislative intent described in Sections 14000, 14000.5, and 65088. For the plan to be submitted in December 1993, the policy element shall address any opportunities for changes or additions to state legislative policy direction or statute.~~

~~(b) A strategies element that shall incorporate the broad system concepts and strategies synthesized from the adopted regional transportation plans prepared pursuant to Section 65080 and that is consistent with the preferred growth scenarios in those plans. The California Transportation Plan shall not be project specific.~~

~~(c) A recommendations element that includes economic forecasts and recommendations to the Legislature and the Governor to achieve the plan's broad system concepts, strategies, and performance objectives.~~

~~SEC. 9.~~

SEC. 6. Section 65074 of the Government Code is amended to read:

65074. The Department of Transportation shall prepare, in cooperation with the metropolitan planning agencies, a federal transportation improvement program in accordance with subsection (f) of Section 135 of Title 23 of the United States Code. The federal transportation improvement program shall be submitted by the department to the United States Secretary of Transportation, by October 1 of each even-numbered year. The projects and improvements identified in that plan shall be consistent with the ~~preferred growth scenarios~~ *regional transportation plans* adopted by the metropolitan planning organizations pursuant to Section 65080.

~~SEC. 10.~~

SEC. 7. 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 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, 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)* A preferred growth scenario that (i) identifies 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 taking into account net migration into the region, population growth, household formation and employment growth; (ii) identifies significant resource land and significant farmland and excludes ~~these lands from the preferred growth scenario to the greatest extent feasible; and (iii) complies~~ *from development areas in the preferred growth scenario all publicly owned parks, open space, and easement lands; open-space or habitat areas protected by natural community conservation plans, habitat conservation plans, or other adopted natural resource protection plans; and, to the greatest extent feasible, other significant resource lands and significant farmlands; and (iii) will allow the plan to comply* with ~~section~~ *Section* 176 of the federal Clean Air Act (42 U.S.C. Sec. 7506).

~~(A) For transportation planning agencies with populations that exceed 200,000 persons, the preferred growth scenario shall identify locations for new housing, employment centers, and commercial centers that, together with additional identified transit projects, will achieve a 10 percent reduction of vehicle miles traveled per household in the region by 2020 and a __ percent reduction by 2050.~~

~~(B) For other transportation agencies, the preferred growth scenario shall identify locations for new housing, employment centers, and commercial centers that, together with additional identified transit projects, will prevent any increase in vehicle miles traveled over the life of the regional transportation plan and will reduce vehicle miles traveled per household to the greatest extent practicable.~~

(B) No later than ____, the State Air Resources Board shall provide each region with greenhouse gas emission targets for 2020 and 2050, respectively, in order to implement Chapter 488 of the Statutes of 2006. In making these determinations, the board shall consider greenhouse gas reductions that will be achieved by improved vehicle emission standards, changes in fuel consumption, and other measures it has approved that will reduce greenhouse

gas emissions in the regions. Consistent with data provided by the board, a preferred growth scenario shall inventory the region's emission of greenhouse gases and establish measures to reduce these emissions by an amount consistent with targets developed by the board.

(C) A preferred growth scenario shall be consistent with the state planning priorities specified pursuant to Section 65041.1.

~~(C)~~

(D) A preferred growth scenario does not regulate the use of land, nor shall it be subject to any state review or approval. Nothing in a preferred growth scenario shall be interpreted as superseding or interfering with the exercise of the land use authority of cities and counties within the 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 projects proposed for development during the 20-year life of the plan. *Proposed projects shall be consistent with the preferred growth scenario.*

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) 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. 11.~~

SEC. 8. Section 65080.5 of the Government Code is amended to read:

65080.5. (a) For each area for which a transportation planning agency is designated under subdivision (c) of Section 29532, or adopts a resolution pursuant to subdivision (c) of Section 65080, the Department of Transportation, in cooperation with the transportation planning agency, and subject to subdivision (e), shall prepare the regional transportation plan, consistent with the ~~preferred growth scenario~~ *requirements of Section 65080,* and the updating thereto, for that area and submit it to the governing body

or designated policy committee of the transportation planning agency for adoption. Prior to adoption, 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. Prior to the adoption of the regional transportation improvement program by the transportation planning agency if it prepared the program, the transportation planning agency shall consider the relationship between the program and the adopted plan. The adopted plan and program, and the updating thereto, shall be submitted to the California Transportation Commission and the department pursuant to subdivision (b) of Section 65080.

(b) In the case of a transportation planning agency designated under subdivision (c) of Section 29532, the transportation planning agency may prepare the regional transportation plan for the area under its jurisdiction pursuant to this chapter, if the transportation planning agency, prior to July 1, 1978, adopts by resolution a declaration of intention to do so.

(c) In those areas that have a county transportation commission created pursuant to Section 130050 of the Public Utilities Code, the multicounty designated transportation planning agency, as defined in Section 130004 of that code, shall prepare the regional transportation plan and the regional transportation improvement program in consultation with the county transportation commissions.

(d) Any transportation planning agency which did not elect to prepare the initial regional transportation plan for the area under its jurisdiction, may prepare the updated plan if it adopts a resolution of intention to do so at least one year prior to the date when the updated plan is to be submitted to the California Transportation Commission.

(e) If the department prepares or updates a regional transportation improvement program or regional transportation plan, or both, pursuant to this section, the state-local share of funding the preparation or updating of the plan and program shall be calculated on the same basis as though the preparation or updating were to be performed by the transportation planning agency and funded under Sections 99311, 99313, and 99314 of the Public Utilities Code.

~~SEC. 12.~~

SEC. 9. Section 65081.3 of the Government Code is amended to read:

65081.3. (a) As a part of its adoption of the regional transportation plan, the designated county transportation commission, regional transportation planning agency, or the Metropolitan Transportation Commission may designate special corridors, ~~consistent with the preferred growth scenario prepared pursuant to Section 65080,~~ which may include, but are not limited to, adopted state highway routes, which, in consultation with the Department of Transportation, cities, counties, and transit operators directly impacted by the corridor, are determined to be of statewide or regional priority for long-term right-of-way preservation.

(b) Prior to designating a corridor for priority acquisition, the regional transportation planning agency shall do all of the following:

(1) Establish geographic boundaries for the proposed corridor.

(2) Complete a traffic survey, including a preliminary recommendation for transportation modal split, which generally describes the traffic and air quality impacts of the proposed corridor.

(3) Consider the widest feasible range of possible transportation facilities that could be located in the corridor and the major environmental impacts they may cause to assist in making the corridor more environmentally sensitive and, in the long term, a more viable site for needed transportation improvements.

(c) A designated corridor of statewide or regional priority shall be specifically considered in the certified environmental impact report completed for the adopted regional transportation plan required by the California Environmental Quality Act, which shall include a review of the environmental impacts of the possible transportation facilities which may be located in the corridor. The environmental impact report shall comply with the requirements of Division 13 (commencing with Section 21000) of the Public Resources Code and shall include a survey within the corridor boundaries to determine if there exist any of the following:

(1) Rare or endangered plant or animal species.

(2) Historical or cultural sites of major significance.

(3) Wetlands, vernal pools, or other naturally occurring features.

(d) The regional transportation planning agency shall designate a corridor for priority acquisition only if, after a public hearing, it finds that the range of potential transportation facilities to be located in the corridor can be constructed in a manner which will avoid or mitigate significant environmental impacts or values identified in subdivision (c), consistent with the California Environmental Quality Act and the state and federal Endangered Species Acts.

(e) Notwithstanding any other provision of this section, a corridor of statewide or regional priority may be designated as part of the regional transportation plan only if it is consistent with ~~a~~ *the* preferred growth scenario *of the regional transportation plan* and it has previously been specifically defined in the plan required pursuant to Section 134 and is consistent with the plan required pursuant to Section 135 of Title 23 of the United States Code.

~~SEC. 13.~~

SEC. 10. Section 65082 of the Government Code is amended to read:

65082. (a) (1) A five-year regional transportation improvement program shall be prepared, adopted, and submitted to the California Transportation Commission on or before December 15 of each odd-numbered year thereafter, updated every two years, pursuant to Sections 65080 and 65080.5 and the guidelines adopted pursuant to Section 14530.1, to include regional transportation improvement projects and programs proposed to be funded, in whole or in part, in the state transportation improvement program. ~~Projects and improvements to be funded shall be consistent with the preferred growth scenario developed pursuant to Section 65080.~~ *On and after January 1, 2009, projects and improvements to be funded shall be consistent with regional transportation plans, including the preferred growth scenarios, developed pursuant to Section 65080.*

(2) Major projects shall include current costs updated as of November 1 of the year of submittal and escalated to the appropriate year, and be listed by relative priority, taking into account need, delivery milestone dates, and the availability of funding.

(b) Except for those counties that do not prepare a congestion management program pursuant to Section 65088.3, congestion management programs adopted pursuant to Section 65089 shall

be incorporated into the regional transportation improvement program submitted to the commission by December 15 of each odd-numbered year.

(c) Local projects not included in a congestion management program shall not be included in the regional transportation improvement program. Projects and programs adopted pursuant to subdivision (a) shall be consistent with the capital improvement program adopted pursuant to paragraph (5) of subdivision (b) of Section 65089, and the guidelines adopted pursuant to Section 14530.1.

(d) Other projects may be included in the regional transportation improvement program if listed separately.

(e) Unless a county not containing urbanized areas of over 50,000 population notifies the Department of Transportation by July 1 that it intends to prepare a regional transportation improvement program for that county, the department shall, in consultation with the affected local agencies, prepare the program for all counties for which it prepares a regional transportation plan.

(f) The requirements for incorporating a congestion management program into a regional transportation improvement program specified in this section do not apply in those counties that do not prepare a congestion management program in accordance with Section 65088.3.

(g) The regional transportation improvement program may include a reserve of county shares for providing funds in order to match federal funds.

~~SEC. 14. Section 65086.5 of the Government Code is amended to read:~~

~~65086.5. (a) To the extent that the work does not jeopardize the delivery of the projects in the adopted state transportation improvement program, the Department of Transportation may prepare a project studies report for capacity-increasing state highway projects that are not included in the state transportation improvement program and that are consistent with an adopted preferred growth scenario. Preparation of the project studies report shall be limited by the resources available to the department for that work, supplemented, as appropriate, by regional or local resources. The project studies report shall include the project-related factors of limits, description, scope, costs, and the amount of time needed for initiating construction.~~

~~(b) Whenever project studies reports are performed by an entity other than the Department of Transportation, the department shall review and approve the report.~~

~~(c) The Department of Transportation may be requested to prepare a project studies report for a capacity-increasing state highway project which is being proposed for inclusion in a future state transportation improvement program. The department shall have 30 days to determine whether it can complete the requested report in a timely fashion. If the department determines that it cannot complete the report in a timely fashion, the requesting entity may prepare the report. Upon submission of a project studies report to the department by the entity, the department shall complete its review and provide its comments to that entity within 60 days from the date of submission. The department shall complete its review and final determination of a report which has been revised to address the department's comments within 30 days following submission of the revised report.~~

~~(d) The Department of Transportation, in consultation with representatives of cities, counties, and regional transportation planning agencies, shall prepare draft guidelines for the preparation of project studies reports by all entities, including a requirement that all projects studied shall be consistent with an adopted preferred growth scenario. The guidelines shall address the development of reliable cost estimates. The department shall submit the draft guidelines to the California Transportation Commission not later than July 1, 1991. The commission shall adopt the final guidelines not later than October 1, 1991. Guidelines adopted by the commission shall apply only to project studies reports commenced after October 1, 1991.~~

~~SEC. 15.~~

SEC. 11. Section 65086.6 is added to the Government Code, to read:

65086.6. The following definitions apply to terms used in this chapter:

(a) "Significant resource lands" include (1) all publicly owned parks, open space, and easement lands; (2) open space or habitat areas protected by natural community conservation plans, habitat conservation plans, or other adopted natural resource protection plans; (3) areas designated for open space uses in adopted open space elements of the local general plan or by local ordinance; (4)

habitat for protected species; and (5) floodplains, wetlands, riparian corridors, vernal ponds, and corridors and open areas needed to conserve the most regularly occurring keystone or indicator species.

(b) "Significant farmland" means farmland that is classified as prime or unique farmland, or farmland of statewide importance and is outside all existing spheres of influence as of January 1, 2007.

~~(c) "Vehicle miles traveled" includes all automobile and light truck vehicle miles traveled within a region except those vehicle miles traveled for business-to-business deliveries of goods and vehicle miles traveled for trips that do not originate or end within the region.~~

~~SEC. 16.~~

SEC. 12. Section 65088.1 of the Government Code is amended to read:

65088.1. As used in this chapter the following terms have the following meanings:

(a) Unless the context requires otherwise, "regional agency" means the agency responsible for preparation of the regional transportation improvement program.

(b) Unless the context requires otherwise, "agency" means the agency responsible for the preparation and adoption of the congestion management program.

(c) "Commission" means the California Transportation Commission.

(d) "Department" means the Department of Transportation.

(e) "Local jurisdiction" means a city, a county, or a city and county.

(f) "Parking cash-out program" means an employer-funded program under which an employer offers to provide a cash allowance to an employee equivalent to the parking subsidy that the employer would otherwise pay to provide the employee with a parking space. "Parking subsidy" means the difference between the out-of-pocket amount paid by an employer on a regular basis in order to secure the availability of an employee parking space not owned by the employer and the price, if any, charged to an employee for use of that space.

A parking cash-out program may include a requirement that employee participants certify that they will comply with guidelines established by the employer designed to avoid neighborhood

parking problems, with a provision that employees not complying with the guidelines will no longer be eligible for the parking cash-out program.

(g) "Infill opportunity zone" means a specific area designated by a city or county, pursuant to subdivision (c) of Section 65088.4, zoned for new compact residential or mixed use development within one-third mile of a site with an existing or future rail transit station, a ferry terminal served by either a bus or rail transit service, an intersection of at least two major bus routes, or within 300 feet of a bus rapid transit corridor, in counties with a population over 400,000. An infill opportunity zone shall be consistent with the preferred growth scenario in the adopted regional transportation plan. The mixed use development zoning shall consist of three or more land uses that facilitate significant human interaction in close proximity, with residential use as the primary land use supported by other land uses such as office, hotel, health care, hospital, entertainment, restaurant, retail, and service uses. The transit service shall have maximum scheduled headways of 15 minutes for at least 5 hours per day. A qualifying future rail station shall have broken ground on construction of the station and programmed operational funds to provide maximum scheduled headways of 15 minutes for at least 5 hours per day.

(h) "Interregional travel" means any trips that originate outside the boundary of the agency. A "trip" means a one-direction vehicle movement. The origin of any trip is the starting point of that trip. A round trip consists of two individual trips.

(i) "Level of service standard" is a threshold that defines a deficiency on the congestion management program highway and roadway system which requires the preparation of a deficiency plan. It is the intent of the Legislature that the agency shall use all elements of the program to implement strategies and actions that avoid the creation of deficiencies and to improve multimodal mobility.

(j) "Multimodal" means the utilization of all available modes of travel that enhance the movement of people and goods, including, but not limited to, highway, transit, nonmotorized, and demand management strategies including, but not limited to, telecommuting. The availability and practicality of specific multimodal systems, projects, and strategies may vary by county

and region in accordance with the size and complexity of different urbanized areas.

(k) "Performance measure" is an analytical planning tool that is used to quantitatively evaluate transportation improvements and to assist in determining effective implementation actions, considering all modes and strategies. Use of a performance measure as part of the program does not trigger the requirement for the preparation of deficiency plans.

(*l*) "Urbanized area" has the same meaning as is defined in the 1990 federal census for urbanized areas of more than 50,000 population.

(m) "Bus rapid transit corridor" means a bus service that includes at least four of the following attributes:

(1) Coordination with land use planning.
(2) Exclusive right-of-way.
(3) Improved passenger boarding facilities.
(4) Limited stops.
(5) Passenger boarding at the same height as the bus.
(6) Prepaid fares.
(7) Real-time passenger information.
(8) Traffic priority at intersections.
(9) Signal priority.
(10) Unique vehicles.

~~SEC. 17.~~

SEC. 13. Section 65088.4 of the Government Code is amended to read:

65088.4. (a) It is the intent of the Legislature to balance the need for level of service standards for traffic with the need to build infill housing and mixed use commercial developments within walking distance of mass transit facilities, downtowns, and town centers and to provide greater flexibility to local governments to balance these sometimes competing needs.

(b) Notwithstanding any other provision of law, level of service standards described in Section 65089 shall not apply to the streets and highways within an infill opportunity zone. The city or county shall do either of the following:

(1) Include these streets and highways under an alternative areawide level of service standard or multimodal composite or personal level of service standard that takes into account both of the following:

(A) The broader benefits of regional traffic congestion reduction by siting new residential development within walking distance of, and no more than one-third mile from, mass transit stations, shops, and services, in a manner that reduces the need for long vehicle commutes and improves the jobs-housing balance.

(B) Increased use of alternative transportation modes, such as mass transit, bicycling, and walking.

(2) Approve a list of flexible level of service mitigation options that includes roadway expansion and investments in alternate modes of transportation that may include, but are not limited to, transit infrastructure, pedestrian infrastructure, and ridesharing, vanpool, or shuttle programs.

(c) The city or county may designate an infill opportunity zone by adopting a resolution after determining that the infill opportunity zone is consistent with the general plan, any applicable specific plan, and any preferred growth scenario adopted pursuant to Section 65080. A city or county may not designate an infill opportunity zone after December 31, 2009.

(d) The city or county in which the infill opportunity zone is located shall ensure that a development project shall be completed within the infill opportunity zone not more than four years after the date on which the city or county adopted its resolution pursuant to subdivision (c). If no development project is completed within an infill opportunity zone by the time limit imposed by this subdivision, the infill opportunity zone shall automatically terminate.

~~SEC. 18. Chapter 2.68 (commencing with Section 65089.60) is added to Division 1 of Title 7 of the Government Code, to read:~~

~~CHAPTER 2.68. INTEGRATED TRANSPORTATION AND LAND USE PLANNING~~

~~65089.60. The Department of Transportation, in partnership with the agencies described in subdivision (a) of Section 14522.2, shall develop standards for disseminating the methodology, results, and key assumptions of the travel demand models in a way that would be useable and understandable to the public.~~

~~65089.61. The department shall meet at least annually with the California Transportation Commission and with the agencies described in subdivision (a) of Section 14522.2 to determine~~

~~whether the models have met the requirements of Section 14522.3 and whether the models need additional revisions due to new research or new requirements in state or federal law.~~

~~SEC. 19.~~

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 PREFERRED GROWTH SCENARIO

~~21155. For purposes of this chapter, the following definitions shall apply:~~

~~(a) "Central business district" means the historic center of commerce and government for a community, characterized by a compact, cohesive core of previously developed commercial and mixed use buildings, often interspersed with civic, religious, and residential buildings and public spaces, typically along a main street and intersecting side streets and served by public infrastructure. At least two-thirds of the structures in a central business district shall be commercial or commercially zoned buildings and have a pedestrian scale and orientation including those elements as ground floor storefronts and reduced front setbacks.~~

~~(b) "Major arterial corridor" means a surface street of at least four lanes that is within a city, with predominantly developed commercial uses along it, and that serves as a collector for local traffic and as an access to regional or subregional highways and freeways. A major arterial corridor includes both the street, and the land uses adjacent to and in the immediate vicinity of the street.~~

~~(c) "Neighborhood" means a predominantly developed area within a city identified by a commonly used name, possessing commonly acknowledged geographic boundaries and sharing common political, commercial, social, cultural, religious, or educational institutions and having not more than approximately a one-half mile radius.~~

~~(d) "Transit village planning area" means a previously developed area in compliance with Sections 65460.2 and 65460.4 of the Government Code.~~

~~21155.1.~~

21155. (a) This chapter applies only within a local jurisdiction that has amended its general plan so that the land use, circulation, housing and open space elements of the general plan are consistent with the preferred growth scenario most recently adopted by the metropolitan planning organization pursuant to Section 65080 of the Government Code for the region in which the local government is located.

(b) For purposes of this section, the land use, circulation, housing and open space elements of the general plan are consistent with the preferred growth scenario only if all of the following requirements are met:

(1) The land use and housing elements designate housing, retail, commercial, office, and industrial uses at levels of density and intensity sufficient to accomplish the goals of the preferred growth scenario for those locations.

(2) The uses for lands identified in the preferred growth scenario as significant farmlands are limited to agricultural uses, including processing, packing, worker housing, and other ancillary agricultural uses.

(3) The uses for lands that are identified in the preferred growth scenario as significant resource lands are consistent with protection of the resource values of those lands.

(4) A local jurisdiction that meets the requirements of this section is an eligible local jurisdiction for purposes of this chapter.

21155.2. An environmental document prepared pursuant to this division is required to only examine the significant or potentially significant project specific impacts of a project located in an eligible local jurisdiction, if an environmental impact report has been certified on the preferred growth scenario and on the general plan amendments to conform to the preferred growth scenario, and the project meets both of the following requirements:

(a) The project is a residential project or a residential or mixed use project consisting of residential uses and primarily neighborhood-serving goods, services, or retail uses that do not exceed 25 percent of the total floor area of the project.

(b) The project is ~~an infill project~~ *on an infill site* located within an urbanized area.

~~21155.3. (a) A city or county that is an eligible local jurisdiction may adopt a neighborhood plan, if the plan meets all the following requirements:~~

~~(1) The planning area is located in a neighborhood, central business district, transit village planning area, or major arterial corridor.~~

~~(2)The plan provides that the land uses in the plan area are predominantly housing.~~

~~(3) The plan specifies the location, height, and approximate square footage and footprint of buildings; the building intensity; the maximum number of residential units; a range of square feet for retail or offices uses; and the areas dedicated for open space and recreation.~~

~~(4) The plan contains a parking strategy and may include provisions for shared parking facilities.~~

~~(5) The plan provides that pedestrians in the area have convenient access to a major transit stop, either existing or as a feature of the plan.~~

~~(6) The residential density of the plan area is at least equal to the applicable density level provided in subparagraph (B) of paragraph (3) of subdivision (c) of Section 65583.2 of the Government Code.~~

~~(7) The plan prevents no loss in the number of affordable housing units within the plan area.~~

~~(8) The plan contains provisions to mitigate the displacement of low-income and very low income persons resulting from implementation of the plan.~~

~~(b) A city or county that adopts a neighborhood plan pursuant to this section shall adopt the plan using a planning process that complies with all of the following:~~

~~(1) The city or county shall provide residents of the plan area and the surrounding area with all legally required notices.~~

~~(2) The city or county shall conduct a public outreach program that includes, at least, public notices, fact sheets, workshops and information meetings within the plan area and written materials in languages commonly spoken in the plan area and the surrounding area.~~

~~(3) All notices, fact sheets, workshops, and information meetings shall inform area residents of the proposed contents of the plan.~~

~~(c) The neighborhood plan may be reviewed pursuant to, and projects to develop the neighborhood plan may be subject to, Article 2 (commencing with Section 21157) of Chapter 4.5.~~

21155.4. If the legislative body of an eligible local jurisdiction finds, after conducting a public hearing, that a project meets all of the requirements of subdivisions (a) and (b) and one of the requirements of subdivision (c), the project is declared to be a sustainable communities' project and no additional review is required pursuant to this division:

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

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

(2) (A) The site of the project does not contain wetlands, does not have any significant value as a wildlife habitat, and the project does not harm any species protected by the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.) or by the Native Plant Protection Act (Chapter 10 (commencing with Section 1900) of Division 2 of the Fish and Game Code), 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 Section 328.3 of Title 33 of the Code of Federal Regulations and "wildlife habitat" means the ecological communities upon which wild animals, birds, plants, fish, amphibians, and invertebrates depend for their conservation and protection.

(3) The site of the 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 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 project does not have a significant effect on historical resources pursuant to Section 21084.1.

(6) The 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 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 by public funds dedicated to the acquisition of land for housing purposes.

(8) The buildings in the project will comply with all green building standards required by the eligible local jurisdiction.

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

(1) The project is located on an infill site.

(2) The project is a residential project or a residential or mixed use project consisting of residential uses and primarily neighborhood-serving goods, services, or retail uses that do not exceed 25 percent of the total floor area of the project.

(3) The project is located within an urbanized area.

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

(5) The project does not contain more than 200 residential units.

(6) The project density is at least equal to the applicable density level provided in subparagraph (B) paragraph (3) of subdivision (c) of Section 65583.2 of the Government Code.

(7) The project does not result in any loss in the number of affordable housing units within the project area.

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

(9) The project is consistent with the general plan.

(c) The project meets one of the criteria specified in paragraphs (1) to (4), inclusive:

(1) The 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 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 determined pursuant to paragraph (3) of subdivision (h) of Section 65589.5 of the Government Code. *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 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 project is located within one-quarter mile of a major transit stop.

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

21155.5. (a) The legislative body of an eligible local jurisdiction within an urbanized area may adopt traffic mitigation policies that would apply to future residential projects. These policies shall be adopted 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 are reasonably related to mitigating the traffic impacts of future residential projects.

(b) The traffic mitigation policies adopted pursuant to this section shall apply to residential projects of at least 10 units per acre.

(c) (1) A residential project seeking a land use 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 eligible local jurisdiction issuing that land use approval has adopted traffic mitigation polices 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 impacts of a project on pedestrian or bicycle safety.

~~SEC. 20. From the bond funding available in Propositions 84 or 1C for smart growth planning and incentives, up to $20 million shall be available, upon appropriation, for grants to the agencies described in Section 14522.2 of the Government Code for transportation planning model improvements to meet the requirements of this act that are not otherwise required by prior law or regulation. Grants shall be awarded by the California Transportation Commission, in consultation with the Department of Transportation, and shall include a process to fully account for the expenditure of bond funds by the grantee agencies.~~

1 ~~SEC. 21.~~
2 *SEC. 15.* If the Commission on State Mandates determines that
3 this act contains costs mandated by the state, reimbursement to
4 local agencies and school districts for those costs shall be made
5 pursuant to Part 7 (commencing with Section 17500) of Division
6 4 of Title 2 of the Government Code.

O