MEMO

DATE: May 19, 2004

TO: Community, Economic and Human Development Committee (CEHD)

FROM: Lynn Harris, Manager, Community Development Division, 213-236-1875, harris@scag.ca.gov

SUBJECT: Compass Growth Vision Implementation: The 2% Strategy and Contingency Funding Programs for 2004 RTP

SUMMARY:

On 5/6/04, the CEHD Committee unanimously approved the Southern California Compass Growth Vision and Implementation Program. The framework outlines actions to be taken that would achieve the benefits from the 2% land use strategy. This item explores those actions that could lead to contingency funding programs for the 2004 RTP.

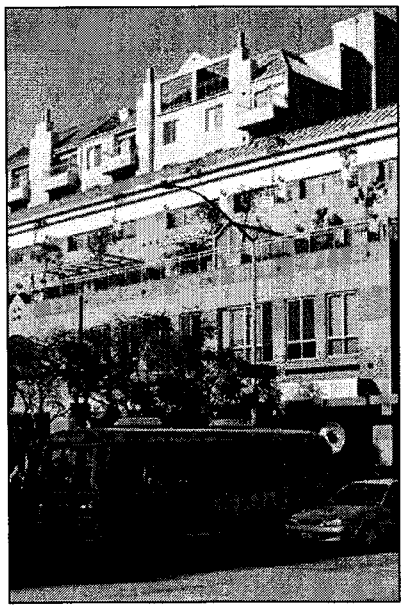
Page 9, Bullet 2 of the attached Implementation Framework refers to the strategy of benefit assessment districts. Benefit assessment is a fee on property used to pay part or all of the cost of capital improvements enhancing the value of and benefiting the property. Assessments received from these districts are used to pay off bonds issued to pay a portion of the construction costs. This strategy was used by the MTA to finance 9% of segment 1 of the Metro Red (A) Line.

This is an information item intended to generate discussion with the Committee that:

1. Describes the process of establishing benefit assessment districts
2. Discusses the pros and cons of establishing benefit assessment districts
3. Identifies potential corridors where this strategy might be utilized

Southern California Compass Implementation Framework

The Compass Growth Vision is centered on the four Principles adopted by the Growth Visioning Subcommittee. Accordingly, the strategies for implementation are also grouped by Principle. There are some techniques however which transcend any one Principle and therefore should be seen as an overarching strategy. These action items are grouped in the following series of general strategies for implementing the Growth Vision.



Overarching Strategies

- **Develop a monitoring system to gauge local and regional success of the elements within the Growth Vision**

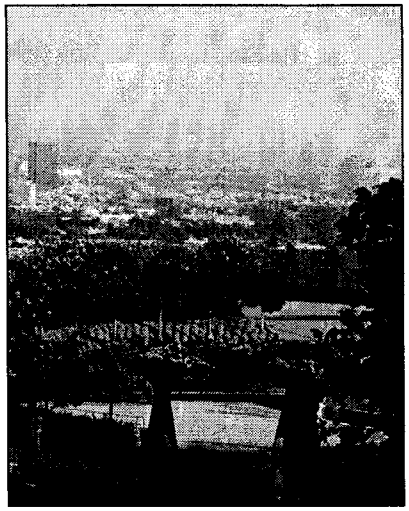
What gets measured gets done. One of the key advantages of a scenario planning approach is the reliance on monitoring, evaluation and adjustment of strategies based on success or failure. Without quality monitoring systems in place it can be difficult, even impossible, to accurately gauge the success of planning efforts. The RTP and Growth Vision both lend themselves well to detailed monitoring. The statements and policies about the future that will result from actions made today, tomorrow and the next few years can only be ensured if we can continually verify that we are on track. It is vital to measure our actions objectively to determine the level of performance we are attaining. This monitoring can provide an early warning system if things are not going according to plan. On the other hand, it can also alert us to early successes from which we can learn lessons and in fact further the goals of the plan.

Of utmost importance in developing a monitoring system for the Growth Vision is that the measures and techniques to be employed are developed through a collaborative process where all participating jurisdictions can agree with both the purpose and method of the monitoring. Once developed, this monitoring system should be utilized on a regular basis, resulting in a report, shared with all member jurisdictions, that will help them understand how their policies and actions are either enforcing the collective goals of the vision, or where changes and new ideas may be warranted.

SCAG should begin by incorporating the Growth Visioning monitoring system into the State of the Region Report. The Report should include benchmarks and indicators, which evaluate progress toward quantifiable goals derived from the Vision. This monitoring system should also be employed to compare the differences between the 2001 and 2004 Regional Transportation Plans to learn more about the resulting reduction in emissions.

- **Develop a legislative agenda to aid in the realization of the Vision.**

  Coordinate this agenda with the other regional governments in the state, such as ABAG/MTC, SACOG, and SANDAG, to change State law that hinders the common approaches of the regions. State policy affects a wide variety of issues including topics such as transportation policy, housing, and even labor laws that may be weakening the Southland's potential to attract manufacturing firms.



  Issues to be addressed at the State level include:

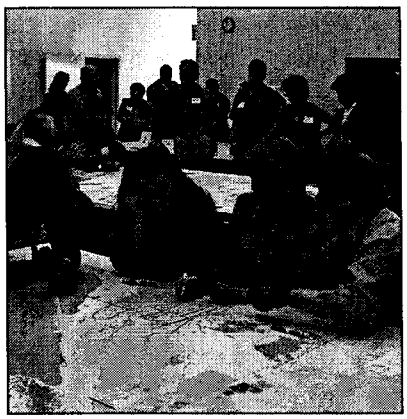
  - Establish priorities based on the Vision for which we can leverage funds for local governments to use.
  - Use housing allocation funds and discretional decisions at the State and federal level to reinforce and support the Vision.
  - Make compliance with a regional vision of tangible benefit, such as shifting the burden of proof for EIR compliance from the city and developer to the plaintiff, once compliance with objective measures of a growth management strategy are attained.

- **Update the Regional Comprehensive Plan as a tool to coordinate local plans and embrace the Southland's many unique local identities.**

  Experience suggests that SCAG, the subregions, and local jurisdictions could more easily achieve their collective goals by actively encouraging and empowering subregional planning and coordination within the context of a regional comprehensive plan. The Vision should be built on this type of cooperative partnership. The Vision will be implemented through decisions made every day at the local level and will therefore only succeed by helping to accomplish local desires.

  The effort required to implement the Vision will not fall on any one jurisdiction. Cities, Counties, Transportation Authorities and SCAG are partners, sharing the responsibility for making the Vision a reality for the residents of the Southland.

- **Create a targeted public relations strategy that emphasizes regional leadership and builds a sense of common interests that truly resonates with Southern Californians and begins to develop a deeper respect for SCAG by the subregions and local jurisdictions.**



We've heard from several subregional groups that the idea of public relations is critical and has great potential for lasting success. This outreach should take a variety of forms. In the beginning the primary goal will be to publicize the important regional planning activities underway with SCAG's partners and the public. This could involve speaker's bureaus, planning assistance, and various press strategies. Other regions have also found great success by preparing handbooks or tools to assist their member cities in achieving the shared vision.

Education can also be a key component of this outreach strategy. Education opportunities exist both in an out of the classroom. Conferences or symposiums can be an excellent way to bring important regional lessons to groups of elected officials, planners, and even students – our future leaders. Another strategy that has been successful is bringing regional planning into the schools themselves. A first strategy might involve university level coursework through working with some of the many planning schools in the Southland. Further down the road, a program could be developed to educate high-school age children. For years Chicago had a mandatory class that taught children about their famed Burnham Plan of 1909. Getting children involved in the importance and quality-of-life benefits of planning at an early age helps to ensure that it will remain a topic of interest and concern as they become adults.

- **Establish a method to convene representatives from government, civic leaders and members of the development community to work together on issues and challenges that are shared by communities within the Southland.**

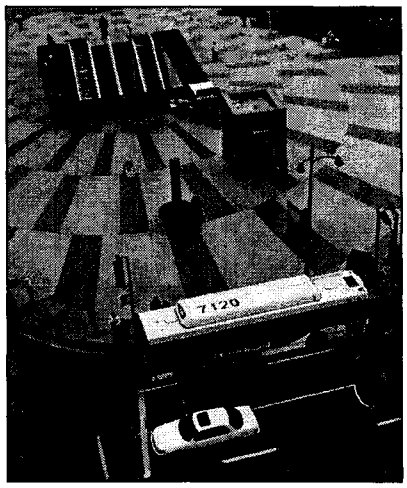
  Setting up periodic forums to bring these groups together can be instrumental in all parties fully understanding each other's wants and needs, and from that derive possible solutions. This coordination will help to allow the private sector to build the type of products for which member jurisdictions are striving.

Implementation Tools by Principle

PRINCIPLE #1

Improve mobility for all residents

- Encourage transportation investments and land-use decisions that are mutually supportive
- Locate new housing near existing jobs and new jobs near existing housing
- Encourage transit-oriented development
- Promote a variety of travel choices



Providing transit options is a way to improve mobility for residents within the region.

Implementation Strategies

- **SCAG should begin each RTP process with scenarios based on geographic land use knowledge within the TAZ's to inform the projections.**

  The 2004 RTP benefited from the land use element that evolved from the Compass process. This "bottom-up" approach has met with success during the Compass process. This includes incorporating input received locally from the subregion and city review of the Growth Vision into a "starter Compass scenario" for the 2007 model runs, informed by the monitoring of key indicators in the interim.

  There is no reason to wait to model these virtual futures. Continual scenario modeling, coupled with a detailed monitoring system, will allow SCAG and local jurisdictions to be continually informed regarding the benefits of the various strategies they are employing.

- **The Regional Transportation Plan is now aligned with the principles of the Growth Vision. SCAG should prioritize transportation improvements for optimum realization of those goals.**

  Projects funded by the RTP could be evaluated using the Vision, and the Vision could provide incentives for implementation of key policies in the RTP. The Corridors described in the Vision and on the map are one of several items to explore. Corridors are the easiest places to make a case for using federal and state dollars to help cities with planning. Fully utilizing the corridors will help to focus the necessary land use changes into areas where change is both wanted and needed, protecting stable neighborhoods from significant impact. Increasing the housing and jobs in these corridors was one of the leading components of the Vision and led to many of the modeled transportation efficiencies of the 2004 RTP.

- **Develop a diverse set of pilot corridor projects that show the Growth Vision in action.**

  Successful pilot projects can demonstrate progress in the implementation of some of the key principles of the Vision. These studies can help in understanding market and regulatory barriers that inhibit both economic growth and the provision of needed housing. Further, they can act as a catalyst, showing other developers, lenders, and jurisdictions the potential that can be achieved.

  For each of the corridor pilot projects, the parties involved should engage in a full land use and transportation study. Strategies would include:

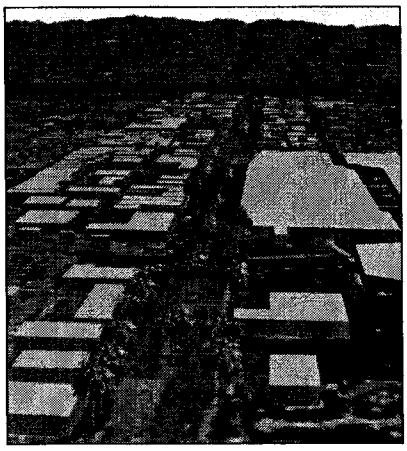
  - Combining land use and transportation strategies, rather than holding land use constant and changing transportation investments on a case-by-case basis
  - Using the principles of scenario planning to investigate options and develop feasible strategies that allow the region to 'plan without boundaries'
  - Using a wide-ranging public awareness program, including workshops or charrettes, to engage the public in developing scenarios and strategies.
  - Developing a set of measurable criteria to evaluate different scenarios and using a consistent set of criteria to select a final strategy.
  - Using this process to help define options for developing the Environmental Impact Review.

Following is a first list of suggested pilot projects for implementing the vision.

1. Gold Line Extension
2. Exposition Line
3. Valley Bus Way
4. Maglev IOS
5. San Jacinto Line
6. Highway 30
7. 101 Corridor HOT lanes
8. CenterLine
9. North Los Angeles County to the High Desert
10. Other corridors with significant transportation and land use interaction

- **Work with County Transportation Commissions to help coordinate inter-regional transit travel.**

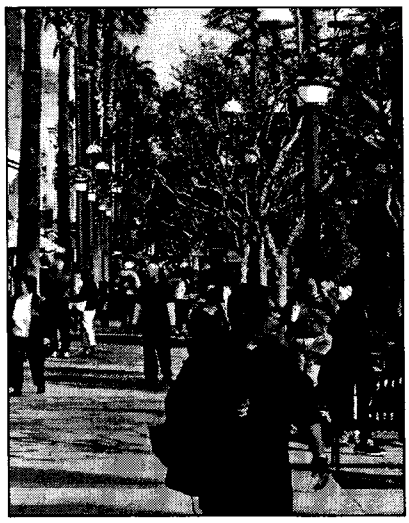
  A reoccurring theme at the many Compass workshops was the difficulty faced by some in using transit to travel across the region. Concerns ranged from varying fares, to headways, and most importantly gaps in service that seem to correspond to jurisdictional boundaries. The needs of residents of the Southland transcend city and county borders. These boundaries must be removed from the thought process in planning for seamless travel.



PRINCIPLE #2

Foster livability in all communities

- Promote infill development and redevelopment to revitalize existing communities
- Promote developments that provide a mix of uses
- Promote "people-scaled," walkable communities
- Support the preservation of stable, single-family neighborhoods



Walkable communities help improve livability and promote a mix of uses.

Implementation Strategies

- **The Regional Housing Needs Assessment process should be coordinated with visioning and planning at the regional level to identify areas of common interest and mutual benefit.**

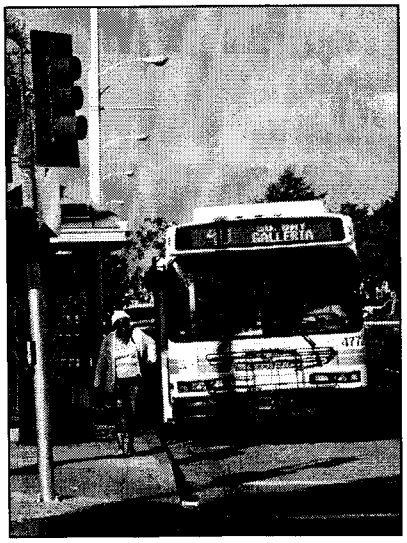
  The Compass process should be used as a means of collaboration and compromise to revise the RHNA process to one that is less adversarial and more creative. As creator of the RTP, SCAG has the ability to begin this process by bringing to the conversation a common base of understanding, one based on the demographic needs of the region. Building the process on top of a commonly held vision of the future can help to focus the discussions on both regional and local needs while bringing consistency to the regional planning effort.

- **Endow the subregions with greater responsibility in conducting their own visioning.**

  Use these efforts to guide the shape of regional plans, recognizing that the cities and counties are the cornerstone of implementation. SCAG's role would be to facilitate this work and help with coordinating the many jurisdictions involved in any planning project. Building the Growth Vision from local planning efforts is an idea that resonated well with the subregions and local jurisdictions that participated in Compass workshops, policy dialogues, and scenario review sessions.

- **Establish vision elements, such as Centers and Corridors, and a well-defined open space system with clear objectives for development, preservation and social equity.**

  Agencies may use these objectives in providing assistance to developers that want to further city goals with their projects. SCAG can work to ensure that the Vision and its map evolve to recognize the local implementation efforts and priorities that are discovered during the process.



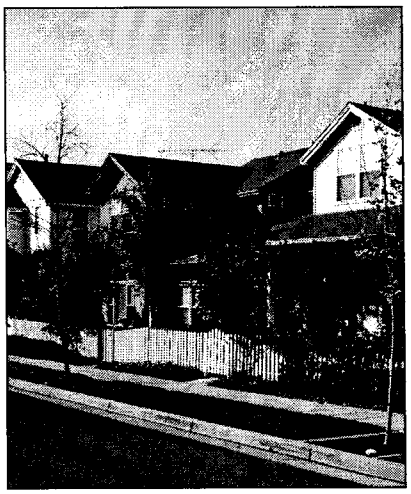
- **Offer planning assistance and cooperatively develop a set of recommended model ordinances for those that wish to implement specific parts of the regional Vision.**

  Model ordinances can be used to help make development that supports the vision ubiquitous rather than the exception. Through pilot projects, handbooks and partnerships, the cities of the region have many resources at their fingertips to assist in planning for, and achieving a substantial amount of new housing units through infill. Research of pilot projects during the Compass project alone has shown that policies such as allowing for flexible building height standards and reductions in parking requirements for these pedestrian friendly areas can reduce costs by as much as 30%. Continued exploration and ongoing projects will provide the region with the tools necessary to properly utilize land use, specifically infill, to enhance the transportation corridor efficiency.

PRINCIPLE #3

Enable prosperity for all people

- Provide, in each community, a variety of housing types to meet the needs of all income levels
- Support educational opportunities that promote balanced growth
- Ensure environmental justice regardless of race, ethnicity or income class
- Support local and state fiscal policies that encourage balanced growth
- Encourage civic engagement



A variety of housing types enables prosperity for all people.

Implementation Strategies

- **Create a regional database with a wealth of knowledge for planning and economic development.**

  SCAG should assemble and keep current a quality GIS inventory of: vacant and reuse opportunity sites, local and regional open space plans and information that will help companies find locations within the Southland near to their desired employees. This data should be shared with jurisdictions and the development community. This data sharing will promote jobs-housing balance, open space preservation and the enabling of infill development and investment in areas that are largely developed.

- **Foster greater cooperation between business, government and community organizations through training in public-private partnerships.**

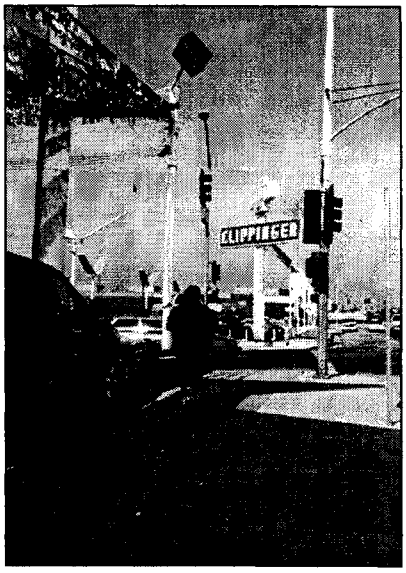
  This effort opens the door to the creation of important partnerships with the development community, learning from them how policies and practices both help and hinder the creation of the products that support the vision. These developers will benefit as they work with the cities and counties, and will be able to act as ambassadors to their colleagues.

- **Accelerate employment balance throughout the region**

  The natural progression of growth in the Southland during the past several decades has been to initially develop an area as a place for people to live who have either been priced out of the market where they work or are willing to commute farther in exchange for other housing or neighborhood amenities. This of course leads to an imbalance of too many households versus available jobs in the area. In the years that follow, manufacturing and professional jobs often move to these areas in response to both land price and the availability of workers.

  A goods movement strategy that is designed to address the forecasted near tripling of freight coming in to the Southland over the next 25 years can play a vital role in enabling these employers to locate in these housing rich areas. It is therefore important when planning for the region's transit and highway corridors to also focus on logistics and goods movement.

  Southern California is multi-centric. Creating efficient access and goods movement allows these centers to develop in a balanced fashion. Being locations for people to live, they also have the basic elements for prosperous job centers.



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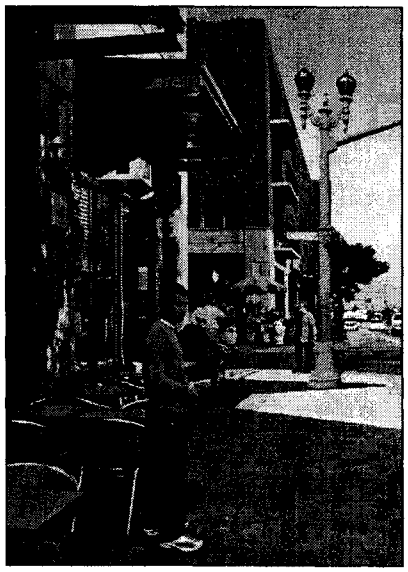
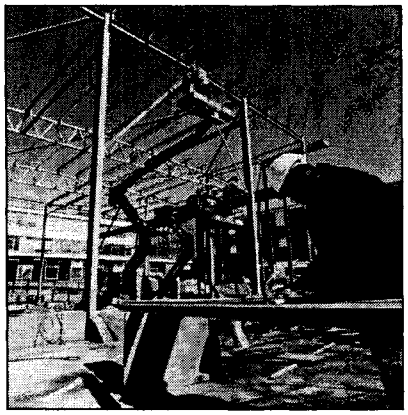


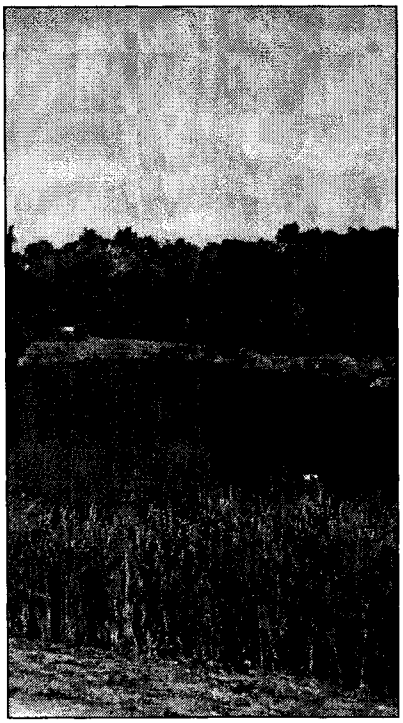
After

- **Implement the techniques outlined in the 2004 Regional Transportation Plan's privately funded projects.**



Jobs for people working in the middle class are not as available as they should be. State policies and changing demands on infrastructure from the increases in distribution are hindering the region's competitive advantage for manufacturing jobs. Addressing the infrastructure and location needs of manufacturing and distribution would allow for more people to have access to these jobs. This would enable people in that cohort to more readily afford homes.

Discussion has been initiated at the State level in regard to a manufacturing tax credit. SCAG could help to increase economic security by using the Vision to create empowerment zones where employers would reap benefits for providing family wage jobs to people living locally. This can also be an assistance tool for areas that have historically been overlooked by new investment.



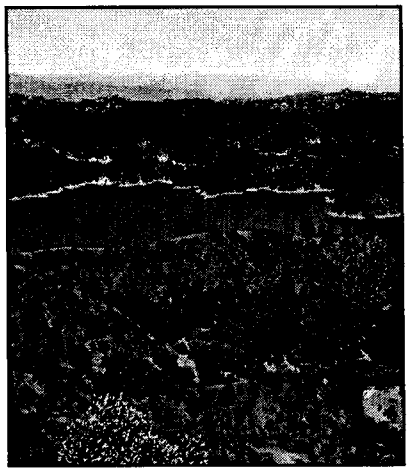
- **Engage a study to look at how public investment such as transit facilities increase land value and what options may exist to use newly created wealth to increase opportunities for others and create more transit oriented developments.**

The increased value that comes with reinvestment in a specific area can often mean that existing families are priced out of housing, or that it is not feasible for the market to produce the needed affordable housing. Cities are further trapped in that funds provided by the developers for city creation of affordable housing have diminishing purchasing power with the success of the nearby developments. There may be avenues to explore whereby the public could in some form receive a part of the benefit from the increases in land value that result from the new projects that have been enabled by the public's funding of the transit improvements that have made those developments possible.

PRINCIPLE #4

Promote sustainability for future generations

- Preserve rural, agricultural, recreational and environmentally sensitive areas
- Focus development in urban centers and existing cities
- Develop strategies to accommodate growth that use resources efficiently, eliminate pollution and significantly reduce waste
- Utilize "green" development techniques



Open space is integral to the health of communities.

Implementation Strategies

- **Integrate the many open space and habitat plans underway throughout the region into an Open Space element for the Growth Vision.**

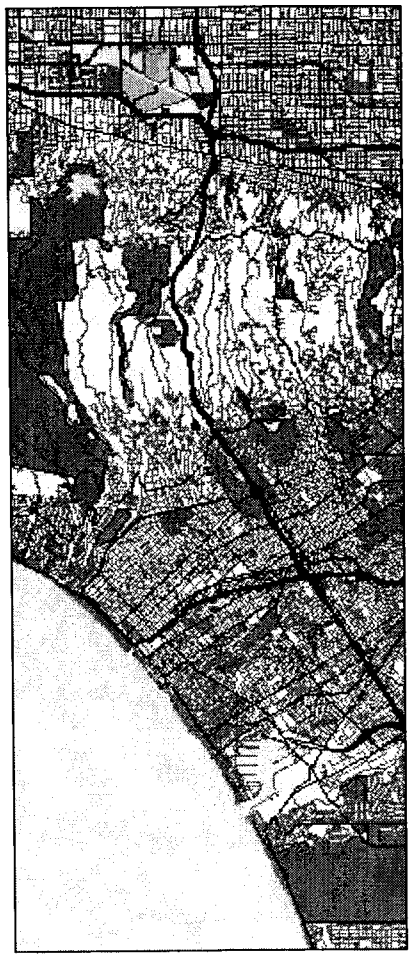
  Much significant work has been completed or is underway throughout the region. The open space component of the vision should be deemed equal in importance to components such as urban centers and infrastructure. Through collaboration, SCAG should assemble the many planning efforts into a standardized inventory that that can both inform the Vision and provide lessons to other jurisdictions interested in performing similar analysis. This green infrastructure should in no way hinder a jurisdiction's ability to accommodate needed housing or jobs. Rather, they should be rewarded for the extra effort of ensuring sustainability for the Southland. This inventory should be used to monitor sustainability and livability goals and help neighboring cities to plan for open spaces in a coordinated fashion.

- **Offer training for elected leaders, planning officials, and the development community in green planning and design.**

  As with planning for infill, handbooks, symposiums, and other education tools should be used to enable cities and counties to embrace the sustainable practices of green building. SCAG should act as a coordinating body to help the region determine a standard set of approaches. With SCAG helping to create these standards, the region's cities may face much less uncertainty at the State level as they work to implement the various techniques.

- **Identify or adopt a conflict resolution mechanism to assist with open space protection agreements already in place and work to enhance additional open space needs.**

  SCAG can use its position as a regional leader to bring together the many interests that have a stake in protection or enhancement of open space. During regional planning activities, SCAG should factor in the need for preservation of open space and natural areas when determining growth projections and housing needs.



- **Cities and counties with a well-defined open space system or urban limit lines have a reputation for becoming desirable and expensive. Offer planning assistance and model ordinances that will help to preserve the environment and enable inclusionary housing practices and housing choice.**

  Cities throughout the region grapple with deciding how to appropriately address growth for their community while preserving their cherished open space and productive agricultural areas. Some cities and counties, for example, have adopted urban limit lines or growth boundaries. These tools can be very successful; however, they can also lead to unintended consequences. As a coordinating body, SCAG can help to share the 'best practices' and lessons learned by cities that have employed these sprawl preventative measures. These tools can help ensure that the jurisdiction's goals are met, and that they don't run into the problems that might arise from these ideas. Cities across the country that have employed these preservation techniques have had to learn a few hard lessons before finally tuning the regulations to work as intended. By helping with these lessons learned, SCAG can help jurisdictions achieve their goals without facing the pitfalls that invariably come from trying something for the first time.

- **Calculate demand for water based on the Growth Vision projections and distribution.**

  SCAG can bring the cities, counties, and water providers together to better coordinate the availability of water with projections and capacity calculations for housing and jobs throughout the region.