

# SAN LUIS OBISPO COUNCIL OF GOVERNMENTS

## STAFF REPORT

**MEETING DATE:** MARCH 3, 2010

**SUBJECT:** 2010 Regional Transportation Plan (RTP) Update

### SUMMARY

This staff report provides background on the current RTP update and seeks to clarify questions raised in your February meeting regarding the approach and structure of this required document. As noted, in February the updated RTP's major changes are three-fold: (1) updated policies and programs, (2) major reduction in revenues and their predictability, and (3) integrating the thrust of the SB 375 *Sustainable Communities Strategy* (SCS) requirements that will be further refined by 2012 with the inclusion of the California Air Resources Board (ARB) greenhouse gas (GHG) reduction targets that will be developed over the upcoming year. This report uses a "frequently asked question" format to try and simplify the context and issues of the RTP Update effort and the integration of the land use - transportation connection that is the focus of the *Sustainable Communities Strategy* as well as the very challenging funding environment that will heavily constrain our ability to maintain and expand our transportation network, transit services, as well as the demand and system management efforts.

### RECOMMENDATION

**Staff:** Review and Comment

### BACKGROUND

#### Regional Transportation Plan Update

##### What is it?

The Regional Transportation Plan (RTP), also called a Long-Range Transportation Plan is the mechanism used in California by both Metropolitan Planning Organizations (MPOs) and Regional Transportation Planning Agencies (RTPAs) to conduct long-range (minimum of 20 years) planning in their regions.

##### Why is it required?

Since the mid-1970s, with the passage of AB 69, (Chapter 1253, Statute of 1972) California state law has required the preparation of RTPs to address transportation issues and assist local and State decision-makers in shaping California's transportation infrastructure. The purpose of RTPs is to encourage and promote the safe and efficient management, operation and development of a regional intermodal transportation system that will serve the mobility needs of goods and people. RTP Guidelines are provided by the California Transportation Commission (CTC) to provide guidance so that MPOs and RTPAs will develop their RTPs to be consistent with Federal and State transportation planning requirements. The CTC is currently updating these guidelines to include the SB 375 emphasis on the SCS and GHG reduction strategies.

##### What happens if we don't proceed?

This is important because State statutes require that RTPs serve as the foundation of the Federal Transportation Improvement Program (FTIP). The FTIPs are prepared by MPOs and identify the next four years of transportation projects to be funded for construction. The CTC cannot program projects that are not identified in an up-to-date RTP. The SLOCOG RTP must be updated in 2010 to be eligible to receive state and federal transportation funding – millions of dollars in programming is at stake.

### DISCUSSION

##### What's in the current plan?

*Intermodal Systems Emphasis:* The 2005 Regional Transportation Plan (*Vision 2025*) was developed with an emphasis on a balanced system wide approach for all modes of transportation including:

highways, streets and roads; public transportation; non-motorized transportation improvements and transportation demand and system management efforts.

Balanced investment. *Vision 2025* (2005 RTP) was also developed under a ‘funding scenario’ that presents a balanced investment in highways, streets, and roads; public transportation; and non-motorized transportation improvements.

Equitable distribution between mode and geographic area. *Vision 2025* (2005 RTP) also identifies transportation improvements that are distributed equitably across all modes of transportation and distributed geographically across the region.

Funding constrained: Three basic revenue forecast scenarios were developed for *Vision 2025* (2005 RTP):

1. “Financially Constrained” scenario - the “Reasonably Expected Revenue” scenario based only on current sources and levels of federal, state, and local transportation revenue projected out to the year 2025.;
2. “Reasonably Expected Revenue” scenario - ; (the scenario selected as the basis for *Vision 2025*) is based on current sources and levels of federal, state, and local transportation revenue projected to the year 2025 and includes some additional sources of transportation revenue that are expected to become available in 2025, including higher levels of state and federal discretionary funds, and minor increases in state and federal gas taxes based on historical trends and,
3. “Supplemental Revenue” scenario - includes additional revenue options, including a local option sales tax and other potential revenue sources, to fully fund the desired list of transportation system improvements.

Land use component – smart growth principles: *Vision 2025* (2005 RTP) fosters the integration of smart growth land uses and transportation facilities in communities across the region. The land use component of *Vision 2025* focuses on the following major objectives:

1. Design communities to be more multi-modal and less auto-dependent;
2. Promote the use of integrated modes of travel that provides seamless transportation options;
3. Encourage the use of bicycling, walking, and transit;
4. Enhance Intermodal and multi-modal connectivity; and
5. Provide smart growth principles for future land use development.

#### What has changed since the adoption of *Vision 2025* (the 2005 RTP)?

1. Revenues have declined dramatically:
  - o Decrease in the amount of dedicated funding and predictability
  - o Key impact areas:
    - Significant decrease in funding for highway and roadway expansion
    - No regional funding for street and road maintenance
    - Flat or decreased funding for transit
    - Nominal increase in funding for livable communities, transportation enhancements and TDM
2. New state requirements – SB 375 (in 2012):

Transportation planning and land use planning became more closely linked following the passage of SB 375 (Chapter 728, Statutes of 2008) in September 2008. As a result of this legislation, the reduction of greenhouse gases (GHG) has become a new priority in the transportation planning process in addition to: improving transportation mobility; assuring a fiscally constrained plan. The RTP must now ensure that the regional transportation system addresses local, regional and statewide mobility and economic needs through the development of a *Sustainable Communities Strategy*.

#### How are we addressing these changes?

- Addressing revenues and expenditures (“follow the money”)
  - o Focus on system interconnectivity and operational efficiency
  - o Focus on livable communities

- Very limited funding on highway and roadway system expansion
- By developing a '*Preliminary Sustainable Communities Strategy (PSCS)*' our objective is to integrate the principles of the *Community 2050* Regional Blueprint; influence the AB32 greenhouse gas reduction targets for our area; model transportation and land use patterns under different development and investment scenarios and provide a transition to the new requirements.

### **What is Preliminary Sustainable Communities Strategy?**

The *Preliminary Sustainable Communities Strategy (PSCS)* is meant to identify a preferred way to accommodate anticipated growth in the region. As part of the process, several land use scenarios are considered to demonstrate how differing patterns of growth impact the region's resources, particularly the transportation system. Land use and traffic modeling tools are utilized to estimate these different impacts and help demonstrate to elected officials and the public how different ways to grow will impact our region's transportation system in the future.

#### How was it developed?

- The *Community 2050 Regional Growth Strategy*, developed over several years of public input, was used as a starting point to identify target growth areas within each city and urban areas within the County consistent with the strategic growth principles identified in *Community 2050*. SLOCOG staff worked with planning staff from member jurisdictions in order to share general plan and zoning data and assure that land use assumptions were appropriate and consistent with each community's General Plan. Land use modeling software was used to allocate future growth and produce statistical data that is used in the traffic model. Staff also updated and continued to improve the specificity of the Regional Traffic Model to produce results that are then used to calculate greenhouse gas generation levels using software that is provided by the Air Resources Board.
- The preliminary results were reviewed by a Working Team (comprised of staff from SLOCOG, the County Air Pollution Control District (APCD), Local Agency Formation Commission (LAFCO) and member jurisdictions) to help shape the development of land use alternative scenarios as part of the *Preliminary Sustainable Communities Strategy*.
- A Joint Policy Committee (comprised of two SLOCOG Board members, one board member each from APCD, LAFCO, the County, and one of the seven cities) was formed to provide guidance for the process of developing the *Preliminary Sustainable Communities Strategy*.

#### How much growth is anticipated in the region by 2035?

The long-range population and employment forecast for the region completed in 2006 by Economic Research Associates for SLOCOG was updated in May 2009 to reflect the changing economic conditions. The region's population is estimated to increase by about 61,000 people by 2035, from 269,300 in 2008 to 330,800 in 2035. This is a moderate population growth rate of less than 1 percent per year. It is projected that the region will need 26,000 new housing units to accommodate this population growth. The region is anticipated to add 35,100 jobs to the region's work force, from 103,000 jobs in 2008 to 138,100 in 2035, an increase of about 1 percent per year over the next 25 years.

#### What scenarios were developed for 2035?

Four scenarios were developed as part of the *PSCS* process. The Joint Policy Committee supported Scenario 2 as the "recommended scenario" for adoption. Scenarios 3 and 4 evaluated further intensification and were not considered to be realistic or achievable for growth in the region and were rejected. Scenarios 1 and 2 are briefly described below.

*Scenario 1* assumes a future development pattern that follows the trends of the recent past, which is a low density development pattern throughout the region. Generally, new development has occurred in an outward growth pattern, with limited reinvestment in existing commercial corridors. This scenario also assumes development in the rural unincorporated area continues at its present pace.

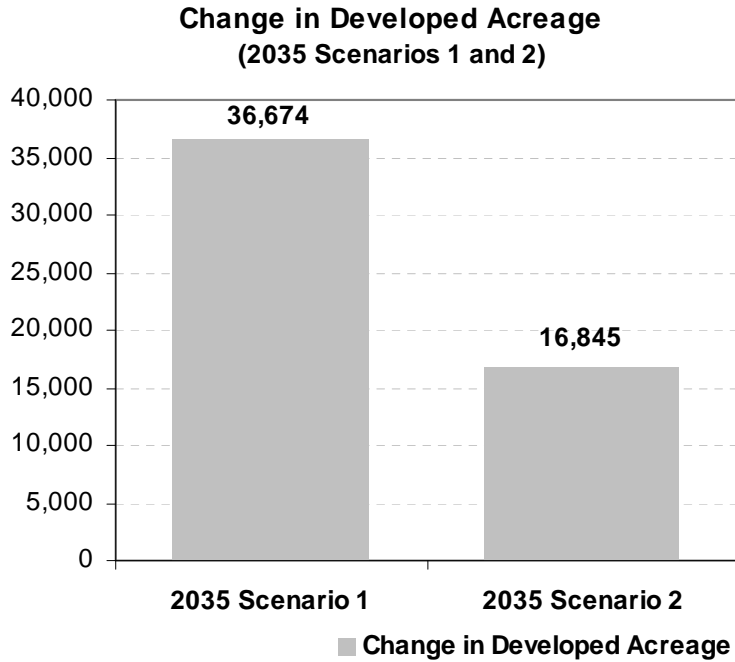
*Scenario 2* assumes intensification within the Target Development Areas, which are the existing commercial corridors and nodes throughout the county. Twenty percent of new residential units are accommodated in mixed-use development along these commercial corridors. The scenario also assumes some reduction in the scale of proposed land use projects that are outside county communities and city spheres of influence. This scenario assumes development continues to occur in the rural unincorporated area to a lesser degree than in Scenario 1.

### **Land Use Model Indicators**

The land use modeling process produces a set of land use indicators, including residential density, housing mix, and change in developed acres. An abbreviated set of land use modeling results are presented here.

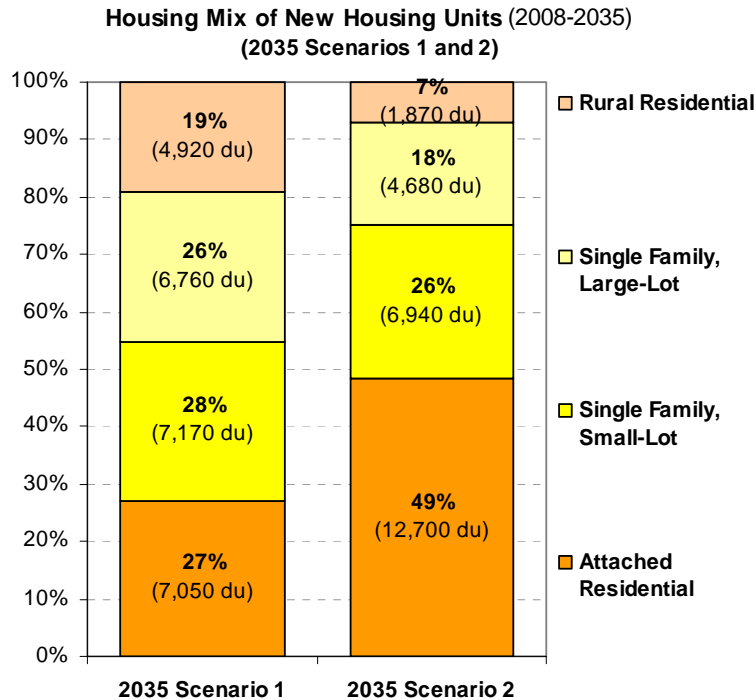
**Figure 1 – Change in Developed Acres**

About half as many acres are converted from non-urban land into built or urbanized land in Scenario 2 as opposed to Scenario 1.



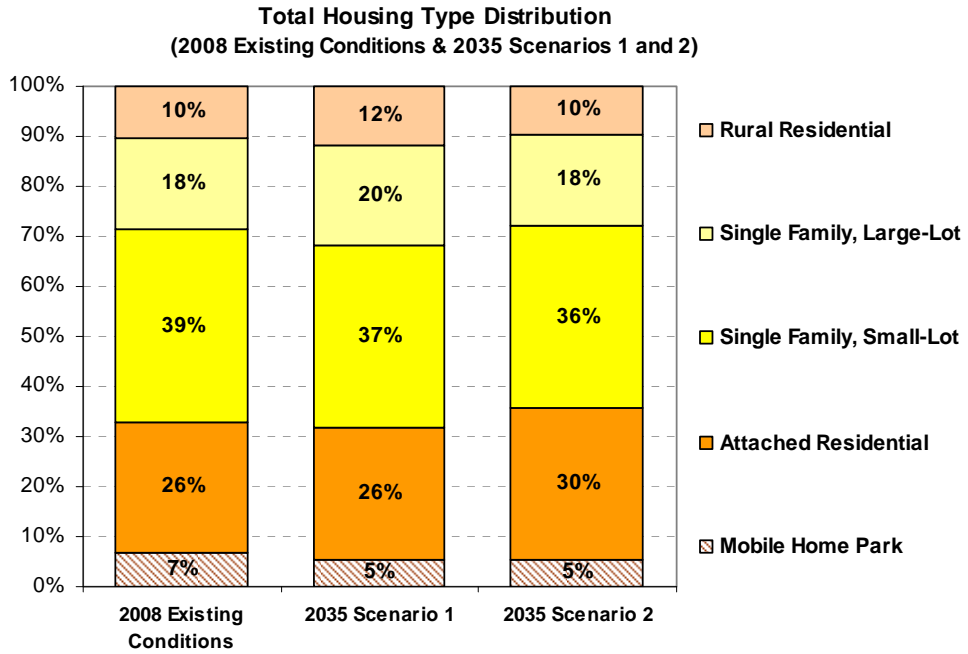
**Figure 2 – Mix of Units by Type**

Scenario 2 represents the most “reasonably anticipated” alternative. Over the planning horizon of the RTP it would reduce the amount of rural development from the current “business-as-usual” projection of 19% of total new development to 7%. Attached units would be increased from 27% to 49% of the total representing a major shift from current practices.



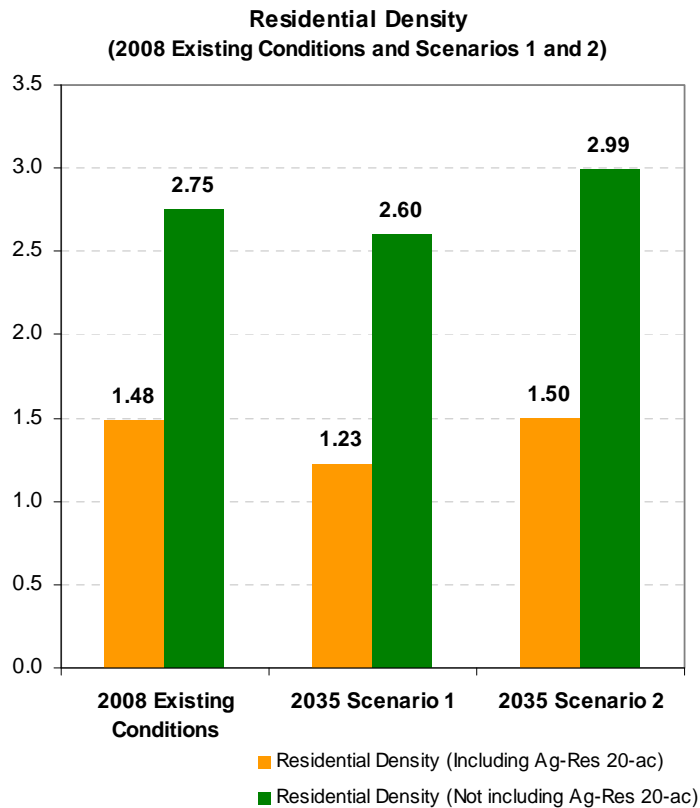
**Figure 3 – Distribution by Unit Type**

Due to the relatively slow pace of development and the existing inventory of housing units, there was little variation in the overall distribution of unit types.



**Figure 4 – Residential Density**

This chart compares the relative densities examined in each scenario. Due to the large agricultural areas in the county, residential density is calculated two different ways. The darker-colored bars on the chart show the regional average residential density without including agricultural properties with residential units.



**Traffic Model Indicators**

What indicators are used from the Regional Traffic Model?

Preliminary results for the following indicators were generated to compare 2008 results with future land use scenarios:

1. Vehicle Miles of Travel (VMT),
2. Vehicle Hours of Travel, and
3. CO2 emissions (as well as per capita results for each indicator)

**Figure 5**

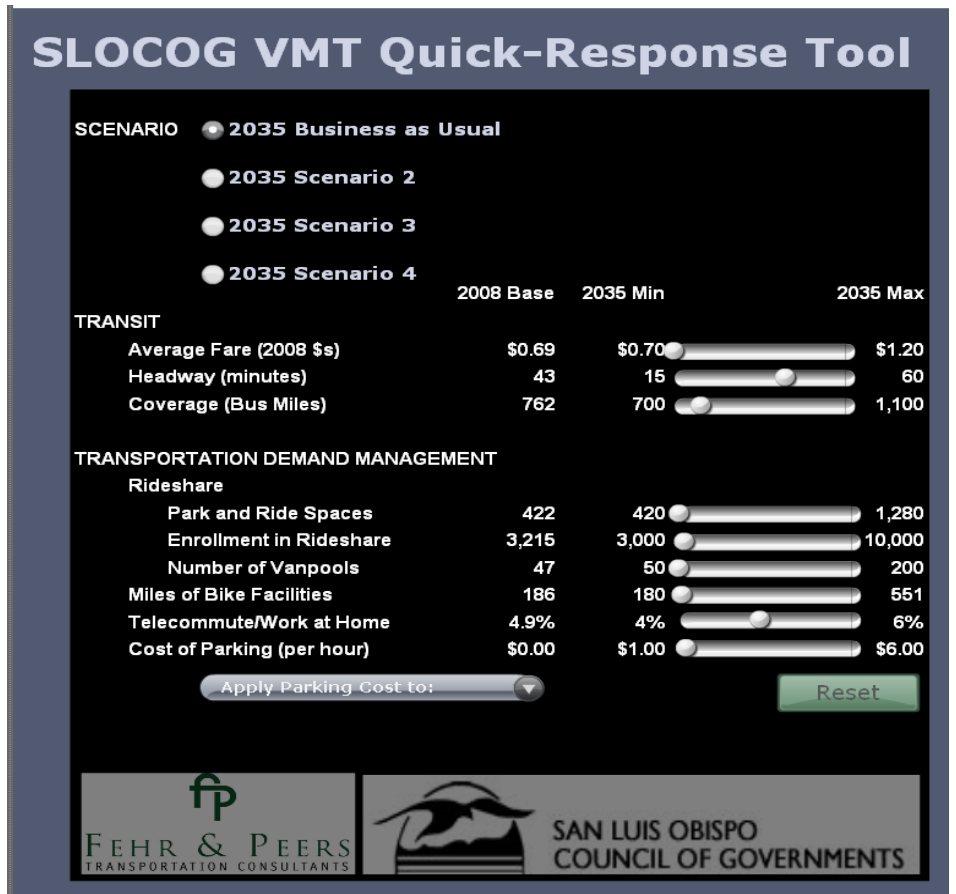
The Regional Traffic Model is limited in its abilities in a number of areas, but improvements have been made to account for benefits of Destination (land-use), Design, Density, and Diversity – commonly referred to as the 4'Ds'.

Additionally, a new tool that is connected to the regional traffic model has been created to reflect changes to VMT due to investments in:

- Transit,
- Ridesharing,
- Vanpools,
- Park and Ride lots, and
- other Transportation Demand Management elements

as shown in Figure 5.

This allows our existing model to help evaluate the impacts to the transportation network that are not easily modeled.



How will the PSCS affect my jurisdiction?

The short answer is - probably not much. Each jurisdiction's general plan will continue as it is – under the control and direction of the respective governing boards of each jurisdiction.

The PSCS will help shape SLOCOG's 2010 RTP and decisions regarding transportation funding allocations by placing a higher priority on projects that serve the Target Development Areas (i.e. the commercial and multifamily areas of each community) and less emphasis on the outlying fringe areas. The intermodal emphasis (maintaining an interconnected and balanced transportation network) of the RTP will remain.

Limited funding will likely have a much greater impact on our ability to maintain service levels. The plan will likely be increasing the transportation demand and management efforts as a means to help reduce demand and system capacity in the most efficient and cost effective manner. Little to no funding is projected for system expansion. We also believe that the emphasis on investments in the existing commercial and multifamily areas is the best economic strategy that will help improve and maintain our communities as well as provide better services for or residents and visitors.

## Next Steps (Post 2010 RTP)

### How will the 2012+ SCS affect my community?

The more fully developed SCS that will be developed following the establishment of ARB GHG reduction targets that will become effective at the end of the year. The SCS will be developed through a process that requires a new series of countywide meetings that will take a look at how we have been able to integrate the PSCS elements into our transportation planning process and how the various jurisdictions are seeing their respective futures in light of a more thorough analysis of housing demand. Integration of long term housing demand will likely have the greatest impact in the subsequent SB 375 compliant RTP for SLOCOG and its member agencies.

Under SB 375 SLOCOG is required to prepare an SCS as part of the RTP addressing the following areas:

- Identification of general land uses, residential densities, and building intensities within the region.
- The SCS shall set forth a forecasted development pattern for the region, which, when integrated with the transportation network, and other transportation measures and policies, will reduce the regional greenhouse gas emissions from automobiles and light trucks to achieve, if feasible, the regional greenhouse gas emissions reduction targets approved by the California Air Resources Board.
- In addition the SCS must identify areas within the region sufficient to house all of the current and projected population of the region, including all economic segments, over the course of the planning period of the Regional Transportation Plan. "All economic segments" means the extremely low, very low, low, moderate, and above moderate income categories, as those categories are defined and used for purposes of the region's Regional Housing Needs Assessment pursuant to Section 65584 of the Government Code. "Areas sufficient to house" could mean an aggregate number of acres designated at densities consistent with Section 65583.2(c)(3)(b) of the Government Code to accommodate the housing needs of very low and low income households.
- SB 375 and the new CTC guidelines mandate the programming of revenues to further advance the adopted SCS.
- In projecting future housing needs, SLOCOG must take into account net migration into the region, population growth, household formation, and employment growth. The SCS is required to identify areas within SLOCOG's boundary sufficient to house the projection of the Regional Housing Needs Allocation (RHNA) as established pursuant to Housing Element Law (Government Code 65584) and in consultation with the California Department of Housing and Community Development (HCD).
- The allocation of the region's housing needs must be consistent with the development pattern contained within the SCS (Government Code Section 65584.01 (i) (1)). State housing goals as specified in Government Code sections 65580 and 65581 must be considered in the SCS.

### What happens if we don't proceed?

If SLOCOG does not adequately address the requirements of SB375 transportation funding will be withheld.

In addition, SB 375 requires that future voter initiatives for transportation funding will need to demonstrate that the proposed projects are consistent with the SCS. SLOCOG would be unable to proceed with a legally defensible local option supplemental funding program without an RTP that is SB 375-compliant.